

Transcription - Rumbidzai Kandawasvika-Nhundu - Political Finance

00:00

Q (Erik): Hello and welcome to this session on budgeting and financing of elections. My name is Erik Asplund. I am a programme officer at the Electoral Processes Team at International IDEA. Today I am joined by Rumbidzai Kandawasvika-Nhundu, the Head of Political Participation and Representation Team at International IDEA. Rumbidzai, before we begin, I was wondering if you could say something about your professional background?

00:29

A (Rumbidzai): Thank you Erik, and good morning everyone. My work is mostly on political participation and representation broadly; with a particular focus on gender equality and women's empowerment, political parties' processes (especially the interparty democracy processes) and also strengthening of political parties broadly as institutions that can support democracy building. There is a very big and important component in that respect on political financing and money in politics; how political financing plays a major role in the work that political parties have to do and the work that institutions for building and supporting democracy, such as electoral management bodies have to do. My background is a combination of all those factors and of course the parliamentary strengthening aspects. I have a strong background working with parliaments across the world, but mostly with a focus on Africa.

01:33

Q (Erik): Thank you. First question. Could you please describe the global trends on political finance for political parties and candidates for elections?

01:42

A (Rumbidzai): From the work that we are doing in the political participation and representation team, and this is really knowledge-based informed by the political finance database that we are developing which currently has about 180 countries. It's very clear that the global trends on the issue of political financing are on four main aspects. *Public funding*, what countries are doing to ensure that political parties receive public funding and access to resources. There is also the component of *private funding*, because there are also several corporate organizations and even individual persons that are also contributing to the political financing of political parties. So there is the other aspect of private funding. With all of that, there is a very strong trend that is growing on the issues of *reporting*, to what extent political parties are entities that can support democracy building and they are being regulated to report on the money, access and resources that they receive. The sources where the money is coming from and also how they spend it and on what aspects. The fourth component entrained to reinforce all of that is the *oversight*: the entities and oversight bodies that have been put in place in different countries across the world to perform an oversight function on the reporting that is done by political parties with regards to the finance that they have and how they use that finance. If we put it all together, essentially what we are seeing at International IDEA and what we are collecting to provide knowledge based information to different actors, boulder partners and stakeholders that we work with, is about: trends related to public funding and what is happening in that component, private funding, issues and frameworks for reporting and the oversight, entities and bodies around the issues of political financing.

Maybe, I might give you an illustrative example. From the 180 countries that we currently have on the political finance database you find that 71 percent of those countries provide direct political financing to political parties, so that is actually a quite good number. It also shows that political parties are remaining as central entities for democracy development and multiparty politics.

04:37

Q (Erik): Why is public funding so important for political parties and candidates?

04:42

A (Rumbidzai): I think that it's very clear that it's important in several respects. One of them, of course, is to ensure that political parties (if we seriously regard them as institutions), remember that the work of International IDEA is focused on institutions and processes... and if political parties are strongly regarded as institutions that can support democracy building, they need to have resources to conduct their work and mandate effectively. Especially given the fact that we say that political parties, in spite of their challenges (and this is not to say that they are very effective in terms of their mandates). They still remain the recognized entities that are able to bring together voices, interests and aspirations of different segments of people in different countries or societies. For that reason, it's important to facilitate or, at least allow some measure of elements of resources to be made available for political parties. It is also important in terms of regulation. If political funding is open and there are no direct regulatory measures on political financing, you will actually find that is where we probably end up with the risk of illicit flow of money into politics. This is and can be a big threat to democracy. It also limits the ability of other actors, maybe for emerging political parties or emerging political movements or platforms or interest groups to engage in politics in a sustainable way; if there is no support in any form to political parties to be able to conduct their work.

Most of our countries have regulations on the establishment of political parties. This goes hand in hand with the recognition that political parties have a significant role and bring a significant contribution to democracy building. Just as much as we see countries with different regulations for establishment of electoral management bodies to manage and administer elections. Even the establishment and existence of civil society organizations to provide platforms for engagement and interaction. It's also similar with regards to political parties, even though of course there are sensitivities on the fact that they deal with ideological and political issues. But that's what democracy is all about; the diversity of views and spaces for people to express their views.

07:55

Q (Erik): You talked about reporting before. How can reporting be maintained by political parties and candidates? Maybe you have a few examples?

08:04

A (Rumbidzai): Yes. If we look at the issue of reporting, several countries are putting in place a mixture of the mechanisms for reporting. In some countries, if we look at our political finance database, I think at least about 69 percent of the countries that we have, their reporting is done through the election management body. Because in some countries the resources that are allocated (the finance and the funding that are provided to political parties) are channeled through an election management body. I am thinking

of for instance Cap Verde. Their EMB is the one that receives the money that goes to the political parties. Of course there is a criteria, which is something very detailed, but all of those things are available in our publication on funding of political parties and election campaigns. That criteria stipulates how much a political party gets. It also provides the timing in terms of when political parties are supposed to submit their financial reports. Like for instance in Rwanda, do they submit to the ombudsperson's office? Do they submit to the electoral management body? But then it also goes to the auditor general to go through and review the reports. So, there is a combination of reporting mechanisms and also the timing.

In several countries we have seen that they require the political parties to submit their financial reports for whatever resources that they have received within a year of either an election or annually, before they can receive another disbursement. So there are various combinations. In some countries, it's even a parliamentary committee (a specialized parliamentary committee) that can be set up to look at the financial reports that are received from the political parties. So there are a combination of these mechanisms for reporting and the timing. In most of the cases that we are seeing, political parties are required to provide annual reports on their expenditure and reporting.

Having that said, the effectiveness and of course, the extent to which this actually happens in practice, is also diffuse. Because the frameworks are there, the laws and even the entities and institutions that (should) have the oversight and receive the reports are there. But it doesn't necessarily mean that it happens as effectively as is put down on paper. I could read that you might get to that aspect.

11:07

Q (Erik): Last question then. Why do you think political finance issues are so crucial for democracy?

11:14

A (Rumbidzai): The answer to why political finance issues are so crucial, for me, one of the aspects that we see is the element of trying to level the playing field. Because money matters for democracy – democracy costs money. At the same time, if it's not effectively regulated. I think it can be very chaotic. This is where sometimes people get the sense that democracy is for "rich people" or a certain class. It becomes like a class issue because the ordinary citizens, or the ordinary people, they can not automatically even visualize or see themselves being able to have the aspirations and even the ability to present themselves as candidates for elected positions of power and decision-making. Because of the cost that is also attached to electoral processes, for political campaigns and democracy broadly, political finance becomes very key to how it is managed- as a key component of democracy. First of all, to basically allow for leveling of the playing field so that there is no undue influence or flow of illicit money into politics and into electoral campaigns.

Another aspect that remains very key, and that we are pursuing at International IDEA, is leveling the playing field not just between different political groupings, but also between women and men. Which is why (as International IDEA) we are investing a lot in the work that we are doing on gender-targeted public-funding for political parties: the extent to which political parties can be required and expected to allocate some of their resources

for gender-mainstreaming. And to clarify that gender is not synonymous with women but for empowering both women and men in terms of their perspectives and in terms of their attitudes, towards the political participation and representation of both women and men in positions of power and decision-making, at *all levels*.

This is in line with SDG5 and the targets that we are set, and also with SDG16, which at IDEA we are pushing on. It is the inclusive institutions that are accountable, have transparency and integrity. So, the area of political finance is very key because it really has a strong influence on the integrity of democracy, electoral processes and the outcome of elections. Because without any regulatory frameworks and a close eye (and checking) on the aspect of political financing, the integrity of democracy can be undermined. Essentially, this is where you see a lot of incidences and occurrences of vote buying- taking advantage of other people's economic status and poverty. And even a lot of complaints on access to information on electoral processes, for example: information on voter registration, who is able to access voter registration points, access to civic and voter education and who is able to do that. All of those processes, in order for them to be implemented effectively, they need political financing. So political financing and financing of electoral processes- they are very much interlinked. Because once you invest in terms of financing politics consequently, that has an impact on the outcome of elections and the electoral processes. This is why (for International IDEA) the issue of political financing is very central, not just for leveling the playfield, but more for allowing citizens to being able to engage even if they don't have big money. Democracy and elections can not just be about those that have money. What about others that are also marginalized and disadvantaged in economic ways and otherwise?

15:46

Erik: Yes. And political parties might have an important role in voter and civic education like you said.

15:50

Rumbidzai: Precisely.

15:52

Erik: Thank you very much

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

Disclaimer: Views expressed in this interview do not necessarily represent the institutional position of International IDEA, its Board of Advisers or its Council of Member States.