

says Edward Miller of the Poynter Institute. "Voter turnout in Mecklenburg County (metro Charlotte) was spectacular—up 32 percent (59,000 voters) over the previous record."³³

Miller's claim isn't fully supported by records from the State Board of Elections. Total turnout in Mecklenburg County in the 1992 presidential election was up 27.7 percent (49,567 voters) from the 1988 election, according to state records. That was better than the statewide voter turnout, which was up 22.4 percent from 1988 to 1992. But Mecklenburg's turnout did not increase as much as some other counties. For instance, voter turnout in Wake County was up 44.6 percent from 1988 to 1992. Looked at another way, 70.0 percent of Mecklenburg County's registered voters participated in 1992 election, compared with 68.4 percent of the registered voters statewide and 74.6 percent of the registered voters in Wake County.

An unexpected result of the *Observer's* civic journalism project, Thames says, is that the paper got a lot fewer criticisms from readers about its coverage during the 1992 campaign than it did in the 1990 race. "In 1992, the criticisms dropped practi-

cally to zero," he says. "We got a lot of calls and letters saying, 'We do appreciate your emphasis on the issues.'"

But aren't newspapers supposed to rile people up? "Sometimes you need to do that," Thames says. "On the other hand, you can't afford to hide behind that. Maybe we ought to do a better job of listening and determining how we might better do our jobs."

Meanwhile, the *Observer's* editors were so pleased with their 1992 election coverage that they have expanded their use of civic journalism techniques. In 1993, they used surveys and focus groups to identify the public's key concerns among the issues facing the N.C. General Assembly. And in 1994, the paper began a series of reports focusing on crime—one of the key concerns identified in their polls and interviews—while trying to organize local solutions to the problem.³⁴ (See p. 81.)

Civic journalism also is catching on at other North Carolina newspapers—even at papers like *The News & Observer*, that are wary of using opinion polls to dictate coverage. The Raleigh paper has run regular ad-watches examining candidates' TV

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Newspapers Track Campaign Contributions

Negative advertising and the news media aren't the only culprits blamed for increasing public disillusionment with the political process. Many observers say the current cynicism and apathy dates back to the Watergate scandal that tumbled the presidency of Richard M. Nixon in 1974.

Now, some North Carolina newspapers are using one of the key Watergate-inspired reforms—federal and state laws requiring the disclosure of campaign contributions—to improve their political coverage.¹ *The Charlotte Observer* has used campaign finance reports to compile 10 years of data on contributions collected by state legislators. In Raleigh, *The News & Observer* has used such information to track campaign contributions to candidates for all statewide political offices, including the Governor's office, legislative leadership posts, Council of State positions, and Congressional seats.

Such analyses have been made possible by two factors: (1) the existence of public records

showing the amount and sources of campaign contributions; and (2) the increasing availability of computers to compile, sort, and analyze those records.

"Before we had the campaign finance laws, we weren't likely to ever find out who the contributors were to political campaigns," says Van Denton, an editor for *The News & Observer*. "Now, with the computer, we've got a tool that allows us to analyze contributions. We finally have a way to look at the role of money in politics. It can be done now, whereas before it was almost an impossible job."

The Role of Campaign Finance Laws

Current federal and state campaign finance laws are an outgrowth of the Watergate scandal. Investigations by Congress and the news media revealed that wealthy donors had contributed millions of dollars under questionable circum-

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stances to President Nixon's 1972 re-election campaign. Such problems helped prompt Congress to enact the Federal Elections Campaign Act of 1971 and to amend the law in 1974.² The act had four main goals: (1) to monitor the flow of money into and out of national campaigns; (2) to limit individual contributions to candidates; (3) to provide federal financing to presidential candidates; and (4) to limit spending by candidates who accept federal funding for their campaigns.³

In North Carolina, the Watergate scandal helped spur legislators to enact the state Campaign Reporting Act in April 1974.⁴ The law sets limits on the amount of money that contributors can give to political campaigns and requires candidates to file reports summarizing their campaign contributions. These reports must include the amounts and sources of all campaign contributions totaling more than \$100.

Candidates for public offices in North Carolina must file reports on four occasions: (1) no later than 10 days preceding the primary election; (2) no later than 10 days after the primary election; (3) no later than 10 days preceding the general election; and (4) an annual report by the last Friday in January following any year in which a candidate receives or spends campaign contributions.⁵

Compiling Campaign Finance Data a Laborious Process

State and federal campaign finance reports have provided a wealth of information for political reporters. But analyzing that information is no simple task. In order to make sense out of the data, newspaper reporters first have to compile the names and amounts of contributions from centralized records kept at the State Board of Elections. Then, the records must be entered into computer data bases. "If you totaled all the money we've punched in, it would be more than \$55 million from more than 250,000 contributors," says Denton of *The News & Observer*.

But that information in itself means little. "Ten years ago, when we first started this, reporting who was giving money to the legislature was news in itself—because no one had ever done

that before," says Jim Morrill, a staff writer for *The Charlotte Observer*. "Now, that isn't enough. . . . The hard thing to show is what difference that money makes. That's where the reporting comes into play."

One of newspapers' primary goals in analyzing campaign finance reports is to determine whether contributions influence politicians' votes on issues. To do that, reporters must identify contributors' occupations—which are not included on campaign finance reports.⁶ Reporters consult a number of sources to determine the occupations of contributors, including public libraries, professional directories, chambers of commerce, and candidates and contributors themselves. After all that information is compiled and sorted by computers, reporters then analyze that information for trends.

The Charlotte Observer has used its data on campaign contributions to reveal a number of important findings about the N.C. General Assembly since 1984, when it first began compiling campaign finance reports.⁷ For example, the newspaper reported in 1989 that the cost of running for the state legislator had nearly doubled from 1984 to 1988, with political action committees (PACs) accounting for an increasingly larger share of the costs.⁸ The *Observer* also has used its data bases to publish special reports every two years showing:

- Each legislator's total campaign contributions and expenditures, as well as the amounts collected from PACs and selected interest groups.

- The leading PACs in legislative contributions as well as the leading legislators in PAC money collected. (See example on p. 85.)

- Total legislative contributions by selected interest groups, such as banks, builders, health care firms, insurance companies, lawyers, manufacturers, and utilities.

While the *Observer* has focused its attention on the state legislature, *The News & Observer* has used its data base to look at statewide political campaigns, such as races for the Governor's office and the U.S. Senate. For example, the Raleigh paper reported in 1991 that U.S. Sen. Jesse Helms had raised \$17 million in the 1990 campaign, with more than two-thirds of that money coming from out-of-state contributors. In 1992, *The News & Observer* reported that

Who gets all the money?

Chart shows who received the most money from specific interest groups. Excludes loans or contributions from candidates to themselves.

Insurance	
HOUSE:	
Dan Blue, D-Wake	\$5,400
Joanne Bowie, R-Guilford	3,050
Liston Ramsey, D-Madison	2,700
SENATE:	
George Daniel, D-Caswell	12,175
David Parnell, D-Robeson	6,450
Marc Basnight, D-Dare	6,000

Health care	
HOUSE:	
Erin KuczmarSKI, D-Wake	\$21,617
Jim Black, D-Mecklenburg	17,325
Dan Blue, D-Wake	9,000
SENATE:	
George Daniel, D-Caswell	18,785
John Codrington, R-New Hanover	13,675
Jim Forrester, R-Gaston	10,200

Building	
HOUSE:	
Bob Hunter, D-McDowell	\$3,087
Connie Wilson, R-Mecklenburg	3,025
Ronnie Smith, D-Carteret	1,950
George Miller, D-Durham	1,950
SENATE:	
George Daniel, D-Caswell	7,700
Fountain Odum, D-Mecklenburg	4,250
Marc Basnight, D-Dare	4,250

Textiles	
HOUSE:	
David Miner, R-Wake	\$10,000
Lyons Gray, R-Forsyth	2,000
Joanne Bowie, R-Guilford	1,700
SENATE:	
George Daniel, D-Caswell	46,670
David Hoyle, D-Gaston	6,550
Fred Folger, D-Surry	1,750

Utilities	
HOUSE:	
Dan Blue, D-Wake	\$10,562
George Miller, D-Durham	7,400
David Redwine, D-Brunswick	6,250
SENATE:	
George Daniel, D-Caswell	20,200
Joe Johnson, D-Wake	7,500
Ollie Harris, D-Cleveland	7,450

Law	
HOUSE:	
Dan Blue, D-Wake	\$8,800
Jim Black, D-Mecklenburg	5,950
Brad Miller, D-Wake	5,720
SENATE:	
Leslie Winner, D-Mecklenburg	16,825
George Daniel, D-Caswell	14,450
Elaire Marshall, D-Harnett	7,471

Finance	
HOUSE:	
Dan Blue, D-Wake	\$11,975
Lyons Gray, R-Forsyth	7,500
Ronnie Smith, D-Carteret	5,200
SENATE:	
George Daniel, D-Caswell	37,342
Ed Warren, D-Pitt	8,916
David Hoyle, D-Gaston	4,350

Other manufacturing	
HOUSE:	
Robert Hunter, D-McDowell	\$5,908
Shawn Lemmond, R-Mecklenburg	5,600
Lyons Gray, R-Forsyth	3,050
SENATE:	
Charlie Albertson, D-Duplin	8,100
David Hoyle, D-Gaston	5,250
George Daniel, D-Caswell	4,546

SOURCE: Charlotte Observer analysis of campaign finance reports

The Charlotte Observer has used its computer analyses of campaign contributions to show which legislators have received the most contributions from selected interest groups.

Republican Gov. James G. Martin had received more than \$500,000 in campaign contributions from developers, builders, and real estate agents or their spouses since 1987.

"This isn't just a tool for the big stories," Denton says. "We can do that, but we try to use this [information] every day in our reporting."

Limitations in Campaign Finance Analyses

Despite the increased media attention on campaign finances, some problems limit the usefulness of the available information. One of these problems, as noted, is that campaign finance laws do not require candidates to list the occupations of contributors. The practical result of that omission is that it can be laborious, time-consuming, and expensive to compile and analyze the records. "It's a pretty painstaking process," says Morrill of *The Charlotte Observer*.

The omission of contributors' occupations also can cause gaps or inaccuracies in newspapers' analyses of campaign finance records. For example, the *Observer* typically is unable to determine the occupations of about 5 percent of the contributors listed in campaign reports. "One year, we identified everybody," Morrill says. "But usually we end up with a few stragglers." A related problem is that contributors can change jobs, thereby affecting the accuracy of analyses that relate campaign spending to various interest groups. To avoid such errors, the Charlotte and Raleigh newspapers periodically purge their databases and recheck the backgrounds of contributors.

Another problem is that reporters cannot analyze all of the campaign finance reports when the information would be most useful to voters. That's because candidates aren't required to file all of their campaign finance reports until *after* the elections. "You never have time to do this before the election," Morrill says. "We try to get cranked up right after the elections. It's a very labor-intensive effort."

But perhaps the most serious drawback is a loophole called "bundling," which can prevent the news media from identifying the sources of campaign contributions. With bundling, interest groups or corporations can avoid reporting re-

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Newspapers, continued

quirements by gathering together large numbers of individual contributions—each of which is less than \$100 and thus not required to be reported. “There are ways to get around the law,” Morrill says. “If they don’t put down names, you just don’t know.”

—Tom Mather

FOOTNOTES

¹ See Kim Kebschull, Marianne Kersey, and Ran Coble, *Campaign Disclosure Laws: An Analysis of Campaign Finance Disclosure in North Carolina and a Comparison of 50 State Campaign Reporting Laws*, North Carolina Center for Public Policy Research, 1990, pp. 3–13. Also see Ann McColl and Lori Ann Harris, *Public Financing of State Political Campaigns: How Well Does It Work?*, North Carolina Center for Public Policy Research, 1990, 79 pp.

² 2 U.S.C. 431 (1982 and 1988).

³ See John Aldrich, *et al.*, *American Government*, Houghton Mifflin Co., Boston, Mass., pp. 241–243.

⁴ N.C.G.S. 163-278.6 to 163-278.40E.

⁵ N.C.G.S. 163-278.9A.

⁶ In 1990, the N.C. Center for Public Policy Research recommended that the occupations of donors to candidates be included in the state’s campaign disclosure requirements. See Kebschull, *et al.*, note 1 above, pp. 46–49. The state Senate passed a bill (S.B. 1563) in 1994 that would have required candidates to list each contributor’s occupation, place of employment, and business mailing address on campaign finance reports, but the House did not pass the legislation.

⁷ *The Charlotte Observer* has published special reports on campaign finances every two years since 1985. The authors, titles, and dates of lead articles are: Ken Eudy, “In N.C. Legislative Campaigns, Money Speaks With Authority,” June 16–20, 1985, p. 1A; Jim Morrill and Tim Funk, “Interest Groups Cast Big Money Shadow,” April 5, 1987, p. 1A; Jim Morrill, “Lobbyists Escalate Arms Race,” April 9, 1989, p. 1A; Jim Morrill, “Contributions Pave Way for Access to Legislators,” May 5, 1991, p. 1A; and Jim Morrill and Ted Mellnik, “Price of Power,” June 13, 1993, p. 1A.

⁸ Also see Kim Kebschull Otten and Tom Mather, *The Cost of Running for the North Carolina Legislature*, North Carolina Center for Public Policy Research, 1993, 84 pp.

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ads. It has published a number of graphics focusing on candidates’ stances on particular issues. (See example on p. 82.) And, in special reports, it often tells readers how to contact reporters, editors, and public officials—by telephone and computer networks.

“You can call that civic journalism or not,” Guillory says. “We just call it good journalism. Civic journalism has some strengths, but it is not some magic potion. Traditional journalism has its strengths, but periodically it needs to be re-assessed.”

The News & Observer also is trying to become more responsive to its readers. For example, prior to the legislature’s special crime session in early 1994, the paper organized a focus group to find out citizens’ primary concerns. The paper also has expanded its opinion polls to include more frequent and comprehensive assessments of the public’s views on issues. But editors are quick to emphasize that *The News & Observer* is not using opinion polls to set the agenda for its news coverage.

“You’ve got to be in touch with your community,” says Mike Yopp, the paper’s deputy managing editor. “But you can’t just let that dictate your coverage, because obviously there are some things

going on that people don’t always know about. We still have to use the traditional tools of journalists.”

Editors at *The Charlotte Observer* agree that it would be a mistake to base news coverage solely on polls and other ways of gauging public opinion. They say they haven’t abandoned traditional reporting techniques, such as interviewing experts, examining government records, and relying on gut instincts. But they say civic journalism techniques have helped them cover the news better, while involving their readers more in the political process.

“If this approach were taken to its extreme, it would be wrong,” Thames says. “We didn’t throw our instincts out. That would be foolish. . . . The problem is that journalists have done a bad job covering the minimal amount needed for voters to make decisions. I believe that the people who read our newspaper, when they went to the ballot box on election day, knew what they needed to know. That’s what I’m most proud of.” □

FOOTNOTES

¹ See Neal R. Peirce, “Civic journalism’s ‘extra extra,’” *The News & Observer*, Raleigh, N.C., June 26, 1994, p. 16A.

² For further discussion of changing trends in news coverage, see Ferrel Guillory, “Customers or Citizens? The Redefining of Newspaper Readers,” and related articles, *North Carolina In-*