



# COST OF POLITICS IN GHANA

BACKGROUND PAPER



WESTMINSTER  
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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 elections in their constituencies have to undertake rigorous campaigns to mobilise the voters in order to build their trust in democracy and the political system (Ohman *et al.*, 2014). These candidates' ability to disseminate campaign messages to the electorate in order to obtain their support, educate them in the electoral process and whip their enthusiasm and participation in the election have largely depended on the availability of funds. Indeed, the role of money in competitive politics and democracy generally cannot be overemphasized. 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 (*The Economist*, 2000). 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 basketball player Bill Bradley, political campaigns without money are like "playing basketball without jumping" (Biezen, 2010, p. 65). It determines how candidates run for public offices, influence the behavior of voters and 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

developing countries such as Ghana finance their constituency campaigns from personal resources, and incumbents affiliated to the ruling party enjoy state sponsorship thereby feeding neo-patrimonial ties (Lindberg, 2003; Bryan and Baer, 2005). 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 examine how MPs have funded constituency primaries and parliamentary elections. It also examines the nature of financial demands imposed on MPs by their constituents and how MPs have responded to constituency financial demands while in office. It concludes by analysing their ramifications on the democratic development in the country.

# METHODOLOGY

Data for this background paper was obtained largely by conducting face-to-face, semi-structured interviews with 12 politicians who were incumbent members of parliament (MPs), unsuccessful parliamentary candidates and aspiring MPs who have participated in their parties' constituency primaries. Each of these politicians in the three groupings has raised and spent funds on their campaign activities 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. In other words, the interviewees were drawn from the two dominant political parties, the National Democratic Congress (NDC) and New Patriotic Party (NPP), which have alternated power in the fourth republic, and parliament is predominantly composed of MPs from these parties. Of the 275 seats in parliament, two of them are currently occupied by minority parties such as the Convention Peoples Party and Peoples National Convention.

To achieve a balanced selection of respondents in terms of party division, two demographic indicators, ethnicity and region, were used. The Volta and Northern regions (populated by ethnic groups such as the Ewes, Gonjas, Mole-Dagbanis and Grumas that have extreme partisan attachments to the NDC) and the Akan areas of the Ashanti, Eastern and Central regions (electorally supportive of the NPP) formed the study areas. Of the six MPs affiliated to the NDC, three were from the Volta, one from Eastern and two from the Northern regions (the one from the Eastern region is ethnically northern). Those from the NPP were all Akans from the Ashanti, Eastern and Central regions because the NPP has no presence in the Volta region. The total

number of interviewees was evenly distributed between incumbent MPs and unsuccessful/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 (see Table I.1). The absence of women MPs in the sample is not deliberate but reflects a general trend of male domination in Ghanaian politics. More importantly, the researcher was unable to obtain the consent of three women politicians (two MPs and an aspiring MP) to be interviewed.

The data obtained through the face-to-face interviews were supplemented with comprehensive desk-based research (literature review) on drivers of the cost of politics in Africa and elsewhere. The data were thoroughly organized 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 campaign 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. The early politicians looked for several avenues to mobilize 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 (albeit a few were capable), they leaned on the financial support of their respective political parties (Austin, 1964). It was the parties' strategy not to make election campaign financing a burden for the emerging politicians. On the contrary, in order to encourage their participation in the political process, the parties assumed the responsibility of fundraising to sponsor the candidates' election campaigns. Individual financial contributions first went to the party, and were later appropriated to fund the candidates' campaigns. Thus, throughout the pre-independence party competition, the candidates ran their election programmes on the wheels of their respective parties (*The Evening News*, 1952).

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 who were known as CPP rebels looked outside the state for election campaign funding. Consequently, those who contested on the platforms of the United Party and independent candidates (mostly CPP rebels) mobilized using personal savings, friends and family members' contributions (Austin, 1964). Donations to opposition candidates could be done in secrecy in order to avert state

persecution. Secondly, the neo-patrimonial politics of Nkrumah and his CPP ensured that CPP parliamentary candidates and MPs drew from state resources (Republic of Ghana, 1966). 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 (NADECO) entered a central party account from which MPs received funding to conduct their constituency elections (Republic of Ghana, 1967). In the era of the proclamation of the 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. The dissemination of campaign materials and messages to the electorates was executed largely through state institutions and party machinery that had become an integral part of the state apparatus (Austin, 1964).

In the post-Nkrumah epoch, a phenomenon has emerged in which MPs affiliated to the ruling party have captured from the state, and opposition candidates depend solely on private financial sources. Thus while pretending to be pursuing private and independent financing for their election campaigns, MPs from the ruling party have submerged their election campaigns into 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 (Chazan, 1983). According to the NAL, most PP candidates who 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 other side, candidates for the NAL drew their funds from

personal incomes, thereby hampering their prospects of winning their constituency seats (Crabbe, 1975).

Until the period of the fourth republic when ruling party MPs have 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 mobilized funds from outside the state apparatus. This was made possible by the presence of an impartial transitional government which did not commit state resources to the candidates. Hence, candidates mobilized using personal savings, private donations and, in limited cases, loans from banks (Chazan, 1983). By the time Ghana went to the polls in 1992, the campaign finance terrain had been flawed by the regime's obnoxious legislation aimed to diminish the strength of oppositionists to participate 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 and the participation of the military leader in the election as a presidential candidate made it palpably difficult for oppositionists to mobilize funds to engage in the competition.

## II. Drivers of the Cost of MPs Constituency Politics

The game of election and politics involves the organization 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 obstruct participation, how they influence the cost of their political engagements and the demands the constituents make on them while in office.

### Barriers to entry into politics

Unlike in established liberal democracies where citizen participation in politics is often fostered by progressive campaign financing laws and the 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.

As already mentioned, 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 crafted to impede opposition parties' ability to capture political power. While the law granted unlimited contributions to the founding members of the emerging political parties, it placed limits to membership dues the parties could mobilize from their teeming supporters. Indeed, membership contribution was pegged at 200,000 cedis (currently, the equivalent of 20 Ghana cedis or US\$1). Given

that traditionally most parties have survived on membership dues, setting a low limit on 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 1 million cedis (the current equivalent of 100,000 Ghana cedis or US\$35) in 1992 following a legal suit against the Interim National Electoral Commission (INEC) did little to bolster the opposition campaigns (Boafo-Arthur, 1998; Kumado, 1996).

The existence of the anti-democratic funding laws implied that many candidates have had to depend on personal funds, largely drawn from their meager salaries. For instance, candidates (incumbent MPs and aspiring MPs) who decided to participate in the intra-party electoral competitions (primaries) said they financed their campaigns from personal resources. These candidates have apportioned a substantial proportion of their monthly incomes (that range between 1,500 and 3,000 Ghana cedis, the average equivalent of US\$400 and US\$800 for public sector workers) 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 a monthly savings of a fraction of their skimpy salaries towards their electoral programmes.<sup>1</sup> Similarly, incumbent MPs, Ministers, provincial leaders (regional ministers) and mayors/district chief executives often set aside a portion of their monthly salaries towards their election campaigns. The more business-like persons (who are in private employment) have used dividends from their petty investible capitals in ventures such as government bonds and treasury bills in their campaign programmes. Four MPs explained how they replicated the religious tithing system by paying approximately 10 per cent of their monthly salary into their "campaign account". Table I.1 shows that part of candidates'

election campaign funds come from personal incomes. It further reveals that 60 per cent of the candidates who are incumbent MPs and 40 per cent who are aspiring MPs spent 45 per cent of their monthly incomes on their election campaigns. Also, both incumbent MPs and aspiring MPs devoted 20 per cent of their monthly salaries and 25 per cent from bank savings to fund their election campaigns. It is revealing that funds from candidates' personal income (salaries and savings) rank higher than what they received from friends (25 per cent), family (5 per cent), business/firms (15 per cent) and loans (10 per cent) (see Table 1.1). For a long time, politicians in Ghana have relied on financial contributions from close friends to finance their election campaigns. All respondents indicated that incumbent MPs received higher donations from close friends than did the aspiring MPs. As shown in Table 1.1, 90 per cent of MPs compared with 10 per cent of aspiring MPs competing in the primaries had financial support from friends. Similarly, 60 per cent of MPs said they received financial assistance from their families most of whom are in the diaspora. However, a majority of aspiring MPs (70 per cent) used dividends from their micro-businesses to fund their constituency election (primary). Only a minority (30 per cent) of incumbent MPs said they have drawn resources from their private businesses to finance their election campaigns (see Table 1.1).

Increasingly, politicians in Ghana are turning to loans as a relevant source of election campaign funds. Not surprisingly, a majority of MPs (70 per cent) said they borrowed from banks and credit unions to augment their campaign funds. While loans from banks form only 10 per cent of candidates' (incumbent MPs and aspiring MPs) election campaign funds (see Table 1.1), 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 in order 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>2</sup> For instance, aspiring MPs who were unsuccessful in the primary and parliamentary elections said they have experienced difficulties repaying their loans, and incumbent MPs have serviced their loans with their consolidated meager monthly salary of 9,400 Ghana cedi (about US\$2,800).

As political liberation deepened in Ghana as elsewhere and the regimes became relatively accommodating of opposition forces, campaign financing laws witnessed a modicum of reforms such as the Political Parties Act 284 that provided some extended avenues from which parliamentary candidates could tap resources. However, politicians still remain trapped by fear of regime reprisals against their generous donors. For instance, obstacles to participation still persist despite the promulgation of the Political Parties Act 574 in 2000 that removed the limits of individual contributions to political parties and despite relatively wealthy big political donors playing an increasingly prominent role in supporting candidates' election campaigns – largely through political action groups known as "Friends of Candidates",. For instance, while 25 per cent 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 per cent) who have connections with the managers (see Table 1.1), they would not disclose the names of the donors. In other words, the 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".<sup>3</sup> Six MPs remarked that "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>4</sup> For instance, prior to the 1996 elections, Rawlings mounted aggressive attacks on some indigenous Ghanaians by warning the public not to patronize their business products



**Table 1.1: Sources of funding for MPs' Parliamentary Elections**

Source	Amount as % of total funds	Percent of Contestants who are Incumbent MPs	Percent of Contestants who are Aspiring-MPs
Personal income (salary & savings)	45 (20, 25)	60	40
Friends	25	90	10
Family (Home & Diaspora)	5	60	40
Businesses/firms	15	30	70
Loans	10	70	30
Total	100		

Source: Interview with MPs and Aspiring-MPs, Accra, March 2016.

because “they would use the incomes from their businesses to sponsor opposition parties’ election campaigns” (see Debrah, 2004, p. 8).

Yet, in the fourth republic the ruling party has exploited incumbency advantage over the opposition parties. Exploitation of incumbency was severe throughout Rawlings’ eight years of 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 (Jeffries and Thomas, 1992; Oquaye, 1995; Debrah, 2004). The abuse of incumbency due largely to the appropriation of state resources to oil the wheels of NDC campaigns powered Rawlings’ 1992 and 1996 election victories. As Jeffries (1997, p. 130) rightly observed:

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

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 party for the running of its election campaigns. Jeffries (1997, p. 130) further reported “the NDC raised large amounts from contractors around the

country through...less legitimate negotiations”.

While the campaign finance burden may fall largely on the individual candidates, political parties have played a role in MPs’ campaign financing, albeit through small amounts. Only in an election year would MPs receive funding from their parties. Usually, MPs who obtain their parties’ nominations to contest parliamentary seats 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>5</sup> Again, the quantum of money an MP receives largely depends on whether he is affiliated to the ruling or opposition parties. Whereas MPs from the ruling party often get a substantial amount from their national campaign office, those from the small parties struggle with the little that comes from their headquarters. Yet, none of the MPs could report on the definite amount they have drawn from their parties’ head offices for their campaigns except to speculate that it ranges between 20 and 25 per cent 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, many of the resources have been turned into in-kind contributions such as logistics and allowances for party poll-watchers and agents.<sup>6</sup>

State funding has been the major breakthrough of multi-party politics in the developed democracies. Therefore, the absence of state/public funding for political parties and their candidates in Ghana is widely viewed as being responsible for discouraging from entering the political field the more experienced professionals and academics who could have the capacity to salvage the country from the current economic morass. More than two-thirds of interviewees responded in the affirmative to the question that “the lack of state financial support to political parties has pushed more astute politicians from politics”. For instance, the three interviewees from academia recounted their financial difficulties – bankruptcy, indebtedness to credit unions and friends and personal losses after participating in their parties’ constituency primaries – 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 in order to secure the mandate of the electorate and the expenditure they incur on their campaign programmes are of a magnitude similar to spending patterns of political parties. For instance, the majority of interviewees explained that “resources they have appropriated for the local election campaigns mirror the parties’ general election campaign spending”<sup>7</sup>. Yet, there is a recent surge<sup>8</sup> 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 1,500 and 3,000 Ghana cedis per month (the average equivalent of US\$500), if we account for inflation and exchange rate fluctuations, then the percentage growth in candidates’ election spending could be as high as between 90 to 120 per cent (see, for example Tables 2.2, 3.3 and 4.4).

#### **(a) Party charges and nomination fees**

Spending on intra-party candidate selection has more than quadrupled over the past

decade (see Table 2.2). MPs and aspiring MPs affiliated to political parties reported that an important first step for competing in the intra-party primaries involves the 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 party or an opposition party that has a greater chance of unseating the incumbent party. Usually, the so-called competitive parties set high threshold fees as a deliberate strategy of raising funds for their major election campaigns, and as a way of discouraging the less popular candidates from contesting<sup>9</sup> (also see Table 2.2). Added to the cost of MPs’ funding woes is the demand to pay a parliamentary election nomination/filing fee to the Electoral Commission (EC) (see Table 3.3). Ghana’s electoral law (PNDCL 284, Section C) 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 3.3).

**Table 2.2: Expenditure Pattern of Constituency Primaries**

Nature of Election	Election Year and Average Amount Spent (in Ghana cedis)				
	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 3.3: Expenditure Pattern on Filing/Nomination Fee**

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

\* A complete data can be obtained after November 7 2016 parliamentary election

Source: Interview with MPs, Accra, March 2016

**Table 4.4: How much in total did you spend on your election campaign?**

How much they spent	Campaign 2000	Campaign 1996	Campaign 1992
Maximum of 1 year salary	14%	68%	92%
Maximum of 1-2 years salaries	40%	22%	8%
Minimum of 2 year salaries	46%	10%	0%

Source: Lindberg (2003:131)

### (b) Political rallies and meeting local party executives

A major aspect of MPs' campaign activities involves direct voter contacts through political events such as rallies and constituency executive meetings. Making direct contacts with the electorate in order to explain policy proposals and programmes requires spending on several trips to villages and towns. Even campaign volunteers who have to 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 town and rural outreach because it offers an opportunity to learn about the critical issues voters expected them to address. Of the total number of interviewees, more than two-thirds (nine) indicated that they spent between 30 and 35 per cent of their funds on these voter-contact campaign activities because "rallies and meetings with local

party executives and campaign staff dictate high expenditure levels".<sup>10</sup> Aspiring-MPs with considerable resources spent between 10,000-15,000 Ghana cedis on "delegates encounters". MPs' expenditure on campaign outreach in parliamentary elections was higher than for constituency primaries. This is because, unlike the latter which involves arranging periodic meetings with delegates and party executives, the former requires individual contacts as well as the organization of big town and village rallies. Hence, most MPs spent between 10,000 and 12,000 Ghana cedis on voter outreach programmes for intra-party primaries and 2,000 to 3,000 Ghana cedis on a single local rally out of the more than 20 held in each parliamentary campaign.

### (c) Transportation

The ability to make direct voter contacts through rallies and meetings, however, is heavily dependent upon access to transportation. In particular, reaching rural

voters in Ghana comes at a great cost to the candidate because of bad road networks and general 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 of boats and tractors to reach out to the voters. On voting day, big trucks and four-wheel-drive pick-ups would be rented for candidates’ agents and other poll-watchers to perform their activities. The majority of MPs said transportation remains a significant expenditure burden for candidates because “our party no longer supplies vehicles to carry out the local campaigns”.<sup>11</sup> An MP from the governing party who has been in parliament close to 12 years remarked that “candidates in rural constituencies often incur significant costs between 20,000 and 30,000 Ghana cedis to hire vehicles, motor-bicycles and bicycles in order to conduct voter outreach and deploy party poll-watchers”. It is estimated that, on average, MPs disburse between 25 and 30 per cent of their campaign funds on transportation, a higher figure than earlier recorded (Lindberg, 2003).

#### **(d) Mediatisation**

Media outreach to voters is a vital component of candidates’ campaign activities which receives financial attention. All MPs reported spending money on television, radio, print media (newspapers), billboards, posters and mobile van campaigns. Whereas only a few (10 per cent of MPs) resorted to television advertisement and 30 per cent disseminated their messages through radio and print media, the majority of the MPs (60 per cent) chose the billboards and posters method. MPs admitted that those who contested in urban constituencies pay more for print media (newspapers) and television advertisement than those in the rural constituencies that largely depend on posters, billboards and mobile vans for their campaigns. The expenditure on media political programmes ranges from 35,000 to 45,000 (25 per cent of MPs’ total campaign spending).<sup>12</sup>

#### **(e) Allowance 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” and spend between 10 and 15 per cent of their campaign budgets on their activities, which cover expenditure on food, allowances and other contingencies. According to the MPs, “the costs associated with payment of candidates’ agents and personal security may seem small but [are] substantial in relation to the total campaign cost”.<sup>13</sup> Indeed, while the volunteers largely execute their activities on a *pro bono* basis, their efforts and energies are often compensated with a token amount. 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 agreed 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>14</sup>

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

A considerable proportion of Ghana’s population lives in poverty. Poverty worsens as one travels to the countryside. This has serious implications on how MPs deliver constituency duties and dispense funds. In Ghana as elsewhere, the rural and urban poor erroneously believe that politicians belong to the affluent class.<sup>15</sup> First, they think that given the huge financial resources that go into election campaigns, only rich persons 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 in luxury cars, put on expensive clothes and eat well, among others.<sup>16</sup> Whereas the popular view about MPs’ economic status may be exaggerated, the combined salary and allowances they receive monthly (a consolidated salary of 9,400 Ghana cedis) put them at the high-income category of people in the country. In other words, 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”. The question is 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 lawmaking, executive oversight, representation and aggregating the overwhelming interests and aspirations of the population; but also, while they are in office, they execute informal duties “graciously bestowed on them by their constituents”.<sup>17</sup>

### **(i) Responding to funeral invitations**

One of such important responsibilities of MPs while in office is funeral attendance. It is commonplace that MPs would be 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 would be sent to the office of the MP to attend an “impeding funeral celebration during which he is ‘mandated’ to make a special donation that befits his political status in the community”.<sup>18</sup> The fear that “a political opponent may make a higher donation would be a good reason for the ‘honourable member of the community’ to put out a substantial amount of money”.<sup>19</sup> It is estimated that MPs spend a little over 4,000 Ghana cedis per month on funeral donations, depending on the locality.

### **(ii) 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 made some time ago 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” (Lindberg, 2003, p.

129). Financial demands constituents make on their MPs include money to pay school fees, utility and hospital bills, transportation fares, clothing and assistance to travel abroad, among others. 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 Christmas and Easter festivals. Depending on one’s closeness with an MP, the financial request could be as high as money to cover living expenses and payment of rent for accommodation.

Among these areas, purchasing health insurance for constituents is prominent. Most MPs and aspiring MPs said they spent between 2,000 and 3,000 Ghana cedis on health insurance registrations for some 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.<sup>20</sup> MPs told the researcher 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 constituency costs such as payment of rent for party offices, stipends to local party executives and provision of development projects for the community. An interviewee recounted how he spent 150,000 Ghana cedis on the construction of three boreholes to serve six neighbouring villages prior to the 2015 constituency primaries.<sup>21</sup>

### **(iii) Greetings and thank you to 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 by local custom to “greet the chief whenever they are in town”. The long list of items chiefs and their elders

often forward to MPs for sponsorship covers everything from “cash to run the palace, and donations towards traditional festivals such as Odwira, Akwasidae, Hogbedzodzo and Homowo”, among others. In addition to the material, drinks and financial donations MPs give to chiefs, they are further expected to pay stipends in order to sustain chiefly goodwill and backing. In Ghana, it is normal courtesy for MPs to accommodate (provide bedding, food and lorry fare) to prominent members from their community such as a chief or young man or woman in transit through Accra to travel abroad.<sup>22</sup>

#### **(iv) Corruption (vote-buying)**

Distribution of financial benefits to voters and supporters remains one of the critical areas in which MPs incur expenditure.

A previous empirical study by Lindberg (2003) documented cases of MPs in Ghana distributing a greater proportion of their resources to influence voters (see Table 4). Thirteen years later, the situation remains unchanged.

MPs make a distinction between spending on parliamentary elections and intra-party primaries. For the former, the vote-buying phase involves payment of various sums of money to influence voters in parliamentary elections. 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 institutionalized feature of the political and electoral processes.<sup>23</sup> Cash given to core party supporters/activists are often concealed in white sealed envelopes while money to ordinary voters may be publicly and randomly distributed to a targeted group.

The primary phase is labelled “bribing delegates to party conventions/conferences” in order to get their votes. Payment of cash to persuade delegates to vote for an aspiring MP or 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 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 (political lucrative offices and positions) and forget about them”. Party delegates tend to regard intra-party candidate selection as “the right time to chop” (Lindberg, 2003) and would “coerce” aspirants to satisfy their monetary expectations. MPs confessed to having “expended an average of 500 Ghana cedis on each delegate during the 2015 primaries”.

Thus far, 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 represents a small fraction of MPs’ post-election expenditure, in Ghana the phenomenon takes a large part of MPs’ personal funds.

#### **(v) Statutory spending on the local developments agenda**

Despite spending on the “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. Hence 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/ kindergartens and for boreholes, rehabilitation of road networks, building of community libraries and the provision of exercise and textbooks for pupils and students have dominated MPs’ constituency development priority projects. However, whenever state financial allocations to the District Assemblies are delayed, MPs have financed aspects of the social services from their own pockets.<sup>24</sup>

### III. Outlook

This study has emphasized the centrality of money to the survival of multi-party politics and the 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 of private funding does not auger well for democratic growth because when politicians chase illegitimate sources of funding (for instance from drug barons and businesses), it could undermine democratic values and corrupt democratic institutions and systems. There are five lessons from this study.

First, sustainable democracy cannot continue to depend on 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 multi-party politics institutionalization would occur under a system of non-state subsidies to parties and their candidates. Democracy suffers in a situation of dwindling private funding, a situation that can trigger the re-emergence authoritarian regimes.

Second, solely relying on private funding implies that politics would be available for the highest financial bidder. In other words, democracy would be on sale to the wealthy financiers rather than being open to all citizens. One can deduce from the funding trends in the study that the ordinary citizens, namely the poor, are likely to be excluded from participation in electoral competitions. If politics is limited to the elites only, then the perspectives of the ordinary people would be held in abeyance.

Third, the study shows that personal financing poses a great risk for candidates' debt profiles. 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 as in Ghana there is no option of refunding monies spent on campaigns. Candidates who run for

office and lose their businesses 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, which have served as grounds for breeding corruption in government. Also, the desire to meet the social and economic needs of their constituents can cause MPs to look for other illegitimate avenues to raise additional funds, thereby opening the way for political corruption.

Fifth, the excessive exploitation of incumbency by the ruling party and government can push small parties out of the competition. The availability of funding to the incumbent party may lead to unfairness and possibly distort electoral competition. If one party is able to attract disproportionately large funds from some very wealthy supporters, it stands to gain a considerable advantage over an opposing party. 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.

#### Options to restrain the influence of money in politics

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 Electoral Commission rather than the government could be empowered to establish frameworks in the form of constitutional instruments to regulate political activities in ways that limit campaign expenditures such as setting ceilings on permitted election spending by candidates and their parties.

Second, controlling corruption requires establishing procedures and measures to make it compulsory to declare political contributions. This is likely to deter politicians from entering into illegitimate covenants with businesses in exchange for contributions. This would help promote fairness in elections because it could reduce the disparities of resources between rich and poor politicians and political parties.

Third, in the wake of corruption, 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 such as free media advertisement (television and radio broadcasting) rather than cash and the provision of vehicles and other logistics can help control the seemingly rapid rise in costs of campaigning.



# S U M M A R Y

## Introduction

- 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.

## Methodology

- Data for this study were obtained through face-to-face interviews with 12 politicians who are Members of Parliament (MPs), unsuccessful parliamentary candidates and aspiring MPs. Semi-structured questioning was used, supplemented with desk-research.

## Historical context

- Ghana has a long history of campaign financing. In the early part of multi-party politics, parties rather than candidates served as the channel for mobilizing funds to implement candidates' political programmes. Over time, incumbent candidates received state funding while opposition candidates drew from personal sources. Current funding practices and behaviour reflect the old method where the incumbent party still draws heavily from state resources while opposition candidates are not provided with campaign funds. Yet MPs are under siege with unlimited lists of demands from their constituents to address their social and economic needs.

## Drivers of the cost of MPs' constituency politics

### Barriers to entry into politics

- Overt and covert limitations to effective popular participation in politics through restrictive campaign funding regulations
- Prevalence of the anti-democratic funding laws
- Politicians still trapped by fear of regime reprisals against their generous donors
- Exploited incumbency advantage over opposition parties such as denying opposition supporters contracts

### Factors influencing cost of election campaigns

- Party charges and nomination fees
- Political rallies and meeting local party executives
- Transportation
- Mediatisation
- Allowances to campaign volunteers

### Demands on MPs while in office

- Funeral and birthday donations
- Spending on constituents' social needs
- Greetings and thank you to traditional authorities' (chiefs)
- Corruption (vote-buying)
- Statutory spending on local developments agenda

## Lessons

- In situations of dwindling private funding, democracy suffers with a possible trigger for authoritarian re-emergence.
- Sole private funding implies that politics is available only for the highest financial bidder.
- Personal financing poses a great risk for candidates' debt profile.
- Private financing often leads to political corruption.
- Excessive exploitation of incumbency by the ruling party pushes small parties out of the competition.

## Controlling the influence of money in politics

- Legislation could regulate political activities in ways that limit campaign expenditures.
- Controlling corruption dictates establishing procedures and measures for making it compulsory to declare political contributions.
- Public funding could release parliamentary candidates and their parties from scrambling for illegitimate funds

## Notes

1. All MP interviewees said they fund their constituency election campaigns.
2. This is from an interview with candidates who contested primaries at Ketu North, Assin South and Kwadaso.
3. MPs said governments have always antagonized their donors.
4. Three candidates who contested the primaries at Ketu North, Assin South and Akwatia claim that private wealthy donors suffered government reprisals in the past.
5. The MPs claim that this form of fund distribution is more equitable than the flat-rate method.
6. MPs reported that some local party executives have been dishonest by refusing to be accountable.
7. About 10 interviewees said their campaign expenditures are similar to what the smaller parties such as CPP and PNC have spent on their elections.
8. A comparison with Lindberg's data shows an exponential increase in MP campaign funds (see Tables 2.2, 3.3 compared with 4.4).
9. Interview with MPs for Akroso.
10. The MPs told the researcher that the rallies lie at the centre of the campaigns and represent about 40 per cent of their resources.
11. Apart from MPs who are affiliated to the ruling party and so receive logistical support from the party headquarters, candidates from opposition parties face logistical challenges.
12. All MP interviewees said they spent a large amount of money on campaign advertisement.
13. Interviewees said that because spending on volunteers is erratic, they found it difficult to keep records of their spending on them.
14. All interviewees noted the invaluable contribution volunteers make to the campaign process; but they expressed dissatisfaction with their incessant financial demands.
15. All interviewees said the grassroots voters perceive politics as a lucrative profession.
16. *Ibid.*
17. This represents the general view of majority of Ghanaians.
18. This is the general view expressed by MPs on the question of the things that consume their funds.
19. MPs said funeral donation has become institutionalized, albeit informal, and they are expected to make donations to bereaved families from their personal resources.
20. The list is endless but the MPs said they pay priority attention to emergency cases.
21. Interview with MP-elect for Assin South.
22. All MPs said they pay monies to chiefs and their elders.
23. Every MP admitted to making payments to induce voters.
24. All MPs have sent money legitimately and illegitimately.

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### Profile of Interviewees

Name	Constituency	Affiliated Party	Status	
			MPs	Aspirant-MPs
1. Emmanuel Kwashi Bedzrah	Ho West	NDC	MP	
2. Peter Nortsu-Kotoe	Akatsi North	NDC	MP	
3. Dominic Napare	Sene East	NDC	MP	
4. Yaw Owusu Boateng	Akroso	NPP	MP	
5. William Quaitoo	Oda	NPP	MP	
6. Dr Mathew Opoku Prempeh	Manhyia South	NPP	MP	
7. Prof Kwadwo Gavoah	North Dayi	NDC		Contested primaries and lost
8. Basil Ahiabley	Akwatia	NDC		Contested primaries and lost
9. Steve Kofi M. Ahiawodor	Ketu North	NDC		Contested primaries and lost
10. Prof. Kingsford Adaboh	Assin South	NPP		Contested primaries and lost
11. Dr Kingsley Nyarko	Kwadaso	NPP		Contested primaries and lost
12. John Ntim Fordjour	Assin South	NPP		Contested primaries and lost
				Contested primaries and won