Transliteration - Michael Maley & Therese Pearce Laanela – Conversations on Financing of Elections

00:00
Therese: Good morning. Today we are going to do a question-and-answer session. We are going to focus on the topic of financing of elections. We'll mix in some other things, but the electoral management perspective is in focus. Today, we are in the Old Parliament House in Canberra, the capital of Australia. My name is Therese Pearce Laanela and I am Head of the Electoral Processes Team of International IDEA, based in Stockholm. With me, I have Michael Maley who has worked with elections for many years; initially in Australia, but then internationally as well since 1989. We have worked together often, starting in Cambodia in 1992. We hope to convince anyone who is watching that financing of elections is a fascinating topic, and also a really important one not just for election managers but for society in general. So we will try to unpack that as we go.

01:35
Therese: The questions that will guide our discussion today follow the pattern that is set by the BRIDGE module on the financing of elections. Today, we can talk about the topic generically; but also don't hesitate to bring in personal experiences or anecdotes and so forth. The idea is that these videos are practitioner-focused to get an idea that (yes) there are ideal 'types' in this subject, but what is it like in reality? So don't hesitate to bring in your 'war stories'. I am not a professional interviewer of any kind; I might interject with my own opinions or thoughts throughout the interview, so we'll just have it as a normal conversation. Does that sound OK?

02:29
Michael: Great.

02:31
Q (Therese): So the first question is: why do elections cost so much? Do you mind if I put forward a few categories or possibilities?

02:42
A (Michael): Sure.

02:43
Q (Therese): We'll see if you agree with me on these ones, because I have a feeling you might have more. When I was thinking about this one, I was thinking of three kinds of categories. One is the scope and the geography of an election. To me, that already denotes the costs that we might be thinking of. If we think of Indonesia with its islands for example, or of areas with mountains; in our minds we can picture how there could be costs. The second category that comes to mind for me is timing, and that those brutal deadlines can have cost implications; especially when suppliers of electoral material know that you are under intense pressure. The third category that comes to mind when I think of why costs in elections are so high, are security features and risk mitigation; because nothing in an electoral process is allowed to go wrong. Do those three categories sound right, or have I missed some important one?

03:44
A (Michael): I think those are very important, and I'd take one step back from those, and note that the fundamental driver of high costs of elections is that election administrators are driven by the principle of universality. The whole notion of participatory elections implies that everybody has an equal opportunity to take part in the governance of their country. This is a concept that goes right back to very fundamental documents like the Universal Declaration of Human Rights

and the International Covenant on Civil and Political Rights. Once you have that obligation on the administrators to make the facilities to vote or to register to vote available to everybody, that then points to the need for massive field operations, whether that involves creating or updating a voter register or running polling on Election Day, which fundamentally is what the job entails. You can't set up polling stations at a relatively small number of places and expect people to come to you like the census at Bethlehem; you have to go out to the people and provide those facilities wherever they are. That is a big field operation.

05:12
Q (Therese): I was thinking about this point about universality that you mentioned, and I was wondering if we could tease out a little bit more the cost implications of that universality. Any given country will have people who are easier to reach than others. I am guessing that there would be a big differentiation between a "standard median" voter who would be relatively easy to reach with normal means of communication and transport and so forth, and categories of people who are much more expensive to reach; and yet you have the mandate to include them. What would you imagine could be possible cost implications of the different categories of people?

06:08
A (Michael): That's very much so, because in organizing an election, you have to take the geographical dispersal of your population as you find it; you can't control that. So, in an urban environment, it is much easier to expect people to travel a reasonable distance to get to a polling station. A polling station set up in that environment is then likely to have a large number of voters within its feeder area. This means that it is relatively cost effective to provide those facilities; but you also have to deal with rural areas where the population is much more sparsely situated. To add to that, it is worth bearing in mind that there are often political differences in support patterns in urban and rural areas. So if you fail to provide as good a service where people are dispersed as where they are concentrated, you might well wind up not only depriving some voters of the opportunity to participate in the governance of their country, but you might also be biasing the electoral process towards one side of politics. This means that neutrality is also a fundamental value that has to be brought in here.

07:27
Q (Therese): So you are saying that there are actual political implications of how seriously you take this mandate of universality and your ability to deliver services?

07:38
A (Michael): That is absolutely so. In fact, in every aspect of the administration of elections there are potential political implications. When you look at the scale of the operation that is involved, a metaphor which I've often used is that of trying to run a vaccination campaign in a country. If you think about what it would require to vaccinate the entire population of a country against, say, polio, on one day, you get a sense of the degree of organization and the scale of resources that are needed to run an election. The only thing that is different is the product; you are giving people a ballot paper rather than a jab in the arm.

08:27
Q (Therese): There is another difference. With a jab in the arm, you don't need to retrieve the materials to the capital city within the same evening. In elections, you are expected to retrieve election results from very remote places to the capital city and compile them within the same evening. So perhaps it is even more difficult to organize an election than a vaccination campaign.

08:47
A (Michael): That is very true.

07:19
Q (Therese): That is very interesting. I am thinking again of one more thing. We have talked about the differences between say rural voters and urban voters, and that there might be cost implications. There are other segments of the population though that might not be defined geographically, but who for whatever reason don't turn out. Here in Australia, you have compulsory voting; but there are many countries that don't. In some places voter turnout is getting as low as 40 or 50 percent. What cost implications are there for the populations that are not participating? Are there cost implications for reaching them?

09:35
A (Michael): That is going to depend very much on what reasons there are for why people are not participating. What are the specific obstacles that may have to be overcome to ensure that they can still participate even if the standard simplest model of going to a polling station isn't fitted to their circumstances? That involves your having to deal with the entire range of possible human experiences, from people who lack mobility (which might come from some sort of disability or old age) to people who are non-literate and unable easily to absorb public information messages about where they can vote. You might have people who are incarcerated in prison, or who are patients in hospitals. Increasingly, you are finding that people who are outside the boundaries of their own country constitute a larger and larger proportion of the population, and often they will have constitutional guarantees and rights to participate in the electoral process. Hence, the geographical perspective is not only significant within the home country, but may also relate to the provision of services throughout the world.

10:57
Q (Therese): I think you are absolutely right. People's identities are fluid these days and migration is a big part of that story. This has implications for how elections will be run in the future, because a fundamental part of electoral administration is assigning people to a constituency. Now that we have these increasingly fluid identities, what constituency do people fit to? That brings me to two kind of follow-on questions, which have to do with the ideal type versus when reality hits the ground. Let me ask you both and I'll let you respond to one or both. The first one is: we have these constituencies of people of our population that are increasingly difficult to reach for whatever reasons, perhaps living abroad or being marginalized from society or living in a remote area, and I am reminded of the decisions that need to be made in health care. There might be some parallels. In health care, there are certain diseases that are much more prevalent, say diabetes for example; so it makes sense to put a lot of resources there and there is no question about that. Then, there are diseases that affect few people and at some point, and this is very difficult in health care, there has to be a cut-off because money is only enough to do so much. This turns into a dilemma of where you spend the money that you have. So the question is, do you think this is something that EMBs have to deal with, that at some point you have to decide who you are going to target for inclusion in an electoral process? Let me add a second question which is similar to that: the delivery of service to different constituencies (abroad or in institutions) might need a special type of service that is different from the "normal" one that we might expect, the polling station or registration station. This might include provisional or proxy voting, e-mail voting, institution voting, mobile voting or out-of-country voting. This adds layers of complexity. Could you reflect on future directions, what this complexity means for costs and also my question about: are there realistic trade-offs and how do we make those trade-offs, recognizing that there are financial implications?

13:52
A (Michael): Finiteness of financial or human resources is a fact of life. It always will be in an administrative environment where elections are run. So, every responsible election administrator starts with the ambition of trying to provide the best possible service to every conceivable voter. That is the right approach to take, because you are talking about people's human rights here.

You might say that we got to 99 percent of the population; but for the 1 percent that you didn't reach, you have taken from them 100 percent of their vote and their influence over the political situation of their country. So it's a very challenging decision to have to make. Almost invariably what it needs is very careful micro-level planning to understand the circumstances of the sorts of individuals or categories of voters that you are dealing with, or at the geographical level, the territory that you are dealing with; to try to make sure that even if you can't give everybody an equally easy way of voting, at least you can give everyone a reasonable opportunity to vote which reflects their own capacities. Just because we say that voting is supposed to be free, that doesn't mean that because one will have to put petrol in one's car to drive to a polling station, the vote is no longer free because of personal costs; there are reasonable expectations one can have of voters that they will get to the polling station. You do have to be very much focused though on those who face insuperable difficulties in exercising the franchise. Drawing that balance is a very delicate thing, because you are dealing with a large number of individuals and you can't actually know about how that applies to every individual. All you can do is give it your best shot. If you do that, usually the community is prepared to accept that; but you do have to be very much alert to feedback that you get from the community as to whether there are particular problems associated with plans or budgets that you put together, such that identifiable groups might miss out.

16:27
Q (Therese): That's a really good point, and I think we should move to planning in a moment. I just wanted to reiterate one of the points that you made about this feedback. One thing that we found in a study at one point was that if you do stakeholder consultations or talk to people who represent constituencies, and have really robust conversations, they often have quite creative solutions which might not be that costly, and yet those conversations sometimes aren't had. So it is very much worthwhile to have those discussions as early as possible. This idea of "as early as possible" brings me to the topic of planning, which I know you feel is strongly linked with the issue of financing, because if we do have an increasingly complex way of delivering services then in order not to make any mistakes, planning has to be very good. What do you think is the linkage between planning and financing?

A (Michael): You can't really do any election financing unless you know what it is that you are planning to do. That is what planning is fundamentally about; it is knowing what you are going to be doing. To do it properly, you really have to understand what the polling operation, registration operation and counting operation is going to look like. To understand that, you need to know what the legal requirements are, to have a sensitivity to the political expectations surrounding the operation that you are doing, and to have a sense of what the community would like. It is important to bear in mind that an election is fundamentally a political exercise and the definition at the most basic level of a successful election is one where everybody accepts the result, so that legitimacy is conferred on whatever you are electing, be that the president, government or the parliament; so that you don't have a breakdown into civil disorder because people don't see the election as a legitimate way of making societal decisions. Hence, you can never take your eye off that political requirement, and sometimes obeying the law is not enough; you do have to make sure that the imperative of delivering something that everyone lives with can as best as possible be met.

Q (Therese): With what you have just said now, bringing in the legitimacy aspect or the political dimension, how can we think about the differences in terms of financing? I'll give you two concepts of how we might think about financing of elections differently. Concept one is the mandate to deliver results. Everything that you are doing is to deliver an accurate result; whether it is about voter registration, the voter information, the logistics around polling or the counting process and so forth. Or to take your next point, which is an accepted or legitimate result. We can frame things as a result, which is perhaps more transactional or operational; versus an accepted result, which brings in these other aspects of legitimacy of the process and how people perceive it. You've said just now that the accepted result is the deliverable needed

to be given. Are there any differences between how to think about costing and financing in elections? Are there extra or different things that would you need to pay for to get that legitimacy or accepted result, for people to believe in the results? Are there other things you might need to invest in besides of the more logistical elements?

A (Michael): Yes, and it is very much context dependent on what is happening in a particular country. That in turn might be influenced by the past history of the elections in a country. To give but one example: the result of an election might be objectively accurate, but to get the broad acceptance of that result that you want, you might well have to not only deliver results accurately, but also quickly. Delays in the finalization of results of elections in many countries have been associated with perceptions of manipulation of the process. Many countries have made major investments in computerized results compilation systems with the aim essentially to speed up the processing of results, and to enable more detailed, finely- structured data right down to the polling station level to be provided expeditiously to the community, with the view to providing greater transparency of the whole process. In a lot of places, that is a matter of fundamental political importance, even if it is not specified in the law. It is very difficult to say what is a legitimate amount of money to spend on those sorts of systems, because essentially you are buying trust; and trust is not a commodity for which there is a price tag that doesn't vary from country to country. That can be another factor that pushes up the cost of elections, when you are not just paying for the mechanics of the process, but you are paying for particular mechanical elements that are designed fundamentally to enhance credibility and trust rather than simply achieving some of the more operational objectives.

Q (Therese): So you brought up the linkage between quicker results and trust, and the possible cost implications of those. Now, while we are on the topic of trust; one thing that we know is that trust is built in interactions. For citizens or for candidates many of these interactions are either with polling station officials or voter registration officials; or for candidates it could be staff of the EMB and so forth. In those transactions, what do you think builds trust and are there cost implications in terms of what you would invest in to have those interactions be positive for the community, to give them faith that the EMB is working as it should?

A (Michael): I think that is going to vary depending on the different interactions. It will also depend on their complexity and the degree to which officials - either the polling officials or EMB officials - are involved in exercising discretion as distinct from simply implementing rules. If you are simply implementing rules, you can build up trust by making it clear what the rules are and publicizing that well before the process. If it is a matter of exercising discretion, my personal view is that the most powerful tool in building trust is being prepared to explain your reasons for having arrived at a particular decision. You can't as a senior election manager simply speak *ex cathedra* and say "I have made my decision and I am independent, that's my power, and I don't have to explain it to you because I am the boss". That does not work. In my experience, people are much more inclined to accept a decision that you have made, even if it is against their interests, if you are prepared to go to the effort of specifying exactly what the criteria were that you took into account when you made that decision. What were the legal requirements? What were the facts as you understood them? How did you apply the legal requirements to that fact situation? How did you reach your particular conclusion on the issue? This can for example be about refusing registration for a political party or rejecting a nomination from a candidate; those sorts of delicate decisions. Transparency is a very powerful tool in these circumstances. But again, this comes at a cost. You have to be prepared to invest in preparing detail statements of reasons for a lot of different cases. Whenever you have additional bureaucratic requirements which involve going beyond just making decisions, and actually justifying them to the community, you have to pay for it, but that's a price worth paying. You have to look at the alternative, which can be a boycott of an election from a particular party or supporters of a candidate.

Therese: So these kind of transactions that you are talking about, having transparency and explaining carefully why decisions are made; these are perhaps being made on a district level across the country, so you need to have people that are capable of having these kinds of interactions,…

Q (Therese): … people who have the power and the competence to take decisions. If I frame it like this, I guess it is an investment in people to have that type of staff who are able to do that. Either it is investing in retaining high quality staff who are experienced from before, or maybe well-trained staff. Is it expensive to get to a place where you have a staff that is able to do this? I want to bring up the issue that because elections only take place every third or fourth years, it's not always the case that you have people with that much experience to behave in the way that you've described. I am also thinking that sometimes in districts, there is only one person who is kept on between elections; sometimes not even that, because people can be very temporary. Certainly at the polling station level, there are very often temporary staff. Do you have any thoughts on what to invest in to bring people to the level of gaining trust of the people that they deal with? Is training a good investment, or is it retaining staff? Is it identifying good people to begin with? Are there cost implications of those choices?

A (Michael): I think all of those things are important. One of the greatest challenges that we face in the election business is that it is a complex operation that you are running. It's not just complex because of its scale, but it becomes complex as different voting modalities get added to provide services for a range of different people. Paradoxically, the better an election is run, the easier it looks to outsiders. If you have a well-run polling station, you will come in and be given your ballot paper, your name will be found efficiently on a list or database; you'll be in and out relatively quickly. It's easy to underestimate just how much work has gone into making that succeed. It's only when you see a complete meltdown of an election that you do get a sense of the risks that election managers on the other side of the table see in their nightmares. So that level of complexity shouldn't be underestimated. All of the tools that you have talked about; trying to retain good staff, resourcing good people and keeping them on, help to mitigate the risks associated with that complexity. It is a challenge though, because when the policy makers who allocate your budgets have seen that elections are run smoothly and successfully, they too often don't have an understanding of the complexity of what you are trying to deliver on Election Day.

Therese: I guess it is when you see on the news that they can reach an understanding.

Michael: Exactly.

Q (Therese): We have mentioned temporary staff as one challenge, that there are so many temporary staff who need to be hired so quickly and yet they have to do things perfectly; is there anything else that comes to your mind that makes elections very challenging?

A (Michael): I think it's a very unforgiving political environment in some countries. Mostly when you are running an administrative operation, you can assume that people want it to succeed. But in some countries, the commitment to democratic processes, to democracy as distinct from commitment to "your side winning", is wafer-thin. It might well be that the losers in that particular context are just waiting for you to make a mistake so they can use that as a pretext for not accepting the result or to put pressure on you, the government, the head of state or whoever to make concessions to keep them on board. So, in those circumstances, as an election administrator you don't know how close the election is going to be but then sensibly you always assume that you'll have a really close result.

A (Michael): One of the great challenges that you can find yourself facing in some contexts, is that there are people who want you to fail. Not every country has politicians all of whom are committed to the democratic process. In particular, in post-conflict environments, that

commitment may be wafer-thin. They are happy to support the election as long as they are winning, but if they lose their default position becomes looking for any pretext to refuse to accept the result; which might mean returning to the bush or using that as a way of pressuring for example the head of state to accommodate them in some sort of arrangement like a government of national unity. So the political motives can be quite mixed, and it's a challenging environment to find yourself in as an election management professional. No matter how well you do things, you can't be guaranteed that the results will be accepted by everybody. That is a major political risk.

Therese: This point that you are making has actually come up in one of the UN Secretary-General's reports on electoral matters. The point that was made was that the understanding of how to run elections is there globally, which is very different from where we began several years ago; but that the biggest challenge is political leadership and gaming the system. So whatever election system there is, instead of going into it in good faith but finding ways to game the system. That is being felt even in mature democracies where the system is gamed in new ways, by social media or in ways that political campaigns have been run. These are new challenges for election administration.

Michael: It is also worth bearing in mind that in certain circumstances, additional expenditure might be needed or suggested as a way of effectively buying trust. An example that has been seen in a number of countries is where biometric identification or voter registration systems have been proposed essentially to mechanize what is otherwise a human process of determining who is entitled to vote (which is a process that is presumably not trusted by some parties for some reasons). When you start investing in that sort of technology, possibly for marginal and unmeasurable increments of trust, the costs can go up dramatically because you are paying for high-tech equipment, and if you do it properly you are also paying for training, maintenance, back-up systems if things go wrong, and everything that is associated with implementing new technological systems.

Therese: And also future proof of it, that is technology that is used over time. So you need to build systems which can be sustained, not just for the next election but also for the future.

Michael: Yes. So it's very difficult to make an objective judgement on what is a reasonable amount to spend essentially to try to buy trust.

Q (Therese): I am going to ask you now, what are sound electoral financial management principles? What comes to mind if you were to look at the health of a particular election management body? What would you be looking for?

A (Michael): I think one of the first things worth bearing in mind when talking about financial management is that that, in itself, is an instrument towards a deeper goal which is the implementation of the election process. You are running the elections, registration, counting and the like; you need money as a means to that end. So primacy in all of these considerations has to be given to what are the tasks that you are actually required to do. If you want to get that right, you can't really budget for a process unless you understand that process. A lot of these processes are becoming quite intricate now. Whether we are talking about intricate from a legal point of view or from a technical point of view, someone who is in the decision-making chain or the planning chain has to understand in complete detail and see in his or her mind, what the operation is going to look like on the ground. Now, this is not so easy because a lot of us have an impressionistic sense of what a good and well-run poll looks like; but that is not enough for planning or budgeting. You need to be able to think through exactly what equipment, furniture and staff you need and what they all will be doing. If you get that wrong you will either come up under-resourced, or will be wasting money.

Q (Therese): If those skill sets are not in one person, that is if the person who is working with the finances doesn't have that background knowledge, are there special ways to perhaps learn that if you don't have that experience or is it about working in teams? How can the knowledge of financial systems and the knowledge of the election systems be joined so that they work well together?

A (Michael): One of the fundamental principles I think of election administration is that everything is connected to everything else. You can't really realistically say that I only work on finance, operations or planning; you need to have all of them integrated. Ideally, everyone will understand everything. Realistically, you are going to have a degree of specialization where some people know more about finance and some people know more about operations or training and so on. But you need a way of making sure that the work of all of them is informed by knowledge of those other areas. In my experience, that works best when you have a good project team. You've got to get people together who collectively have that wisdom and you've got to have time for them to actually share that knowledge. It has two benefits. One is that you get a better product, but you also get a better cohort of people if they are actually in contact with each other, expanding their knowledge as a shared activity. That's my personal view; the best way of operating is to make sure that everything you do is shared. When you get into trouble is when you have people who try to budget who don't understand costing or when you have people trying to do costing who don't understand the fundamental operation that has been put together.

Q (Therese): So that's relationships between people and breaking down silos within organizations. I know how easy it is to build it up and have different "cultures" in perhaps the finance area versus the voter education area and so forth; so different cultures can build up. And you are saying that the importance is to break down those and have an understanding for each other. How does this manifest in a good strategic plan? We were talking about people and dynamics between them and their skill sets, but how does the planning look like?

A (Michael): Strategic planning is one element, in that a good election management body will make sure that sharing of knowledge, and the expectation that people will be knowledgeable, is reflected in the aims and ethos of the organization. But it also means good leadership, because it's too easy for a plan to be seen simply as a document that is done every three years or something like that. Then it gets put on the bottom shelf and no one looks at it for three years, and the detachment between the formal document and the way that people actually work is a problem with strategic planning. You can get around that by having a more participatory process. But, fundamentally, senior management set expectations within an organization of what people will know, and if they allow people to get away with just being in silos and focusing only on their own patch, that is what they will do. In the best cases there will be a clear expectation articulated from the very top that everyone is expected to do their best to learn the business of the organization and it doesn't matter whether they are in finance or human resources; they still need to know about elections. It doesn't matter if you are an operations person, you still need to be sensitive to finance and personnel issues. You've then got a much better chance of ensuring that people are going to build up their levels of knowledge. A lot of it is about valuing knowledge and also knowing what you don't know. Sometimes you find that people just don't have an appreciation of the gaps in their knowledge, and that is worth working on.

Q (Therese): Linking it back to costs, so financing is contingent to good planning; and good planning can be a way of bringing together the knowledge that different people have in an organization. Just to bring it up one level, we have been focusing on the election management body itself; but the financing comes from elsewhere, so can we speak about that level now? You have had the privilege to work in a number of places, could you tell me something about the modalities of financing from your experience? What different modalities exist for financing elections, election processes or the EMB itself?

A (Michael): Fundamentally, in most cases you have two default situations. The first situation is where the election is paid for from the national budget, and that should be the way in which things are done everywhere. Running elections is one of the most fundamental elements of the sovereignty of a country, and if you regard yourself as a sovereign independent country you ought to be prepared to pay for your own elections in the same way as you prepare to pay for your president's salary and the like. It is just one of those fundamental costs. So whenever I've heard of countries that go to donors saying that we would like you to pay 90 per cent of the costs of our election, I've always recoiled. But you do get circumstances where a country might be in financial straits, possibly in a post-conflict environment, where there are things that can only really be provided by donors, in which case you are making your case not just to your national government - though as a matter of principle the national government should always contribute - but also to players such as the UN, …

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Michael: … the EU or major donor countries or organizations that might be prepared to help you. You are typically pitching for different sorts of funding in those sorts of circumstances, because external donors will be looking not so much to pay your core costs, but to provide you support which can be packaged as development assistance which is going to improve your capacity within an organization or a country to stand on your own feet in the future. So often the content of what you are looking for is different. Your country might pay for salaries of staff; but major new systems, investment in IT strategies, sometimes the funding of training, can come from outside. Fundamentally, in both situations, what you have to appreciate is that you are dealing with skeptics. The skeptics are more often than not disinclined to waste money. If you are a national Ministry of Finance you don't want to be seeing that elements of your government are just throwing money away. If you are a donor country, you are actually accountable to your own citizens for money which is spent on development assistance, and if that looks like it is being wasted or spent inefficiently, that has political consequences in the donor country. The same is true of international organizations such as the UN or the EU. So, in all of those circumstances it is incumbent on you as an election administrator to be able to justify what you are asking for as well as possible. You will be asked searching questions about how you arrived at a particular figure for staffing; let's say staffing at polling stations. If you just say "well, the two million dollars sounded like a nice round figure", you are not going to get very far, because that is lazy. What you should be able to say is "determined on the basis of population distribution requirements were are going to need X number of polling stations in these places, and this is the staffing profile that we have for different categories of polling stations. These are the targets we will need and associated with our staff costs we are going to have per diem costs and also training costs and the like. We have broken it down in all this detail, here it is." If you can show that you have really thought through the process and that you really understand the process, you have got a much better chance of mobilizing funds than if it looks as if you have been very slap-dash about the whole thing and have not taken it very seriously. People who give you money expect you to take that process of justifying absolutely seriously.

Q (Therese): I heard one very experienced election commissioner give advice to a chief electoral officer who was incoming, and his advice was "know your numbers". Because the person incoming didn't have a management background. Sometimes people are chosen to be head of election management body because of their credibility in society, they might have a background as an academic and so forth. So this might be a little bit new, but apparently "know your numbers" was a very important piece of advice and that follows the point that you are making. Now, you just said national budgets in general; but within a national budget, there are different modalities. This can be an issue in places (well, any place really) where there might be political interests in how the election management body is funded. So a strong election commission that is trying to be independent may annoy politicians and this might have implications on financing, depending on how that financing comes through. So I know that this is

an issue of discussion and concern amongst many election commissioners. The concern is that financing becomes something politicized and delaying the disbursement of the funding is a way of interfering with the independence of the election management bodies. In this discussion, what are the best modalities to ensure that that politicizing of financing doesn't happen? For example, is working through parliaments a better way or having something that is standing in treasury? Are there different ways of avoiding that possible problem? Are there ways of avoiding that possible problem of being notionally independent and yet, if your financing doesn't come to you, you become *de facto* beholden to political interests?

A (Michael): When you look across a broad range of countries, there are lots of different ways to deal with that issue. But when you are in a particular country, there might not be so much flexibility, because budgetary processes tend to be specified at what we call the "whole of government" level, with all governmental organizations and ministries constrained to operate within the framework for budgeting which is in existence. That might flow from the constitution or it might flow from particular pieces of legislation, or there might be guidelines issued by the Ministry of Finance. It varies a lot from place to place. So, you may not in fact have much flexibility; and much as you might like to be able to deal directly with the parliament, if the governmental process requires that the budget be signed off by the government before it's even put to the parliament, you can't go around disclosing the details of budget considerations or you will get yourself into even deeper trouble. So, again, it comes back to a matter of being as persuasive as you can and as transparent as you can within the constraints that are created by the environment - the administrative, political and legal environment in a particular country. Sometimes there is no easy way out. If governments and parliaments don't want to fund you, they are not going to be able to fund you. Again, your options then depend on your own mandate; whether you can speak out publicly or make a case directly to the parliament (in some places you can and in some places you can't without breaking the law). You also have to be extremely careful to make sure that any sort of discussion that you get into of that type can't be characterized as adopting the political position of one party over another, because you then find yourself compromising the (perhaps) most fundamental value of all these days, which is political neutrality.

Part 6

Q (Therese): People who have worked with elections for a long time bring up the aspect of time, as being in some sense what differentiates elections from many other parts of public administration. There is this strong time dimension. I've noticed that many things that have gone wrong and that have resulted in perhaps problems that have led to results not being accepted, have had somewhere at the root: delays. Either delays in legislation or delays in procurement. I wonder if we can talk a little bit about this time dimension and the delays aspect as being one aspect of this time discussion, but relating it to costs. What is the cost of a delay? We spoke before about planning and the importance of early planning, and I guess that delays then are the opposite of that. Can you relate this to cost implications? What is the difference between planning something early and putting something in place, versus delays and what would the cost implications be?

A (Michael): The implications are really multifarious for a number of reasons. First, if you are doing things at the last minute and if you are procuring things at the last minute, you are likely to have less time to do a proper assessment and testing of different bids if you are going through a tender process. You have less time to do training for people who are going to be using the equipment, and suppliers will know that you are running up against an immutable deadline and they can put their price up, particularly if they think they are in a good situation to hold you over a barrel. So, by placing yourself in a situation of running up against immutable deadlines, you are really weakening your bargaining position vis-a-vis the commercial market. You also greatly increase the risk that if something goes wrong you won't have the time to correct it, or will only be able to do so by incurring enormous last minute costs. This has been an endemic problem

with elections around the world for the last 20 or 30 years. To a certain extent it has been addressed by a much greater focus on the electoral cycle. Since that concept has become a much more focused-upon one in the last 10 or 12 years, there is more of a realization that the more things you can get done early in the cycle in preparation for your next election, the safer you are in terms of risk management and the less you will pay in terms of election costs, particularly when you are implementing new systems. So, you can really never start planning too early or start preparing too early. One of the worst mistakes I've seen made in some places is to assume that you can't start doing any planning or preparation until all the unspecified parameters of the election have being resolved at the political level. So, you might feel that until the legislation is in place you can't do anything; until proposed legislative amendments have been disposed of you can't do anything; until you have a broad sense of what your budget might be, you can't do anything. This becomes an excuse and a recipe for procrastination, and it always makes your problems worse. You are far better off taking what you know, making plausible and reasonable assumptions to fill the gaps in your knowledge at a particular time, and starting to do plans which you can amend later if you need to. But if you are three months from an election and you haven't done any planning or preparation, you are constantly going to be under the gun from then until polling day. You really only need one thing to go badly wrong, and you'll be completely disrupted in your operation. So, you can't ever take your eye off time; it's always the scarcest commodity.

Q (Therese): I really recognize what you are saying and having lived through this a number of times, I really feel for the people at the frontlines who end up suffering from the mistakes (or delays) that have come earlier. I feel that those delays are really putting your frontlines in danger and in a very unfair way.

Michael: And just on that, I would add that you need to always have in mind that it's your frontline staff, your polling officials, who fundamentally are delivering the election. You as an electoral commissioner are not; you are contributing to it, but they are the ones who make it work. If you put them in a dire situation because of your own poor planning and preparation, very often they don't have to work on elections and you might find that you have compounding problems over a sequence of elections as the credibility of your organization, from an administrative point of view, becomes compromised, and people don't want to work for you. And if people are not willing to work for you, you are not going to be able to deliver the product.

Question: Poor Planning (w Michael)

Q: Michael, can you describe an election that demonstrates poor planning that resulted in wasted funds and hampered the reputation of the EMB? What lessons can be drawn from this?

A (Michael): I think I'd like to talk a little bit in response to that question about one of the most significant election in the 20th century, which was the 1994 poll in South Africa that led to the end of apartheid and the introduction of multiracial democracy. There were some serious planning shortcomings in that election, but it's worth emphasizing that they were not really the fault of the election management body, because the fundamental problem was one of time. The date for the election had actually been specified before the election management body was even created. That choice of date had been made on the basis of a political timeline, rather than any analysis of what were the practicalities of putting the operation together.

The other thing to bear in mind about that election, which structured everything that happened, was that there was a massive, unprecedented increase in the size of the electorate, because the majority that had been disenfranchised for the whole of the history of the country was suddenly being enfranchised. When you enfranchise the women in a country, which is a process many nations have gone through, you essentially double the size of the electorate. In South Africa, the size of electorate was multiplied by a factor of 6. That created challenges which were off the scale.

The election was actually run by a newly created, independent electoral commission which had to go through the process of setting itself up at the same time as planning for this extremely high profile and significant poll. And so, it was given an impossible task and what I have to say is not really a criticism of any of the people who were involved, but rather an illustration of what can go wrong when the walls are closing in from a number of different directions. Fundamentally, the challenge of putting together all of the tasks that needed to be done, wasn't able to be done in a systematic way. Because by the time the commissioners were appointed, everywhere they looked there were high priority tasks that simply and obviously had to be done straight away. So very naturally, being human beings they threw themselves at those tasks. There wasn't the time to prepare a really comprehensive plan before the work actually started. It was a classic example of what they call "building a boat as you are trying to sail it".

That led to a whole range of different difficulties right through the process. One of the ones that was really significant was that the commission became very focused on its operations in the HQ in Johannesburg. There wasn't quite the consciousness that was needed that fundamentally the election was a field operation which would be having to be taking place in the smallest villages, towns and cities right through South Africa. I well remember going to Port Elizabeth, which was the fifth biggest city in the country, three weeks before polling day and visiting the provincial HQ of the electoral commission; and there was nothing there except a telephone on the floor. At that point, I had a sense that problems were going to arise because everything was simply happening too late. This developed into a process on polling day where there were serious problems with distribution of materials, availability of staff and choice of polling places.

As the operation became more time constrained, there were searches made for high-tech ways to perhaps identify potential polling stations using geographic information systems. That gave rise to a lot of problems because communication is always one of the first things to fall by the wayside when you are under time pressure. There was a famous case where a priest came into his church to find that it was being wired up by the telecom body because it had been chosen to be a polling station, and he hadn't been told about it. All of these sorts of problems arose.

There was also, particularly during the election period, one example that still sticks in my mind almost 25 years later. That was the counting that was done for the three big central cities of Johannesburg, Pretoria and Vereeniging, which all took place at the National Recreation Centre in Soweto. Somewhere along the way, there had been no realistic planning done for the receipt of the materials from the polling stations at that big centre, at which there were going to be millions of ballot papers. The point was reached where 170 utility trucks were backed up on the highway waiting to drop off their materials, and somebody panicked and said "just bring the stuff in and drop it". Of course, the ballot boxes got separated from the documentation and it became a total mess. It took about a week to sort out before it was even possible to start doing any counting. This was under the gaze of the international press, the South African community and so on.

It's a tribute to the strength of the political settlement which had been reached before the election that this didn't turn into a real crisis. Fortunately, everybody in South Africa wanted the election to succeed, and so a lot of these operational problems were papered over, with the aim of ensuring that the political process proceeded smoothly. But in a different context, if you'd had parties that were disinclined to accept the results, or had opposed the entire process, it would have been a total catastrophe.

So there are lessons to be learnt from South Africa; but again, one of the most important ones is simply that if you don't have the time to do what you need to do, you are basically doomed.

Question: Advice EMB (w Michael)

Q: Michael, if you were asked for advice by a new or reform-minded election management body for processes for developing a budget or financial systems; what advice would you give?

Michael: I think the first piece of advice that needs to be given is that any budget that you develop has to be based on a plan and has to reflect both the strategic and the operational plans of the organization. And those plans have to be of high quality. If you have a rough and ready plan, which hasn't thought through details of what is going to be happening at polling stations, registration points, counting centers and the like, your budget will not reflect the needs of the situation on the ground and you are going to run into trouble.

So, budgeting and planning are inextricably linked, and need to be, in order to put together a good operation. I can't emphasize enough the need for people at all levels of an organization to actually understand the fine details of what they are doing, of all their legal requirements and all of the mechanics of the process. Now that is not to say that the most senior people have to get involved in designing or implementing those details, but they do need to know them because in the election business even the smallest details can have profound significance if anything goes wrong, if anything isn't correctly implemented. You always have to assume that you are going to be the next Florida (2000 Election in the US), that you are going to have a very close election; and if you have a very close election, every minor detail can come into play if there is a court challenge or if there is a political challenge.

Senior managers really have to get their heads around what is going on at the ground level. The best senior managers with whom I've worked really made an effort to understand everything that the organization was doing. That has so many different benefits.

A second point that I think is worth bearing in mind in terms of fundamentals is to understand decentralization. Elections are fundamentally decentralized operations: they have to go out to the people, they take place on Election Day at a vast number of different places. To make that work, you need absolute clarity on what authority and responsibility resides at the polling place level, the district level, the provincial level and the national level. If there is a lack of clarity on that; it affects planning, budgeting and implementation. One of the classic sorts of problems that I have seen over the years is a failure to reflect sufficiently, and sufficiently early, on how that sort of authority is spread throughout the organization.

I think another thing that is worth bearing in mind is that the great challenge of the election business is that we only do our work every few years. In some countries, there might be a five year gap between one national election and the next. This is a huge contrast with many other areas of public administration where people are dealing with cases on a day-to-day basis, and therefore knowledge is built up smoothly, over a period of time; and new people can be introduced to an area and learn from day one. Whereas if you are in the election business, really nothing can prepare you as well as working on an election. You may find yourself in a position of considerable responsibility, without ever having worked on an election. That is a challenge for knowledge management: how do we get people across the detail of what they have to do without having ready access to that most basic learning exercise, which is learning by doing?

This is when planning becomes important. We tend to think about plans as just a tool for implementation, but plans are also a tool for knowledge management. If you have to go to an organization and take part in the planning of the next election, the natural thing to do would be to ask to see the plans from the last election. If they are thoroughly documented, comprehensive, sensible and easy to find, then you have a very good basis on which to start your work for the future. If you can't find those plans, if they are all in someone's head, if they are all on different scraps of papers right across different files or (even worse) if they are spread through a whole lot of emails that have never been systematically put in one place, then you are basically thrashing around trying to start from scratch. That is very difficult in something as complex as an election process. So the basic bureaucratic functions of having corporate

knowledge and sustaining it through records and knowledgeable individuals are fundamental to being able to deliver these intermittent but highly important operations.

Q: Thank you. Just on that knowledge management topic, have you got a thought about what type of knowledge management approach or system at a very basic level would be needed for say a new election management body?

Michael: One of the most important things is simply to have good filing. One of the challenges faced by election management bodies around the world now is the changing form of communication. When I first became an election administrator, which was back in the 1980s, most communication between the organization and external organizations, and within the organization, took place either face-to-face or on paper. You had papers, letters or minutes, the sorts of documentation you could put on a paper file, and those files would then be accessible to anyone who wanted to read them. It was a very simple way to operate.

Increasingly with the changing world, communication is now taking place electronically. It is terribly easy all of a sudden to communicate massive documents to large numbers of people with the hit of one button. Unless you have moved into a really good electronic records management system, you simply lose control of what is out there, and lose track of what is going on. In the worst cases, important documents wind up not in any sort of corporate system but on the hard drive of the laptop computer of someone who has gone on holiday at a critical time and taken the laptop along for the trip. I have known this to happen, and in that situation you don't really have corporate knowledge. You have a whole lot of atomistic bits of individual knowledge, with no real way of bringing them together. That is something that you might be able to get through for some time, but Murphy's Law ("anything that can go wrong, will go wrong") being what it is; inevitably one day that is going to lead to disaster, most probably at election time.

This transcript has been lightly edited to enhance readability and clarity without changing the sense of the points made by the discussant.

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