

Electoral Campaign Report

*The Role of Corporate and Union Funding in the 2010 Mayoral Race in the City of London,
Ontario*

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Introduction

On October 25, 2010, the City of London, Ontario underwent a municipal election in which the position of Mayor and all councilorships were open to public contention. Though there were certainly surprises in various Councillor races, what was most interesting was the uncharacteristically close nature of the mayoral race, particularly on the night of the election results announcement. At various points throughout the evening (and into the early morning), various media pundits were suggesting either Joe Fontana or Anne-Marie DeCicco-Best (the incumbent) had in fact won the Mayoral race. After the ‘horse-race’ portion of the evening had finished, however, it was revealed that Joe Fontana had won the position of Mayor, though by only 2,537 votes.

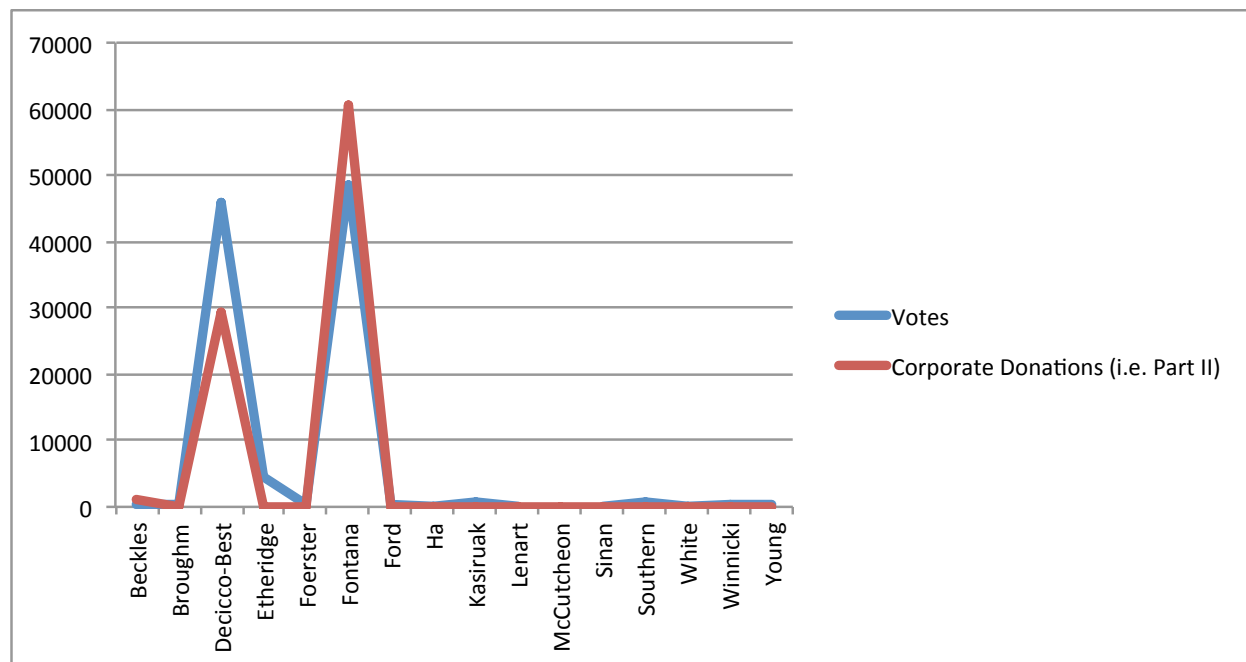
Aim of Report

The aim of this report is to understand the degree to which corporate donations both make up a candidate’s revenue basis, as well as understanding to what extent corporate donations are correlated with electoral success. Specifically, this report will focus on corporate donations to the candidates for Mayor of the City of London, during the 2010 Election.

Source of information

This report is grateful to the City of London website, which has been a phenomenal resource for revealing transparent financial records of the mayoral candidates during the campaign period. What is needed, however, is online access to comparably intimate and exhaustive levels of data from earlier electoral periods (i.e. 2003, 2006, etc.) so as to allow comparison of the factors under analysis between different electoral periods.

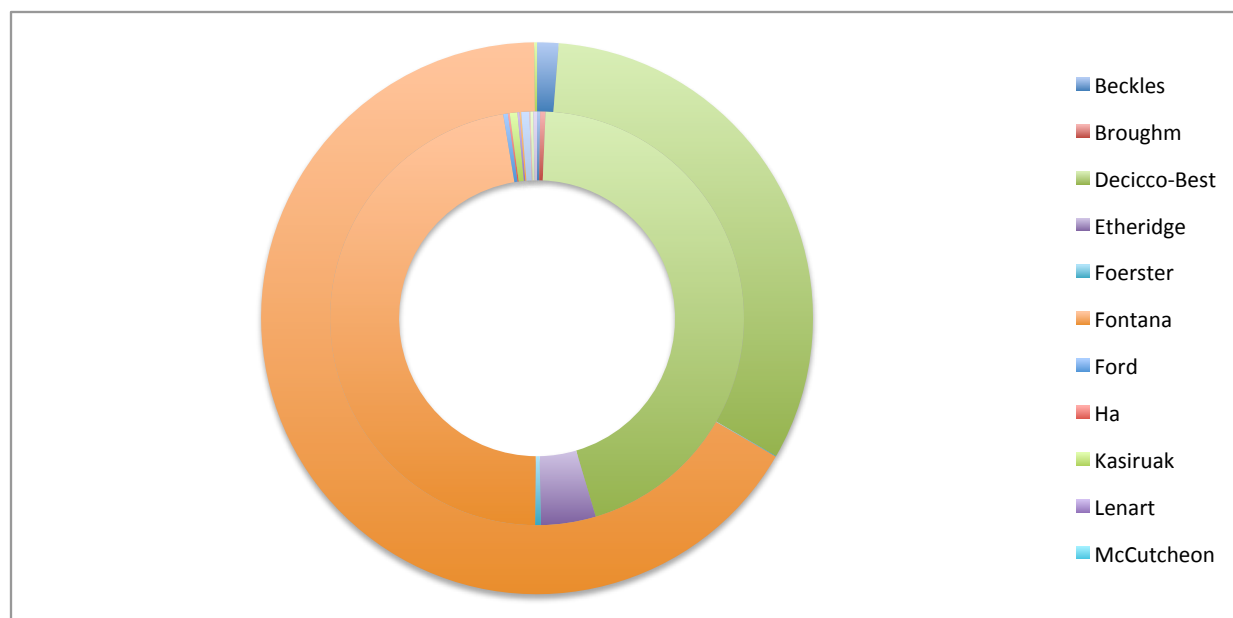
Chart 1- Electoral Success versus Corporate Donations



As this table demonstrates, there is in fact a clear linkage between the degree of corporate donations and the success of a given mayoral campaign. What is clear from this table is that there existed two candidates in the 2010 Election who were earnest in their fundraising efforts, and this quite clearly manifested in their electoral success as revealed on October 25, 2010. The corporate donations that this table shows is actually the raw figure of donations from corporations or unions (as outlined in the Part II guidelines of the candidate post-election financial reports). These corporations can include both private and public corporations (such as Tim Horton's), and contributions from union organizations most overwhelmingly came from the Local branches of the main union organizations. Given that we are now aware Joe Fontana was the victor in the 2010 Election (with 48,626 votes), we can declare with some conclusiveness that donations from corporate and union organizations (of which Fontana received \$60,580) does

in fact correlate with electoral success. Likewise, the runner-up to the election, Anne-Marie DeCicco-Best (with 46,089 votes), was the second-most successful candidate, and she too had the second-highest amount of corporation fundraising monies (\$29,225). Therefore, it appears that an early conclusion might suggest corporate donations are positively correlated with electoral success. This does not, however, imply direct causation, and this issue will be addressed in the 'Conclusion' section of this report.

Table II- Total Share of Corporate Contributions vs. Total Share of Electoral Votes



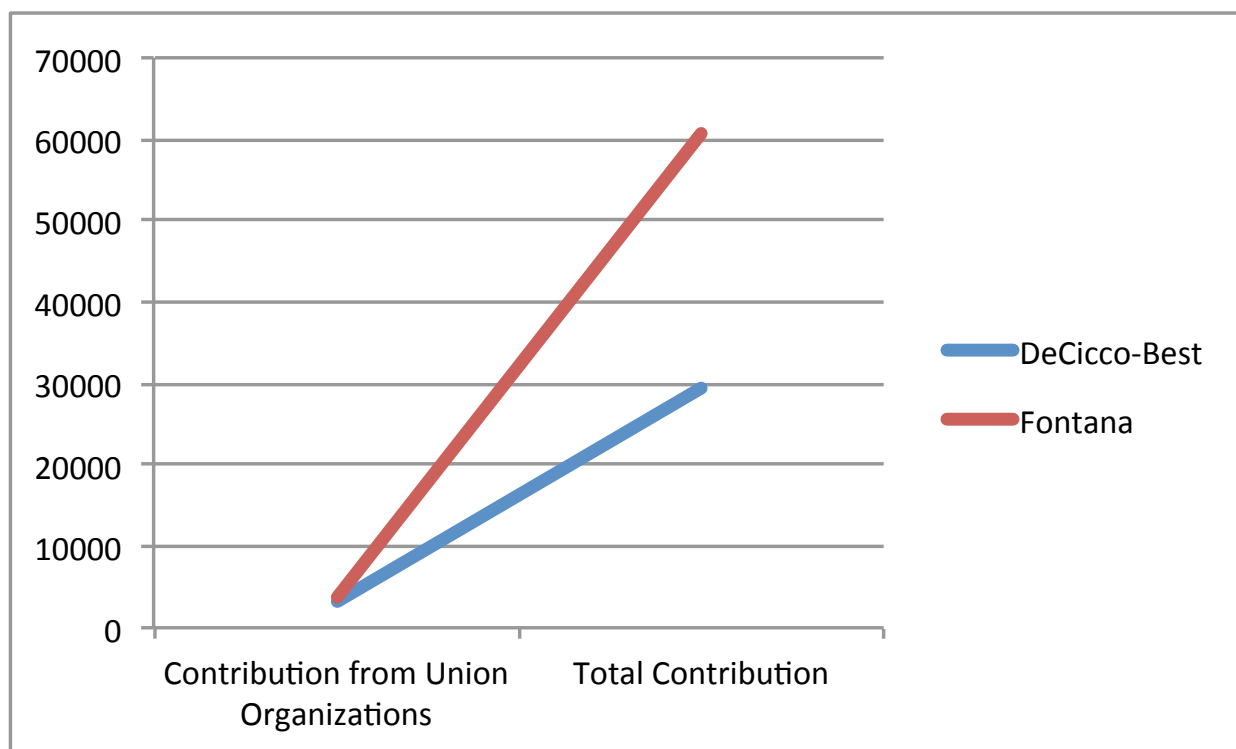
The table above reinforces the positive correlation between corporate and union donations and the electoral victory in the 2010 Election. The outer ring of the pie chart represents the amount of funds received from corporations/unions, while the inner ring represents the corresponding electoral success. Quite evidently, large abundance of corporate/union donations are reflective of high degrees of electoral success. What is noteworthy from this revealing chart, however, is the fact that Joe Fontana managed to accrue more corporate/union donations that

voters; in other words, Fontana raised more than \$1 to garner a single vote.¹ On the other hand, DeCicco-Best received fewer corporate donations, but performed better in the election (when compared to her lower Part II donations); against Fontana's \$1.25, DeCicco-Best only had to raise 63 cents per vote. Though this is an interesting calculation, it is ultimately moot-- just because a candidate raises less corporate donations than 'necessary' (i.e. it may be said that Fontana 'over-fundraised') that does not mean that electoral success is guaranteed.² Further, we cannot say that Fontana 'over-fundraised' and DeCicco-Best fundraised more appropriately, when the electoral results would demonstrate the opposite. What is clear, however, is that funds raised from corporations/unions are positively correlated with electoral success. Given that the preceding two charts have demonstrate a high degree of linkage between corporate/union donations and electoral success, is it safe to suggest that corporate/union donations *cause* electoral success? This report would suggest that this is a naive assumption, though this will be addressed properly in the conclusion.

¹ Fontana actually spent \$1.25 per each vote obtained in the election

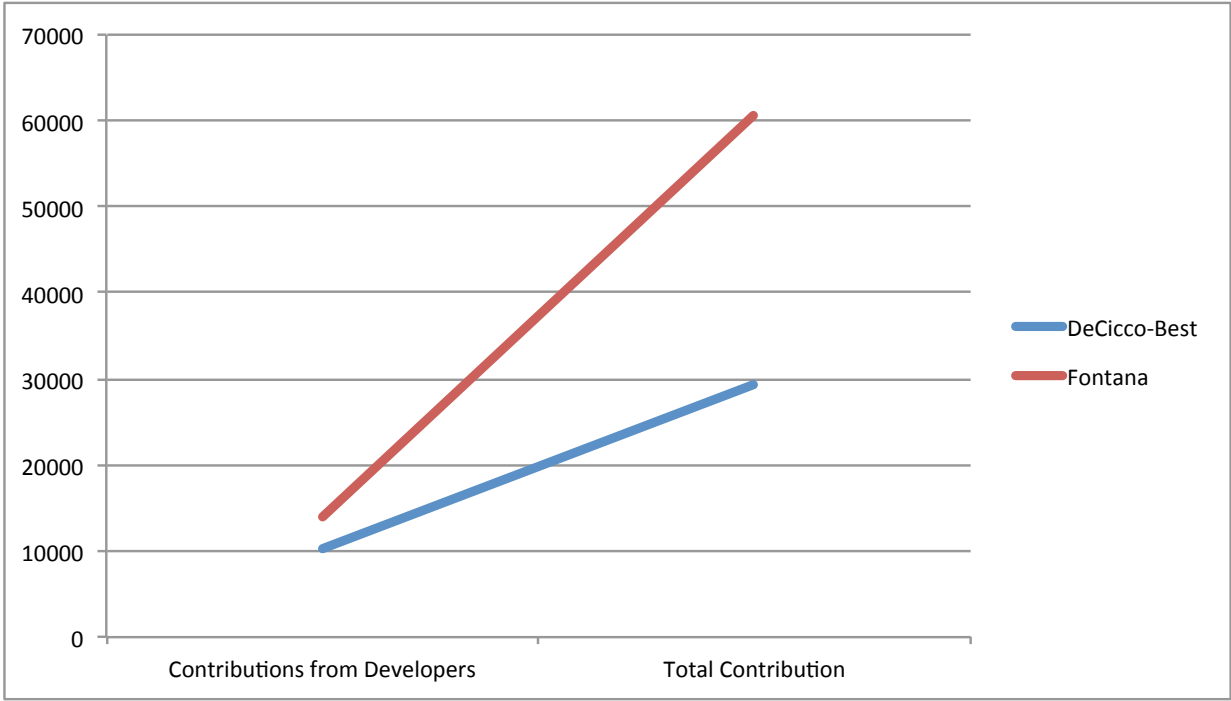
² For example, candidate Stephen Beckles received \$1144.95 for catering, which means he raised over \$4.50 per vote

Chart III- Union Organization Donations as Portion of Total Contribution



The above chart demonstrates the degree to which contributions from union organizations represent the total contribution from Part II organizations (corporations and unions). As shown, union organizations played a larger part in DeCicco-Best's campaign fundraising results than Fontana. In total, union organizations contributed approximately 11% of DeCicco-Best's Part II fundraising receipts, though the raw amount of union-related fundraising did not surpass Fontana. While DeCicco-Best raised \$3,200 from unions, Fontana raised \$3,750, though this only comprised roughly 6% of his Part II contributions. Therefore, DeCicco-Best spent a greater portion of her fundraising efforts targeting unions (or unions were more receptive to DeCicco-Best's campaign or platform), while the opposite was true for Fontana (or unions were more averse to Fontana's platform, which this report might suggest was the case, given his moderately centrist ideological alignment).

Chart IV- Contributions from Developers as Portion of Total Contribution



This final chart demonstrates the degree to which contributions from developers, or organizations that can be understood to have considerable interests in the profitability and/or political influence of developers (i.e. construction firms), can be said to be essential to Part II fundraising for the most successful mayoral candidates. From the chart, developers and related organizations comprise, proportionally, a higher degree of salience in DeCicco-Best’s campaign than Fontana’s. For DeCicco-Best, developers and related organizations totaled \$10,250, or 35% of her Part II fundraising. For Fontana, the case was similar to union organizations, when compared to DeCicco-Best: Fontana raised more from developers (\$13,900), though this comprised just under 23% of his Part II fundraising amount. Clearly, developers and developer-

related organizations were large sources of fundraising for both major mayoral candidates, though the prioritization/favorability of DeCicco-Best with respect to developers was more significant than Fontana (even though Fontana emerged victorious).

Conclusion

This report has demonstrated that the success of a mayoral campaign in the City of London and, presumably, more broadly, can be linked the ability to generate significant fundraising revenues from corporations and union-related organizations. Current Mayor Joe Fontana and previous Mayor Anne-Marie DeCicco-Best were the two leading candidates in the final electoral results, and this translated into the two highest figures for corporate and union-related fundraising efforts. Fontana was able to generate, by far, the highest figure of Part II donations, eclipsing DeCicco-Best's figure two times. However, Fontana's electoral victory over DeCicco-Best was not proportional to this discrepancy in fundraising figures, thus suggesting that the raw fundraising amount is not proportional to electoral success, on a vote-by-vote basis. Nevertheless, it can be ascertained that the highest degree of electoral victory is linked to the highest degree of corporate/union fundraising. However, as political scientists, the question must now shift to issues of causation: is Part II fundraising directly responsible for electoral success?

Quite clearly, the answer is no. By simply approaching organizations and private/public corporations, the respective mayoral candidate is not searching for votes. Instead, this candidate approaches organizations for the *resources* and *means* by which to garner and search for votes. Thus, Part II fundraising does not provide votes, but instead allows individual candidates to advance their campaign and reach as many targeted voters as possible with as strong a campaign

as possible. Candidates who are serious about achieving significant electoral returns must be appropriately serious about evangelizing their message and targeting voters. It is the donations from corporations and union organizations that ensure candidates are capable of producing signs, staffing an adequately-sized campaign team, and running a campaign that is not limited by monetary means. Therefore, this report has shown that although fundraising from corporations and union organization is linked to success, it is not the direct cause of success; instead, what the candidate does with the fundraised money and how they apply it to their campaign is where the real causation can be said to occur. Nevertheless, Part II fundraising quite clearly remains a crucial support base for successful mayoral campaigns.

This report has also outlined some interesting findings from the sub-groups represented within the Part II fundraising parties. In both Fontana and DeCicco-Best's campaigns, unions and developers were significant contributors, though the latter were considerably more generous (with both campaigns), and this fact deserves due attention. Developers rely on strong relationships with city planners, as it is these individuals who are responsible for determining which sites of land are deemed appropriate or legal for development. Obviously, the Mayor of the City of London would have considerable influence on such decisions, and city worker supporters of the Mayor (during and after the campaign) would be more willing to listen to their preferred Mayor than another candidate. Thus, developers had a considerable vested interest in targeting Mayoral campaigns, as the profitability of these organizations does rest (to a mistakably high degree) with the consent of city workers, and the Mayor is an ideal place to foster these strong working relationships.

Overall, this report has proven that successful Mayoral campaigns are associated with high levels of corporate and union funding, though how this funding is used remains the ultimate determinant of the electoral success of any given candidate.