



NAMES IN THE NEWS: WAL-MART AND ITS FOUNDING FAMILY

By
CHRIS SYNNESS

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Wal-Mart has become the world's single largest retailer, quickly making its way to the top of the Fortune 500 List for the third year running.¹ Wal-Mart's Web site notes that it operates more than 3,200 domestic stores and another 1,300 stores in nine foreign countries. The company employs a work force of 1.3 million worldwide. Its annual sales totaled nearly \$245 billion, exceeding many small countries' Gross Domestic Product. Family members of founder Sam Walton now hold five of the top 10 spots in Forbes magazine's list of the world's richest people.²

The Walton family has struck it rich with the friendly, all-American persona its company portrays — quality, low prices, selection and service with a smile. Yet Wal-Mart has not become the world's largest retailer on these qualities alone. It has worked hard in recent years to forward its interests through political giving, both by members of the Walton family and by the company itself.

Since the 1998 election cycle, the Waltons and Wal-Mart stores have given more than \$2.1 million to state-level political candidates and parties.³ During the same time, their business holdings have grown and controversies have arisen over wage and work practices and efforts to locate stores in some areas.

CONTRIBUTIONS BY THE WALTON FAMILY

The five shareholding members of the Walton family all made the Forbes list. Three of them have made substantial contributions to political candidates and causes, while two others have given to a much lesser degree. Together, family members gave at least \$1.56 million in contributions to state-level candidates and political party committees in the 1998, 2000 and 2002 election cycles. The Waltons gave \$720,600 in 1998, and a nearly identical amount in 2002, with smaller levels of giving in other election years.

John T. Walton, son of Walmart founder Sam Walton and the current CEO of the company, was the largest overall individual giver among family members. His contributions, along with those of his wife, Christy, totaled more than \$1.34 million dollars over the six-year period. Sister Alice L. Walton followed in overall contributions with \$129,100, while brother Jim C. Walton and his wife, Lynn, gave \$83,175. Family members heavily favored Republicans, as the following breakdown of their contributions shows.

PARTY BREAKDOWN OF WALTON FAMILY CONTRIBUTIONS, 1998-2002

CONTRIBUTOR	DEMOCRATS	%	REPUBLICANS	%	TOTAL*
John T. & Christy R. Walton**	\$47,100	3.5%	\$1,247,125	92%	\$ 1,349,225
Alice L. Walton	\$0	0%	\$129,100	100%	\$129,100
Jim C. and Lynn Walton**	\$9,075	11%	\$71,100	85%	\$83,175
S. Robson Walton	\$0	0%	\$2,000	100%	\$2,000
Helen R. Walton	\$0	0%	\$1,425	100%	\$1,425
TOTAL	\$56,175		\$1,450,750		\$1,564,925

*Totals include contributions to third-party or nonpartisan candidates/committees that are not reflected in this table.

**Family members and their spouses contributed both individually and jointly; these contributions have been combined here.

¹ The Associated Press, "WalMart tops Fortune 500 list again," *Newsday*, March 23, 2004, P. A28.

² "World's Richest People," *Forbes Magazine*, Feb. 26, 2004, www.forbes.com/maserati/billionaires2004/bill04land.html.

³ This total is based on the Institute's campaign-finance database, which contains candidate contributions for all 50 states for the 2000 and 2002 election cycles and for 42 states in the 1998 election cycle, as well as party committee contributions for all 50 states for 2000 and 2002 and for 13 states for the 1998 election cycle.

During this period, the Waltons gave \$496,400 to state political party committees and the rest — slightly more than \$1 million — to state-level political candidates. About half of their candidate contributions went to people already holding office, who typically have a higher success rate than those candidates who challenge incumbents. Walton family members gave 24.5 percent (\$261,350) to winning candidates and 37 percent to losing candidates. Collectively, family members gave about three-fourths of their candidate contributions to gubernatorial candidates, with 98 percent of the money going to Republicans. They contributed another 12 percent of their candidate funds to legislative candidates, with Republicans receiving about 73 percent and Democrats receiving the remainder.

The Waltons gave contributions of \$5,000 or more to 22 recipients, who received \$1.4 million of the family's total contributions. Five state-level political party committees were among these top recipients.

TOP RECIPIENTS OF WALTON FAMILY CONTRIBUTIONS, 1998-2002

STATE	RECIPIENT	PARTY	OFFICE	TOTAL
FL	Republican Party of Florida	Republican	Party Committee	\$375,000
CA	Pete Wilson	Republican	Governor	\$360,000
CA	Dan Lungren	Republican	Governor	\$252,000
TX	Rick Perry	Republican	Lt. Governor	\$146,000
NJ	New Jersey Republican Party	Republican	Party Committee	\$64,000
CA	Gloria Matta Tuchman	Nonpartisan	Public Instruction	\$55,000
AR	Republican Party of Arkansas	Republican	Party Committee	\$45,000
TX	Greg Abbott	Republican	Attorney General	\$25,000
CA	Richard J. Riordan	Republican	Governor	\$20,000
CA	Bill Simon	Republican	Governor	\$20,000
PA	Dwight Evans	Democrat	House	\$15,000
CA	Gray Davis	Democrat	Governor	\$12,525
NJ	Bret Schundler	Republican	Governor	\$10,400
TX	David Dewhurst	Republican	Lt. Governor	\$10,000
CA	Bill Eggers	Republican	Assembly	\$10,000
CA	Alice Huffman	Democrat	Assembly	\$10,000
CA	Bob Pohl	Republican	Assembly	\$10,000
AR	Bootsie Ackerman	Republican	Senate	\$6,000
AR	David C. Hausam	Republican	Senate	\$6,000
OK	Democrats of Oklahoma State Senate	Democrat	Party Committee	\$5,000
OK	Republican State House Committee of Oklahoma	Republican	Party Committee	\$5,000
NH	James (Jim) Rubens	Republican	Governor	\$5,000
TOTAL				\$1,466,925

From 1998 through 2002, the Waltons made contributions in 16 states. But their political giving was particularly concentrated in California, Florida and Texas; these three states received 85 percent of the total contributions.

The following table shows the amounts given to Republican, Democratic and nonpartisan or third-party candidates and committees in each state.

BREAKDOWN OF WALTON CONTRIBUTIONS BY STATE AND PARTY, 1998-2002

STATE	DEMOCRATS	REPUBLICANS	NONPARTISAN/ THIRD-PARTY	TOTAL
CA	\$22,525	\$677,500	\$55,000	\$755,025
FL	\$500	\$381,000	\$0	\$381,500
TX	\$3,000	\$191,000	\$0	\$194,000
NJ	\$0	\$74,400	\$0	\$74,400
AR	\$1,075	\$68,000	\$3,000	\$72,075
CO	\$3,000	\$23,500	\$0	\$26,500
WI	\$3,075	\$16,525	\$0	\$19,600
OK	\$8,000	\$9,000	\$0	\$17,000
PA	\$0	\$15,000	\$0	\$15,000
NH	\$0	\$5,000	\$0	\$5,000
OH	\$0	\$2,000	\$0	\$2,000
WA	\$0	\$1,200	\$0	\$1,200
MO	\$0	\$1,000	\$0	\$1,000
WY	\$0	\$425	\$0	\$425
MI	\$0	\$100	\$0	\$100
OR	\$0	\$100	\$0	\$100
			TOTAL	\$1,564,925

CONTRIBUTIONS BY WAL-MART

Wal-Mart stores (including Sam’s Clubs) gave \$548,413 in contributions from 1998 to 2002. The company's giving increased in each of the three election cycles, jumping from \$39,053 in 1998 to \$341,067 in the election cycle covering 2001 and 2002.

Unlike the Walton family, Wal-Mart spread its contributions somewhat more evenly among Republican and Democratic candidates and committees. The company gave about two-thirds of its political money to Republicans and one-third to Democrats over the three election cycles. However, its contributions to Democrats dropped significantly in the 2002 election cycle.

PARTY BREAKDOWN OF WAL-MART CONTRIBUTIONS, 1998-2002

ELECTION CYCLE	DEMOCRATS	%	REPUBLICANS	%	TOTAL*
1998	\$22,553	58%	\$16,500	42%	\$39,053
2000	\$93,274	55%	\$72,804	43%	\$168,293
2002	\$61,346	18%	\$274,721	74%	\$341,067
TOTAL	\$177,173	33%	\$364,025	67%	\$548,413

* Wal-Mart gave \$7,215 to nonpartisan or third-party candidates in Texas, Arkansas and Virginia that is included in the totals above.

Wal-Mart also concentrated more heavily on legislative hopefuls in its donations than did Walton family members. While the Waltons gave most of their candidate funds to gubernatorial candidates, Wal-Mart gave nearly 70 percent of its candidate money to legislative candidates, who would be in a position to enact laws affecting the company's bottom line if elected. In comparison, Walton family members gave just 12 percent of their candidate contributions to legislative candidates.

The Wal-Mart legislative contributions also were much more evenly split between candidates of both major parties, with Republicans receiving about 54 percent of the funds and Democrats receiving 46 percent — an indication the company wanted to throw its support behind candidates it thought would be in a position to win, rather than candidates who supported a particular political ideology. In fact, 82 percent of Wal-Mart's legislative contributions went to candidates who won their races.

Overall, Wal-Mart supported winning candidates of all types with about 68 percent of its candidate funds. Losing candidates received 21 percent of the money, and another 11 percent went to candidates who raised money but were not on the ballot — almost all of them incumbents raising money for their past or future bids for office.

The company was more partisan in the \$162,400 it gave to state-level political party committees. Eighty-three percent of the funds went to Republican committees, and about 17 percent went to Democratic committees. More than half of the party committee money was given in the 2002 election cycle, when contributions jumped from \$29,500 in 2000 to \$102,530 in 2002. At the same time, the company's contributions to candidates remained at almost the same level.

The top 20 recipients received about half of the company's total giving during the six- year period.

TOP 20 RECIPIENTS OF WAL-MART CONTRIBUTIONS, 1998-2002

STATE	RECIPIENT	PARTY	OFFICE	TOTAL
CA	California Republican Party	Republican	Party Committee	\$100,000
VA	Mark Earley	Republican	Governor	\$51,000
CA	Gray Davis	Democrat	Governor	\$20,000
MO	Missouri Democratic Party	Democrat	Party Committee	\$20,000
	House Republican Campaign			
MO	Committee of Missouri	Republican	Party Committee	\$12,000
AR	Republican Party of Arkansas	Republican	Party Committee	\$10,500
CA	Robert Hertzberg	Democrat	Assembly	\$10,000
FL	Republican Party of Florida	Republican	Party Committee	\$10,000
NY	George E. Pataki	Republican	Governor	\$6,000
FL	Florida Democratic Party	Democrat	Party Committee	\$5,383
NV	Kenny C. Guinn	Republican	Governor	\$5,000
CA	Richard Polanco	Democrat	Senate	\$5,000
AL	Steve Windom	Republican	Lt. Governor	\$5,000
TX	Yes On 2 & 15	None Listed	Ballot Measure	\$5,000
CA	Dennis Cardoza	Democrat	Assembly	\$4,000
CA	Mike Machado	Democrat	Senate	\$3,500
CA	Kevin Murray	Democrat	Senate	\$3,500
CA	John Vasconcellos	Democrat	Senate	\$3,500
CA	Dean Florez	Democrat	Assembly	\$3,000
CA	Ken Maddox	Republican	Assembly	\$3,000
			TOTAL	\$285,383

Wal-Mart spread its political money across the country, to 29 different states. California candidates and committees received far more Wal-Mart money than recipients in any other state, at a time when Wal-Mart was facing labor disputes, legal challenges and opposition to construction of new stores in that state. The company gave all of its 2000 election cycle contributions in California to candidates. Ninety percent

of the money went to legislative candidates, with Democrats receiving \$60,750 and Republicans receiving \$28,000. But in 2002, Wal-Mart gave most of its California money to the California Republican Party — \$100,000. It gave another \$47,000 to Republican legislative candidates and \$12,000 to Democratic legislative candidates, reversing its previous pattern of contributions to California candidates.

BREAKDOWN OF WAL-MART CONTRIBUTIONS BY STATE AND PARTY, 1998-2002

STATE	DEMOCRATS	REPUBLICANS	TOTAL *
CA	\$93,750	\$167,000	\$260,750
VA	\$0	\$51,500	\$51,715
FL	\$14,992	\$35,000	\$49,992
MO	\$27,050	\$19,950	\$47,000
AR	\$11,834	\$21,100	\$34,934
NV	\$2,000	\$15,000	\$17,000
AL	\$5,200	\$8,350	\$13,550
IL	\$4,158	\$7,721	\$11,880
NY	\$500	\$8,500	\$9,000
TX	\$1,038	\$2,534	\$8,572
CO	\$1,700	\$4,700	\$6,400
NJ	\$0	\$6,100	\$6,100
DE	\$2,900	\$3,000	\$5,900
NM	\$3,021	\$600	\$3,621
KY	\$1,250	\$2,300	\$3,550
GA	\$3,000	\$0	\$3,000
NH	\$0	\$3,000	\$3,000
IN	\$1,000	\$1,500	\$2,500
MD	\$1,750	\$750	\$2,500
NE	\$0	\$2,000	\$2,000
SC	\$1,500	\$500	\$2,000
ID	\$0	\$1,150	\$1,150
ME	\$140	\$1,000	\$1,140
MI	\$0	\$500	\$500
CT	\$250	\$0	\$250
OH	\$0	\$250	\$250
AZ	\$78	\$0	\$78
IA	\$61	\$0	\$61
LA	\$0	\$20	\$20
TOTAL	\$177,173	\$364,026	\$548,413

*Totals include contributions to third-party or nonpartisan candidates/committees that are not reflected in this table.

Wal-Mart clearly has spread its political money widely in the states, where legislative and local decisions affect everything from wages to new construction. The company likely will continue to make campaign giving a part of its business strategy, to foster the influence that those contributions ultimately command.