

- Eighty-nine percent of **New Jersey's** \$92.3 million in individual campaign contributions (\$200+) in the 2000 and 2002 election cycles come from majority non-Hispanic white neighborhoods, home to 78% of the state's population. The state is home to Newark and Bergen-Passaic, two of the country's top contributing metropolitan areas (both bedroom suburbs of New York City). Nearly 70% of the state population is non-Hispanic white. Three-fourths of the contributions come from wealthy neighborhoods, although just one-third of the state's population lives in these neighborhoods. Meanwhile, about two percent of contributions come from poor neighborhoods, home to four percent of the state's population.

TOP CONTRIBUTING METROPOLITAN AREAS

- More than half—\$1.1 billion—of the individual campaign contributions (\$200+) made to federal campaigns in the 2000 and 2002 elections come from just twenty-five metropolitan areas. The campaign money flows disproportionately from non-Hispanic white and wealthy neighborhoods.

- **New York City**, where much of the nation's financial industry is centered, tops the list for contributions, with \$155.7 million (\$200+) contributed by individuals to federal campaigns in the 2002 and 2000 elections. People of color make up more than half of the population. But 93% of contributions come from non-Hispanic white zip codes, where just half of the metropolitan area's population lives. More than 84% of contributions come from wealthy neighborhoods, although just 19% of the metropolitan area's population lives in them. Just two percent of contributions come from poor neighborhoods, although 28% of the metropolitan area's population lives in these communities.

- The nation's capital, **Washington, DC-MD-VA-WV**, home to thousands of lobbyists, ranks second for contributions with \$141.8 million in individual contributions (\$200+) to federal campaigns 2000 and 2002 election cycles. One out of four of the metropolitan area's residents is African American, and another 17% are Latino, Asian, or other racial/ethnic minorities. However, 85% of the metropolitan area's contributions come from majority non-Hispanic white neighborhoods, home to 67% of the metropolitan area's population. Seventy percent comes from wealthy neighborhoods, where 44% of the metropolitan area's population lives. Poor neighborhoods supply just under three percent of the contributions.

- **Los Angeles-Long Beach**, the epicenter of the entertainment industry, is the third top contributing metropolitan area, with \$101.7 million in individual contributions (\$200+) to federal campaigns in the 2000 and 2002 election cycles. Sixty-five percent of Los Angeles' adult residents are people of color, 40% of whom are Hispanic. Yet 85% of contributions come from majority non-

Hispanic white neighborhoods, home to 32% of the population. Wealthy neighborhoods donate 64% of the contributions, although just 16% of the metropolitan area's population lives in them.

- **Chicago**, home of the commodity markets, is the fourth top contributing metropolitan area, with \$80.2 million in individual contributions (\$200+) to federal campaigns in the 2000 and 2002 election cycles. Ninety-three percent of the money comes from majority non-Hispanic white neighborhoods, home to 66% of the metropolitan area's population. People of color account for nearly 40% of the metropolitan area's population. Seventy-eight percent of the contributions comes from wealthy neighborhoods, although just one out of four Chicagoans lives in them. Only two percent of contributions come from poor neighborhoods, home to nine percent of the metropolitan area's population.

- **San Francisco** is the fifth top contributing metropolitan area, with \$51.5 million in individual contributions (\$200+) to federal campaigns in the 2000 and 2002 election cycles. Nearly one out of two San Franciscans is a person of color. Nevertheless, 82% of the contributions come from majority non-Hispanic white neighborhoods, home to 57% of the metropolitan area's population. Wealthy neighborhoods supply 81% of the contributions, while 61% of the metropolitan area's population lives in them.

TOP CONTRIBUTING ZIP CODES

- The neighborhoods providing the most campaign cash are among the most exclusive nationwide—and are all predominantly non-Hispanic white and wealthy. Unsurprisingly, all of these zip codes are in metropolitan areas that are on the top contributing metro area list.

- On the Upper East Side of Manhattan, where top zip codes **10021** (#1, \$28.4 million), **10022** (#2, \$15.1 million), and **10028** (#7, \$8.8 million) are located, family-sized apartments often sell for \$10 million.² Dwellers have the Guggenheim Museum as a neighbor, and shopping at Bloomingdale's, Calvin Klein, and Versace, is all near by. Between 86% and 88% of the population is non-Hispanic white and nearly 40% of households enjoy incomes of at least \$100,000. Big contributors from these zip codes include Republican donor Henry Kravis of Kohlberg Kravis Roberts, a firm well known for leveraged buyouts in the 1980s and Democratic donor Bernard Schwartz, CEO of satellite communications company Loral Corporation.

- Lincoln Park (**60614**, #3, \$12.7 million), in Chicago, is an upscale lakeside neighborhood, home to many of the city's most popular restaurants. Eighty-six percent of the population is non-Hispanic white, 35% of the households enjoy incomes of \$100,000 or more. Big donors from the zip code

include Democratic donor Fred Eychaner, president of Newsweb Corporation.

- In Los Angeles, the famous zip code of Beverly Hills, **90210** (#10, \$8 million), where 85% of the population is non-Hispanic white and 55% of households enjoy incomes of \$100,000 or more, makes the list. So does **90024** (#4, \$11.9 million), in Westwood. Sixty percent of the population is non-Hispanic white, and one out of four households has incomes of \$100,000 or more. (The zip code also includes parts of the UCLA campus, and it is likely the student population accounts for the somewhat increased diversity and lower income level in this zip code.) Century City, **90067** (#5, \$11.2 million), is home to the posh Century Plaza Hotel. Eighty-five percent of the population is non-Hispanic white, and 40% of households have incomes of \$100,000 or more. Big contributors from these zip codes include Universal Studios patriarch and the late Democratic donor Lew R. Wasserman (90210)³ and Gerald Parsky (90024), president of Aurora Capital Partners and key operative for President George W. Bush's campaign in California.

- In Washington, DC, **20007** (#8, \$8.4 million) is in the exclusive northwest quadrant of the city. It includes sections of Georgetown with its tony boutiques and posh restaurants, one of the most expensive neighborhoods in the city. Eighty-three percent of the population is non-Hispanic white, and nearly 40% of households have incomes of \$100,000 or greater.

- Palm Beach, Florida, **33480** (#9, \$8.4 million), is oceanside and boasts expensive hotels such as The Four Seasons and Hilton. Ninety-five percent of the population is non-Hispanic white, and 45% of households have incomes of \$100,000 or more. Wealthy contributors include Republican donor Robert Rich, Sr., founder of Rich Products Corporation, which produces a wide range of processed food items.

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POLITICAL INEQUALITY AND CAMPAIGN FINANCE

When large groups of Americans are effectively excluded from our political process, then the very core values of our democracy are threatened. Because money has become the currency of our elections, determining who runs and who wins, those who don't have cash are not able to participate equally. The value of traditional grassroots activities, such as organizing a potluck dinner, or going door-to-door to get people out to vote, is severely diminished, despite the importance of these activities and how they demonstrate popular support. The politician who raises the most money wins more often than not, not the one who has the most volunteers.

Many years of systemic racial discrimination in this country have resulted in severe inequities in the distribution of wealth among people of color. African American and Latino communities on the whole are far less likely to have access to wealth than the established white majority. The under-representation of these communities in a money-driven political system excludes them from full democratic participation in two major ways. They are not able to help, in as significant a way, their candidates of choice run and win, since money has become an increasingly far more important kind of "help" in campaigns than stuffing envelopes or putting up lawn signs. Second, incumbent lawmakers pay less attention to non-contributors than they might under a different system, because they hold no promise of financial support for the next election.

This not only belies the American promise of political equality inherent in the Supreme Court's phrase "one person, one vote," but also has direct consequences that affect people's lives.

MONEY MATTERS

In the 2002 elections, House candidates who outspent their opponents won 94% of the time. Even in open-seat races, in which no candidate had an incumbent advantage, the top spender won 79% of the time in House races, according to the Center for Responsive Politics (CRP).⁴ Spending, in fact, is rarely even close. In two-thirds of House races in 2002, winning candidates outspent losing candidates by a factor of 10 to 1 or more.⁵ Furthermore, the amount of money required to succeed is enormous. In 2002, Senate candidates spent an average of \$4.8 million, and House candidates, nearly \$900,000.⁶

Where does all this campaign money come from? The majority of campaign contributions come from the wealthiest Americans. Less than one-tenth of one percent of the U.S. population gave 83% of all campaign contributions of more than \$200 in the 2002 elections, according to CRP.⁷ A 1998 survey of Congressional donors by a group of academics funded by the Joyce Foundation found that nine out of ten donors identify themselves as white and that eight out of ten have household incomes of \$100,000 or more.⁸

This elite group of campaign donors is hardly a representative sample of America. Latinos, African Americans, and Asian Pacific Americans and other races/ethnicities other than non-Hispanic white make up 28% of the adult population. That means that nearly one out of three Americans is a member of a racial or ethnic minority.

METROPOLITAN AREA MAPS