

The Consortium for Development Partnerships

FINANCING POLITICAL PARTIES IN GHANA

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Introduction

Political parties perform important functions without which representative democracy could not exist. They offer alternative policies from which voters choose at elections organize campaigns to mobilize voters and perhaps most importantly, they field candidates for public office. In Ghana like elsewhere, political parties may be unpopular but there is simply no better alternative model for organizing for democracy. They constitute the engines of democratic political systems for they incite competition between societal groups and interests. They are still the only effective mechanism by which ordinary people can have any personal contact with the body politic.

Representative democracy cannot operate effectively without strong and healthy political parties. This, notwithstanding, there is growing concern that political parties are nearing critical condition in terms of their resources (especially opposition political parties) to perform the tasks we expect them to perform. The debate about the financing of political parties is therefore a debate about the quality of governance. The financing of political activities is a key issue for ensuring good governance and combating corruption.

The concept of political party funding refers to the manner in which political parties and individual candidates who seek to get elected to political office gather funds for electoral campaigns and in the case of political parties seek to maintain themselves as organizations (Fambom, 2003).

There is no gainsaying that the status quo of mistrusted parties funded by a small group of rich individuals or organizations is not healthy for the sustainability of the new democracies in Africa. The availability of appropriate funding for the mobilization and educational activities by political parties is therefore extremely important. In Ghana though the issue of funding of political parties has been on the political agenda, it has not really been debated seriously in its social and economic context.

To ascertain popular opinions on the sources of resources for political parties in Ghana generally, and to recommend appropriate ways of funding them, this study explores how politicians and their parties can best be funded and what are the most effective financial safeguards for ensuring 'free and fair' elections as well as good governance in Ghana.

The main questions addressed are:

1. What are the sources of resources of political parties?

2. How do they gain access to these resources?
3. How are the resources utilized?
4. How are the resources sustainable?
5. What is the outcome of funding on the parties in areas such as their operations, stability, performance, intra- and inter-party relationship and internal democracy?
6. What alternative policies may be recommended to ensure a more equitable, sustainable and effective party financing?

A review of the literature

The role of party financing in establishing a strong democratic government cannot be over-emphasized. This is because party financing is regarded as the main driving force for modern competitive political systems (Nassmacher, 2003), the “oil that greases the engine” of party politics (Heidenheimer, 1970) and the “mother’s milk of politics” (Unruh, 1960). Others also see finance as the significant medium that can master shortages of manpower and overcome virtually all other deficiencies (Patel, 1981) and one which “can buy goods, skills and services” (Alexander and Shiratori, 1994: 362). In short, party financing is viewed as the most important political resource that drives party vibrancy and competitiveness (CDD-Ghana, 2005: 5).

All these assumptions about political financing are due to the fact that an enormous amount of money must be spent to reach the electorate – to break down the public inertia and secure political activity. Radio and television time, newspaper space, printing of campaign literature, campaign vehicles and payment of staff emolument are phenomenally expensive (Ayee, 1993; CDD-Ghana, 2005a; Ware, 1996; Kumado, 1996; Obiorah, 2004).

As a result of the crucial role that party financing plays, some scholars have devoted attention to the issue by discussing the sources of party financing and the problems associated with them, abuse of incumbency, corruption, lack of compliance of political parties to disclosure requirements, lack of enforcement of disclosure requirements, legal framework for party financing, reform of party financing, state funding of political parties and policy guidelines (International IDEA, 2003; Alexander and Shiratori, 1994; Pinto-Duschinsky, 2001; 1990; Patel, 1981; Doorenspleet, 2003; Alexander, 1966; Alexander, H.E. & Rei Shiratori, 1994; Ewing, 1987; CDD-Ghana, 2005a&b; Heidenheimer, 1970; Kumado, 1996; Ayee, 1993; Boafo-Arthur, 1996; Saffu, 2003; Obiorah, 2004; Randallo & Svasand, 2002; Salih, 2003; Wells, 1961; Nassmacher, 2001).

In spite of the interest of scholars in the area of party financing, the issue still remains elusive and a vexed one (CDD-Ghana, 2005a). There is still a dearth of literature on party financing largely because the extent of contributions and the identity of the donors have remained a closely guarded secret. In addition to this, the realization that the survival of Ghana’s fledgling democracy depends on adequate funding for key democratic institutions has renewed both donor and scholarly debate on financing democracy in Africa. As a result of the challenges faced by political parties in the organizing for four elections in

1992, 1996, 2000 and 2004 and the obvious abuse of incumbency by government, financing of political parties remains one of the hottest issues within the public domain in Ghana.

As a contribution to the on-going debate over an appropriate, effective, equitable and sustainable party financing, this paper examines party financing in Ghana since the return to constitutional rule in 1992. Specifically, it deals with the sources of resources available to political parties, the process of gaining access to these resources, the utilization of the resources, sustainability of funds and the outcome of funding. It takes the stance that political financing is both the object and the result of political processes. The funding of parties and campaigns is therefore determined by the decisions of politicians.

Party financing has been recognized as the critical resource for party-building in Ghana. Consequently, the nationalist as well as post-independent parties devoted considerable attention to it (Austin 1964; Osei 1962; Chazan 1983; Shillington 1992). As the parties' organizational needs enlarged, funding became their primary concern. Even the Convention People's Party (CPP) that initially did not make party financing a priority (a major) organizational goal found it most pertinent to commence elaborate processes of sourcing funds to build the party into a formidable organization (Austin 1964). The National Liberation Movement (NLM), Progress Party (PP) and the People's National Party (PNP) devised sophisticated strategies of mobilizing campaign funds (Chazan 1983; Boahen 1975; Shillington 1992).

The sources from which the parties derived their funding have been annotated in early scholarly writings. Party financing began as voluntary contributions (donations) by wealthy members of nationalist parties (Austin 1964). During the period the CPP was in power, the CPP ministers and Assembly Members offered to pay a percentage of their salaries into the CPP's central accounts (Osei 1962). Also, many CPP constituencies established what came to be called the 'fighting fund' where donations were paid to support the party-building process (Austin 1964). A significant proportion of the United Gold Coast Convention (UGCC) campaign funds were cash and material donations provided by leading figures of the Working Committee, particularly, George Paa Grant and Dr. J.B. Danquah (Austin 1964). According to Shillington (1992), the PNP's electoral machinery moved into top gear because it was well-oiled by the money of such wealthy patrons as Nana Okutwer Bekoe III, party chairman, Kojo Botsio, Dr. Ayeh-Kumi, Kofi Batsa and others (Shillington 1992).

Managing political parties is capital intensive and would require an extended programme of fund mobilization. The burden of party financing could not be shouldered by a few individuals. This realization encouraged the parties to design other modes of raising funds. Membership dues and levies gradually entered the lexicon of party financing. The CPP made payment of dues a *conditio sine qua non* for membership and commenced a rigorous membership-dues mobilization. Enrolment into the CPP attracted two (2) shillings (Austin 1964). The UGCC and its offspring – the Ghana Congress Party (GCP), NLM/United Party (UP) made dues-payment an obligation for membership. For instance,

the NLM and UP campaigns largely depended on a five (5) pound per load of cocoa levied on their ardent members in the cocoa growing areas of Ashanti, Brong Ahafo Eastern and Western regions respectively (Apter 1955; PP 1969; NAL 1969; Quarshie 1971). Similarly, payment of membership dues was compulsory for admission into the PNP, Popular Front Party (PFP) and United National Convention (UNC). The PFP, UNC and PNP members paid a fixed amount of four (4), five (5) and six (6) cedis respectively (PFP 1979; UNC 1979; PNP 1979).

Funds for the parties also came through proceeds from fundraising including fan-fair activities such as dinner-dances, football matches and 'harvests'. At campaign rallies, public meetings, special church services, 'on-the-spot' appeal for funds, the parties raised significant proportion of their income. The CPP's adopted "silver collection" method during church services yielded hundreds of pounds (Austin 1964). Similarly, much of the UGCC funds were derived from appeal for funds, bequests, sales of literature, badges, etc. Other fundraising activities also took place during the party's rallies (Apter 1955; Austin 1964). The PFP also introduced the "Founding Members Certificate" to entice some wealthy senior party faithful to make 'special' pledges towards party rebuilding. Party faithful that pledged substantial sums of money were decorated with distinguished certificates (PFP 1979).

Membership contributions (dues), registration fees and donations proved insufficient to the parties' organizational needs. Donor-fatigue affected revenue generation. As the parties incomes dwindled, their infrastructure deteriorated – these were reflected in their organizational shabbiness (Chazan 1983). The parties that came to power devised a solution to their financial encumbrances – the answer was to be found in political corruption – the kickbacks syndrome. Following its electoral success in the 1951 general election, the CPP drew on lucrative sources than membership subscriptions. A number of Levantine merchants identified with the CPP by making financial contributions to the party. Top executive members of the CPP who were also the directors of some state institutions such as the Cocoa Purchasing Company (CPC) used their positions to appropriate funds into the CPP (Gold Coast 1953).

The dynamics of neo-patrimonial rule under Nkrumah ensured that state resources were channelled into the party's coffers (Chazan 1988). State companies were mandated by cabinet directives to pay annual subvention to the CPP fund (Republic of Ghana 1967). The liquidation of the Cocoa Purchasing Company (CPC) on May 7 1957 set the stage for the establishment of the National Development Company (NADECO) by agents of the CPP. The main objective of the NADECO was that its profits were to be used in financing the CPP since Kwame Nkrumah thought that it was unfair to finance the party from public funds Profits accrued from the management of NADECO were paid into the CPP account (Republic of Ghana, 1966; 1967). Kickbacks from companies on government contracts constituted a substantial source of revenue for the CPP. The NADECO became the transit point for the transfer of monies from foreign firms to the CPP in appreciation of awards of contracts by the government of Ghana (Republic of

Ghana 1967). As firms and companies identified with the CPP and paid huge sums of monies into the CPP accounts, membership dues, donations and fundraising eventually ceased (Republic of Ghana 1969). The PP developed close ties with financial institutions, companies and firms operating big businesses in the country. Companies that identified with the party's objectives paid affiliation fees (Chazan 1983; Quarshie 1971). It was these political entrepreneurs holding fat wallets that provided the financial anchorages for the PP throughout its twenty-seven months in power.

Since the 1990s political party funding is understood as the way that political parties and individuals running for political office raise funds for election campaigns and for maintaining themselves as organisations. The funding of political activities is a key issue for ensuring good governance and combating corruption in emerging democracies.

In Ghana the legal framework for political parties is codified in Article 55 of Ghana's 1992 Constitution and the 2000 Political Parties Act. The 2000 Political Parties Act, specifies that within six months from 31 December of each year, a political party shall furnish the Independent Electoral Commission, in a specified form, "the state of its accounts; the sources of its funds; membership dues paid; contributions or donations in cash or in kind; the properties of the party and the time of acquisition; and such other particulars as the Commission may reasonably require". Audited accounts of the party for the year must be filed with the Commission at the same time.

Further, the Commission can order the accounts of a political party to be audited at any time by an auditor appointed and paid for by the Commission. It can also request a political party to furnish it with any information or records that may be reasonably required to enable the Commission to ensure that the provisions of the Act are complied with.

It is worthy of note that Ghana's 2000 Political Parties Act does not list but imply these traditional sources (a) seed money provided by founding members (b) subscriptions or dues by members and (c) donations. Under Ghanaian legislation, special fund-raising activities may also be organized. Only a citizen may contribute in cash or in kind to the funds of a political party. Citizen includes a Ghanaian owned firm, partnership or enterprise or a company that is registered in Ghana and is at least seventy-five per cent Ghanaian owned.

On who is permitted to contribute to the funding of political parties in Ghana, the Political Parties Act, 2000 introduces two items that constantly crop up in the debates on private funding of political parties: foreign contributions and corporate funding. The Act removed a curious anomaly from the earlier 1992 Political Parties Law it replaced: limits on subscriptions and dues that members paid. Despite the fact that party membership subscriptions are acknowledged as ideally the preferred method of funding parties, and democrats wish that these accounted for far more than just the tiny proportion they currently contribute to the incomes of political parties, the 1992 Law placed limits on

them. Thus in Ghana, the full burden of financing political parties is borne by private individuals rather than the state (Kumado, 1996: 6).

Foreign Funding of Political Parties

Under the 2000 Act that replaced the 1992 Law on Political Parties, foreign funding is now allowed. However, only governments and international NGO's not foreign individuals or corporations, are allowed to contribute to party funds, and they may do so only indirectly through the National Electoral Commission, and generally to all parties, not to a specified party or parties.

Corporate donations also raise understandable concerns for regulators. The 1992 Political Party Laws in Ghana prohibited corporate funding of political parties altogether. Ghana did not under the 1992 Law, nor does it do so under the current Act. The 2000 Political Parties Act allows corporate funding of political parties. But the company must be registered in Ghana and must be at least 75 per cent Ghanaian owned. Perhaps, the ban of foreign funding of political parties in Ghana is aimed at instilling discipline in the political life, ensuring the independence of the political parties whether in search of or in power. In this way the sovereignty of the nation is preserved.

It is important to observe that the Act leaves political financing completely unregulated, with the sole exception of banning non-citizen, foreign donations, in cash or in kind, to parties. There are no limits to donations from citizens, including corporate citizens; there are no disclosure laws, detailing who gives what, beyond a threshold amount. There are no limits to candidate or party spending on election campaigns. True, there is a requirement for annual submissions of audited accounts, including assets and liabilities, and the commission can appoint and pay for auditors to examine party accounts. But the commission turns a blind eye to obviously inaccurate returns from the parties.

Party Finance Disclosure

Campaign finance laws in Ghana neither requires parties or candidates to name which individuals or businesses gave them money nor does it set a limit on how much contributions individuals or businesses can make. What is the extent of corruption in political party financing in Ghana? Is it possible to tackle corruption through the public funding of election campaigns? Are existing laws and regulations sufficient to deal with corrupt political financing? Kumado's edited book, *Funding of Political Parties in Ghana* argues that in light of the strong links between political corruption and political financing in African countries, there should be renewed debate on the benefits of public financing as a means of tackling corrupt practices and a re-evaluation of existing political financing legislation, particularly disclosure laws.

The chapter on Ghana by the editor provides a general description and analysis of the central features of party funding in Ghana. Here, Kumado (1996: 11) noted that public funding for political parties was beyond making budgetary allocation to political parties, "it is about winning elections, it is about strengthening the main pillars of democratic

governance and rule of law to secure the future of the country". Accordingly, the chapter proposes different schemes on the basis of which an appropriate national policy on political party funding can be formulated.

Making a case for public funding of political parties he writes "such public funds would rid parties of one individual or group of persons and faceless financiers, who by virtue of funding, either stifle opposition, discount contrary views and suggestions, take decisions without consultation and generally manage the party dictatorially". He bemoaned the funding of political parties by a few rich individuals. He argued further that state funding of parties would also strengthen their internal structures to enable them to focus on the role of public education, dissemination of political information and generally raise political awareness of the citizenry.

Boafo-Arthur (1988) examines the implications political party funding in Ghana has on the democratic process in general. According to him "there is a correlation between financial resources, effective party organization and the democratic process" (p. 77). His study offers a comparative survey of the legal and institutional framework within which political party funding takes place in Ghana, with more detailed assessment and focus on opposition political parties, especially the New Patriotic Party (NPP). His analysis of the structure of party resources in the Ghana reveals a potentially volatile combination of a laissez faire approach to private donations. He identified two broad constraints to political party funding in Ghana: constraints inherent in the electoral laws and constraints internal to individual political parties. He lamented the lack of public finance for political parties in general and opposition political parties in particular since in his opinion, ruling governments the world over are known to exploit the advantages of incumbency. He, like other writers on political party funding in Ghana (Ayee, 1993, Kumado, Hanisch, 1996, Gyima-Boadi, 2000, 2005) advocate some form of public funding of political parties.

Writing on individual donations to political parties in Ghana, Jonah (1998: 102) writes, "it was a group of young upwardly mobile, cellular phone clutching business executives and professional who provided substantial financial backing to Adu Boahen's 1992 presidential campaign. Gyimah-Boadi (2000) similarly documents that donations from Ghanaian living abroad (overseas branch of the National Patriotic Party in the US) allegedly donated USD 100,000 to the party in 1996. Kumado (1996: 13) however, views this source as an irregular source. In his opinion, this has only been productive for many political parties in election years. Lamenting this source of funding for political parties he said "a party funded by an individual becomes dictatorial and can undermine the multiparty democratic system of governance with narrow agenda not necessarily in consonance with the public good"

In 2003 the Electoral Commission of Ghana (ECG) undertook nationwide consultative forums to solicit opinions on financing political parties and the electoral process in Ghana. The consensus in the consultative forums stressed the need for public funding of political parties as a way of enhancing multi-party politics and growth of democracy in Ghana. Unlike the then ruling NDC in 1999 which declared its opposition to the public funding of political parties, the President of the Republic endorsed the view when he

stated in an address to representatives of Ghanaian parties that political parties must be partially, if not fully, funded through budgetary allocations. However, he was also careful to add a caveat that the real challenge remains '*when, how and how much*'.

Achieving sustainable democracy requires attention to the financing of political parties. How can funding best be managed to ensure that different parts of the Ghanaian society have an equal opportunity to participate in the political processes and decisions? The Center for Democratic Development (CDD) Research Report (2005) similarly noted that political party financing is an area that provides opportunities for corruption worldwide. The report among other things seeks to create awareness of the issues and benefits of open finances and suggests practical technical options that encourage disclosure as a methodology for strengthening democratic political processes. The key findings of the research in connection with political party funding in Ghana are: the lack of adequate funding (51%), corruption (47%), internal party conflict (32%) and lack of adequate personnel (28%) were ranked in that order as the most important problems facing political parties.

According to the survey findings seventy (70%) of the respondents were of the view that political parties would perform their roles more effectively if they were well resourced. Personal funds of party leaders (21%) and membership dues (15%) were the most popular options cited for sourcing funds for political parties. The report concludes that since contributions are made not for merely altruistic reasons but for what contributors hope to get in return, the public has a right to know which individuals or businesses made contributions and how they were rewarded.

The report in addition identifies some problems facing political parties in Ghana and indicates how funding may contribute to resolving these problems. The core of the policy guidelines are some models of funding and it discusses the pros and cons of such funding.¹

They include the following:

1. Private Financing (Private Initiative).
2. State Funding (State Initiative).
3. Common Funding (State and Private Partnership).
4. Maintain Current Practices.
5. Matching Funds,

¹ For an in-depth discussion on this see [Political Party Financing in Ghana](#) 2005. CDD Ghana Research Paper No. 13.

6. Other Funding Sources.

These policy guide lines are important for several reasons. The 2000 Political Party Act leaves political financing completely unregulated, with the sole exception of banning non-citizen, foreign donations, in cash or in kind, to parties. There are no limits to donations from citizens, including corporate citizens; there are no disclosure laws, detailing who gives what, beyond a threshold amount. There are no limits to candidate or party spending on election campaigns.

True, there is a requirement for annual submissions of audited accounts, including assets and liabilities, and the Electoral Commission of Ghana can appoint and pay for auditors to examine party accounts as discussed previously. But the commission turns a blind eye to obviously inaccurate returns from the parties. A powerful case for regulating private plutocratic and corporate funding of political parties and election campaigns in a fledgling, competitive, multi-party democracy, such as Ghana, can be made on both theoretical and empirical grounds. The current project, Financing Political Parties in Ghana will fill in these gaps.

Of all the values at the heart of democracy, equality is king. Alongside equality of the vote, equality of voice and access should command universal assent among democrats. Unregulated private funding of political parties and election campaigns can, and do, assault these fundamental precepts of democracy. Where an incumbent party can overspend by a factor of more than 13 to 1 the combined expenditure of all the major opposing parties, which is what is reported to have happened in the 1996 elections, democracy stands seriously threatened.

As is the case in most African countries, in Ghana there are currently no constitutional provisions that allow the state to support political parties. In the conference communiqué, the political parties affirmed 'the need for state and public financing of Political Parties in sub Saharan African countries in order to build the capacity of all Political Parties so as to create a level playing field for effective participation in the governance processes of their respective countries'

Methodology and Approach

The selection of constituencies was based on the strength² of the parties in the four elections namely, 1992, 1996, 2000 and 2004 and their strongholds. In all 405 respondents (total) were surveyed, including 100 elite interviews (see Table 1). In all, 10 constituencies were selected (see Table 1).

Table 1: Constituencies and Number of Respondents

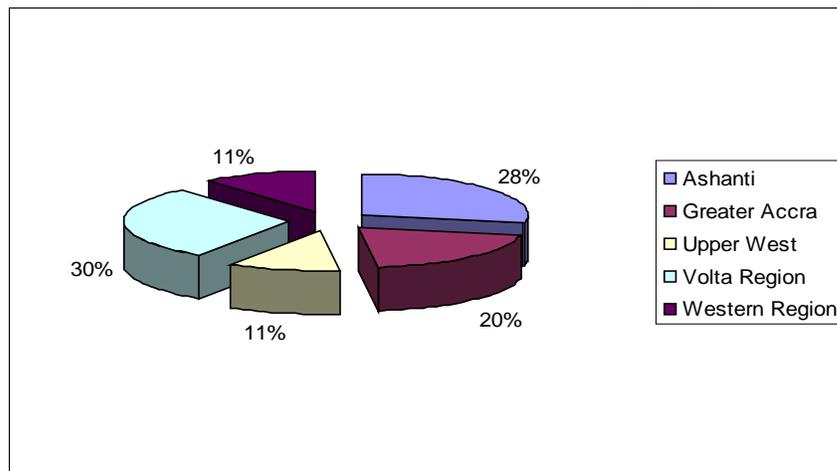
Region	Constituency	Distribution of Respondents
Ashanti	Nwabiagya (NPP stronghold).	115
Ashanti	Bantama (NPP stronghold).	
Ashanti	Manhyia (NPP stronghold).	
Greater Accra	Ayawaso West (neutral).	80
Greater Accra	Odododiodio (neutral).	
Upper West,	Sissala East, (PNC stronghold).	45
Volta	Hohoe North (NDC stronghold).	120
Volta	Ketu South (NDC stronghold).	
Volta	Ho Central (NDC stronghold).	
Western	Ellembelle (CPP stronghold).	45
Total		405

Specifically, 30 mass respondents per each constituency were interviewed. The remaining 105 respondents consisting of elite interviewees were District Chief Executives (DCEs), party officials, and Civil Society Organizations (CSOs) officials. The frequency tables for the data entry are attached.

Four political parties, namely, the National Democratic Congress (NDC), New Patriotic Party (NPP), Convention People's Party (CPP) and People's National Convention (PNC) were selected for the study. The selection was done based on the fact that the NDC and NPP are the two strong parties that had alternated power, while CPP and PNC are weak parties but with representation in parliament.

² The NDC and NPP are the two strong parties that have alternated power since 1992; the CPP and PNC are two weak parties with seats (representatives) in Parliament.

Figure 1: Distribution of Respondents by Regions

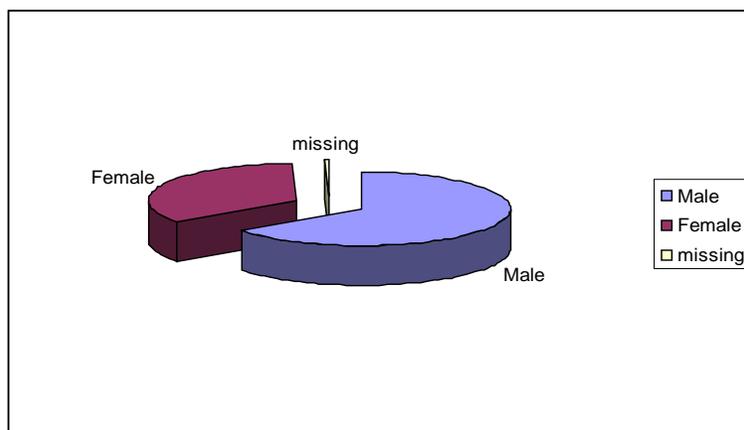


The percentage distribution of respondent in the regions are displayed in Figure 1 above..

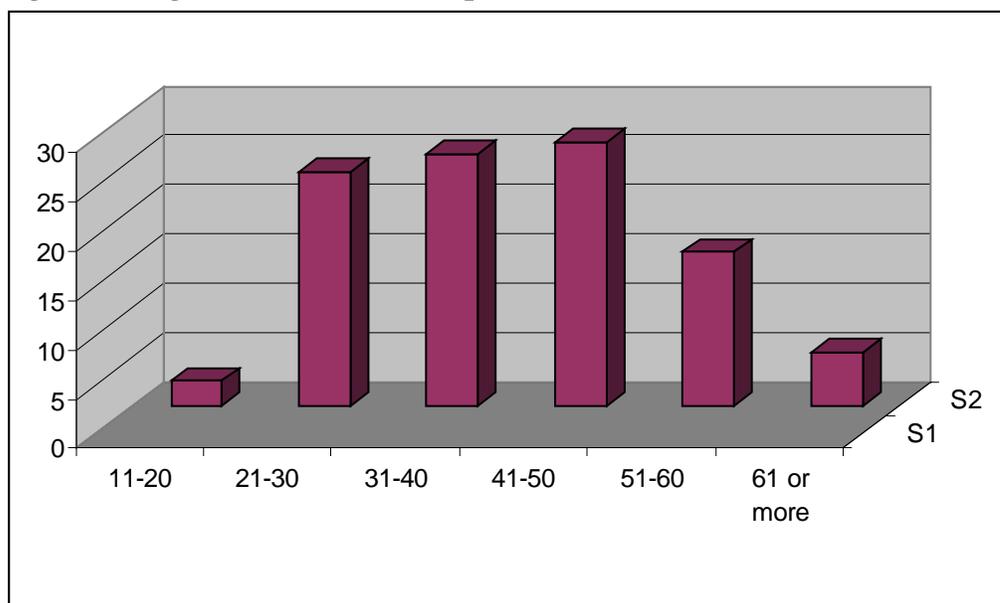
Characteristics of Respondents

The gender distribution of respondents is shown in (Figure 2). Sixty-five percent of respondents are male while about 35% are female.

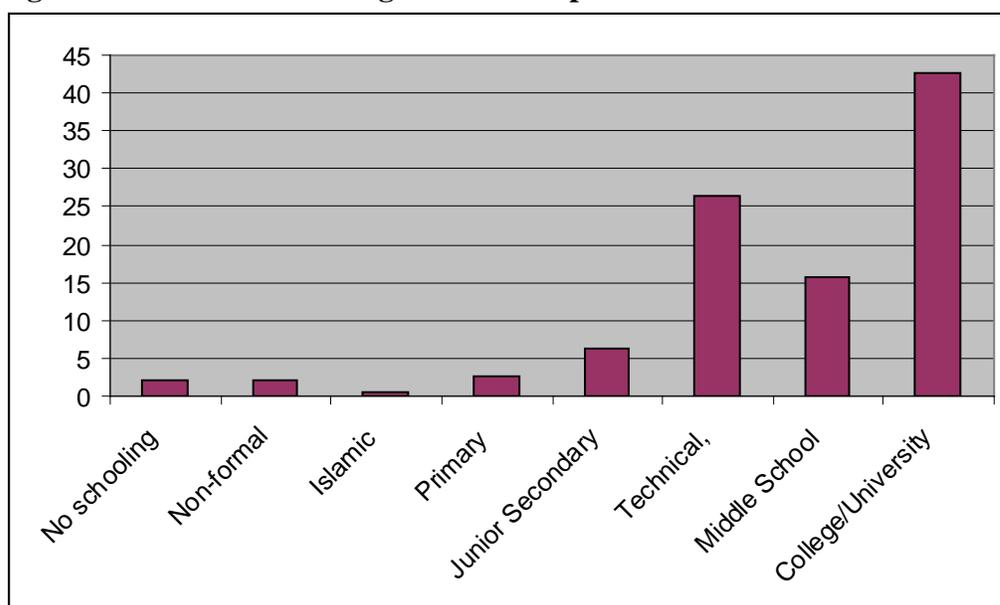
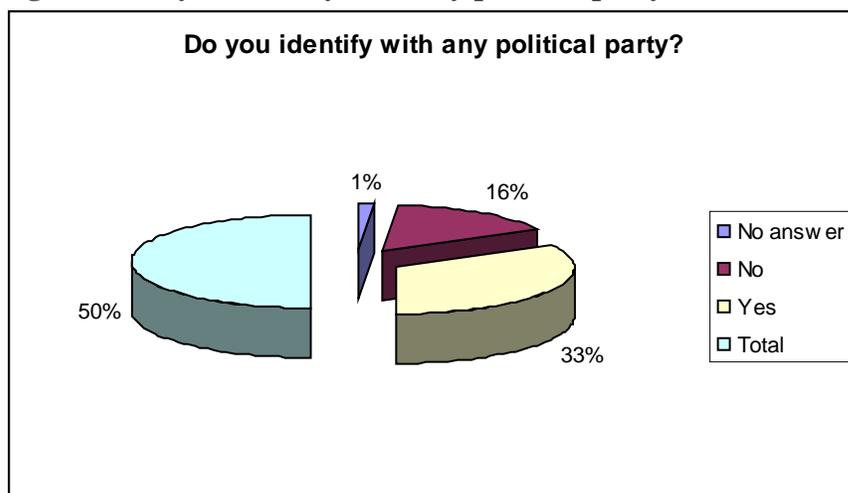
Figure 2. Gender of Respondents



In figure 2, the age distribution of respondents is displayed. The age distribution of our respondents is nearly evenly divided between the youth and adult population. Slightly over half (52%) of respondents are between ages 18 and 40. Twenty-seven (27) percent are in the age cohorts of 41 and 50; 16 percent are between 51 and 60 and about 6 percent are above 60 years. Age-wise, the sample is fairly representative of the Ghanaian electorate.

Figure 3 . Age Distribution of Respondents

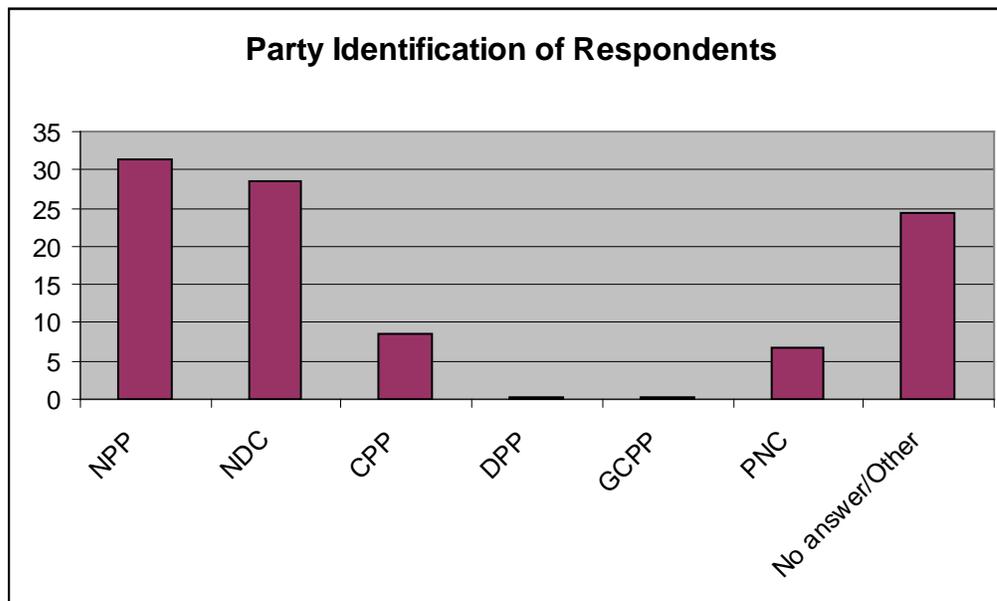
The educational background of respondents is shown in figure 3. Educational attainment of respondents ranged from 'no school' to those with university education, though the sample is skewed (42%) in favour of those with university education. If a literate citizenry is an informed one, then it is reasonable to assume that our respondents are knowledgeable about the basics of party funding in Ghana.

Figure 4. Educational Background of Respondents**Party Affiliation of Respondents****Figure 5: Do you identify with any political party?**

The majority of respondents (**Figure 5**), 66 percent, identify with political parties. About a third of our sample, 31 percent of respondents said they did not identify with any political party. The remaining 3% did not answer the question. Interestingly not all who identify with political parties are card-holding members. When asked whether they are card-holding members, a lower percentage of respondents, 47 percent described themselves as card-holding members of political parties, 33 percent as non-card holding members and 20 percent did not answer the question. This finding is consistent with the existing literature (see CDD survey on popular attitudes towards political parties in Ghana).

Figure 6, depicts respondents' party affiliation as reported in the survey.

Figure 6: Party Identification of respondents



Although about two-thirds (63%) of our respondents indicated that they identify with a political party, a fairly high (40%) refused to name the party they are affiliated with. This is not uncommon to the Ghanaian electorate since many would want to keep the party they identify with a secret. About 26% reported that they are members of the NPP, 21% named the NDC as their party, about 8% of respondents said they belong to the CPP, 5% indicated that they are members of the PNC; and about 0.2% of respondents belonged to the DPP and GCPP respectively.

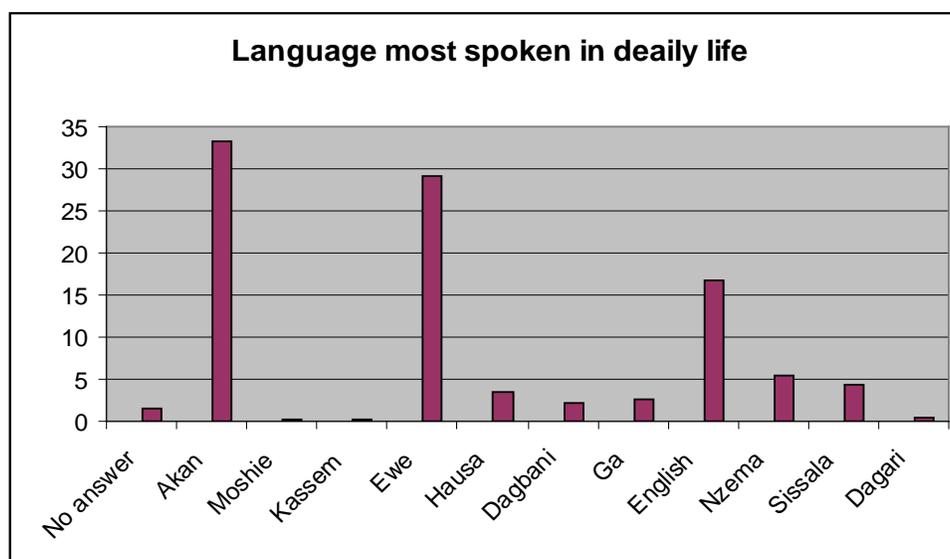
Religious Affiliation of Respondents

The majority of our sample respondents, 80 percent, identified with Christianity, 15 percent with Islam and 2 percent identified as traditionalist. Only 2 percent of those interviewed said they did not identify with any religious group. About 2 percent did not give an answer and a very small percentage 0.05 percent were with "other" religious groups.

Ethnicity of Respondents

When asked which ethnic group they identify with, the majority of respondents, 38 percent said they identify with Akan, 6 percent Dagbani, 31 percent Ewe, 5 percent Ga 19 percent "other" and about 2 percent did not response to the question.

Figure 7: Language most spoken

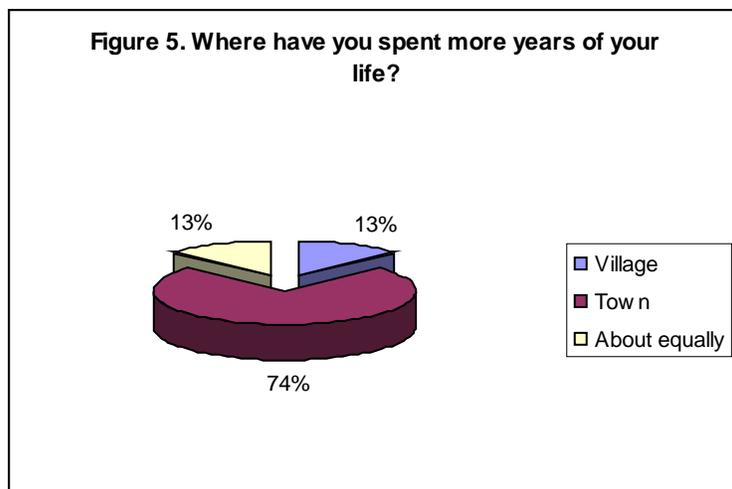


When asked the most spoken language in daily life, majority 33 percent identified with Akan, 29 percent Ewe, 17 percent English, 3 percent Ga, 2 percent Dagbani, 4 percent Hausa, 5 percent Nzema, 4 percent Sissala. The remaining of our respondents identified with Moshie, Kassem and Dagari. This finding is equally consistent with earlier findings by CDD Ghana and Afrobarometer Survey in Ghana.

Respondents' residential area

When asked, "Where have you spent more years of your life?" The majority, 74 percent indicated in town (urban dwellers), 13 percent said in the village (rural dwellers) and a similar percentage (13) indicated they have spent about the same time both in town and in the village. Our sample was therefore skewed in favour of urban residents.

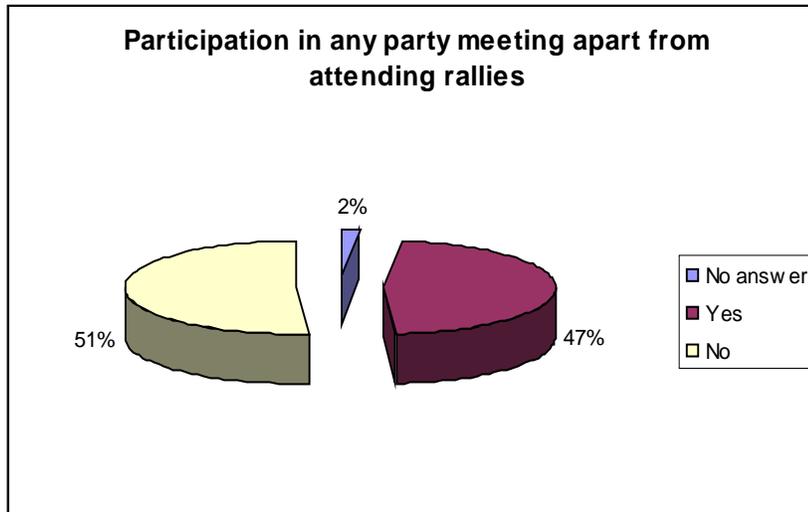
Figure 8: Where you have spent more years of your life



Participation in Political Activities

We postulated that the more people participate in political party activities, the more they are likely to appreciate the extent to which resources are vital for carrying out political parties' functions. Furthermore, at the heart of any political activity are its members. They provide it with activists, funders and candidates. In view of this, our respondents were asked whether they have ever participated in any party meeting apart from attending party rallies. The majority of respondents, 51 percent have never attended any party meeting besides attending rallies, 47 percent have ever attended party meeting besides rallies, and 2 percent did not answer the question. The results suggest that being members of political parties do not translate into attending party meetings. The survey finds greater percentage of the Ghanaian electorate affiliation to a political party and less desire to attend party meetings. This represents a continuation of trends that have been apparent over the past 15 years, and have occurred among all the political parties.

Figure 9: Participation in party meeting apart from attending rallies



Party identification and participation

Institutionalized parties have often been seen as a prerequisite for a well functioning representative democracy, not only because parties channel citizen's attitudes, but partisanship may also foster political participation among citizens. Citizens who identify with a particular party are more likely to vote and take part in party activities. It is also a reasonable assumption that party attachment positively affects contributions to support party activities. In this regard we sought opinions of respondents about the frequency to which they participated in political party activities. Table 2, below summarizes the responses. Generally, the level of participation is quite impressive, despite the fact that many refused to give answers to the questions asked

Table: 2 Level of participation in political activities

How often members have participated in the following political party Activities	No. of Times Participated						No Answer
	Attended once	Up to three	Up to five	Up to 10	More than 10	Don't Know	
	%	%	%	%	%	%	%
Electing party leaders	11	17	9	4	2	33	23
Discussing party programme	7	13	7	4	10	36	23
Party policies formulation	6	11	5	3	5	45	25
Annual meetings of constituency	8	8	6	6	16	35	23
Annual meetings of Regional Congress	13	15	4	3	4	37	25
Annual meetings of national Congress	13	14	5	3	2	39	25
Annual meetings of fund raising	14	10	5	2	2	42	26

Relevance of Political Parties

Party funding has always been contentious. In this regard, the study made a minimal assumption that there will be greater popular support for state funding of political parties if citizens are knowledgeable about the role of political parties and their relevance to the democratic process. Furthermore, if the citizens consider political parties as public institutions and recognize their importance to the democratic as well as political culture, the more they are likely to support state funding. The reverse holds true too.

In light of this, survey respondents were asked to evaluate the overall performance of political parties over the years. In this context, performance was viewed at in terms of a political party's educational programs, ability to provide leadership, provide policy alternatives, contribute to national policy debates, and ability to mobilize popular support. Respondents were asked to rank on a scale of poor, good, and excellent the extent to which parties educate the public.

On this role, 41 percent of survey respondents described parties as poor, 29 percent as good and 24 percent scored them as excellent. The remaining 6 percent did not answer the question. When asked to rank how the political parties provide leadership, the responses were as follows: 38 percent ranked them as poor, 27 percent as good, 29 percent as excellent, and the remaining 7 percent did not answer the question.

On the extent to which political parties provide policy alternatives, 38 percent assessed them as poor, 32 percent as good, 22 percent as excellent and 8 percent did not answer the question. When respondents were asked about how political parties form government, 36, percent ranked them as poor, 26 percent as good, 32 percent as excellent and the remaining 8 percent did not answer the question.

When survey respondent were asked to rank how well political parties mobilize support, a fairly large (42) percent ranked them as poor, 22 percent as good and 32 percent as excellent. The remaining 5 percent did not answer the question. Subsequently, survey respondents were asked to rate which of these roles the political parties have performed well. Mobilization of support received the highest rating, 27 percent of survey respondents ranked this as a role well done by the political parties, next was their ability to form government, and was followed closely by public education.

On the overall performance of the political parties since 1992, respondents were quite impressed about their performance. Fifty-four percent of respondent rated their performance as cumulative (good and excellent), 39 percent rated them as average. Only 4 percent of respondents rated their performance as poor and the remaining 3 percent did not answer the question. From the foregone discussions it can be conclude that most Ghanaians have fairly good ideas about core functions of political parties and the important role they play in the democratic process.

Problems Facing Political Parties

Politics not only needs to be clean of corruption, it needs to be seen to be clean. As long as a reasonable connection can be drawn between donations to a party and a policy decision, there will be suspicion of corruption or undue influence. Thus, it is simply unhealthy for any political party to be dependent on a small number of individuals for the resources for its operations. In light of this, the survey explored problems facing political parties in the performance of their statutory duties.

Survey respondents were asked to rank four identified problems faced by political parties in Ghana from the “most important” to the “least important problems”. On a scale of 1 to 6, where six is the most important and 1 the least important, corruption was rated as the most important problem by 49 percent of respondents. Internal party conflict was ranked next on the scale by 31 percent of respondents, and was followed by internal party democracy 26 percent and inadequate constitutional provisions by 13 percent of our respondents.

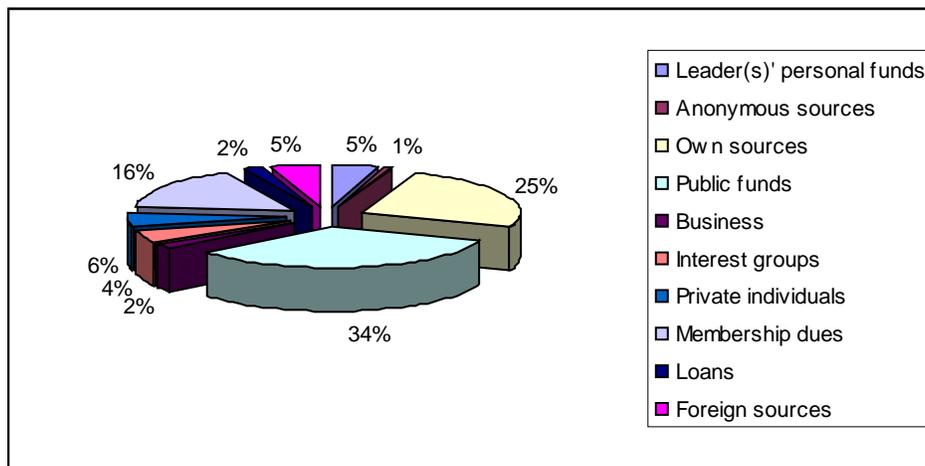
Sources of resources for political parties

Money is the life-blood of every institution or organization. In this regard, we examined the levels of knowledge about various sources of party funding. Respondents were thus asked to rank on a 1 to 12 scale sources of party funding according to their perceived

importance. One, being “the least” and 12 “the most important”. The most important source of funding cited by respondents are “private individuals”, “anonymous sources” and “fund raising”, with 68, 59 and 49 percentages respectively listed among the three most important income streams. Close to about half, 43 percent rated membership dues as the least important source of party resources while a cumulative (important and most important) 49 percent of respondents ranked it as important. Slightly over a third of respondents claimed no knowledge of sources of party finance, suggesting a lack of transparency and accountability on the part of the parties and their executives. This finding collaborates closely with a similar finding by CDD Ghana (2005). But unlike the CDD report that showed that few respondents believe that political parties receive significant income from “anonymous donations” our finding reveals the opposite.

When respondents were asked to select one source from the same list of 10 possible income options, the most popular response (given by 33 percent of respondents) is that parties should draw finance from public funds. Here again, it is suggestive that respondents view political parties as public institutions and recognize their importance to our civic as well as political culture. The pattern of distribution of response is displayed in figure.

Figure 10: In your view what should be the major source of funding to political parties in Ghana



Parties “own sources” (25 percent) was listed as second major sources of funding for political parties. “Membership dues” were the third most popular option for party funding, selected by 16 percent of survey respondents. Foreign sources (5) percent, interest groups (4) percent, loans (2) percent, business (2) percent.

A follow-up question asked respondents the extent to which the option they identified was reliable. A cumulative (most reliable and reliable) 56 percent of respondent rated it as reliable, 26 percent as somewhat reliable, 13 percent rated it as not reliable and 6 percent said the did not know. These findings suggest attitudes have undergone a major change since 1994, when the CDD surveyed Ghanaians on funding of political parties. More Ghanaians now believe that the public has a responsibility to the funding of political parties.

When respondents were asked to select from a list of options why people donate to political parties the six top listed reasons are as follows: 19 percent mentioned political favours, 13 percent named for the “award of contract”, 13 percent said “for appointment to political office” 12 percent mentioned “party ideology” and “civic responsibility” respectively and 11 percent mentioned that “to keep political opponents out of office.

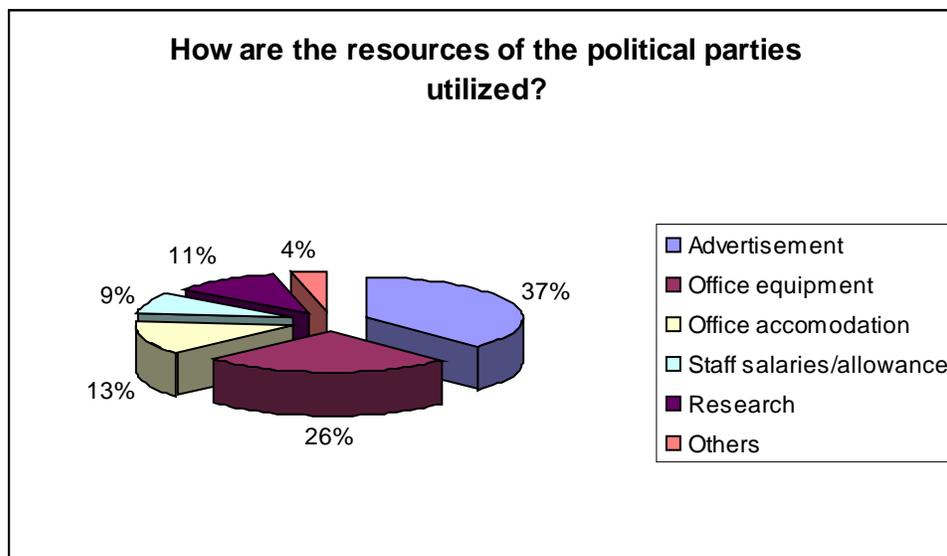
What these findings suggest is that funding the current system of funding political parties stinks. The widespread impression that influence over party decision making and subsequently over government policy can be bought by the rich may not be mistaken. Public funding intelligently deployed may now the only way to restore public confidence.

Utilization of resources of political parties

Survey respondents were asked to give in their estimation how political parties utilize their resources. Figure displays the responses. A majority of respondents 37 percent named “advertisement”, 26 percent mentioned “office equipment”, 13 percent “office

accommodation”, 11 percent listed research, 9 percent named “staff salaries/allowance” and 4 percent mentioned “others” (see **Figure 11**).

Figure 11 : How are the resources of the political parties utilized?



When respondents were asked whether they think the resources are sustainable, 40 percent said “Yes”, 45 percent said “No” and 15 percent said they did not know. It is therefore not surprising that majority of respondents support public funding to political parties in Ghana.

Sustainability of resources

The survey also explored perceptions on the current system of funding political parties, and the extent to which the sources of resources are sustained. Under the current system political parties are caught in a vicious circle whereby the perception of sleaze and corruption undermines public trust in politics, politicians and political institutions,

thereby depriving them of members and forcing them to rely more heavily on large donations from a few individuals who hijack the parties. When asked to assess how the resources of parties are sustained, the majority 51 percent did not answer the question, 21 percent said through investment in government bonds, 15 percent investment in business ventures, 7 percent kept in party treasury, 4 lend to private individuals and another 4 percent mentioned “others”. The large percentage of 51 who did not answer the question raises questions for concern. May it be due to the fact that they have no idea about the question? If this is the case, it suggests the lack of transparency in party organization.

Influence of Resources on Party Organizational Life

This section investigated the question of resources and the impact on political parties. It is envisaged that availability of resources would put parties in a better position to perform their core functions to enhance democratic growth. Survey outcome confirms this position. A total of 43.5% mentioned that resources positively impacted their party’s ability to make advertisement. This might represent the opinion of either the NDC or NPP or both that had won elections to form governments. Indeed, this view reflects parties that could carry out campaign advertisements in the media. 32.3% reported that resources have negatively affected their party’s advertisement drive. The remaining 24.2% did not respond to the question. Not surprisingly, more than a half (52%) of respondents agreed that resources affected their parties’ chances in the four general elections. Paucity of financial resources affected the parties’ ability to campaign in the hinterland (22%) and accounted for the defeat of some of the parties in the elections (15.8%). Only 4.4% of respondents claim that resources positively affected their party’s chances in the elections.

Effect of Resources on Intra-party Democracy

Respondents were asked to determine the influence of resources on their party’s internal democracy. This is important in reestablishing the correlation between financial resources and internal party democracy. 41.5% as against 22.5% strongly agree that financial resource has considerably influenced internal democracy in their party. A fairly 18% of respondents said that it has aided periodic holding of party primaries and fostered relative competition among the candidates (14%).

Impact of Resources on Inter-party Relationship

The fundamental question investigated was, the extent to which resources of a party has affected its relationship with other parties? Close to 30% mentioned that funding has affected their party’s relationship with other parties. It has given the incumbent undue advantage over the opposition (15.3%), and has created acrimony among the parties (15.1%) and led to the collapse of other (some minority) parties (.7%). Only a minority (8.1%) said resources have no direct effect on inter-party relationship and 52.6% did not answer the question. The more than 50 percent of respondents who did not answer the question are puzzling. We may conclude that they are those who might have little or no

knowledge about the question, possibly non-active electorate who do not follow party politics, or did not understand the basis of the question.

Resources and Sustainability of Party Organization

There seems to be a prevailing opinion among the Ghanaian populace that resources have a significant influence on sustainability of party organization. Evidence from survey appears to confirm the link between resources and sustainable party organization. 51.4% of respondents said that resources have strongly affected the sustainability of their party's membership drive. The lack of resources will definitely undermine parties' ability to implement their comprehensive programmes to reach out to the large number of electorates. The trend in party organization where keeping up-to-date membership rolls, and acquiring office equipment to enhance record keeping are non-existent, may owe their consequence to the lack of resources for the parties. Only 25.7% reported that the resources have a weak effect on their party's membership drive. Similarly, close to half (49.1%) believe that resources have strongly affected their parties' ability to sustain their structures. Only a little over one-fourth (26.9%) claim that resources have had a weak influence on the sustainability of their parties' organizational structure. It is clear from the majority view that resources underpin sustainable party building. Consequently, resource problem facing parties would severely undermine their ability to sustain their programmes and build effective organizations.

Relationship between Financial Resources and Party Performance

The prevailing weakness of Ghanaian political parties may be the direct result of lack of financial resources to sustain their numerous activities. Thus, a majority, 52.1% strongly agree and 30.6 % agree that political parties are weak because they lack financial resources. A very small percentage of respondents 6.4% disagree strongly and another 9.9% disagree that the political parties are weak because they lack financial resources. The majority view did not come as a surprise because it only reinforces common knowledge about the relationship between poor or inadequate or lack of funds and weak party development. When those who said that their party is weak because of lack of resources were crossed with the specific constituencies, we noted no significant difference in the strongholds of the four parties. Whether it is the NPP stronghold constituencies in Ashanti or NDC Hoehoe or Ketu, their responses appear to suggest that both the ruling and oppositions parties agree that the current organizational and structural weakness of their parties are due to lack of financial resources (see Table 3).

Table 6: Name of Constituency * Do you agree or disagree with the fact that political parties are weak because they lack financial resources? Crosstabulation

		Do you agree or disagree with the fact that political parties are weak because they lack financial resources?						Total
		No answer	Agree strongly	Agree	Disagree strongly	Disagree	Don't know	
Name of Constituency	Atwima		5	14	1	18		38
	Nwabiagya		23	16	1			40
	Ododiodio		25	5	1	1		32
	Bantama		20	13	4	7	1	45
	Manhyia	1	22	6	2	9		40
	Ho Central		14	18	5	3		40
	Hohoe North		24	10	5		1	40
	Ketu South		26	18	1			45
	Ellembelle	1	31	5	6	2		45
	Sissala East		21	19				40
	Ayawaso West							
Total		2	211	124	26	40	2	405

Source Survey Data, 2007

This conclusion is supported by the follow-up question for respondents on whether they think that parties will perform their roles more effectively if they have adequate resources? Not surprisingly, an overwhelming 62.5% agree strongly and 24.4% also said they agree with the assertion that parties would perform their multiple roles more effectively if they are well resourced. The fact that a minority, 3.7% and 7.9% disagree strongly and disagree respectively with the proposition is indicative of the general acceptance of the notion that effective performance of party roles/functions is a direct consequence of adequate resources.

The survey further teased out citizens' responses on the prevailing legal regime on political party financing. Survey results show that most Ghanaians do not know the existence of the law on party financing (Political Parties' Law). More than half of respondents (54.3%) said they did not know the law. This gives cause for concern because their lack of knowledge and understanding of the law on party financing may affect how they make contributions to their parties without breaching the law. It becomes even more serious if party executives also do not have a proper understanding of the law (see Table 9). Only 18.3% reckoned that the law has affected the financial situation of their party and 27.4% admitted that the existing law on political parties has not in any way affected the financial position of their party because it allows all parties to mobilize their private funds (2.7%). Of those who said the law has affected their party's financial position, 6.9% regard the law as inimical to minority parties and has led to their collapse (8.1%). The 82.2% that refused to answer the question may have done so for special reasons but it is consistent with preceding points raised.

Table 7: Has the current law on political parties affected the financial position of your party?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	74	18.3	18.3	18.3
No	111	27.4	27.4	45.7
Don't know	220	54.3	54.3	100.0
Total	405	100.0	100.0	

Source: Survey Data, 2007

Unlike in the previous responses where a majority of interviewees did not answer the question, only a minority 13.3% said they did not know about the law that sets no ceiling or limit to how much citizens can contribute to their party (see **Table 8**). But opinion was divided on acceptability of the law. While 45.4% agree with the law, 41.2% said they did not agree with the provisions of the law that put no ceiling as to how much a citizen could contribute to financing his/her party. Because less than half of respondents are in agreement with the law, it could not be taken to mean complete acceptance – that would have meant that there is no need for amendment to the provision on-ceiling on citizens' contribution. If the opinion of the minority is interpreted, it could be the case of a rejection of lack of ceiling. Perhaps it might be a way of saying that the law encourages an open sesame contribution, and possibly promotes political corruption by guaranteeing unlimited private donations.

Table 10: Do you agree with the political parties' law, which has no ceiling as to how much citizens can contribute to political parties?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	184	45.4	45.4	45.4
No	167	41.2	41.2	86.7
Don't know	54	13.3	13.3	100.0
Total	405	100.0	100.0	

Source: Survey Data, 2007

State/Public Funding of Political Parties

Debate on state funding of political parties has been going on and remains a vexed public issue in Ghana. Survey therefore sought citizens' opinion on the issue. Results from survey only reinforces existing consensus on state funding for Ghanaian parties. A strong majority (63.0%) declare their support for state funding of political parties. The usual dissenting views are reechoed in the opinion of 35.3% that expressed their opposition to public funding of parties (see Table 4). What is surprising is the refusal of 40.5% to give any explanation for their opinion. When those who favoured public finding of parties were asked to give reasons to their answers, 21.0% think that it will ensure a leveled playing field for all competing parties in elections, 18.8% believe that it will make the parties effective, prevent dubious means of mobilizing funding for the parties (6.2%) and

check against the practice where a few rich who contribute substantial to their parties exercise unfettered control over the party (1.7%) (see Table 5).

Table 11: Do you support state funding of political parties?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Yes	255	63.0	63.0	63.0
No	143	35.3	35.3	98.3
Don't know	7	1.7	1.7	100.0
Total	405	100.0	100.0	

Source: Survey Data, 2007

Table 12 If yes give reasons

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid No answer	164	40.5	40.5	40.5
To avoid dubious means of acquiring funds for pol. parties	25	6.2	6.2	46.7
Will give equal opportunity to all pol. parties	48	11.9	11.9	58.5
Will ensure a level playing field for all pol. parties	85	21.0	21.0	79.5
Will enable them function well	76	18.8	18.8	98.3
To avoid a few rich people controlling the party	7	1.7	1.7	100.0
Total	405	100.0	100.0	

Source: Survey Data, 2007

Survey question also tried to establish any link between urban and rural responses to state funding as well as opinions of ruling and opposition parties' activists and officials from their strongholds in the constituencies. Results indicate that even most urban constituencies favoured public funding of parties. Similarly, with the exception of Manhya and Atwima Nwabiagya – ruling NPP constituencies where a majority objected to state funding of parties, the rest of the constituencies – that are basically pro-opposition (except Bantama) embrace public funding of political parties (see Table 13). This is interesting because it confirms the belief that whereas the ruling party executives and supporters think about incumbency advantage and might not regard state funding as necessary, the opposition parties look to it for effective campaigning.

Table 13: Name of Constituency * Do you support state funding of political parties? Crosstabulation

		Do you support state funding of political parties?			Total
		Yes	No	Don't know	
Name of Constituency	Atwima Nwabiagya	10	28		38
	Ododiodio	37	2	1	40
	Bantama	23	9		32
	Manhyia	19	24	2	45
	Ho Central	20	19	1	40
	Hohoe North	30	9	1	40
	Ketu South	26	13	1	40
	Ellembelle	33	12		45
	Sissala East	25	19	1	45
	Ayawaso West	32	8		40
	Total	255	143	7	405

Source: Survey Data, 2007

What form of State Support is Appropriate for the Parties?

Several forms of state funding are available and might vary from country to country depending on particular political and cultural experiences. In recommending ways by which the state may fund parties 21.2% suggested support in kind, 11.6% vouched for cash support, a majority (53.8%) prefer a combination of cash and kind, and 13.3% declare that they did not know. Evidence from survey thus indicates that most Ghanaians that agree to state funding to political parties want the support to come in the form of cash and kind (see Table 14). This is further reflected in constituency cross-tabulation (see Table 14).

Table 14: What form of support will you recommend the state provides to political parties?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Cash	47	11.6	11.6	11.6
	Kind	86	21.2	21.2	32.8
	Both	218	53.8	53.8	86.7
	Don't know	54	13.3	13.3	100.0
	Total	405	100.0	100.0	

Source: Survey Data, 2007

Table 15: What form of support will you recommend the state provide to political parties? Crosstabulation

Name of Constituency	What form of support will you recommend the state provide to political parties?				Total
	Cash	Kind	Both	Don't know	
Atwima Nwabiagya	5	11	12	10	38

Ododiodio	5		33	2	40
Bantama	5	9	18		32
Manhyia	11	18	13	3	45
Ho Central	5	8	14	13	40
Hohoe North	4	9	24	3	40
Ketu South	2	7	27	4	40
Ellembelle	1	7	30	7	45
Sissala East	8	13	15	9	45
Ayawaso West	1	4	32	3	40
Total	47	86	218	54	405

Source: Survey Data, 2007

From what Source (s) should the State Generate Resources to Fund Parties?

State funding enters into a very complex phase, particularly, in developing countries such as Ghana with meager resources when the question, from what source should the state generate funds to support political parties comes to the fore? Respondents identify several critical sources, namely, budgetary allocation (36.5%), special levy such as VAT plus Petroleum levy (24.2%), indirect taxes (13.6%), direct taxes (5.9%) and other sources (4.4%). The inability of a majority of respondents to express a definite funding source signifies the difficult nature of the subject matter. Considering that levy on petroleum products is a form of indirect tax – it is doubtful whether the government and most Ghanaians will accept further increases in prices of petroleum. Because of frequent citizens' reaction to Value Added Tax (VAT) and politicization of direct and indirect taxes generally, it is not surprising that 36.5% express a preference for budgetary allocation. This view is well supported by the mixed responses to additional payment of taxes by citizens (see Table 16). What is interesting from the survey is that even in the ruling NPP and NDC strongholds that had supported state funding and preferred a combination of cash and kind support, they are not prepared to pay additional tax.

Table 16: How should the state generate funds to support political parties (from what source should the state generate funds to support political parties?)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Indirect taxes	55	13.6	13.6	13.6
	Direct taxes	24	5.9	5.9	19.5
	Budgetary allocation	148	36.5	36.5	56.0
	Special levy such as VAT, Petroleum levy etc	98	24.2	24.2	80.2
	Others	18	4.4	4.4	84.7
	Don't know	62	15.3	15.3	100.0
	Total	405	100.0	100.0	

Source: Survey Data, 2007

Criteria/Formula for Distributing State Funds to Political Parties

Determining the most appropriate criteria or formula for sharing state financial or other forms of support is important in order to prevent abuses. Respondents' prescriptions range from the number of functional offices of the parties in the constituencies (29.9%), a percentage of the party's own contribution (13.9%), the percentage votes a party obtained in the last election (13.1%) to the number of parliamentary seats won by a party in the previous elections (10.4%). Respondents cited several important reasons to buttress their claim. The four (4) criteria mentioned above would enhance competitive democracy (20.2%), make political parties vibrant (16.5%), prevent proliferation of parties (11.9%) and enable the state to assert its influence on the parties (8.1%). It is clear from respondents' opinions that state funding will have little or no impact on ensuring a leveled playing field because none of the respondents considered it as an important variable in disbursing state funding to political parties. It further suggests that state funding will strengthen the ruling party vis-à-vis the opposition thereby further weakening multiparty politics.

Should State Funding be extended to Independent Candidates?

Ongoing debates on state funding of political parties have proceeded without regard to the independent candidate. Survey evidence, however, shows that a sizeable percentage of Ghanaians think about independent candidates within the context of state funding of political parties. Overall, 49.4% as against 47.9% agree to the extension of state support to independent candidates. The growing phenomenon of independent candidacy is gradually gaining popular acceptability and recognition – the independent candidate is as equally important as the party candidates who should receive state funding for his/her campaigns (see Table 17).

Table 17: Should the proposed State support be extended to independent candidates?

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid				
No answer	5	1.2	1.2	1.2
Yes	200	49.4	49.4	50.6
No	194	47.9	47.9	98.5
Don't know	6	1.5	1.5	100.0
Total	405	100.0	100.0	

Source: Survey Data, 2007

Which Institution should oversee disbursement of State Funds to Parties?

State funding for parties would still require some degree of streamlining. Important state agencies or institutions should be given the mandate to oversee the disbursement of the fund. Most people prefer the establishment of an independent body (35.1%) to the Electoral Commission (EC) (25.4%) and CHRAJ (7.4%) and Parliament (8.9%). Although in the past, the IPAC, a bipartisan *ad hoc* institution has fostered election

credibility, only a minority (13.6%) regards it as a capable body to supervise disbursement of state funds to parties.

When should disbursement begin?

Most Ghanaians do not think that state funding to parties must be disbursed immediately (13.6%) nor did they expect it to be made available to the parties biannually (11.6%) even though a minority (29.1%) recommended annual disbursement. They rather regard election year as a period of critical party action and activity when disbursement can be done (41.0%). This survey result is typical of the ordinary Ghanaian perception of party politics that narrowly places party activity at the height of the electoral process – elections without regard to pre-election party-building which involves organizing and strengthening grassroots structures in which resources are most spent.

Party Financing Accountability

Financial accountability is a requirement of all institutions that receive funding from the state. If political parties are to be funded by the state, then a mechanism obligating parties to account for funds received from the state becomes a priority. Hence an overwhelming 90.4% of respondents think that there should be regular and thorough auditing of parties' accounts once they receive public funding. Only a minority (2.5%) finds no basis for holding parties financially accountable and 7.2% said they did not know.

Party Financing and Political Corruption

There is a prevailing view among a spectrum of the population that corruption is endemic in the political parties and this might account for the low attraction of private funding. State funding, it is argued, could be one possibility of neutralizing corruption in politics. The survey therefore sought the views of respondents on the question of in-party corruption. An overwhelming majority (86.7%) regards corruption as ever deeply rooted within Ghanaian political parties. Only an insignificant minority (8.9%) disagree that corruption exists in the parties. The result confirms growing concern of deep-seated corruption in the parties. How will political corruption affect citizens' attitude to political parties and party politics generally? A majority of respondents (82.0%) as against 6.4% agree that political corruption affects citizens' attitude to politics. Where corruption takes a centre stage in party politics, citizens develop hatred for political parties (39.0%), they become apathetic – withdraw from political participation (21.5%), breeds favouritism in political recruitment (1.7%) and encourages the electorate to trade their votes for money (3.0%) (see Table 18).

Table 18: Ways Political Corruption affect Citizens' Attitude to Politics

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No answer	92	22.7	22.7	22.7
	Hatred for pol. Parties	158	39.0	39.0	61.7
	It affects citizens	87	21.5	21.5	83.2

They beome apathetic	19	4.7	4.7	87.9
Eventually state resource would be missed	30	7.4	7.4	95.3
Political appointment	6	1.5	1.5	96.8
Electorate demand money before voting	12	3.0	3.0	99.8
Favouritism	1	.2	.2	100.0
Total	405	100.0	100.0	

Source: Survey Data, 2007

What type of Corruption exists?

Most people have a clear understanding about the nature and type of corruption that go on within the parties. The types of corruption in parties go beyond the conventional kickbacks (31.1%) and cover political appointments (18.5%), unfair business practices (17.5%) and awards of contracts (16.0%). Kickbacks rank high among respondents in Gt. Accra followed by Volta, Ashanti, Upper West and Western regions. Respondents in Ashanti perceive extortion to be the least form of corruption compared with political appointments, awards of contracts and unfair business practices. Most respondents in Volta region rated award of contract high over all other forms. It appears that respondents' opinion about corruption type is shaped by specific constituency and regional experiences with political corruption (see **Table 19**). There is a low but significant linkage between awards of contract/unfair business practices and kickbacks. If kickbacks occur through administration of contracts awarded by political patrons to their clients – then fighting this phenomenon, either through state funding to parties or enforcing laws on disclosure and financial accountability of the parties might be an exercise in futility because of comparative advantage of kickbacks to all politicians (see Table 19).

Table 19: If yes, what in your view are the types of corruption in parties? Crosstabulation

		If yes, what in your view are the types of corruption in parties?						
		No answer	Kickbacks	Extortion	Unfair business practieces	Political appointments	Awards of contracts	Don't kn
Name of Constituency	Atwima		11	2	7	11	5	2
	Nwabiagya					6		6
	Odododiodio		28					
	Bantama		7		9	3	13	
	Manhyia		12	6	6	12	7	2
	Ho Central		16	5	11	2	3	3
	Hohoe North		9	4	5	10	6	6
	Ketu South		9	3	15	9	2	2
	Ellembelle		6	3	9	7	15	5
	Sissala East	2	12	3	8	7	9	4
	Ayawaso West	2	16	2	1	8	5	6

Total	4	126	28	71	75	65	36
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Source: Survey Data, 2007

Table 20: If yes, what in your view are the types of corruption in parties?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No answer	4	1.0	1.0	1.0
	Kickbacks	126	31.1	31.1	32.1
	Extortion	28	6.9	6.9	39.0
	Unfair business practices	71	17.5	17.5	56.5
	Political appointments	75	18.5	18.5	75.1
	Awards of contracts	65	16.0	16.0	91.1
	Don't know	36	8.9	8.9	100.0
	Total	405	100.0	100.0	

Source: Survey Data, 2007

What are the causes of Political Corruption?

The causes of corruption in the parties are many and varied. High among the causes cited by respondents is financial support to parties (28%.6) followed by non-transparency of political party finances (22.6%), political patronage (17.5%) and lack of enforcement of political parties' law (8.4%). Ethnic support for parties counts very low as a cause of political corruption (10.4%) suggesting that individuals donating to parties would not do so on ethnic considerations (Table 21). Interestingly, respondents in all the ten constituencies rated financial support to candidates and non-transparency of party finance as the greatest causes of political corruption. Most people seeking to influence government contracts would fund candidates' and parties' campaigns. A win for their supported candidate or party enable them to obtain contracts and later pay kickbacks. Overall, therefore, the survey results suggest that public perception of political corruption is a product of individual behaviour as well as institutional weakness.

Table 21: What accounts for corruption in political parties?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Political patronage	71	17.5	17.5	17.5
	Others	18	4.4	4.4	22.0
	Financial support to candidate	116	28.6	28.6	50.6
	Ethnic support for parties	42	10.4	10.4	61.0
	Inadequate party finance	33	8.1	8.1	69.1
	Non-transparency of political party finance	91	22.5	22.5	91.6

Lack of enforcement of political party law	34	8.4	8.4	100.0
Total	405	100.0	100.0	

Source: Survey Data, 2007

Impact of State Funding on Political Corruption

Supporters of state funding of political parties tend to argue that it would reduce the incidence of political corruption. The survey therefore gauged popular opinion on the hypothesis that corruption in parties will reduce if state provides funding for political parties. As envisaged (from the preceding discussion), opinion is divided over reducing corruption through state funding of parties. Only close to half (48.9%) of respondents think that public funding to political parties may reduce political corruption. 31.9% is emphatic that state financing of parties will not reduce corruption and 19.3% did not express any opinion. A large number of those who think that state funding could fight political corruption are from rural enclaves in the urban centres such as Ododiodio in Greater Accra and Ellembelle in Central regions, etc. In the more educated/enlightened urban areas such as Ho Central in Volta, and Bantama, Manhyia in Ashanti regions, the overwhelming view is that state funding might not reduce corruption (see Table 21). Of these, Ashanti followed by Volta regions, expressed doubt about reduction in corruption through state funding of parties. It might be conjectured that the large number of respondents who said they did not know in Greater Accra region could be an expression of doubt about the issue (see Table 22).

Table 22: Do you think state funding will reduce political corruption? Crosstabulation

Name of Constituency	Do you think state funding will reduce political corruption?			Total
	Yes	No	Don't know	
Atwima	16	19	3	38
Nwabiagya				
Ododiodio	27	1	12	40
Bantama	12	17	3	32
Manhyia	15	26	4	45
Ho Central	17	17	6	40
Hohoe North	18	15	7	40
Ketu South	22	15	3	40
Ellembelle	27	4	14	45
Sissala East	21	14	10	45
Ayawaso West	23	1	16	40
Total	198	129	78	405

Source: Survey Data, 2007

Table 23: Do you think state funding will reduce political corruption? Crosstabulation

	Do you think state funding will reduce political corruption?	Total

		Yes	No	Don't know	
Name of region	Ashanti	43	62	10	115
	Greater Accra	50	2	28	80
	Upper West	21	14	10	45
	Volta Region	57	47	16	120
	Western Region	27	4	14	45
Total		198	129	78	405

Source: Survey Data, 2007

Disclosures

Holding political parties and politicians to account for the sources, etc, of their resources to the public could be a potential mechanism of fighting political corruption. An overwhelming majority (90.1%), think that parties/politicians should be made to fully disclose the source of their funding to the public amount received (88.7%), their expenditure (84.9%) and allowances to party officials (79.3%). Those who disagree and those who said they did not know are very few and statistically insignificant. Thus, apart from Upper West region where a few respondents said that it is not necessary for politicians to disclose their funding source to the public, respondents in the other four regions are unanimous in their view that parties must disclose the source of funding (see table 17).

Table 24: Do you think political parties/politicians should fully disclose to the public their sources of funding? Crosstabulation

Name of region	Do you think political parties/politicians should fully disclose to the public their sources of funding?			Total
	No answer	Yes	No	
Ashanti	2	105	8	115
Greater Accra	1	78	1	80
Upper West	10	32	3	45
Volta Region	4	108	8	120
Western Region		42	3	45
Total	17	365	23	405

Source: Survey Data, 2007

Major Findings of the Survey

- When asked to rank the extent to which political parties mobilize support, 42% of respondents rated the parties as poor in this role, 54% (cumulative good and excellent) rated them as good.
- A solid 81% of the respondents rated corruption as a major problem facing all political parties in Ghana.

- Seven in ten (76%) of respondents believe that political parties' resources come from private individuals. About the same numbers of respondents believe that political contributions/donations by a few individuals often 'buy influence in the parties' and this undermines democratic ideals.
- A similar number of about 70% believe that political parties' resources are from anonymous sources.
- As many as half of the respondents (50%) believe that the sources of resources for political parties are inadequate; while 43% (cumulative) rated the sources of resources as very adequate, just adequate, and adequate.
- A little over a third of respondents (33%), expressed the view that the major sources of funding for political parties should come from public funds, but 25% of respondents said political parties should generate their own funds for the operation of their parties.
- When asked to give reasons for why respondents donate to political parties, anticipating favours, award of contracts and political office ranked high in that order. Money is widely assumed to give the rich and powerful special access to members of Parliament and the government.
- Respondents were nearly evenly divided when asked whether they think political parties' resources are sustainable. Forty percent (40) responded yes, 45% said No, and 15% said they did not know.
- Slightly over half of the respondents (52%) asserted that resources affected their party's chances in the four elections namely, 1992, 1996, 2000 and 2004.
- Forty-two (42) percent of respondents believe that funding has a bearing on a party's internal democracy, however, 22% of respondents believe there is no relationship between funding and internal party democracy and a fairly sizable number 36% said they had no idea about the nexus between party funding and internal party democracy.
- A high (83%) of respondents agreed with the idea that political parties are weak because they lack financial resources.
- A solid majority of respondents, 87% agreed with the fact that political parties will only perform their roles more effectively if they are well resourced.
- Slightly over half of respondents (54%) favoured both 'cash and kind' support systems for the political parties.
- A high (87%) of respondents agreed with the idea that there is corruption in party organization in Ghana.
- Eighty-two percent of respondents believe that political corruption affects citizen's attitudes to politics.
- Fully two-thirds (63%) of respondents support state funding of political parties in Ghana.

Conclusion/Summary

- Most respondents think that resources have effect on sustainable party organization – structure, campaigns, activities, etc – the parties are not able to sustain their organizations because they lack financial resources.
- A majority believe that resources have negatively greatly influenced inter-party democracy of their parties.
- Similarly, funding difficulties have affected their party's relations with other parties.
- A large number of people agree that political parties are weak because they lack financial resources.
- Paucity of funding has considerably affected the chances of some of the parties in the elections.
- They think that state funding of political parties will strengthen the organizational capacity of the parties – this should be in the form of cash and kind.
- State funding will help the parties to perform their roles more effectively. But they are divided in their opinion as to whether it will reduce political corruption.
- Political corruption is endemic in party politics. It assumes the form of kickbacks and awards of contracts even though other manifestations are also identified.
- It might be appropriate to encourage disclosure of political parties/politicians' sources of funding.

Recommendations

- Since effective party organization is predicated on adequate financial resources, parties need to intensify their funding mobilization from private sources to strengthen their weak structures, expand their organizations and reach out to as many people as possible.
- The effect of resources on intra-party democracy is something to be urgently considered. Indeed, lack of resources may withhold the carry out of primaries and in-party elections for leaders. Furthermore, those with relative resources might unduly supplant candidates with no or little resources. This makes it more urgent for parties to create an enabling environment that secures the participation of all qualified candidates during in-party elections.
- Since a disproportionate use of resources by parties could undermine inter-party harmony, measures to check the excessive use of resources by the incumbent should be a priority. Opposition parties' ability to access resources will enhance competitive party politics.
- Parties could be resurrected from their current weak position if measures that streamline generated resources are put in place through a more robust legislation to minimize corruption and undue incumbency advantage.
- State funding remains the probable option, at least, for now.
- To ensure maximum fairness, IPAC should agree by consensus the most neutral and trusted institution to handle disbursement of state resources to political parties.
- The formula for sharing must first consider equity in which party infrastructure building will receive priority attention. Once this is done, the rest of the money may be shared proportionally to their electoral strengths.
- Because of the prevalence of political corruption, stringent measures of disclosure of funds received from the state must be a priority for the state – defaulting parties must lose their legal status or a ban for two general elections – to serve as a deterrent to others.
- Frequent auditing of party accounts is recommended and filing of returns yearly must be enforced and audited accounts should be published and broadcast in the national and private media.

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