Helpdesk Research Report: Political Party Financing
Date: 05/06/08

Query: Please identify literature on political party financing in the developing world, particularly Africa – highlighting key methods, lessons learned and best practice.

Enquirer: DFID Rwanda

Contents

1. Overview

While political party financing is a challenge worldwide, it can be especially difficult in countries in Africa. The reasons for this include:

- low national and per capita income levels;
- poor party fund management in Africa, a symptom of more widespread problems with public financial management and accountability;
- weak enforcement of legislation and regulation governing party financing; and
- poor public perception of political parties, which inhibits both private fundraising and support for public funding.

The methods of party financing used in Africa are primarily individual donations (membership fees and fundraising); private sector donations (corporate contributions); public funding (cash subsidies, in-kind or indirect assistance); and foreign donations (foreign governments, diaspora communities). There are advantages and disadvantages to each. Key points made in the literature and by experts include:

<u>Individual donations</u>:
Advantages

- membership fees are considered essential, as they encourage parties to reach out to and involve the grassroots, promoting democratic participation.

Disadvantages

- low personal income levels constrain the ability to pay membership fees; and
- the prominence of any one wealthy donor can produce a personality-based party.

<u>Private sector donations</u>:
Advantages

- they are essential to party development as public funding is relatively minimal in Africa and membership fees are insufficient.

Disadvantages

- the current absence of regulations for private donations, including no requirements for disclosure, has allowed for corrupt kickbacks and the disproportionate influence of special interests. This in turn can further erode public confidence in political parties.

<u>Public funding</u>:
Advantages

- regulated public funding to parties has been helpful in ‘levelling the playing field’;
- it can also reduce reliance on illegal methods of funding and influence of special interests from private sector donations; and
- its provision can be made conditional on political party reforms and improvements in accountability and transparency.

Disadvantages

- the availability of such funding can reduce incentives to reach out to the grassroots;
- reliance on government funding may result in a loss of party independence;
- there may be a diversion of resources from important social sectors, such as health care and education;
- the public in some cases are unsupportive of public funding, in connection with their poor perception of political parties and concerns about state corruption;
- insufficiently regulated public funding, as in the case of private sector donations, has allowed for corruption; and
- the way in which such funds are distributed can reinforce the status quo and prevent the rise of new parties (i.e. by providing funding proportionate to a party’s representation in Parliament).

<u>Foreign funding</u>:

Advantages

- such donations can help to fill the funding gap; and
- they can keep diaspora communities involved in their home countries.

Disadvantages

- some leaders are concerned about the possibility of national policies being influenced by external parties; and
- there may be greater difficulties with accountability with foreign sources of funding.

In general, it is considered that a combination of both private and public funding is beneficial. It is recommended that private funding also be regulated, with requirements for disclosure and potentially a cap on the amount. Some of the literature suggests the use of a general private fund to reduce the influence of special interests; private donations would be pooled together and distributed to all eligible parties. However, there may be little incentive for private donors to contribute to such a fund. Regarding public funding, some form of equitable allocation is desirable, as opposed to a purely proportional system that rewards parties for their current strength and representation in Parliament. In addition, in-kind assistance (e.g. free public radio and television time) and indirect assistance (e.g. tax benefits for individual donations) should be considered, in order to reduce the risk of corruption with cash subsidies. Indirect assistance in the form of tax benefits can also be beneficial in encouraging grassroots involvement. Another way to encourage parties to reach out to the grassroots is the use of matching funds, whereby the state agrees to match all private donations. The literature also recommends that more attention be paid to monitoring and enforcing existing and new regulations through special enforcement/ auditing agencies, the media and various civil society groups.

2. Key Documents

General

- Austin, R. and Tjernström, M., eds., 2003, ‘Funding of Political Parties and Election Campaigns: Handbook Series’, International Institute for Democracy and Electoral Assistance (IDEA), Stockholm: http://www.gsdrc.org/go/display/document/legacyid/938

This lengthy handbook evaluates political financing methods around the world and provides recommendations. Chapter 2 focuses on Africa. It finds that all the methods of funding political parties elsewhere in the world are also in use in Africa to varying degrees. Donations are the most prominent in Africa, as well as returns on business investments and corrupt kickbacks, Donations are usually inadequate, however, and can also be problematic as:

- Large donations can only be made by business tycoons, who have often treated the founding and/or financing of parties as an investment to further their business goals.
- Ordinary business owners have been reluctant to fund opposition parties for fear that ruling governments will consider them less entitled to bid for government contracts.

There is a dearth of public funding schemes for political parties in Africa. This can be attributed partially to insufficient state resources and to resistance from ruling parties that do not wish to strengthen opposition parties. The handbook identifies arguments in favour of and against public funding. Those in favour include:

- It provides necessary funds to fill a gap in political party financing, especially for opposition parties – thus contributing to fairness;
- It may reduce incentives for using illegal sources of funding; and
- It can be provided in exchange for better accountability and transparency, such as the disclosure of all sources of income.

Arguments against include:

- Parties will become less dependent on their members and supporters, which will be harmful to democratic grassroots involvement. (Further, opinion polls demonstrate that state subsidies are unpopular with ordinary citizens);
- Parties may lose their independence as they become more reliant on government;
- It may divert critical state funds away from health, education and other social sectors.
- The way in which funding is allocated may be unfair to opposition parties (e.g. by allocating funding based on number of seats a party holds in Parliament).

The handbook recommends that public funding should only partly cover party expenses. It addition, subsidies in kind (e.g. public billboard space, free air time on public radio and/or television) and indirect support (e.g. tax exemptions/benefits) are preferable to cash subsidies. Public funding schemes should also seek ways to promote grassroots financing support, through matching funds programmes and income tax benefits.

- Bryan, S. and Baer, D., eds., 2005, 'Money in Politics: A Study of Party Financing Practices in 22 Countries', National Democratic Institute for International Affairs (NDI), Washington, DC:
  http://www.gsdrc.org/go/display&type=Document&id=1508

This report is a product of the African Political Party Finance Initiative (APPFI), designed to assist political parties and democratic activists in Africa in party financing reform. It draws on information gathered not only from African countries but from Latin America, Central and Eastern Europe and Asia. Overall, the data suggests that the majority of political party and candidate funds are raised from legitimate sources. These are, in order of highest prevalence:

- party-related activities, such as fundraising events and membership fees;
- private sector contributions;
- public funding schemes;
- individual donations from citizens; and
- foreign donations and party leaders' personal funds.

The report stresses though that party fund management is weak in Africa. Procedures for recording financial transactions are weak; and there are few accountability and audit systems. While legal and regulatory frameworks are essential, their enforcement has been weak. The report states that political parties themselves must act as agents for change, adopting transparent decision-making, internal democracy and financial accountability. Public funding should be made available in exchange for such reforms in order to better promote them . (The various pros and cons of public funding schemes are discussed on pp. 21-22. They mirror the points made in Austin and Tjernström, 2004, above.) In addition, leading elements in civil society (media and watchdog groups) need to increase their role in promoting awareness of corruption and exposing abuses. The report also advocates that regulations cover not only money raised and spent by political parties but also constrain the ability of public officials to reward campaign donors with government contracts.

- Fischer, J., Walecki, M. and Carlson, J., eds., 2006, 'Political Finance in Post-Conflict Societies', Prepared by IFES with funding from the United States Agency for International Development: http://www.ifes.org/publication/0b087c527792ae130507f80957ad3f2b/Poltiical%20Finance%20in%20Post-Conflict%20Societies-small.pdf

This study identifies lessons learned from international donor-funded efforts to support political processes, particularly political financing, in post-conflict countries – based on the experiences of Afghanistan, Bosnia and Herzegovina, El Salvador, Haiti, Iraq, Kosovo, Liberia and Mozambique. Its key findings include:

- Funding from and to undesirable sources (fighting factions) is a major and common problem in post-conflict elections;
- Controls on improper funding are difficult to introduce and enforce in economic environments that lack financial transaction capacities; or where the dominant political power co-opts business elites with public enterprise funding;
- Strict audits and stiff penalties are useful, but require political will and a police and judiciary capable of enforcement;
- Direct funding to electoral participants can help 'level the playing field' by encouraging and enabling the participation of opposition parties. It requires basic reporting mechanisms;
- Non-monetary benefits (e.g. free media time, use of office space or other facilities) should be considered as an alternative to direct cash funding;
- Direct funding and non-monetary benefits can contribute not only to party development but also be a critical incentive for parties to comply with reporting mechanisms and meet auditing standards; and
- Media, civil society and the international community can play an important role in monitoring the political finance system.

- Ashiagbor, S., 2005, 'Party Finance Reform in Africa: Lessons Learned from Four Countries – Ghana, Kenya, Senegal and South Africa', National Democratic Institute for International Affairs (NDI), Washington, DC: http://www.iknowpolitics.org/files/party%20finance%20reform%20in%20africa_ghana,%20kenya,senegal%20and%20a.africa.pdf

This report is a product of the Africa Political Party Finance Initiative (APPFI). As part of the APPFI, NDI supported the efforts of civic groups in Ghana, Kenya, Senegal and South Africa to increase awareness about the need for transparent and accountable party funding and to promote reforms. Its key findings (see p. 1) include:

- There is poor public perception of parties, which impacts their ability to raise funds;
- There is a need for proper enforcement of party finance laws through independent and adequately resourced agencies as well as monitoring and reporting by civil society and the media; and
- Public funding is most effective when introduced as part of a broader package of reforms (e.g. disclosure of private funding sources, proper registration of political parties and laws to limit the abuse of incumbency) designed to make political parties more accountable and transparent to their members and the general public.

The report states that debates concerning state subsidies in Africa must extend beyond discussing the mere need for public funding to the way in which it can be used to engender reforms, as discussed above. In addition, given the poor perception of politics, and the prospect that public subsidies may exacerbate this, public awareness campaigns must run alongside. More controversial is the issue of public funding allocation. It is necessary to strike a balance between rewarding parties based on performance at the polls (through proportional funding) and encouraging smaller parties (through equal distribution). In addition, the report stresses that in order for state subsidies to genuinely level the playing field, they must be accompanied by reforms that limit abuses of state resources.

Southern Africa

- Sokomani, A., 2005, 'Money in Southern African Politics: The Party Funding Challenge in Southern Africa', African Security Review, vol. 14, no. 4: http://www.iss.co.za/pubs/ASR/14No4/ESokomani.htm

This paper notes that while party funding is a challenge throughout the world, the challenge is especially pronounced in emergent democracies in the Southern African Development Community (SADC). This is due to low levels of income, literacy and technology; and the preponderance of a dispersed rural population and poor infrastructure, which makes campaigns costly. The limited direct public funding to political parties and election candidates has resulted in a heavy reliance on funding from business, foreign governments and other private sources. This, the paper argues, produces a real risk that interest groups and wealth individuals will buy influence in political parties, which in turn will erode public confidence in the system. Further, party financing regulations in the SADC have focused on public funding, leaving private funding open to corruption. The paper makes the following recommendations for Southern African countries:

- Adopt disclosure laws to govern private funding.
- Provide public funding: while there is a risk that such funding may result in a decline in grassroots participation, it can contribute to more equal competition and reduce the risk of disproportionate influence from private sources of income. The paper advocates the allocation approach adopted in Mozambique, which provides non-parliamentary parties with campaign funds; as opposed to the approach adopted in South Africa, Malawi and Tanzania, which excludes parties not represented in parliament. The latter approach can suppress the emergence of alternative parties and entrench the status quo.
- Adopt expenditure controls: this mechanism receives little attention but can diminish the pressure to raise large amounts of money; allow for equal competition and the emergence of new parties. Examples include the banning of television campaigning in South Africa and the general expenditure cap in Botswana.

- Pottie, D., 2003, 'Party Finance and the Politics of Money in Southern Africa', Journal of Contemporary African Studies, vol. 21, no. 1, pp. 5-26: http://www.gsdrc.org/go/display/document/legacyid/953

This paper examines the sources of party financing in Southern Africa. The three main sources are: income from private domestic donations (e.g. membership fees, corporate contributions, personal donations and fundraising); foreign donations; and public funding. The paper notes two distinct funding models in Southern Africa: the first one relies on public funding (Malawi, Mozambigue, Angola, Namibia, Seychelles, Lesotho, South Africa, Tanzania and Zimbabwe). In these countries, parties also engage in private fundraising efforts without disclosure requirements. In the second model, there is no public funding and parties are dependent on private fundraising efforts (e.g. Mauritius and Zambia). The paper cautions that the combination of regulated public support and a laissez faire approach to private donations is problematic and undermines efforts to 'level the playing field' and promote accountability. It also highlights that there has been little discussion in Southern Africa on the role of subsidising campaign expenses through non-cash transfers, such as free access to public media, postal subsidies, and tax breaks.

South Africa

- Matlosa, K., ed., 2004, 'The Politics of State Resources: Party Funding in South Africa', Occasional Paper, Konrad-Adenauer-Stiftung, Johannesburg: http://www.kas.de/wf/doc/kas_4482-544-2-30.pdf

This paper explores in detail party financing in South Africa. It is the outcome of comparative and case study research and a workshop for policy dialogue. State funding is provided for by constitution/legislation. This is the same in other SADC member countries, with the exception of Zambia and Mauritius. Funding is provided to parties either on the principle of equity (e.g. Mozambique and Tanzania) or proportionality (e.g. Zimbabwe and Namibia) or both. In South Africa, the proportionality approach (whereby funding is weighted in favour of elected representation by each political party) has been critiqued for favouring powerful parties. The

SADC-Parliamentary Forum stresses that public resources should not give an unfair advantage to the ruling party and accountability is essential to ensuring a 'level playing field'.

Parties supplement public funding with members' subscription fees and with private local and foreign donations, particularly business interests. Donations are considered to be potentially the most controversial form of funding since they often come with strings attached, are never disclosed publicly and are not regulated in the same way as public funding. The paper stresses that private funding is not inherently problematic; rather, if regulated properly, it can strengthen party processes. However, in situations of absent or minimal regulation and transparency, such as in South Africa, there is a strong tendency for corruption. This is problematic not only to party management but also to general governance and democratic consolidation. As such, it is essential that some form of private funding regulation be institutionalised in South Africa.

The paper offers the following recommendations for private and public party financing (p. 123):

- "A cap or limit should be established on the amount of funding parties can get from private donors.
- There is a need for determining a threshold on party expenditures for campaigning.
- A situation whereby political parties become too dependent on public financing as a result of secure amounts needs to be guarded against as this would undermine the desired intimacy between political parties and their supporters.
- There should be fair and equal access to state-owned media by contending parties other than the ruling party.
- Clear regulatory mechanisms must be put in place to ensure accountability and transparency with regard to private donations to political parties".

- Political Information and Monitoring Service-South Africa [PIMS-SA] and The Right to Know Programme, 2003, 'Regulation of Private Funding to Political Parties', Idasa Position Paper, Institute for Democracy in South Africa, Pretoria and Cape Town: www.idasa.org.za/gbOutputFiles.asp?WriteContent=Y&RID=482

This paper discusses political party financing in South Africa. Direct public funding is provided there, in addition to in-kind contributions in the form of free television time. Still these public resources are insufficient to sustain parties. As such, they have to seek funding from private sources. Illustrating the situation in much of Africa, South Africa does not regulate private funding amounts nor require their disclosure. The paper recommends that some form of disclosure regulation be adopted as a key mechanism to confront improper influence of special interests on parties or candidates. It notes, however, that disclosure rules can only be effective if the information is used effectively and disseminated to voters in a timely fashion. This requires an active independent media and strong civil society. The paper also recommends that public funding be given greater consideration. It notes that party financing regulation in South Africa can choose to limit private funding, thereby increasing the need for increased public funding. Although this would burden tax-payers, the paper argues that it is a fair trade-off because of the corresponding reduction of corruption and enhancement of democratic rights. The paper outlines three different policy models or options for political financing and evaluates each of them (see pp. 76-77).

- Robinson, V. and Brümmer, S., 2006, 'SA Democracy Incorporated: Corporate Fronts and Political Party Financing', ISS Paper 129, Institute for Security Studies, Pretoria and Cape Town: http://www.iss.co.za/dynamic/administration/file_manager/file_links/PAPER129.PDF?link_id=21&slink_id=3823&link_type=12&slink_type=13&tmpl_id=3

This paper examines the private funding of political parties in South Africa, including the corporate front used by the ruling African National Congress (ANC) to seek profit on its behalf. While South Africa's anti-corruption laws require politicians to disclose publicly all personal financial interests, political parties have no similar obligation. This the paper notes has allowed for the solicitation and offering of donations from companies that compete for state contracts. In addition, there is a concern among opposition parties globally that business is reluctant to donate to them for fear of economic reprisal from government. The paper recommends the regulation of private funding, not for the purpose of stopping such funding, but rather to ensure that sources are neither corrupt nor potentially corrupting. Specifically, it recommends that companies should only be allowed to make donations to political parties through a general fund, created by law. Monies from this fund would be allocated to no particular political party but to all that qualify for funding by law.

Kenya

- Centre for Governance and Development (CGD), 2005, 'Political Parties to be Funded by the State', CGD Policy Brief, no. 01/03, CGD, Nairobi: http://www.accessdemocracy.org/library/1881_ke_cgdpolicybrief.pdf

This briefing examines party financing in Kenya and asserts that there is a "direct correlation between funding and formation of political parties, and grand corruption in Kenya" (p. 5). It identifies the key sources of funding for political parties: membership fees; donations and grants from organisations; proceeds from domestic and international investments and capital projects undertaken by parties; and state funding. These are all legitimate sources of funding; however, some can become a cause for concern if their provision is tied to a change in party policies to suit special interests. The briefing provides an overview of documented cases on corruption. It then outlines a legal framework to combat such corruption, based on countries that have made progress in this area. It also provides a series of recommendations for the effective management of both public and private financing (see pp. 14-16). These include:

- The adoption of adequate constitutional and legal guarantees to safeguard the operations of political parties;
- The effective use of public funding: since allocation based on proportional strength of a political party (e.g. in South Africa and Tanzania) can disproportionately benefit the ruling party at the expense of opposition parties, some combination of proportional and equitable formula may be preferable (e.g. in Germany). In addition, a clear line must be drawn between state resources and ruling party's resources, with sanctions imposed for misuse of state resources by the ruling party;
- The adoption of private contribution limits and disclosure of private contributions that exceed a set amount;
- Regulation of political party expenditures;
- The establishment of an enforcement body, designed to promote successful implementation and functioning of party funding systems;
- The appointment of a monitoring body, to audit and report on donations received and expenditures.

Ghana

- Ghana Centre for Democratic Development (CDD-Ghana), 2005, 'Financing Political Parties in Ghana: Policy Guidelines', CDD-Ghana, Accra: http://www.accessdemocracy.org/library/1883_ghcddpolicyguidelines.pdf

This report is a product of the Africa Political Party Finance Initiative (APPFI). It is based specifically on the political party financing project in Ghana, one of four country studies in Africa commissioned by the NDI. Chapter two of the report discusses public funding and outlines arguments for and against public funding (see pp. 5-6). Key arguments in favour are:

- Reduction in inequality: public funding provides a more 'level playing field' by reducing the advantages of incumbency and greater financial resources for the ruling party.
- Reduction in corruption: accounting and reporting requirements for public funding deter the acceptance of illegal contributions and donations in exchange for favours.
- Reduction in special interest influence: public funding reduces the temptation for political parties to accept money from special interests that disproportionately influence their policies.

Key arguments against public funding are:

- Inappropriate use of public resources: public funds should be directed instead to pressing social needs, such as poverty, health care, nutrition and basic education.

- Some parties might become complacent after they receive public funding, and will cease to actively seek new members and funds from the voting public.
- The best way to reduce corruption in politics is not to provide public funding but to restrict the amount of expenditures and flow of money in politics and in the electoral system in particular.

The Ghana project found that state financing of parties is not widely supported by the public. This could be due to high perceptions of corruption in politics, and lack of transparency and accountability among political parties. The vast majority of Ghanaians were unwilling to pay more taxes to fund parties and were opposed to the redistribution of funds from social services toward party financing. Those who did support such re-direction insisted that funds be given in exchange for political party financial transparency and accountability. Given these public opinions, the report finds that it is important to explore other legitimate sources of funding. Chapter five of the report discusses such policy choices and outlines five different options for party funding (see pp. 12-17). They are:

Option 1 - Private Financing (Private Initiative): "One option is a 'regulated' fund for parties that is established by statute or by law but which is not financed by the state. The fund is generated in its entirety through donations and contributions by private sector businesses, organisations and individuals ... Political parties could, individually and/or collectively, solicit funds from the above sources for the fund, as could the fund administrator ... The evolution (growth and decline) of the fund over time may provide a good barometer of changing public perceptions of and attitudes toward political parties. This could force political parties to take corrective measures to ensure continued public support and financial contributions … [However], the public and especially committed card-carrying members are more likely to contribute directly to the coffers of preferred political parties rather than pay into a general fund for political parties".

Option 2 - State Funding (State Initiative): "This appears to be the dominant mode of public financing. Under this option, the state plays a catalytic role in setting up the Fund and provides an annual budgetary allocation to it. This level of state involvement establishes much stronger legal and regulatory bases for party financing. On the one hand, it establishes levels of state support for political parties that are both guaranteed and transparent rather than the current unreliable practices that depend on the indulgence or goodwill of the incumbent government. On the other hand, state involvement does strengthen the regulatory power of the state and its moral authority to demand accountability and/or to impose sanctions for non-compliance such as the withdrawal of state funding".

Option 3 - Common Funding (State and Private Partnership): "As the name implies, this Fund is envisaged as a common (pooled) fund consisting of annual state budgetary support as well as private contributions or donations from individuals, corporate bodies, businesses, (and foreign governments?) This option reflects a shared partnership and shared sacrifice between the state and citizenry in promoting and strengthening institutions whose success is widely perceived to be important to the health of Ghanaian democracy. This kind of burden-sharing also minimizes the load that the state has to carry in order to ensure the viability of the multi-party system".

"It must be noted that the Options 1 through 3 require the formal creation of a Fund, although how such a Fund might be constructed could take several forms as presented. However, given the rather strong public antipathy toward state financing of political parties at this time, Option 2 (state financing) may be the least palatable. With proper public education, Option 3 (a partnership between state and private citizens and other private actors) may be feasible. However, it will require the implementation of the package of political reforms identified earlier in order to cultivate public support and, more importantly, to assuage public anxiety over the two Ts – taxes and tradeoffs – that may be required for its creation. Option 1 (a privately created Fund) may be too novel an idea whose time has yet to come".

Option 4 - Maintain Current Practices: "This is a minimalist alternative to the previous options. It envisages the continuation of the current practices whereby political parties and presidential candidates are granted access to the state-owned media as required by the 1992 Constitution although the degree of equality of access is often disputed by opposition parties; the EC makes a limited number of vehicles available to political parties close to election time although this is not mandated by the Constitution; the government indirectly supports political parties through exemption from payment of income tax; and donors provide computers, accessories, and training to political parties, through a process managed by the EC.

The fourth option imposes minimal financial obligations on the state. From the point of view of an incumbent government having to juggle competing claims for limited state resources, this option may be more manageable and therefore preferable. Its main drawback is that it leaves the extent of support, if any, for political parties much more to chance and to the discretion or goodwill of the government of the day".

Option 5 - Matching Funds: "Another potential source of financing worth contemplating is that of matching funds. The idea is for the state to match the funds that each party is able to generate on its own through its fundraising efforts. Shared responsibility. They ensure the relative autonomy of political parties because they are forced to be more proactive in mobilizing support from their members and other private sympathizers in order to enjoy those matching funds. [However] like the others, it tends to reward larger, more successful parties. As such, it may widen the financial gap between unequal political parties rather that level the playing field for all political parties".

Option 6 - Other Funding Sources:
- "Foreign Funding: [T]he public endorsed the idea of foreign funding. By contrast, some elites are concerned about the dangers of opening up our electoral process to foreign involvement. They caution that the problem of accountability may become more vexing.
- Foreign Contributions to the Common Fund: A reasonable compromise might involve maintaining the current ban on foreign funding so that no foreign governments, their aid agencies, other institutions or, for that matter, foreign nationals are permitted to donate to individual candidates or parties. Instead, all such donations by foreign governments or nationals are channelled into any of the Funds created under Options 1 to 3, assuming the existence of any of them.
- Intensify party fundraising efforts. This option would rather have political parties intensify their own fundraising efforts from Ghanaians living at home and abroad. This option is promising because it gives political parties the freedom to undertake additional fundraising activities and rewards them for their success. This will take some of the pressure off the state to provide ever-increasing amounts of budgetary allocation to the Fund. [However], rather than contributing to a levelling of the playing field for political parties, this kind of freelancing for funds might increase the financial advantages of the larger and better organised political parties over their smaller or weaker counterparts".

- Ghana Centre for Democratic Development (CDD-Ghana), 2005, 'Political Party Financing in Ghana', CDD-Ghana Research Paper, no. 13, CDD-Ghana, Accra: http://www.accessdemocracy.org/library/1884_gh_cddsurvey.pdf

This paper provides more details about the Ghanaian public opinions on political party financing ascertained through a nationwide research and discussed in the CDD-Ghana report above. It provides several recommendations to address the public's poor view of political parties and resistance to state funding. These include:
- Internal party reform to address poor perceptions about parties' organisation and conduct, including increased transparency in financial affairs and cooperation with the Electoral Commission in its audit duties.
- Education initiatives, whereby political parties team up with appropriate public and civic bodies to educate the public on the actual functions and roles of political parties (which are currently misperceived);
- The exploration of other legitimate means for sourcing state financing, such as the options discussed in the CGD-Ghana report above;

- Working actively with public and non-public anti-corruption institutions to ensure that incumbent parties do not abuse state resources; and
- Strengthening the capacity of civil society to monitor parties and their compliance with existing legislation.

3. Additional Resources

- Doherty, I., 'Regulating Political Finance: Lessons Learned', National Democratic Institute for International Affairs (NDI), Washington, DC

This document focuses on developments in Europe, with some reference to Brazil and Mexico. It discusses regulations concerning public finance, media access, expenditure limits, contribution limits, as well as monitoring and enforcement. Some of these lessons learned could be applicable to countries in Africa.

- Electoral Institute of Southern Africa: Funding of Political Parties website: http://www.eisa.org.za/WEP/comparties.htm

This site provides information on public and private financing schemes for political parties in various countries in Africa, including comparative data and links to further information.

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Websites visited

Africa Institute of South Africa, Centre for Policy Studies – South Africa, Electoral Institute of Southern Africa, Google, Google Scholar, GSDRC, IDEA, iknowpolitics.org, Institute for Democracy in South Africa, Ingenta journals, Institute for Security Studies, justiceiniative.org, NDI, whofundswho.org.za, World Bank

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