Chapter 2

The Funding of Political Parties and Election Campaigns in Africa

YAW SAFFU*

1. Introduction

Since the end of the cold war, combined internal and external pressures for democratization and good governance in Africa have resulted in the reinstatement of multiparty politics and competitive elections in country after country. In the period 1985–1989 competitive elections, allowing for more than one party, were held in only ten of the continent's 53 countries (Bratton and van de Walle 1997; Nohlen et al. 1999). Between 1990 and 1997 "founding" or transitional elections, signaling an end to military dictatorship or authoritarian one-party or personal rule, were held in 40 (Bratton 1998). At the beginning of 2002, only eight or so African countries did not operate a multiparty system.[1] Africa's "second wave of democracy" has been a significant expansion of electoral democracy.

However, electoral democracy is only a step, if a vital first step, towards the practice of liberal democracy. Further reforms are necessary if the democratic gains made so far in Africa are to be consolidated. Strategic forces in civil society need to be strengthened to ensure that appropriate attitudes develop, economies need to perform in order to enhance the material basis of democracy, and appropriate political institutions need to be nurtured to sustain fair play and justice. Indeed, given that the fairness and quality of some transitional and subsequent elections have been called into question, particularly in view of the unrestrained use of state resources by governing parties and the consequent lack of a "level playing field" for opposition parties (Bratton 1998; Joseph 1998), the ways in which political parties and election campaigns are financed in Africa are germane to several aspects of consolidating democracy there.

Political parties in Africa incur the usual financial costs associated with the establishment, maintenance and operation of more or less modern bureaucratic organizations. The costs of office accommodation, vehicles, staff, consumables and communicating within the organization and especially with the public, the electorate, are, ideally, ongoing throughout the year. The more serious parties have or aspire to have branch and regional offices in addition to the national headquarters. However, because of lack of resources usually only the major parties have any discernible network of offices and staff on the ground.

In the African environments of low levels of income, literacy and technology and a preponderantly rural population, usually dispersed over large territories with only poor roads, election campaigns are horrendously expensive, as the excellent report on the 1992 Kenya elections (Throup and Hornsby 1998), for instance, makes clear. In the midst of mass, grinding poverty, political parties are obliged to make huge outlays to buy or hire large numbers of vehicles and keep them on the road, pay salaries and nomination fees, pay for publicity, both sophisticated and traditional, feed party workers and (at present, in a large majority of cases) "treat" voters, including by direct payment, even though that is not part of the modern liberal democratic script.

This chapter is essentially an empirical study of how political parties and election campaigns are financed in Africa. This important issue will be treated more fully in a future Africa regional study by Magnus Öhman commissioned by International IDEA.

2. Legal Provisions Governing the Raising of Political Funds

Political financing is relatively under-regulated in Africa. In general, the raising of funds by parties and candidates is a matter of **unregulated self-help**. Fewer than one in five African states has comprehensive **laws** to govern the raising of revenue, detail permitted sources of revenue, prohibit others (such as foreign and corporate donations), or impose ceilings and specify sanctions. Laws demanding the **disclosure** of sources of party funds and **audited accounts** – the minimum regulation required to grapple with issues associated with the difficult relationship between political financing and liberal democratic governance – exist only in a tiny minority of African states. Even in those states, implementation is usually a problem.

There appears to be no rhyme or reason or pattern to the current patchwork of legal provisions on political financing to be found in Africa. **Mali**, for instance, bans

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foreign donations but has no provisions regarding other aspects of political financing. **Benin**, another West African francophone state, limits campaign expenditure and has provisions on public funding but not on other aspects of political financing. **Ghana** has disclosure provisions and bans foreign donations, but the relevant act is silent on other equally pertinent issues of political financing, such as limits on campaign expenditure. **South Africa** has no provisions on general disclosure or bans on foreign donations but it has provision for substantial public funding and accounting requirements with respect to the public funds. **Kenya** used to have limits on campaign spending by parties and candidates (although admittedly these were universally ignored), but removed them in 1992, before the first multiparty elections to be held there since the 1970s. In 1999, however, the Kenyan Parliament approved a bill for state funding of political parties (*The Nation* 21 July 1999; Pan-African News Agency 22 July 1999).

For reasons of partisan or personal advantage, incumbents at the time of transition, during constitution-making and at the passing of legislation on political parties, elections and electoral commissions have preferred to address none or only some of the issues involved in political financing. The opposition parties which stand to benefit most from the adoption of regulations that enhance transparency and limit funding and spending have usually been too divided and too weak for their views and interests to influence these provisions strongly.

3. Sources of Income of African Political Parties

All the methods of funding political parties practised elsewhere in the world are in use in Africa. These are listed here in what, it is argued, is a descending order of conformity with democratic ideals and the principles of good governance.

The most compatible with democracy would be party membership dues, local fund-raising by party activists and small, individual donations by party members and sympathizers. Next would be levies on the salaries of categories of party members occupying offices of state, public funding, and returns on investment portfolios. Further away from the democratic ideal would be donations by interest groups, lobbyists and corporate bodies, and investments by political entrepreneurs – the founders, proprietors or owners of political parties who launch and finance parties as they would any investment vehicle. Finally, the completely unacceptable would be kickbacks from recipients of government contracts and other largesse, diverting state resources to the governing party through front organizations, and donations from foreign sources such as business owners, multinationals and governments.

Of the above, the most prominent in Africa in terms of size and frequency are **donations** (of various types, including those by founders of political parties and foreigners), corrupt **kickbacks**, **state subventions** and **returns on business investments**, in that order. In many African countries the **use and abuse of state resources** is a corrupt form of massive public funding, albeit indirect and unauthorized by the law, and is available only to the governing party. Governing parties' use of state resources, with evident impunity, and their brazen demand for and acceptance of kickbacks explain much of the apparent electoral impregnability of many African governing parties, even those with clear records of economic and human rights failures. They manage to build such formidable electoral war chests that their impoverished opponents usually have little chance.

3.1. Donations

Donations are the modal source of political financing in Africa. Whereas only parties in government can exploit "toll-gating" or percentage kickbacks, or use front organizations to funnel state money to the party, all parties can depend on donations to varying degrees. Furthermore, given that in the transition to electoral democracy new parties had to be formed outside government circles in order to challenge incumbent autocrats and military regimes, seed money was necessary from the beginning. This came almost exclusively from donations.

Some donations came in small parcels from the salaried and professional sectors of civil society. Both a greater understanding of the damage that the neo-patrimonial systems had done and a capacity to donate a few hundred dollars could be expected from those sectors. Thus, in **Ghana** it was a "group of young upwardly mobile, cellular-phone clutching business executives and professionals who provided substantial financial backing for Professor Adu Boahen's 1992 presidential bid" (Jonah 1998). Adu Boahen was the opposition challenger to the incumbent, Jerry Rawlings. In **Zambia**, trade unionists led the formation of the Movement for Multiparty Democracy (MMD), not only with their organizational skills and energy but also with their donations. In 1991 the MMD was to wrest power from Kenneth Kaunda's United National Independence Party (UNIP), which had ruled Zambia since 1964. Democrats would have had no difficulty applauding these kinds of donations. They indicated democratic citizen participation of the highest kind.

But, useful as such donations were, they usually fell short of the huge sums required to put up a credible show in elections. The really huge donations, counted in thousands and millions of dollars in an economic environment of desperate poverty where gross domestic product (GDP) per capita per year might be only some USD 300, or even less, could be made only by business tycoons. However, there was a marked tendency on the part of the tycoon donors to regard politics as business by other means and political parties as appropriate investments. Their donations either founded parties, which they owned, or made them king-makers in the parties they heavily bought into. **Nigeria**, where politicians are now called "money-bags" and local wags call the political system "nairacracy" and "contractocracy", on account of the brazen role that money plays in politics and the corruption it engenders, provides ample illustration of this type of donation.

In 1992 Nigeria held presidential primary elections during its unusually long-drawn-out transition programme. These elections were distinguished not only by the extent of rigging – "seriously rigged", according to one commentator, and "reaching unimaginable levels of electoral fraud" (Igwe 1994:111) – but also by the amounts of money that were reportedly spent by the candidates who owned the parties that nominated them. According to Ademola Oyinola, a journalist, some presidential "hopefuls" spent over NGN 1 billion (Int'l $ 204 million) (For an explanation of the use of International Dollars, please see *Methodology*), while the least-wealthy named competitor had a budget of only NGN 120 million (Int'l $ 24,5 m.) (quoted in Olatunji 1994:138).[2] It was apparently the complete fiasco of those presidential primaries, represented by the obscene amounts of money spent by the parties and their nominees, that led General Ibrahim Babangida to propose his much-discussed, and much-derided, officially-sponsored two-party system for Nigeria. That idea, however, died with his own political demise.

When Nigeria finally organized its transitional presidential elections, seven years and three generals later (in February 1999), the amounts of money that the presidential aspirants had to raise were staggering by any standard. Indeed, they made the amounts involved in presidential campaigns in the USA pale into insignificance.[3] According to *Africa Confidential*, at a pre-election fund-raiser meeting of the People's Democratic Party (PDP), the eventually successful PDP presidential candidate brought in over NGN 400 million (Int'l $ 11,6 m.) for the party, much of it reportedly furnished by his chief financial backer, now his defence minister, a vastly rich businessman and oil tycoon (*Africa Confidential* 40(21) 1999). According to unconfirmed reports, the presidential candidate for the coalition of the Alliance for Democracy (AD) and the All People's Party (APP) similarly secured his nomination because he was able to bring in over NGN 100 million (Int'l $ 2,91 m.).

In **Kenya** the leaders of all the three major opposition parties that were formed to contest the December 1992 elections were multimillionaires. They had to be to make any impression on the then incumbent president, who spent, directly and through his proxies, an estimated KES 2 billion (Int'l $ 208 million) between January and November 1992, in addition to the vast state resources he pressed into service on his behalf (Throup and Hornsby 1998:358). The presidential hopefuls pumped millions of shillings of their own money into the campaign (Throup and Hornsby 1998:359–382). In addition, their wealthy friends made large donations. Thus, the Democratic Party (DP) was said to have the financial backing of big Kikuyu business, while the inner circle of the Forum for the Restoration of Democracy-Asili (FORD-Asili) reportedly included the chairman of British-American Tobacco (BAT) Kenya, who had close ties to the Kenyatta family. Even FORD Kenya, with fewer wealthy friends, raised 80 per cent of its central fund, some KES 14 million (Int'l $ 1,45 m.), from "a few large donations from anonymous well-wishers" (Throup and Hornsby 1998:360).

The pre-1990 governing parties that have managed to cling to power, such as Daniel Arap Moi's Kenya African National Union (KANU), Étienne Gnassingbe Eyadema's Rassemblement du Peuple Togolais (RPT) and President Paul Biya's Rassemblement Démocratique du Peuple Camérounnais (RDPC), usually have long-established and very close relations with known groups of business owners who provide financial backing at election time. In **Cameroon**, for instance, the mutually beneficial relationship between Biya's RDPC and a group of very wealthy Bamileke business owners was on display again during the last elections in 1997. The business owners reportedly raised CFA 100 million (Int'l $ 463.000) for Biya's campaign, saying: "politics is a 'Savings Club': you get what you put in" (*Africa Confidential* 38(21) 1997).

In the African situation, **opposition parties** struggle for consistent support from business owners who would rather donate to governing parties which can deliver prompt returns than risk the vengeance of vindictive governments whose basic instincts are still authoritarian and whose deeds often suggest that they still believe the opposition has no place in African politics. If business owners decide to finance an opposition party in Africa, they could just possibly be unusually committed democrats, because it is a high-risk game for their business. However, when they decide to finance an opposition party, nine times out of ten they are political entrepreneurs seeking to make money directly from politics by owning a party, or by filling it with their own people to run it, waiting for the day when they can buy enough votes to put the party into power.

Donations from **citizens living abroad** are an important source of funding for political parties in Africa, particularly for opposition parties. In Ghana, political parties list "Ghanaian citizens living abroad" in their disclosure of sources of funds, and the presidential candidate of the main opposition party allegedly received USD 100.000 from its US branch for the 1996 elections (Gyimah-Boadi 2000). Such apparently small individual donations from party members and supporters would normally be counted favourably as an index of support for democracy, especially if the donations go to support opposition parties that face the combined resources of a ruling party and, thus, the state (although not all such financial support from exiles can or should be applauded.)

But most publicized donations from foreign sources are far less defensible. For instance, the late "Tiny" Rowland of the Lonrho conglomerate was reportedly a regular contributor to the funds of the ruling parties in the African countries where Lonrho did business (Bower 1993). He is reported to have donated ZWD 14 million (Int'l $ 4,0 m.) to the Zimbabwe African Nationalist Union-Patriotic Front (ZANU-PF) to finance its 1996 election campaign (*Financial Gazette* 21 May 1998). When he retired from Lonrho in 1997, *Africa Confidential* reported the event thus: "Lonrho has lost its close links with ZANU" (*Africa Confidential* 38(24) 1997). The giant South African Anglo-American Corporation, which has mining interests in **Botswana**, apparently dispenses its largesse to the ruling Democratic Party in Botswana, reportedly paying South African consultants to manage its election campaign (*Africa Confidential* 40(21) 1999).

Nigeria's General Sani Abacha appeared to have used donations to political parties in power in other African countries to buy diplomatic support. It was widely believed in Ghana that he made a large donation to the election fund of Jerry John Rawlings' National Democratic Congress (NDC) during the 1996 election campaign, although Rawlings denied in public that he or his party had received any such donation. It would appear that the Nigerian government continued where Abacha left off, making friends through donations to ruling parties in other African states. According to *Africa Confidential*, in February 1999 it "made a generous contribution to the ANC's election fund" (*Africa Confidential* 40(5) 1999:4).

The African National Congress (ANC), as is widely known, survived its epic struggle against the apartheid regime in **South Africa** largely through the financial and other support it received from organizations and governments around the world. In 1994, fighting its first election, the ANC would not have been short of money, and most of it would have come from abroad. Three years into its rule, according to *Africa Confidential*, it had to retrench 163 out of the 560 staff it employed, put its headquarters up for sale and sell its vehicles to staff (*Africa Confidential* 38(22) 1997). There are unconfirmed reports that former president Nelson Mandela capitalized on his reputation and stature to raise huge donations from leaders of foreign countries for the ANC's 1999 election campaign. One survey of South Africa indicated that in 1999 parties expected between 50 and 80 per cent of their campaign funds to come from business and foreign donors (IDASA 1997).

Analysts of African politics often have to take account of foreign backers. Thus, for instance, in the **Niger** presidential elections in October 1999 the *Africa Confidential* correspondent in Niamey reported that Yssoufou Mahamadou, the candidate of the Parti Nigérien de la Démocratie et du Socialisme (PNDS), was backed by France through the PNDS's affiliation to the Socialist International and the candidate's friendship with Guy Laberti, the African specialist of the ruling French Socialist Party *(Africa Confidential* 40(20) 1999:8). He was also said to enjoy the backing of the rulers of Algeria, Nigeria, Burkina Faso, Mali, Chad and Libya. President Eyadema of Togo was named as the foreign backer of Mahamadou's main opponent, while the United States was linked with a third candidate. Whatever foreign backing in such context means in concrete terms, it has to be assumed that money is a large part of it. There have been persistent and widespread unconfirmed press reports about Colonel Muammar Ghadaffi's generous financial support to many African political party leaders.

3.2. Corrupt Kickbacks

Parties that were created within governing circles when incumbents finally bowed to pressures to reform their undemocratic systems, for instance the NDC in **Ghana**, had less need for political entrepreneurs with fat wallets. In their control of the state they already had a powerfully lucrative source of funding – kickbacks on government contracts and the sale of state assets.

Gyimah-Boadi (2000) refers to a GHC 3 million (Int'l $ 4.189) donation to the governing party in Ghana by Construction Pioneers, a road-building company that had a huge contract with the government. Independent newspapers in practically every African country provide illustrations of the kickback. As many have observed, in the era of International Monetary Fund (IMF), World Bank and donor country-inspired privatization programmes in Africa, "political privatizations" are proving to be even more lucrative channels for party and personal funding than the old "10 per cent commission" levied on the value of government contracts awarded. *Africa Confidential* dissects the interconnections between the leadership of the ruling party in **Côte d'Ivoire**, the Parti Démocratique du Côte d'Ivoire (PDCI), and the business class in the context of privatization. Needless to say, these opportunities for political funding through the control of the state become available to new parties as well once they are voted into office, as in Zambia (1991), Malawi (1994) and Nigeria (1999) (*Africa Confidential* 39(13) June 1998).

3.3. Public Funding

Africa lags behind other regions of the world in the proportion of countries that have public funding provisions (Öhman 1999; and Öhman in a study commissioned by IDEA). As of the beginning of 2002, on the basis of the available research, only 14 African states were known to fund political parties directly, with or without legislation. These were Benin, Burkina Faso, Chad, Egypt, Equatorial Guinea, Gabon, Malawi, Morocco, Mozambique, Namibia, the Seychelles, South Africa, Tanzania and Zimbabwe. Of these, only in four were the sums involved sizeable enough to make a difference to the operation of the opposition parties (South Africa, Morocco, Seychelles and, if the ruling party there had allowed it, Zimbabwe). In South Africa, for instance, according to the amounts cited by Soggot (study commissioned by IDEA), the five largest opposition parties would have received ZAR 43 million (Int'l $ 21 m.) as against ZAR 64 million (Int'l $ 31 m.) for the ANC over the period 1998–2000. The relative absence of public funding provisions in the new constitutions and the laws that governed the recent transitions to multiparty democracy in Africa are testimony to the extent to which the transition programmes were directed and dominated by incumbent authoritarian rulers who did not lack political or financial resources.

From the perspective of such rulers and ruling parties, adopting provisions for the public funding of political parties would have seemed like a careless dissipation of the advantages that incumbency conferred. Thus even parties that "came in from the cold" to topple autocrats and despots, such as the MMD in Zambia, promptly saw the advantages of not having the state prop up the opposition, which is how the idea of the state funding parties or candidates would seem to those in power. Thus President Yoweri Museveni of Uganda has declared his opposition to public funding of political parties, even before the people have had the chance to vote in a promised referendum on whether Uganda should remain a no-party democracy or become a multiparty democracy. His National Resistance Movement has an investment arm whose income he expects to be adequate. In **Ghana**, the then ruling NDC in 1999, not surprisingly, declared its opposition to a bill to authorize public funding of political parties (*Ghanaian Chronicle* 3 December 1999). The New Patriotic Party (NPP), in government since January 2001, has yet to propose legislation for public funding of political parties, although it argued passionately for it when it was in opposition.

In **Zimbabwe** the 1992 Political Parties (Finance) Act, which authorized state funding for political parties, merely formalized what had existed since 1980. ZANU-PF had been receiving an annual grant of ZWD 32 million (Int'l $ 21 m.). From 1992, any party that gained 10 per cent or more of the seats in the 150-member parliament was entitled to state subvention. Given the high threshold, the opposition parties did not qualify, while ZANU-PF received increased subventions. According to one calculation, ZANU-PF should have received the sum of ZWD 312 million (Int'l $ 33 m.) from state coffers by the end of 2000, or an average annual subvention of just under ZWD 40 million (Int'l $ 4,2 m.) ("The Unfairness of Party Financing." *Financial Gazette* 31 October 1997). The opposition challenged the constitutionality of the whole act, and the 15-seat threshold in particular. The Supreme Court found in favour of the opposition, lowering the threshold to 5 per cent of the popular vote. The government tried to frustrate the effect of the Supreme Court decision, insisting that the 5 per cent threshold really meant more than 5 per cent of the valid votes cast because, it argued, the number of registered voters in all constituencies where ZANU-PF candidates were returned unopposed had to be factored into the calculation of the 5 per cent. That the issue of state funding or aiding of political parties and candidates is primarily a question of fairness, of attempting to create a level playing field for all contestants in an election, is clearly a theme that needs constant reiteration in Africa.

Governing parties in the new, multiparty contexts have been not only most reluctant to help their opponents (as they see it) remove one of the major reasons for their ineffectiveness, namely, their lack of financial resources. But worse, as Cowen and Laasko have observed: "the strategies of many African governing regimes have been directed precisely at making opposition parties as institutionally weak as possible" (Cowen and Laasko, 1997:736).

The **partisan interest of the ruling parties** is a major reason for the relative absence of public funding schemes in Africa. The poor economic and financial base of the state in Africa can also, no doubt, be invoked as a contributory factor. However, a most important explanation that has not been emphasized sufficiently is that the positive correlation between the fairness of public policy and the consolidation of democracy does not appear to have been noted widely in ruling circles in Africa.

3.4. Returns on Investments

Some political parties, especially the older ones dating from before 1990, such as ZANU-PF, the PDCI, KANU and UNIP, have **investment portfolios** that generate substantial incomes.

Some disgruntled members of ZANU-PF, dissatisfied that the party's accounts have not been audited since **Zimbabwe** gained independence in 1980, have managed to lift the lid on the party's quite extensive investment portfolio by persistent questioning. Through a holding company called M&S Syndicate, the party owns or has substantial shares in a wide array of companies dealing in motor vehicle sales and garages, properties, the import and distribution of industrial machinery, water pumps, steel, building materials and mining (*Financial Gazette* 21 May 1998). Some of its companies have supply contracts with government departments, such as the Defence Force and Central Stores, and supply, for instance, books to schools and colleges nationwide. The party has a 50 per cent share in Catercraft, a company that provides catering services to airlines at Harare International Airport, and in National Blankets, a company that manufactures blankets in Bulawayo.

The likelihood of conflicts of interest in all these areas, where policy, legislation and regulation would be called for from time to time, and the probability that the tax office and other state agencies would feel inhibited in performing their statutory functions with regard to such companies are clear. As a tax office spokesperson reportedly complained: "We face a lot of hiccups and political interference when we try to investigate companies owned by the ruling party" (*Financial Gazette* 21 May 1998). Furthermore, in Zimbabwe as elsewhere, a prior problem with this source of party funds is that income-generating investments need initial capital. Where is this kind of capital to be found apart from donations, corrupt commissions, fleecing the state or raising a bank loan?

For an opposition party in Africa, the options are very limited. In the African context, organizing a bank loan is unlikely to be any easier than finding wealthy backers who are not political entrepreneurs.

3.5. Other Sources of Funds

There is evidence that political parties still derive some income from **membership subscriptions** and **local fund-raising.** For instance, in Zambia a candidate for the post of UNIP treasurer donated materials for the printing of

250.000 party membership cards (*Times of Zambia* 30 November 1999), suggesting that the sale of membership cards (membership dues) still raises money for the party. In Ghana, when the NDC held a fund-raising dinner-dance in a major port city with a pool of contractors and other businessmen who could be expected to be eager to pay their way into the good books of the government, it raised the equivalent of only USD 600 gross, before the cost of hiring the venue, the band, food and so on had been deducted (*Sunday Mirror* 28 November 1999).

From the amounts mentioned in such reports, it is clear that these sources can yield only a tiny proportion of the income required by the political parties. However, the general level of poverty means that setting membership fees at levels that would produce respectable incomes for the parties would also put them beyond the reach of most people. Further, substantial numbers of voters and potential party members in many African countries probably take the view that they should be paid by political parties and politicians rather than that they should pay, through dues and local fund-raising activities, for the privilege of supporting the party or candidate.

An incomparably more lucrative source of funds, but only for governing parties, is state funds funnelled through **front organizations**, voluntary groups and NGOs affiliated with the party but receiving state subventions for allegedly doing useful and necessary community or welfare work. Gyimah-Boadi (2000) draws attention to **Ghanaian** examples, and Throup and Hornsby discuss **Kenyan** examples of this phenomenon. Youth for KANU 92 and the "Moi fan clubs" were set up for the 1992 Kenyan elections as "a means to siphon huge amounts of money from the government and party coffers into the political arena". The authors quote a Kenyan newspaper, the *Weekly Express*, which claimed that Youth for KANU 92 had a budget of KES 3 billion (Int'l $ 311 million), "mainly looted from parastatals such as the National Social Security Fund and Kenya National Assurance Company" (Throup and Hornsby 1998:354–355).

3.6. Indirect Funding

Indirect funding is any help or resources which can be shown to have monetary value but are given free to political parties or taken or used freely by governing parties. **Free air time** on radio and television or **free advertising space** in the publicly-owned print media are good examples of the former; a governing party's **use of state vehicles** (Defence Force helicopters in the case of one KANU candidate), **government employees, office equipment** and so on are examples of the latter. In many African countries elections are not really contests between candidates and parties; they turn out, in effect, to be contests between all opposition parties and candidates on the one hand, and the governing party's candidates and the state on the other.

A report in *The Economist* on the 1999 **Algerian** elections made the same point when commenting on the funding of Abdelaziz Bouteflika's presidential election campaign: "With plenty of money from *somewhere* he set up the flashiest campaign offices and the noisiest loudspeakers playing specially commissioned music from popular Algerians" (emphasis added). The report went on to imply that once the *pouvoirs* (the generals and senior politicians who run Algeria's affairs) pick a candidate, as they had evidently picked Bouteflika, resources are not a problem (*The Economist* 17 April 1999:78). The state resources behind the state candidate evidently proved so overwhelming that all the other candidates pulled out of the race.

In an account of their experience as monitors of **Gabon's** December 1998 presidential election, Tordoff and Young remarked that: "The superior financial resources of the ruling party were readily visible; on the opposition side only Abbesale's campaign showed evidence of much spending capacity" (Tordoff and Young 1999:261–276). Similarly, the Commonwealth Observer Group which monitored the 1991 **Zambian** elections drew attention to the unfair advantage UNIP had as the governing party, using state resources, including government vehicles, although even its superior resources did not save it from defeat that time. In **Botswana**, one of only a handful of African states that have always had multiparty elections, the disparity in resources between the governing party and the opposition parties has led to critical comments about the quality of its democracy (Fernandez 1994:112).

In many African countries the opposition parties have been too weak and divided to succeed in extracting from the government even the most basic aid the state can give to political parties, namely, free and equal access to the government-owned and -controlled **mass media**. Such access remains one of the most persistent demands made by opposition parties. In **Ghana** the opposition parties had to go to court to obtain the free and equal access to the media that the constitution guarantees. In **Kenya** it took the threat of a lawsuit and the personal intervention of the visiting Secretary-General of the Commonwealth to secure equal access for the opposition parties – 90 seconds per day "paid up" advertising on Kenya Broadcasting Corporation's radio and television, and live coverage "where possible" of their rallies. This great victory for fairness and democracy was won only six weeks before the December 1992 election. If governments resist demands for free and equal access to the media they ought not to control, it is not surprising that they resist even more vigorously any requests for greater equality in party financing.

4. Summary Propositions on the Funding of Political Parties in Africa

The difference between the amounts of money available to governing and to opposition parties tends to be far larger in Africa than elsewhere. This difference in fortune cannot be explained by differences in ideology, policies or the social bases of party support. Instead, the primary explanation is the advantages of incumbency. Kickbacks and the abuse of office, or corruption, play a large role in party financing. Only governing parties are in a position to award contracts, grant other favours or divert state funds illegally to themselves. African governments exploit the opportunities of office to "bankroll" their parties without many of the political constraints and restraints that operate in mature democracies.

There is a far sharper distinction between the sources of income of governing parties and those of opposition parties. All over the world business owners who donate to parties to obtain business advantage or to influence policy donate to either the governing party or the pro-business party. In Africa, because there is not much alternation in power between competing parties or clear ideological differences, or because the competitive, multiparty process has only just begun again, the opposition parties tend to attract political entrepreneurs rather than business owners, if they manage to find any wealthy business backers at all. Wealthy financiers of opposition parties in African countries are not likely to be ordinary business-owners who donate to parties for the usual reasons business owners do.

The **reluctance of ordinary business owners to donate to opposition parties** is one legacy of the recent authoritarian past of one-party systems and military dictatorships, and explains much. Governments still find it difficult to accept that business owners who donate to opposition parties are as entitled to bid for government contracts as anyone else. This is a facet of the larger difficulty that African governments seem to have in accepting the role of the opposition, or indeed of the independent role of organizations, such as trade unions, that are capable of providing a base for a potential challenge to their power. African governments thus inflate for the African business owner and other elements in civil society the risk, perceived and real, of making donations to political parties other than those in government.

The **relative absence of public funding** provisions in the new constitutions and the laws that governed the recent transitions to multiparty democracy in Africa is testimony to the extent to which the transition programmes were directed and dominated by incumbent authoritarian rulers who did not lack political or financial resources. The partisan interest of ruling parties is a major reason for the relative absence of public funding schemes in Africa. The poor economic and financial base of the state in Africa is also without doubt a contributory factor.

Magnus Öhman's research and his future study for IDEA shows that the existence of public funding in African countries cannot be related to any other index, whether it be ranking by gross national income (GNI), population size, colonial background, year of independence or ranking on the Freedom House scale. The research also reveals that the legal provisions for public funding sometimes are permissive and not compulsory, and thus implementation is often very different from the law.

5. Conclusion

If electoral democracy in Africa is to become liberal democracy, political parties, along with independent electoral commissions, independent judiciaries, ombudsmen and independent media need to be nurtured to ensure greater accountability of the executive and the legislature, ultimately through the agency of elections. Several political transition programmes in Africa have devoted attention to political parties, usually with a view to shoring up their internal democracy and encouraging them to be national and non-sectarian, but few have grasped the nettle of party financing as such.

The gross inequality of resources between governing parties and opposition parties, shown in a ruling party's ability to outspend all the opposition parties put together by 15:1, as in Ghana, probably by a bigger margin in Kenya, and by as much as 30:1 in Senegal (Fall 2000:313-331), affects the fairness or democratic quality of the elections. Fairness of electoral processes and outcomes is, in turn, a major factor in the chances of successful consolidation of a fledgling democracy. It is for the sake of consolidating the fragile democracy that has re-emerged in Africa that public funding of political parties should be considered seriously and may need to be adopted widely.

There are several well-founded arguments that can be advanced against public funding, for instance, that parties will come to depend less on their members and supporters or become more focused on gaining or retaining access to state funds and thereby possibly become dependent on the government; and that in very poor countries every penny of state revenue needs to go into education, health or economic infrastructure, instead of creating another "gravy train" for politicians. However, there are strong arguments on the other side. Political parties need funds in order to play their roles effectively in the democratic process, especially the opposition parties' role of balancing the incumbent. If parties received public funds, the incentives for using illegal sources for funding might decline. Public funding can also level the playing field somewhat for all players and, equally important, act as the "sweetener", the quid pro quo, for a stringent regulation of election expenditure. Parties that accept public funding can be made to agree thereby to disclose their other sources of income, publish audited accounts and observe spending limits. A legal provision entitling any registered political party to seek judicial enforcement of the regulations will give all participants in the democratic process the tools to insist on transparency, and thereby protect and advance democracy.

Endnotes

[1] Of those, six (Comoros, Democratic Republic of the Congo, Libya, Sudan, Swaziland and Uganda) are no-party states. Eritrea is technically a one-party state and Somalia does not have a functioning political system. Multiparty elections in Sierra Leone were held on 14 May 2002, now that the civil war there has ended.

[2] See also the Lagos newspaper, Tempo, 9 December 1999 for a report on the All People's Party (APP) Convention at Abuja that month. According to this report, Dr. Olusora Saraki, who responded with a NGN 5 million (Int'l $ 145.000) donation to the party's appeal for funds, filled the party posts with his own nominees, and the state governors, who provided over NGN 300 million (Int'l $ 8,7 m.), were allowed to fill the posts of state chairmen of the party.

[3] The nominal sums involved are of course much higher in the United States. To get a true measure of just how staggering are the sums involved in Nigeria and in other African countries, compared with the USA or other industrial democracies, the African nominal figures would have to be multiplied by 70–80 (roughly the difference between African **per capita** GDPs of USD 350 per year or less versus USD 20.000 or more for industrial countries).

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