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# **The Cost of Parliamentary Politics in Ghana**

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September 2016

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## Introduction

Since returning to democratic governance over two decades ago, competitive elections have been salient features of Ghana's multi-party politics. Regular elections between competing political parties and candidates have been the dominant method of choosing representatives to the legislature and composing the government.

Candidates seeking election in their constituencies have to undertake rigorous campaigns to mobilise voters in order to build their trust in democracy and the political system.<sup>1</sup> These candidates' ability to disseminate campaign messages to the electorate in order to obtain their support, educate them on the electoral process and ensure their enthusiasm and participation in the election have largely depended on availability of funds. Indeed, the role of money in competitive politics and democracy generally cannot be overemphasised. Campaign funds have been widely regarded as the oil that greases the wheel of candidates' electoral success, and the lifeblood that sustains the momentum towards intra-party and inter-party electoral competition.<sup>2</sup>

Jessie Unruh once said that 'money is the mother's milk of politics' and in the opinion of the former United States' Senator and retired NBA basketball player Bill Bradley, running political campaigns without money is like 'playing basketball without jumping'.<sup>3</sup> It determines how candidates run for public offices, influences the behaviour of voters and the length of stay in government. Campaign funds strengthen both political parties and candidates by making them vibrant actors in the democratic process.

As Ghana prepares to hold its seventh presidential and parliamentary elections, many pundits have revisited the debate about how MPs fund their constituency campaigns and what drives the costs of their political activities and programmes while in office. The existing literature indicates that MPs in countries such as Ghana finance their constituency campaigns from personal resources, and incumbents affiliated to the ruling party enjoy state sponsorship that feed off neopatrimonial ties.<sup>4</sup>

As a result, recent public discourses on political financing in Ghana show a growing concern about the influence of money in the body politic including the financial burden imposed on MPs by their constituents. Given the vigorous national debate on campaign finance and political corruption, this background paper attempts to interrogate how Members of Parliament (MPs) have funded constituency primaries and parliamentary elections. It also seeks to examine the nature of financial demands imposed on MPs by their constituents and how MPs have responded to constituency financial demands while in office, and concludes by analysing the ramifications for Ghana's democratic development.

## Methodology

Data for this background paper was obtained largely by conducting face-to-face interviews with 12 politicians who are either incumbent MPs, unsuccessful parliamentary candidates or aspiring MPs who have participated in their parties' constituency primaries. The interviews used semi-structured questions. All have raised and spent funds on their campaign activities either in constituency primaries, parliamentary elections, or both. The successful MPs have further spent various sums of money on their constituents while in office. The purposive rather than the random sampling method was considered appropriate for this preliminary research because of the small sample size and homogeneous character of the demographics and respondents. The interviewees were drawn from the two dominant political parties, the National Democratic Congress (NDC) and New Patriotic Party (NPP) that have alternated in power in the Fourth Republic. Of the 275 seats in parliament, only two are not occupied by either the NDC or NPP.

To achieve a balanced selection of respondents in terms of party division, region and ethnicity indicators were used. The Volta and Northern regions that are populated by ethnic groups such as Ewes, Gonjas, Mole-Dagbanis and Grumas have extreme partisan attachments to the NDC; and the Akan areas of the Ashanti, Eastern and Central regions are electorally supportive of the NPP. Of the six MPs affiliated to the NDC, three were from the Volta, one from Eastern and two came from the Northern regions. Those from the NPP were all Akans from Ashanti, Eastern and Central regions because the NPP has no presence in the Volta region. The total number of respondents was evenly distributed between incumbent MPs and unsuccessful

or aspiring MPs. While one incumbent MP lost the constituency primaries and would not compete in the 2016 parliamentary election, an NPP aspiring MP won the constituency primaries as the party's nominee for the upcoming parliamentary election. The absence of women MPs in the sample is not deliberate but reflects a general trend of male domination in Ghanaian politics. Efforts were made to obtain the consent of three women politicians - two MPs and one aspiring MP - for the interviews without success.

The data obtained through the face-to-face interviews were supplemented with a comprehensive desk-based review of literature on drivers of the cost of politics. The gathered data were thoroughly organised and subjected to rigorous content and thematic analysis based on these principal questions:

- What has been the historical experience of campaign financing and how has this shaped previous elections at the parliamentary level?
- What are the key drivers of electoral costs for current parliamentary elections? What does it roughly cost to run for parliament? What are the principal sources of funding for parliamentary campaigns? Is the burden principally on the candidate or the political party to fund campaigns?
- What are the costs incurred by MPs once in office? Are these demands principally public (official engagements) or private (constituent requests)?
- What barriers do these costs create for particular groups (such as women)? What are the prospects for future expansion or reduction of these costs based on either normative or legal constraints?

## I. Historical Context

Financing candidates' election campaigns is as old as the birth of political parties in Ghana. When the colonial government 'liberalised' politics and permitted the formation of political parties, the African elite were faced with the question of funding. Early politicians looked for several avenues to mobilise funds to execute their election campaign activities. Given that most people who joined either the United Gold Coast Convention (UGCC) or the Convention Peoples Party (CPP) were ordinary citizens who did not have the financial capacity to run their election campaigns, they leaned on the financial support of their respective political parties.<sup>5</sup> It was the parties' strategy not to make election campaign financing a burden for the emerging politicians. On the contrary, to encourage their participation in the political process, the parties assumed the responsibility of fundraising to sponsor a candidate's election campaign. Individual financial contributions first went to the party, and from there were appropriated to fund the campaign. Prior to independence, candidates ran their election programmes on the wheels of their respective parties.

The changed political dynamics of the post-independence epoch in which Nkrumah and his CPP encouraged the exclusion of oppositionists from the democratic process led to a schism in the candidate election financing approach. First, it led to private financing for opposition candidates and MPs. Known as CPP-rebels, they looked outside the state for election campaign funding. Consequently, those that contested on the platforms of the United Party and as independent candidates mobilised from personal savings, friends and family members' contributions. Donations to opposition candidates could be done in secrecy to avert state persecution.

But the neopatrimonial politics of Nkrumah and his CPP ensured that CPP parliamentary candidates and MPs drew from state resources.<sup>6</sup> The CPP continued with the pre-independence funding method in which private donations to candidates and those from state institutions such as the Cocoa Marketing Board and Cocoa Purchasing Company - later changed to National Development Company - entered a central party account from which MPs received funding to conduct their constituency elections.<sup>7</sup> In the era of the proclaimed one-party state, which saw the demise of the opposition, CPP MPs continued to receive state funding. Hence every CPP candidate drew considerable resources from the state such as vehicles, campaign paraphernalia, and free advertisements. Dissemination of campaign materials and messages to the electorates were executed largely through state institutions and party machinery that had become an integral part of the state apparatus.

In the post-Nkrumah epoch, a phenomenon has emerged where MPs affiliated to the ruling party have captured state resources, leaving opposition candidates to depend solely on private financial sources. While pretending to be pursuing private and independent financing for their election campaigns, MPs from

the ruling party have merged their election campaigns with the state. In reacting to its defeat in the 1969 parliamentary election, the National Alliance of Liberals (NAL) accused the Progress Party (PP) MPs of exploiting state resources for their election campaigns.<sup>8</sup> According to the NAL, most PP candidates that served as key economic and political advisers to the National Liberation Council (NLC), the military regime that ousted Nkrumah and his CPP, received state financial support for their election campaigns. On the contrary, candidates for the NAL drew their funds from personal incomes, thereby hampering their prospects of winning their constituency seats.<sup>9</sup>

Until the period of the Fourth Republic when ruling party MPs turned to the state for funding, the Third Republic was remarkable and distinct in terms of candidates' campaign financing. In the 1979 parliamentary election, individual candidates mobilised funds from outside the state. This was made possible by the presence of an impartial transitional government, which did not commit state resources to the candidates. Hence, candidates mobilised from personal savings, private donations and in limited cases loans from banks. By the time Ghana went to the polls in 1992, the campaign finance terrain had been flawed by legislation aimed at decapitating the strength of oppositionists to fair participation in the transition process. The passage of the Political Parties Law PNDCL 281 was part of the regime's strategy to manipulate the transition by denying the opposition parties resources. The late lifting of the ban on multi-party politics after more than a decade of election hiatus and the participation of the military leader in the election as a presidential candidate made it palpably difficult for oppositionists to mobilise funds to engage in the competition.

## **II. Current drivers of the cost of parliamentary politics**

Elections, and politics generally, always involve the organisation and implementation of several political and administrative tasks. The accomplishment of these numerous election programmes inevitably requires huge capital outlays that are the primary concern of every political entrepreneur. In Ghana, as elsewhere, MPs raise and spend money on several constituency activities and structures created to support the functioning of the local political system. In this section we examine several imperatives that drive MPs' local campaign spending - including the forces that are obstructive to participation - how they influence the cost of their political engagements and the demands the constituents make on them while in office.

### **Barriers to entry**

Unlike in established liberal democracies where citizens' participation in politics is fostered by progressive campaign financing laws and availability of state funding, in many emerging democracies such as Ghana there are both overt and covert limitations to effective popular participation in politics through restrictive campaign funding regulations. The beginning of Ghana's transition from authoritarian rule to a democracy suffered many setbacks because the emerging elites faced funding difficulties. Among the several established instruments to control opposition parties' effective participation in the transition election was the enactment of the Political Parties Law PNDCL 281, which set stringent regulations on campaign funding.

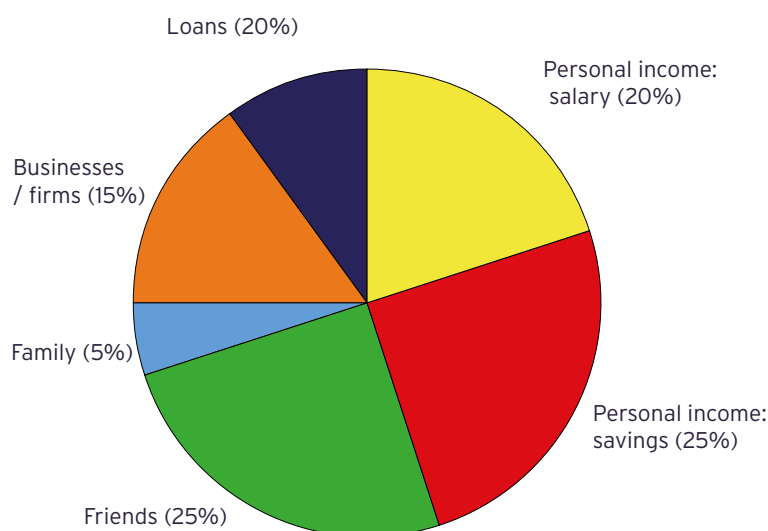
The provisions of the law were well crafted as to circumscribe the opposition parties' ability to capture political power. While it granted unlimited contributions to the founding members of the emerging political parties, it placed limits on membership dues the parties could mobilise from their supporters. Indeed, membership contribution was pegged at 200,000 Ghana cedis (GH¢) - the equivalent of GH¢20 or US\$3.5 today. Given that traditionally most parties have survived on membership dues, setting such a low threshold of how much members could contribute invariably prevented the opposition parties from raising adequate campaign funds to run their programmes. The increase of membership dues to GH¢ 1 million - the equivalent of GH¢100 or US\$17.5 today - in 1992 following a legal suit against the Interim National Electoral Commission (INEC) did little to bolster the opposition campaigns.<sup>10</sup>

The existence of anti-democratic funding laws means that many candidates have had to depend on personal funds, largely drawn from their meagre salaries. For instance, candidates (incumbent MPs and aspiring MPs) who decided to participate in the intra-party electoral competition (primaries) said they financed their campaigns from personal resources. These candidates apportioned a substantial proportion of their monthly incomes - that ranged between GH¢1,500-3,000 (US\$400-800) - to support their electoral programmes. The

candidates who are employed in the formal sector (largely middle-level income earners) have developed a strategy which involves saving a fraction of their monthly salaries to fund their electoral ambitions. Similarly, incumbent MPs, ministers, provincial leaders and Mayors or District Chief Executives often set aside a portion of their monthly salaries for re-election bids. Four MPs explained how they replicated the religious tithing system by paying approximately 10% of their monthly salary into their 'campaign account'.

Figure 1 shows that almost half of candidates' election campaign funds (45%) come from personal income. This is divided between monthly salary savings (20%) and existing bank savings (25%). Funds from candidates' personal income rank higher than what they received from friends (25%), family (just 5%), business or firms (15%), and loans (10%). Incumbent MPs received higher donations from close friends than the aspiring MPs. 90% of MPs compared with 10% of aspiring MPs competing in the primaries had financial support from friends. Similarly, 60% of MPs said they received financial assistance from their families most of whom are in the diaspora. However, the majority of aspiring MPs used dividends from their micro-businesses to fund their constituency election. Only 30% of incumbent MPs said they have drawn resources from their private businesses to finance their election campaigns.

**Figure 1: Funding source as % of total funds for parliamentary elections (incumbent and aspiring MPs)**



**Table 1: Funding sources accessed: comparison between incumbent MPs and aspiring MPs**

Funding source accessed	% incumbent MPs accessing this	% aspiring MPs accessing this
Personal income (salary & savings)	60%	40%
Friends	90%	10%
Family (Home & Diaspora)	60%	40%
Businesses/firms	30%	70%
Loans	70%	30%

Source: Interview with MPs and aspiring MPs, Accra, March 2016.

Increasingly, politicians in Ghana are turning to loans as a relevant source of election campaign funds. But loans from banks still only formed 10% of candidates' election campaign funds. Respondents indicated that the practice of raising extra election campaign funds through loans has been extremely burdensome due to the requirement for collateral and other forms of guarantees. Three MPs explained how they used their private buildings as collateral to secure loans from banks. What this means for candidates and their campaigns is that fundraising through loans is a serious undertaking that can drive the borrower into debt.<sup>11</sup> For instance, aspiring MPs who were unsuccessful in the primary and parliamentary elections said they have experienced difficulties redeeming their loans, and incumbent MPs admitted servicing their loans with their monthly salary of GH¢9,400 (US\$2,800).

Even though political liberation has deepened in Ghana and the regimes have become relatively accommodating of opposition forces, politicians remain trapped by fear of regime reprisals against their generous donors. For instance, in the parliamentary elections since the promulgation of the Political Parties Act 574 in 2000, which struck down the limits of individual contributions to political parties, relatively wealthy big political donors have played an increasingly prominent role in supporting candidates. But while 25% of both incumbent MPs and aspiring MPs' funds for the parliamentary elections and constituency primaries come from friends (home and diaspora) and a small number of MPs received funding from private business owners (15%) they would not disclose the names of the donors. MPs who have received financial support from private business operators prefer to keep the names of their contributors anonymous 'for fear of vengeance by the ruling government'. Several MPs remarked, 'there is a predominant feeling within the business community that the ruling party tends to punish them, particularly when their contributions go to support opposition candidates'.<sup>12</sup> For instance, prior to the 1996 elections, Rawlings mounted aggressive attacks on some indigenous Ghanaians by warning the public not to patronise their business products because 'they would use the incomes from their businesses to sponsor opposition parties' election campaigns'.<sup>13</sup>

Throughout the Fourth Republic the ruling party exploited incumbency advantages over the opposition parties. Exploitation of incumbency was severe throughout Rawlings' eight year rule, during which the opposition was persistently denied the oxygen of campaign funds, while the NDC and its candidates relied on state resources for their campaigns. The abuse of incumbency due largely to the appropriation of state resources to oil the wheel of NDC campaigns propelled Rawlings' 1992 and 1996 election victories. As Jeffries rightly observed:

'Over the preceding year, the NDC government had been carefully to deprive NPP supporters of government contracts which notwithstanding structural adjustment still accounted for the great majority of contracts available. Many businessmen sympathetic of NPP were thereby deterred from contributing financially to it'.<sup>14</sup>

The orchestrated denial of business contracts to opposition contractors because of their perceived links to opposition parties limited their participation. At the same time businesses loyal to the government made donations to the incumbent government for the running of its election campaigns. Jeffries further reported, 'the NDC raised large amounts from contractors around the country through less legitimate negotiations'.<sup>15</sup>

While the campaign finance burden may fall largely on the individual candidates, political parties play a role in MPs' campaign financing. Only in an election year would MPs receive funding from their parties. Usually, MPs who obtain their parties' nominations to contest parliamentary seats would receive a portion of the national campaign funds to supplement their constituency campaigns. The established tradition in the parties is that MPs from 'orphan' constituencies tend to receive more than those competing in 'safe seat areas'.<sup>16</sup> Again, the allocation of money an MP receives largely depends on whether he or she is affiliated to the ruling or opposition party. Whereas MPs from the ruling party often get a substantial amount from their national campaign office, those from the smaller parties struggle with the little that comes from their headquarters. None of the MPs interviewed could provide a definite amount they have drawn from their parties' head offices for their campaigns except to speculate that it ranges between 20-25% of their total campaign funds. In the past, the parties' financial commitment to the candidates' campaigns was largely administered in cash but following reported abuses of the funds, much of the resources have been turned into in-kind contributions such as logistics and allowances for party poll-watchers and agents.

State funding has been the breakthrough of multi-party politics in the developed democracies. The absence of state or public funding for political parties and their candidates in Ghana is widely viewed as being responsible for discouraging more experienced professionals and academics, with the capacity to salvage the country from the current economic morass, from entering into the political field. More than two-thirds of interviewees agreed to the question that the lack of state financial support to political parties has pushed more astute politicians away from politics. For instance, three interviewees from academia recounted their financial difficulties after participating in their parties' constituency primaries - bankruptcy, indebtedness to credit unions, friends and personal losses - and vowed not to venture into politics again.

### Factors influencing the cost of election campaigns

The political and electoral activities MPs undertake in the constituencies to secure the mandate of the electorate, and the expenditure they incur during their campaigns are of a magnitude like those of small political parties. For instance, this statement represents the view of most interviewees: 'resources they have appropriated for the local election campaigns mirror the smaller parties' general election campaign spending'.<sup>17</sup> Yet, there is a recent surge in candidates' election campaign spending due to growing popular campaign programmes the candidates have promoted (see Table 2.2; Table 3.3 and Table 4.4). Given that earnings of public sector employees are generally low, ranging between GH¢1,500-3,000 per month (US\$500), then the percentage growth in candidates' election spending could be as high as 120%.

### Party charges and nomination fees

Spending on intra-party candidate selection has more than quadrupled over the past decade. MPs and aspiring MPs affiliated to political parties reported that an important first step for competing in the intra-party primaries involves payment of a determined amount to the national party. The amount paid by a candidate to the party differs depending on whether it is the ruling or opposition party that has a greater chance of unseating the incumbent party. Usually, the so-called competitive parties would set high threshold fees as a deliberate strategy for raising funds for their major election campaigns, and as a way of discouraging the less popular candidates from contesting.<sup>18</sup> Added to these costs are the required parliamentary election nomination and filing fees to the Electoral Commission (EC) (see Table 3.3). Ghana's electoral law mandates the EC to impose an amount of money on a candidate who secures a party's nomination to contest as a parliamentary candidate (see Table 3).

**Table 2: Expenditure Pattern of Constituency Primaries:**

Nature of Election	Election Year and Average Amount Spent (in GH¢)				
	2000	2004	2008	2012	2016
Constituency Primaries	15,000	30,000	50,000	70,000	120,000

Source: Interview with MPs, Accra, March 2016

**Table 3: Expenditure Pattern on Filing/Nomination Fee**

Nature of Election	Election Year and Amount Spent (in GH¢)				
	2000	2004	2008	2012	2016
Parliamentary Election Filing/Nomination Fee	20,000	50,000	50,000	100,000	N/A

Source: Interview with MPs, Accra, March 2016



## **Political rallies and meeting local party executives**

A major aspect of MPs' campaign activities involves direct voter contact through political events such as rallies and constituency executive meetings. Making direct contact with the electorates to explain policy proposals and programmes requires spending on several trips to villages and towns. Even campaign volunteers who must engage in door-to-door dissemination of campaign messages to voters need to be paid a small allowance to motivate them to work. Most MPs think that it is worthwhile spending a significant amount of their campaign funds on the town and rural outreaches because it offers an opportunity to learn about the critical issues voters expect them to address. Of the total number of interviewees, more than two-thirds indicated that they spent between 30-35% of their funds on these voter-contact forms of campaign activities because 'rallies and meetings with local party executives and campaign staff dictate high expenditure levels'.

Aspiring MPs spent between GH¢10,000-15,000 on 'delegates' encounters'. On the other hand, MPs' expenditure on campaign outreaches in parliamentary elections was higher than in the constituency primaries. This is because unlike the latter, which involves arranging periodic meetings with delegates and party executives, the former requires individual delegates' contacts as well as the organisation of big town and village rallies. Most MPs spent between GH¢10,000-12,000 on voter outreach programmes for intra-party primaries but between GH¢2,000-3,000 on a single local rally, of which they would hold more than twenty.

### *Transportation*

The ability to make direct voter contacts through rallies and meetings, however, is heavily dependent upon access to transportation. Reaching rural voters in Ghana comes at a great cost to the candidate because of bad road networks and generally dilapidated infrastructure. Hence all MPs insisted that they spent substantial financial resources to purchase expensive but durable vehicles, motorbikes and bicycles. Candidates in certain parts of the country called 'overseas areas' spent extra income on hiring boats and tractors to reach out to the voters. On voting day, big trucks and four-wheel pick-ups would be rented for candidates' agents and other poll-watchers to perform their activities.

For the majority of MPs, transportation remains a significant expenditure burden for candidates because 'our party no longer supplies vehicles to carry out the local campaigns'.<sup>19</sup> An MP from the governing party who has been in parliament for close to 12 years remarked that 'candidates in rural constituencies often incur significant costs between GH¢20,000-30,000 to hire vehicles, motor-bicycles and bicycles in order to conduct voter outreaches and deploy party poll-watchers'. It is estimated that on average, MPs disburse between 25-30% of their campaign funds on transportation.

### *Mediatization*

Media outreach to voters is a vital component of candidates' campaign activities which receive financial attention. All MPs reported spending money on television, radio, print media (newspapers), billboards, posters and mobile van campaigns. Just 10% resorted to television advertisement, but 30% disseminated their messages through radio and print media and 60% chose the billboards and posters method as their preferred option. MPs admitted that those who contested in urban constituencies pay more for print media and television advertisement than those in the rural constituencies who largely depend on posters, billboards and mobile vans for their campaigns. The expenditure on media political programmes ranges from GH¢ 35,000-45,000 or 25% of total campaign expenditure.

## **Allowances to campaign volunteers**

Hiring temporary campaign staff and poll-watchers is integral to candidates' campaigns and therefore forms part of the cost of MPs' election activities. All MPs and aspiring MPs reported that because their parties have few permanent paid staff, they often recruit 'volunteers', spending between 10-15% of their campaign budgets to do so. This covers their salaries and expenditure on food and other allowances. According to the MPs, 'the costs associated with payment of candidates' agents and personal security may seem small, but it is substantial in relation to the total campaign cost'.<sup>20</sup> Some MPs and aspiring MPs explained that because

of high levels of poverty, 'volunteers' tend to regard campaign work as an opportunity to earn income, albeit a small amount of money. All interviewees believe that 'without paying a token of money to the so-called volunteers, you might not get their commitment to execute the important election activities'.<sup>21</sup>

### **Demands on MPs while in office**

A considerable section of Ghana's population lives in poverty. Poverty worsens as one travels to the countryside. This has serious implications for how MPs deliver constituency duties and dispense funds. In Ghana as elsewhere, the rural and urban poor believe that politicians belong to the affluent class. Given the huge financial resources that go into election campaigns, they believe that only rich people would compete in party primaries. Second, there is the notion of 'money in politics'. That is, politicians get into politics to become rich - they ride posh cars, put on expensive and beautiful clothes and eat well, among others.

Whereas the popular view about MPs' economic status may be exaggerated, the combined salary and allowances they receive monthly - GH¢9,400 (US\$2,800) - puts them in the high-income category of people in the country. In comparison with public servants, MPs in Ghana are among the highest paid salary earners. Yet, the financial burden imposed on them by demands from their constituents could make them slip to just 'above the poverty line'. So why do MPs in Ghana dispense a huge percentage of their salary and other incomes on the needs of their constituents? Some have speculated that in developing democracies such as Ghana where poverty is endemic, MPs are not elected only to perform functions of law making, executive oversight, representation and aggregating the overwhelming interests and aspirations of the population but also while in office they must execute informal duties 'graciously bestowed on them by their constituents'.

### **Responding to funeral invitations**

One important responsibility of MPs while in office is funeral attendance. It is commonplace that MPs are invited to funerals of not only prominent members in the community but also extended family members of opinion leaders such as chiefs and their elders, religious leaders and senior public officials and bureaucrats. Usually special invitation cards are sent to the office of the MP to attend an 'impending funeral celebration during which he is "mandated" to make a special donation that befits his political status in the community'. The fear that 'a political opponent may make a higher donation would be a good reason for the "honourable member of the community" to part with a substantial amount of money'. It is estimated that MPs spend GH¢ 4,000 per month on funeral donations depending on the locality.

### **Spending on constituents' social needs**

MPs are called almost daily to respond to financial demands from constituents to mitigate some pressing social needs. MPs confirmed the observation that they 'wake up every morning to face a queue of constituents that expect them to take time to address concerns and provide various sums of money'.<sup>22</sup> There are varieties of financial demands constituents make on their MPs such as money to pay school fees, utility and hospital bills, transportation fares, clothing, and assistance to travel abroad. It is becoming customary for MPs to look for money to make bulk purchases of food and other items such as rice, canned fish, beverages, soap and cooking utensils as well as clothing for distribution to the constituents during festivals and holidays. Depending on one's closeness with an MP the financial request could include money to cover living expenses, and payment of rental accommodation.

Of these areas, purchasing health insurance for constituents is prominent. Most MPs and aspiring MPs said they spent between GH¢2,000-3,000 on health insurance registrations for constituents monthly. Interestingly, those who make financial demands on MPs are not only the ordinary party supporters but also constituency executive members and 'party foot-soldiers' (party activists) who often present themselves as volunteers and are sent on errands to execute door-to-door canvassing. MPs interviewed for this research said that shouldering constituents' financial needs often begins from the period of the party primaries. Interestingly, both aspiring MPs and MPs use their private resources to cater for constituents' needs such as payment of rents for party offices, stipends to local party executives and the provision of development projects for the community. An interviewee recounted how he spent GH¢150,000 on the construction of three bore-holes to serve six neighbouring villages prior to the 2015 constituency primaries.<sup>23</sup>

## **Recognising traditional authorities (Chiefs)**

Financial demands from traditional authorities constitute a major expenditure burden on MPs and aspiring MPs. Chiefs and their elders make subtle financial and other material demands on MPs. MPs are required as dictated by local custom to 'greet the chief whenever they are in town'. The tall list of items chiefs and their elders often craft and forward to MPs for sponsorship range from cash to run the palace, to donations towards traditional festivals such as Odwira, Akwasidae, Hogbedzodzo and Homowo. In addition to the material, drinks and financial donations MPs give to chiefs, they are further expected to pay stipends to sustain the chiefly goodwill and backing. In Ghana, it is normal courtesy for MPs to accommodate prominent members from their community, say a chief, a young man or woman, when they transit through Accra.

## **Vote buying**

Distribution of financial benefits to voters and supporters remains one of the critical areas where MPs incur expenditure. A 2003 study by Lindberg documented cases of MPs in Ghana distributing a significant proportion of their resources to influence voters.<sup>24</sup> 13 years later, the situation remains unchanged. MPs make a distinction between spending on parliamentary elections and intra-party primaries. The vote-buying phase involves payment of various sums of money to influence voters in parliamentary elections. Incumbent MPs seeking re-election would offer valuable items and money to induce the electorate to vote for them. All MPs believe that the giving of money to voters has become an institutionalised feature of the political and electoral processes.<sup>25</sup> Cash given to core party supporters or activists is often concealed in white sealed envelopes while money to ordinary voters may be publicly and randomly distributed to a targeted group.

The second phase is about bribing delegates of party conventions and conferences in order to get their votes. Payment of cash to persuade delegates to vote for an aspiring MP or incumbent MP is no longer a secret act. All parliamentary aspirants and incumbent MPs confirm that cash distribution to party delegates is integral to intra-party primaries. As some MPs rightly admitted, 'high among the items slated for disbursement particularly on the eve of the primary is the inducement money for delegates'. Delegates expect aspirants and MPs to 'make available to them their share of the booty' before 'they enter their goldmine fields [lucrative political offices and positions] and forget about them'. Party delegates tend to regard intra-party candidate selection as 'the right time to chop'<sup>26</sup> and 'coerce' aspirants to satisfy their monetary expectations. MPs confessed to having expended an average of GH¢500 on each delegate during the 2015 primaries. Responses from interviewees suggest that illegal or corrupt practices or bribes are a major portion of MP expenditures. Hence unlike in other African countries where the use of money and other forms of direct benefits to influence voters represent a small fraction of MPs' post-election expenditure, in Ghana the phenomenon takes a chunk of MPs' personal funds.

## **Statutory spending on local development agendas**

As well as spending on 'informal constituency activities', MPs have made legitimate expenditures on 'the formal areas of constituency life'. In Ghana, making social amenities accessible to the majority of the people is a priority development issue for every MP. These fall directly under MPs' formal functions. The MP Constituency Development Fund, a portion of the District Assembly Common Fund, is allocated to MPs for the execution of constituency development programmes. Therefore spending in social areas such as the construction of classroom blocks for junior high school and nurseries or kindergartens and boreholes, the rehabilitation of road networks, the building of community libraries and the provision of exercise and textbooks for pupils and students have occupied MPs' constituency development priority projects. However, whenever state financial allocations to the District Assemblies are delayed, MPs often pre-finance aspects of the social services from their own pockets.

### **III. Outlook**

This study has emphasised the centrality of money to the survival of multi-party politics and deepening of democracy. In developing democracies where there is the absence of state funding for candidates, private funding has become the only means of sustaining party politics. The over-reliance on private funding does not augur well for democratic growth because when politicians chase illegitimate sources of funding it can undermine democratic values and corrupt democratic institutions and systems. The lessons from this study are:

First, sustainable democracy cannot depend on continuous private funding. While electoral theorists assume that there would be funds for candidates to draw from in order to run their campaigns, it is unlikely that the institutionalisation of multi-party politics will occur under a system of non-state subsidies to parties and their candidates. In a situation of dwindling private funding, democracy suffers - a situation that can trigger authoritarian re-emergence.

Second, solely private funding implies that politics is available for the highest financial bidder. In other words, democracy would be on sale to the wealthy financiers rather than being a game for all citizens who avail themselves. One can deduct from the funding trends in the study that the ordinary citizens, namely the poor with capable minds, are likely to be excluded from participation in electoral competition. If politics becomes the game for the elites only, then the perspectives of ordinary citizens will be lost.

Third, the study shows that personal financing poses a great risk for candidates' debt profile. Candidates who depend on borrowing from banks risk falling into huge debts. The situation is worse for candidates who fail to win the primaries and parliamentary elections. Candidates who run for offices and lose may slip into bankruptcy.

Fourth, there is widespread concern among civil society and political scientists that private financing often leads to political corruption. This is because the wealthy politicians who fund their own campaigns tend to represent their own business interests, and those who are financed by wealthy benefactors become their proxies once elected; this has served as grounds for breeding corruption in government. The desire to meet the social and economic needs of constituents could also instigate MPs to look for other illegitimate avenues to raise additional funds, thereby opening the box for political corruption.

Fifth, the excessive exploitation of incumbency by the ruling party and government can push small parties out of competition. Availability of funding for the incumbent party may lead to unfairness and possibly distort electoral competition. If one party can attract disproportionately large funds from some very wealthy supporters, it stands to gain a considerable advantage over its opponents. Although it is hard to assess scientifically the extent to which superior resources win votes - because a huge budget does not guarantee electoral success - there are circumstances where the candidate with the largest budget has a clear advantage.

#### **Recommendations**

Based on evidence of distortions in campaign funding for MPs, it is extremely critical first, to consider legislation designed to control the abuses relating to political finance. The EC, rather than the government, should establish frameworks in the form of Constitutional Instruments to regulate political activities in ways that limit campaign expenditures by setting ceilings on permitted election spending by candidates and their parties.

To control corruption, procedures and measures should be established to make it compulsory to declare political contributions. This is likely to deter politicians from entering illegitimate covenants with businesses in exchange for contributions. This would also help promote fairness in elections because it could reduce the disparities of resources between rich and poor politicians and political parties.

Finally, public funding is needed to release parliamentary candidates and their parties from scrambling for private or corporate donations. Apart from guaranteeing continuous resources to candidates, state funds would encourage grassroots participation. In particular, subsidies-in-kind - the provision of free or below-cost facilities for parties and candidates or free media advertisement - rather than cash and the provisions of vehicles and other logistics, can help control the seemingly rapid rise in the costs of campaigning.

#### **IV. Summary**

It is universally accepted that money is the lifeblood that sustains the momentum towards democratic development. Therefore, politicians, particularly parliamentary candidates, cannot undertake their political activities in their constituencies without funds. Yet, money in politics has encouraged corruption and other forms of undemocratic behaviour in the body politic.

Ghana has a long history of campaign financing. In the early period of multi-party politics, parties rather than candidates served as the channel for mobilising funds to implement candidates' political programmes. Over time, incumbent candidates received state funding while opposition candidates drew from personal sources. Current funding practices and behaviours reflect the old method where the incumbent party still draws heavily from state resources while opposition candidates are overtly starved of the oxygen of campaign funds. Yet MPs are under siege with unlimited lists of demands from their constituents to address their social and economic needs.

Barriers to entry into politics include: overt and covert limitations to effective popular participation in politics through restrictive campaign funding regulations; the prevalence of the anti-democratic funding laws; politicians still trapped by fear of regime reprisals against their generous donors; and exploited incumbency advantage over opposition parties such as denying opposition supporters' contracts.

Factors influencing the cost of election campaigns are party charges and nomination fees, political rallies and meetings with local party executives, transportation, mediatisation and allowances for campaign volunteers.

Demands on MPs while in office include funeral and birthday celebrations, spending on constituents' social needs, vote-buying, maintaining relations with traditional authorities and statutory spending on local development agendas.

To control the influence of money in politics in Ghana requires: the creation of legislative frameworks to regulate political activities in ways that limit campaign expenditures; controlling corruption by establishing procedures and measures for making it compulsory to declare political contributions; and supporting public funding for political parties in order to release parliamentary candidates and their parties from scrambling for illegitimate funds.

## Endnotes

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13. Debrah, E. (2004) The Politics of Elections: Opposition and Incumbency in Ghana's 2000 Elections, *Africa Insight* 34, pp.3-16.
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15. Ibid.,
16. MPs claim that this form of fund distribution is more equitable than the flat rate method.
17. 10 interviewees claimed their campaign expenditures are similar to what the smaller parties such as CPP and PNC have spent on their elections
18. Interview with MP for Akroso.
19. MPs who are affiliated to the ruling party receive logistical support from the party headquarters. But candidates from opposition parties do not.
20. Interviewees said that because spending on volunteers is erratic, they found it difficult to keep records of their spending on them.
21. All interviewees noted the invaluable contribution volunteers make to the campaign process, but they expressed dissatisfaction with their incessant financial demands.

22. Lindberg, I. Staffan. (2003). It's Our Time to 'Chop': Do Elections in Africa Feed Neo-Patrimonialism rather than Counter-Act It? *Democratization*, 10:2, 121-140.
23. Interview with MP-elect for Assin South.
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25. Every MP admitted to making payments to induce voters.
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