August 27, 2012

North Carolina's journey to becoming a battleground state

An essay by Ferrel Guillory, an extended version of a pre-convention article appearing in The Charlotte Observer.

In the 40-year span from Labor Day 1972 to Labor Day 2012, North Carolina ended a long era of Democratic dominance, took a leading role in the rise of Southern Republicans, and then emerged as a presidential-election battleground state.

With a complex mixture of civic and economic strengths and weaknesses, North Carolina exemplifies contemporary America. And while it still falls below national norms in certain social and economic measurements, this state has become less a lagging and more a leading indicator of national issues and trends.

As recently as 2004, neither Democratic nor the Republican presidential campaigns purchased a single prime-time advertisement in North Carolina. Four years later, however, the Barack Obama campaign picked up the state's 15 electoral votes by out-performing the campaign of Republican John McCain in both the political ground war and TV air war. Well before Democrats assemble in Charlotte for their national convention, the campaigns of both President Obama and Republican challenger Mitt Romney had targeted North Carolina, which is one of the nine states where the campaigns have purchased time for TV commercials.

In assessing how North Carolina came to be a battleground state, I use 1972 as a personal benchmark because my family moved from New Orleans to Raleigh on the week of Labor Day 40 years ago. We arrived in a North Carolina still more rural than urban, where hundreds of thousands of citizens made their living assembling furniture, sewing garments, running machines that produced thread or rolled cigarettes, and cropping tobacco under a blazing sun.

When we arrived, a general election campaign had just begun. The Democratic candidate for governor, Hargrove (Skipper) Bowles, father of former University of North Carolina President Erskine Bowles of Charlotte, bounded across the state daily wearing a necktie woven with a tobacco-leaf design as he struggled to hold together his party's long-time coalition against a mighty, unfamiliar political tide. On the weekend before the November election, Republican President Richard Nixon swooped into Greensboro for an airport rally, and his landslide 1972 victory helped propel Jesse Helms into the U.S. Senate and James E. Holshouser Jr. into the governor's office. Helms and Holshouser thus became the first Republicans to win their state-wide elective offices in 70 years.

Since then, Republicans have carried North Carolina in seven presidential elections, Democrats two. Over those years -- North Carolina holds its governor's election on same day as the presidential election -- Democrats have won seven gubernatorial elections, Republicans two.

Four years ago, President Obama won North Carolina by a 0.3 percentage point margin, the narrowest victory of all the states he carried. Along with Obama, Democrat Bev Perdue won the governor's office, and Kay Hagan a U.S. Senate seat. Two years ago, Republican U.S. Sen. Richard Burr won re-election, and the GOP surged to majorities in both chambers of the General Assembly. And this year, the outcome of the presidential race may well have a bearing on a competitive governor's race between Democrat Walter Dalton and Republican Pat McCrory.

How is it that the North Carolina electorate can seem to go both ways? Or, as it is often asked, how could North Carolina have produced both the arch-conservative Helms and the moderate-progressive, four-term Governor Jim Hunt, both of whom dominated state politics over the last quarter of the 20th Century?

The answers are rooted in demographic, social and economic change. The state's political twists and turns of the past four decades came amid dramatic population growth and shifts, sometimes hard-fought decisions on racial and cultural arrangements, and an economic transition that destroyed old-industry jobs while creating high-skill enterprises.

Demography: The electoral swells

When we moved in 1972, North Carolina had a population of 5.1 million; now the state has nearly 9.7 million people. North Carolina has emerged as a metropolitan mega-state. We now live in a state where Mayberry RFD and "tobacco road'' serve to define the past, not the present and future.

The 2010 Census put North Carolina 10-year growth rate at 18.5 percent, ranking it tenth in total population and sixth in growth among the 50 states. Population change of that magnitude takes movement of people from elsewhere. And North Carolina has grown as a result of three powerful flows of humanity: of substantial numbers of well-to-do and well-educated whites from other states, of blacks returning to the South in a reversal of the great out-migration of the mid-20th Century, and of Latinos and Asians drawn by job opportunities.

North Carolina continues making a transition from a biracial to a multi-ethnic society. Now 65 percent of North Carolinians are non-Hispanic whites, 22 percent blacks, 8.6 percent Hispanic, and the rest Asian, American Indian and people who report themselves of two or more races.

Population growth, naturally, has brought a huge expansion of the state's electorate – from 2.4 million registered voters in 1972 to more than 6.3 million today. Whites represent 72 percent of all voters, larger than their share of the population. Blacks account for 22 percent of registered voters, identical to their share of the population. Latinos are only now emerging into the electorate – 96,700 registered voters, or barely 1.5 percent of the today's electorate.

The state's politics have been shaped not only by the scale of growth but also by its geography. North Carolina remains a spread-out state dotted with small towns, but increasingly people have clustered in metropolitan areas – sprawling economic units of city, suburb, exurb and rural patches. Of the 1.5 million people added to North Carolina from 2000 to 2010, fully one-third of the growth occurred in only two counties, Wake and Mecklenburg. Nearly seven out of 10 North Carolinians live in Census-designated metropolitan counties.

Together, the Democratic presidential victory in 2008 and the Republican capture of a state legislative majority in the 2010 elections highlight an apparent shift away from long-standing North Carolina patterns. In the '70s and '80s, population growth bolstered the GOP, as suburbs ballooned with mostly white professionals and business managers who brought their Republicanism with them into North Carolina.

While holding onto suburban districts, the Republican Party picked up rural legislative seats in the 2010 that used to serve as bastions of Democratic legislative strength. The top 20 counties in which Republicans had voter-registration gains from 2000 to 2010 included suburban counties like Union and Johnston and such rural counties as Camden, Granville, Jones and Chowan. Republicans have gained ground in majority-white rural communities, while Democrats prevail in majority-black rural districts.

The center of gravity in the Democratic Party now rests in the core counties of the state's major metro areas. The Democratic legislative minority has a decidedly metro tilt. This development is consistent with evidence from the 2008 elections: President Obama carried North Carolina in large measure by winning 334,000 more votes in the Triangle, Triad and the Charlotte region than Democrat John Kerry had four years earlier.

An early-August survey by Raleigh-based Public Policy Polling provides evidence that recent newcomers have kept Democratic candidates competitive. Long-time residents – who have lived here more than 30 years – give Romney a 10- to 14-point lead. Obama, however, leads among residents here 30 years or fewer; among those here no more than 10 years, the Democratic president leads by a stunning 39 points.

As the electorate has swelled, North Carolina politics has become increasingly nationalized. New voters bring their partisan allegiances, cultural attitudes, and life aspirations with them in North Carolina. The state's history still matters in the way long-time citizens vote, of course, but many voters don't necessarily know that history – presenting a challenge to candidates and office-holders who seek to build upon the policy decisions and public investments that contributed to the state's growth.

Economy: Up and Down Escalators

Like Americans elsewhere, North Carolinians tell pollsters that "the economy'' is the top-most issue in this election year. That's easy enough for a voter to say, but not so easy for candidates to address in North Carolina. In fact, the state's economy seems moving in two directions at once, both up and down.

Two recent reports by TD Economics give the up-escalator view of North Carolina's economy. "North Carolina flexes its economic muscle," says the headline in a June 2012 report on regional and state economies. The TD Economics analysts specifically cite "high-value sectors," such as finance and professional services, and renewed construction in concluding that North Carolina "is already out-performing the nation, and it is well-poised to widen that margin in 2012 and 2013.'' A more extensive case study of North Carolina's industrial transition, published by TD Economics in June 2011, documented the steep fall in jobs in "matured industries,'' like textiles and apparel, while pointing to growth in computer, electronics, pharmaceuticals and medicine manufacturing.

The down-escalator view comes in the form of measurements of joblessness and poverty. The two economic recessions over the past decade hit North Carolina hard, slowed its economic momentum and knocked more people into destitution after a period of declining poverty rates. The state's unemployment rate remained above 10 percent for more than a year, and the current 9.4 percent rate is a percentage point higher than the national rate. The state's poverty rate, which had declined to around 11 percent in the late 1990s, jumped to 17.5 percent as a result of the recession – of the 1.6 million North Carolinians living in households with income below the official poverty line, children account for one in four.

As its economy diversifies, North Carolina illustrates both the creation and destruction brought on by an economic transition. For example, in the early '70s, the state had around 250,000 people employed in textiles; now it has barely 28,000. Meanwhile, North Carolina has become a national center of biotechnology, along with its strength in computer and electronics, financial services, auto parts and food processing.

In 1974, the state had 44,000 mostly small tobacco farms that produced 714 million pounds of leaf. The most recent agricultural census counted a mere 2,600 tobacco farms producing 365 million pounds. In a state where tobacco once was king, it now ranks fourth in commodities cash receipts. Broilers (chickens) rank one, hogs two, and a category including greenhouse, nursery, floriculture and Christmas trees ranks third. North Carolina's burgeoning metro areas, filled with affluent homeowners, have spurred an agricultural sector hardly any analysts paid attention to 40 years ago.

The economic movements, up and down, have left North Carolina, like the nation, with wider gaps between urban and rural, between the high-skilled and the low-skilled. TD Economics observed growth in both low-skill and high-skill jobs, with middle-skill jobs declining, and it said that "another challenge will be the state's growing economic inequalities."

Insight into income inequality comes from federal tax data. Nearly seven out of 10 income tax returns filed in North Carolina in 2008 reported annual income under $50,000. Slightly more than one out of 10 reported income of more than $100,000.

North Carolina confronts both jobs-quantity and a skills-mismatch issues. For many former manufacturing workers, new jobs require new skills and perhaps a move to another community. Thus, many North Carolinians have ended up out-of-work for a long period or forced to trade a modest-wage manufacturing job down to an even lower-wage job in services or retail. Still, the state remains so

attractive that new residents continue to arrive, but the economy is not producing jobs fast enough to replace those lost to the recessions and to keep up with the population growth.

Milestones and crossroads

Much like a family's, a state's life-style, well-being and prospects flow out of a series of crucial decisions, paths taken or not taken, that add up to opportunities gained or lost. Here is a look-back at key decisions in the economic, social and political life of North Carolina over the past four decades:

- In 1971, the U.S. Supreme Court upheld federal District Judge James McMillan's order to use busing as a tool to desegregate the local public schools. After some initial citizen resistance, Charlotte's civic and business leadership pulled together to make the busing order work. Five years later, a white-black leadership coalition in the state capital forged a merger of the then-separate Wake County and Raleigh City school systems, as a way to assure a racially integrated system. More recently, both counties have had to deal with pressures leading toward resegregation. Still, the local decisions to desegregate, rather than to resist, surely helped position Wake and Mecklenburg counties for their growth in population, jobs and reputation.
- In the early '70s, motorists driving south on U.S. 70 out of Raleigh would encounter a billboard proclaiming that the Ku Klux Klan welcomes them to Johnston County. At that time, Johnston was a classic rural tobacco-growing conservative-Democratic Eastern North Carolina county. The billboard came down in 1977, and Johnston is indicative of how North Carolina has changed. The county serves as a bedroom suburb of the Raleigh-Cary-Research Triangle metropolis. Of its 170,000 residents, more than 25,000 are blacks, more than 22,000 Latinos. It's a predominantly Republican county, likely to remain so. In 2008, Obama ran 5-6 percent points ahead of Al Gore and John Kerry, the previous Democratic nominees, in Johnston County.
- When I was interviewed for the job in Raleigh in 1972, our hosts took my wife and me to dinner at a steakhouse, into which they brought a bottle of liquor in a brown paper bag. At that time, diners could pour their own but the restaurant couldn't serve liquor to customers. In 1978, over the fervent opposition of conservative Christians, the General Assembly allowed local communities to decide whether to allow "liquor by the drink." No doubt in part because of the shift in law and cultural attitudes on liquor, North Carolina's cities – large and small – have developed lively, ethnically diverse restaurants that burnish the overall quality of life.
- From time to time, the state's abiding cultural conservatism prevails. In the mid-1970s, the legislature voted not to ratify the proposed Equal Rights Amendment to the U.S. Constitution, a measure that would have forbidden abridgement of equality of rights under the law on the basis of sex. Earlier this year, voters approved a state constitutional amendment to define marriage as a union of a man and woman, thus disqualifying same-sex couples.

- In 1984, the legislature enacted a law allowing North Carolina banks not only to expand within the state but also into other states. That policy decision, setting loose the entrepreneurial skill and ambition of such Charlotte-based bankers as Hugh McColl and Edward Crutchfield, contributed to North Carolina's emergence as a banking powerhouse.
- In the mid-1970s, the General Assembly pulled off a political compromise that worked: It approved a medical school at East Carolina University, and assigned the Area Health Education Centers to the University of North Carolina at Chapel Hill. The medical school has embellished Greenville as a potential metropolitan hub. Along with the rural health clinics, established under Republican Governor Jim Holshouser, the medical school and AHECs have lowered the barrier of distance to quality medical care to rural citizens.
- In the fall of 1972, I reported on the committee meeting at which Bill Friday, then-president of the University of North Carolina, gave state legislators the first unified budget for the new statewide system of all public universities. In 2000, the state legislature proposed, and voters approved, a $3.1 billion for universities and community colleges. The establishment and success of the Research Triangle Park had much to do with its proximity to three major universities – N.C. State, Duke and UNC-Chapel Hill. Throughout the past 40 years, North Carolina policymakers have made investments in higher education as core strategy for advancing the state's economy and reputation.

Politics: Two powerful streams

When we moved to North Carolina in 1972, the state provided a stage for the playing out of the Republican "Southern strategy'' of that period. In the May Democratic primary of 40 years ago, former Alabama Gov. George Wallace, who made himself a national figure as a segregationist and foe of federal activism, defeated North Carolina's moderate-to-liberal former governor, Terry Sanford. Shortly afterwards, Wallace's campaign ended when he was shot and paralyzed. The Nixon campaign adopted a strategy of bringing Wallace voters into the Republican column, and in North Carolina Jesse Helms emerged as one of its instruments.

Since then, North Carolina has contributed to – and now reflects – the partisan polarization of the United States. It is a state in which neither Democrats nor Republicans have an assured statewide majority. It is a state in which statewide campaigns regularly end in close elections. And it is a state in which elections these days turn on turn-out.

In 2008, when Democrats Obama, Perdue and Hagan won their races, 4.35 million North Carolinians voted. In 2010, when Republicans won control of the legislature, 2.7 million voters cast ballots. A high turnout, especially of young people and blacks, favored Democrats. A lower turnout in an off-year without a presidential election favored Republicans.

The fastest-growing segment of the electorate consists of voters who register unaffiliated. Of the state's 6.3 million registered voters, 1.6 million are unaffiliated; and election-day exit polls since the 1990s have found that one out of four voters declare themselves independent. And yet, statistics don't tell the whole story.

After all, this is a state that had a special name for conservative white registered Democrats who regularly voted Republican – Jessecrats. Indeed for a while, state politics featured a lively competition for "swing" voters. For example, in 1996, when Helms defeated former Charlotte Mayor Harvey Gantt in their rematch and Hunt won his fourth term as governor, the exit poll showed that 31 percent of Helms voters had voted for Hunt, and 31 percent of Hunt voters had voted for Helms.

Partisan lines appear to have hardened over the past decade or so. It is clear that unaffiliated or independent voters aren't as free-floating politically as they would declare themselves. In fact, the vast majority of North Carolina voters are not ticket-splitters, but rather are locked in, in actual practice, as either reliable Democratic or Republican voters. Nate Silver, who provides political statistical analysis in his FiveThirtyEight blog on www.nytimes.com, has described North Carolina as "a good example of an inelastic state'' – that is, a state with Democratic and Republican coalitions of nearly equal size and few genuinely swing voters.

The composition of the North Carolina electorate can be described as the product of two competing coalitions, each representing powerful streams of cultural, economic and ideological thought, rooted in history but augmented and modified as a result of the state's population and economic growth.

Before 1972, North Carolina had small but hardy clusters of mountain and business-oriented Republicans. The stream that has over the past 40 years propelled the Republican Party is fed by three major branches. One branch was described to me by the late Sim A. Delapp of Lexington, when I interviewed him in 1974 for a magazine article on the GOP Southern strategy. Delapp, who had served as GOP state chair in the 1940s, reflected on how the minority party he had worked so long to sustain had emerged triumphant in statewide races.

"The leadership hasn't brought this party to where it is now,'' he said. "I can tell you what's brought it – and any man that knows politics knows. The race question brought it. The Democratic Party leaned towards the liberals and the dissident elements of the population so much that North Carolinians got tired of it and came over to us.''

A second branch feeding the GOP coalition consisted of Christian conservatives who had previously avoided electoral politics. The 1980 campaign of President Ronald Reagan, supported by Helms and assisted by such organizations as the Moral Majority, crystallized this faction into the Republican coalition. The third branch flowed down the north-south interstate highways as business-oriented in-migrants from Northern states drove into North Carolina to take advantage of the "new South'' economy.

Through the '70s and '80s, the GOP featured a distinct cleavage between the economic, or country club, Republicans and the social, or values-voters, Republicans. Elements of that cleavage still exist, even as the Reagan-built coalition has frayed. Still, through the 1990s and 2000s, Republicans drifted increasingly rightward, a trend given a push recently by the tea-party movement.

Unlike some deep South states where the Democratic Party has practically collapsed, North Carolina Democrats held together a coalition capable of winning over the same period when Republican nominees carried North Carolina in seven consecutive presidential elections and as Helms won re-election four times. For one thing, state Democrats, especially long-time legislative leaders, remained competitive with Republicans in raising campaign money from business interests.

In retrospect, too, Hunt served as his party's principal bulwark. He succeeded in getting the state constitution amended to allow governors to serve two consecutive terms. Despite his loss to Helms in the titanic 1984 Senate race, Hunt served four gubernatorial terms – 1977-1985 and 1993-2001 – by drawing from and replenishing the let's-make-progress stream of North Carolina political thought and action. That stream subsequently propelled the elections of Mike Easley and Bev Perdue.

The modern Democratic coalition has featured white political leaders who have worked toward racial reconciliation and advocated public school reforms, while also keeping in tune with the state's cultural conservatism through tough-on-crime measures. They formed alliances with business and civic leaders, including occasionally with Republican-leaning executives, on behalf of modernization and diversification of the state's economy. As economic stimulus and job-producing measures, they have increasingly used government-funded incentive packages to recruit industry.

Over the 40-year span, the Democratic Party has been a biracial coalition; despite occasional frictions with white Democrats over redistricting and certain social issues, the state's black political leadership has remained an integral part of the Democratic coalition.

Over the past two decades, national Democrats twice put North Carolina in the presidential-election spotlight. The 1992 Democratic ticket of Bill Clinton and Al Gore, both Southerners, targeted North Carolina in the general election, including the state in one of their famous bus tours. While Clinton won the White House, he fell less than a percentage point short to then-President George H.W. Bush in North Carolina – the only state the Clinton campaign targeted that it lost. (Third-party candidate Ross Perot got nearly 14 percent of North Carolina's popular vote.) In 2004, Democratic presidential nominee John Kerry picked North Carolina Sen. John Edwards as his running-mate, but Edwards provided no lift to the ticket in North Carolina, where incumbent Republican George W. Bush won with 56 percent of the vote.

Four years ago, North Carolina joined with two other Southern states – Virginia and Florida – in giving their electoral votes to the nation's first black President. So how did the Obama campaign pull off a victory in North Carolina, a state that a good-old-boy white president, Bill Clinton, could not?

Part of the answer has to do with the state's robust population growth in both the 1990s and 2000s that provided Obama with voters Clinton did not have. Part of the answer also has to do with the aggressiveness – especially in raising money – of the 2008 Obama campaign. His extraordinary campaign-finance advantage allowed him to compete in more potentially swing states. In effect, the Obama campaign gave North Carolina a push into becoming a battleground state.

The uncertainty that now hangs over North Carolina politics is whether the Democratic victory of 2008 or the Republican comeback in 2010 represents the emergence of a trend. Redistricting by the GOP-majority in the legislature has fortified Republican advantage in congressional and legislative elections. A return to 2008's record-setting turnout would favor Obama, and perhaps offer coattails to Democratic statewide candidates.

In the battleground that is North Carolina, the electorate appears as divided and polarized as the nation's. The state mirrors the nation in having a fundamental debate over the terms of the social contract and the scope of government. In deciding between Democratic and Republican candidates this year, North Carolina voters will choose between distinct visions of the future in both their state and nation.

Editor's note: For 20-plus years, Ferrel Guillory observed North Carolina politics and government as a correspondent, columnist and editor for The News and Observer, and since the mid-1990s as a faculty member at the University of North Carolina at Chapel Hill. He is a professor of the practice of journalism and director of the UNC Program on Public Life, as well as a senior fellow at MDC, a Durham-based nonprofit research organization, through which he has co-authored seven State of the South reports. Two UNC students – Carol Perry and Allison Hawkins –provided research assistance for this essay.