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POLITICAL ECONOMY OF MONETIZATION IN GHANA

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1. Introduction

Ghana's democracy is touted as a leading example in Africa. Since the inception of the Fourth Republic, the country has successfully organized seven presidential and parliamentary elections and alternated power between the two major political parties in the country without any major hiccups. However, this democratic gain has not translated into the expected democratic values and development dividends. The emergence of the growth of use of money in the nation's electoral politics is undermining multiparty representative democracy in the country. Since the 2004 presidential and parliamentary elections, the country has witnessed significant rise in this negative trend which poses serious threat to the integrity of the elections. It also threatens the credibility of the election outcomes as the true reflection of the will of the people.

Between 2012 and 2016 the cost of running for parliamentary office increased by 59%. This includes an average increase in party primaries expenditure by 27% and that of parliamentary elections by 90% (Asante and Kunnath,2018). Indeed, the Asantehene acknowledged as much when he said: *'politics has become the shortest route to riches and people will do whatever is necessary to get there... the practice of occultism is rife in our politics'* (see Daily Guide, 8 December, 2010). In line with the foregoing discussions, this paper seeks to address the concept of monetization in Ghana's electoral politics focusing on party primaries. The rest of the paper will cover the concept, evidence, party financing, disenchantment by the public and proposals towards demonetizing electoral politics.

2. Concepts

In economic theory, monetization refers to the process of liquidating an asset into legal tender. Similarly, monetization in politics occurs when money becomes the legal tender for attaining political office. This refers to the excessive increase in the cost of contesting for political office in a multiparty democracy such that votes are no longer mobilised by superior proposals of transformation but rather by a candidate's financial strength. It usually occurs when money and other material incentives are donated to parties, election candidates and voters in exchange for political influence and votes i.e. bribery and treating, a phenomenon popularly known in Ghana as vote buying.

According to the electoral laws of Ghana, bribery occurs when a person directly or indirectly gives money and or other forms of inducement to influence the voting decision of another person. In this case, both the giver and the receiver are all guilty. Treating, on the other hand, refers to the situation where a person directly or indirectly provides or takes away food, drinks, entertainment or provision to or for any person for the purpose of corruptly influencing that person or another person to vote and or refrain from voting.

Monetization occurs at two main levels; the intra-party level during party primaries and inter-party level during general elections. In Ghana, the cost of running for national office involves three key components: the cost of winning party primaries, the cost of winning the general elections and the cost incurred once elected into office (Asante and Kunnath,2018). The cost of the primaries and the general elections usually include the cost of campaigns, media and advertisement, payment of party workers and donations. Once elected into office, the officer has to bear the cost of school fees, funeral

donations, weddings donations, church and other social cost that are most often unrelated to the office.

In developed democracies, financing political parties and election candidates for power and influence is a more pronounced form of monetization. However, in emerging democracies like Ghana, vote buying has remained a key concern since the adoption of party primaries through the delegate system (International IDEAS, 2016). Accordingly, this paper situates the discussion of monetization in the context of vote buying in Ghana.

3. Drivers of Monetization

Monetization is fundamentally a demand and supply concept where the politician does the former and the electorate does the latter. This establishes a competitive free market price for votes. It is a common economic principle that when the demand for a commodity is high relative to supply, the price shoots up. The principle holds true in party primaries as well. Mensah-Bonsu (2020) argued that the electorate's continuous demand for money is partly the source of excessive monetization of politics in Ghana. In his view, the demands by the electorate for money has left political office aspirants to consider monetary influence an obvious means to attaining political power. Based on this, there are some critical factors that drive the price of votes in the market which need to be examined.

First, the delegate system for presidential and parliamentary elections where only few selected party members are given the right to vote contributes to vote buying. The obvious implication of this system is to reduce the supply of votes and increase the price of votes per delegate. This situation has resulted in a monopolistic competition where each delegate has control over the price he or she charges for voting. The delegate system further serves as an incentive to bribery as candidates raise huge monies to buy votes of the about 300-400 delegates. It has therefore become common practice for candidates to bribe and treat delegates in a bid to secure their election. As noted by Ichino and Nathan (2012), the main mode of competition for these party primaries in Ghana are through distribution of monies and gifts.

Second, the emergence of the two unregulated duopolistic parties under the Fourth Republic has become the breeding ground for large scale vote buying and selling and extravagant election spending. Currently, these two parties control all the seats in parliament and 98.5% of all presidential ballots cast in the past three general elections. Due to this, the presidential and parliamentary tickets of the two parties are more attractive to potential election aspirants and as such are willing to spend any amount to contest on the ticket of these duopolies. Similarly, during internal party primaries, party strongholds have witnessed more vote buying than other areas.

For instance, during July 2020 NPP parliamentary primaries, majority of the vote buying occurred in the Ashanti, Eastern and other constituencies which are believed to be the strongholds of the parties. This is enshrined in the belief that that once a person wins the primaries in the party's stronghold, the actual parliamentary election becomes a mere formality. Since politicians are rational and consider vote buying as an investment, party strongholds increase the net present value and the profitability of the votes for the seat.

Third, the election overload faced by political parties drives monetization in Ghana. Within the 4-year government mandate period, political parties are preoccupied with campaigning and contesting numerous elections such as those to elect branch constituency, regional and national executives as well as parliamentary and presidential primaries scheduled at different times. Consequently, the parties have become election machines rather than development agents and are burdened with raising money to finance the rising cost of conducting these elections (Fogg, 2003).

Aside these, political and constitutional factors have combined to produce a pattern of monetization which is more pronounced in the ruling party than opposition parties. For example, Article 78 of the 1992 Constitution of Ghana requires majority of Ministers to be Members of Parliament (MPs). Therefore, parliamentary aspirants often view parliamentary positions as a convenient transit points to ministerial positions and other juicy appointment and as such resort to greasing the palms of constituents to win parliamentary seats. In this case, politicians consider the vote as an intermediate product that is solely a means to an end. This means that although the parliamentary seat by itself may not be profitable, because of the other potential benefits that are derived from occupying the seat, it makes it a profitable venture for candidates to invest huge sums of monies.

The persistence of “moneycracy” in electoral politics is exacerbated by the weakness of political party finance regulations in the country. In advanced democracies where legislation places specific limits on financing election, contributions are open and transparent, traceable and verifiable. However, in Ghana legal limits are non-existent and party financing regulations are poorly enforced. In economic theory, when there is a market failure, the government intervenes to regulate the market either through price controls or taxation. These government interventions are meant to correct the already existing distortions in the market. Therefore, the failure of the government to either enforce existing legislation or enact new ones even after a clear case of market failure contributes to monetization.

Additionally, social and political status of contestant in a parliamentary primary influences the scale of vote buying and selling. Wealthy individuals and high-ranking government officials are more likely to engage in vote buying. This is partly because their positions increased their purchasing power and therefore are able to demand more of the votes. Other scholars have attributed monetization to high levels of poverty. Politicians usually target delegates who are poor for vote buying as they are more susceptible to monetary influence (Kramon, 2009). This statement corroborates the findings that vote buying and selling is prevalent in rural areas of Ghana (Asante and Kunnath, 2018).

4. Evidence

Until 2004, the duopolies under the Fourth Republic i.e. NDC and NPP had not used competitive party primary election system as means of selecting parliamentary and presidential candidates. Hitherto, the parties adopted unconventional methods of choosing candidates. By 2004, each party had a formal policy stating that every parliamentary candidate would be elected by delegates selected by the local executive committee elected in each polling station area (Ichino and Nathan, 2012: 779).

In Ghana, there have been several allegations and counter allegations by aspirants on vote buying by political opponents. Many aspiring candidates usually attribute their defeat to vote buying. In a 2017 survey of Parliamentarians in Ghana, the Westminster Foundation for Democracy (WFD) found that it

cost approximately \$87, 000 (U.S) or about GHC 500,000 to get elected to Parliament. This is equivalent to about two years' salary of a sitting MP. However, many Parliamentarians laughed this finding off as a gross underestimation of the real cost of politics. Today, many aspirants would put the figure at not less than GHC 1million or \$200,000, with only a small fraction of this cost counting as legitimate campaign expenditure.

The NPP party is on record to have carried out the most expensive election campaign during the 2004 and 2008 elections. The party shelled out a whopping (by Ghanaian standards) US\$30 million and US\$100 million of its 'own' money on advertising and entertaining supporters (Africa Confidential 2004:5). In 2007 during the NPP presidential primaries, Mr. Paul Afoko was accused of doling out \$1500 to delegates at the Special National Delegates Congress at Legon (Ghanaweb.com, 23 December 2007). At the just ended NPP primaries in July 2020, there was evidence of vote buying by parliamentary aspirants. This was contained in an exposé by the Corruption Watch where some candidates were alleged to have paid as much as GHC 3,000 per delegate together with other gift items that were shared to delegates¹.

The story is no different in the NDC. During the NDC Youth and Women Organizers Delegate Conference in the Central region on October 27, 2018, delegates were captured calculating how much they had received from each candidate. Aspirants were alleged to have doled out cash and other items such as gas cooker, TV, motorbikes, rice cooker, standing fans and other food items to delegates (. In the August 2019 NDC parliamentary primary election, one candidate in the Madina constituency in Accra confessed that his victory cost him GHS 300,000.00. The overwhelming impression from these primaries is that money and material gains are the major determinants of the voting behavior of delegates (Mirror, 27 June, 2020). This is reflected in the famous “*FEAR DELEGATES*” quote by a former General Secretary of the NPP after he lost the reelection bid in the 2014 delegates conference in Tamale (Ghanaweb.com, 15 April 2014).

However, not all forms of monetization can be attributed to vote buying. Over the years, the legitimate cost of running for office has also increased tremendously. The filing fees for presidential aspirants within the two major political parties have seen a significant increment since 2006. The NDC which charged GHC10,000 in 2006 for the filing fees of presidential aspirants has seen a massive rise in its filing fees to GHC300,000 in 2018 representing whopping 2,900 percentage increase. Within the same period, the filing fees for presidential aspirants in the NPP have increased from GHC 25,000 in 2007 to GHC200,000 in 2019 representing a 700% increment.

Additionally, since 2012, the NDC has increased its filing fees for parliamentary aspirants by 400% (from 5,000 to 25,000) whilst the NPP from 2008 has increased its filing fees from 1,000 to 30,000 in 2019 representing whopping 2900 percentage increase. Admittedly, these increments are only the nominal figures and do not adjust for inflation. This notwithstanding, given that these increments are significantly higher than cumulative inflation rate within the same period, it is reasonable to conclude that the cost of politics has been exorbitant.

¹ <https://www.myjoyonline.com/news/politics/exposed-how-candidates-bought-votes-in-npp-primaries/>

5. Political Party Financing: Theory vs. Practice

The legal framework for the regulation of political parties' finances is stipulated in Article 55 of the 1992 Constitution and the Political Parties Act 574 (2000). Per sections 23 and 24 of this Act, only citizens and Ghanaian-owned private businesses are allowed to make contribution or donation either in cash or in kind to a political party or its agent. Accordingly, non-citizens are banned from directly or indirectly supporting political parties. Moreover, the parties are required to declare their revenues and assets and the sources of these revenues and assets. They must also present to the EC, a detailed report on assets, expenditure, membership dues, sources of funding, properties, in-kind and cash donations. They are further required to publicly publish their annual audited accounts [Article 55 of the 1992 Constitution; Political Parties Act 574, 2000].

Aside these provisions, there are provisions stipulated in the parties' constitutions meant to regulate the finances of the parties. Per Article 3 of the 1992 NPP Constitution, all registered members are required to pay dues and donations to the party by other persons or groups are allowed. Article 9 further tasks the party's Finance Committee with the obligation of raising funds for the party (NPP Constitution, 1992). For the NDC, Article 28 of the NDC constitution stipulates that "funds for the party shall be derived from contributions of founding members, subscription fees or other monies payable by members and affiliated organizations, donations, public collections and funds from other fundraising activities, investment income, funds from the Central Government to all political parties, if any..." (NDC Constitution, 1992).

However, in practice the parties do not comply with these regulations. There are suspicions that the two larger political parties receive funds from foreign sources (Bryan and Baer, 2005). In turn, these private funders or supporters gain access to the parties' operations and influence their processes (WFD, 2018). Support from businesses for political parties although legal are usually done secretly, a practice that appears to be desirable by both the donor and beneficiary (Bryan and Baer, 2005). There is generally lack of transparency, accountability and together with insufficient means, to oversee political party funds management.

Also, there is no transparency and accountability regarding total amount raised, the sources of funds and disbursement of the funds (IDEA, 2006). The sources of revenue and disbursement procedures are highly opaque to the extent that party leaders sometimes hold party funds in their personal possession (Bryan and Baer, 2005; Bértoa and Sanches, 2019). It is also quite common for the parties to default in their reporting obligations (IDEA, 2016). Most parties do not submit their annual reports and when they do, it does not reflect the full expenditure (Bryan and Baer, 2005).

The Electoral Commission (EC) which is mandated to oversee the activities of the party has also not been able to enforce compliance with the law despite specific and severe sanctions for non-compliance. It appears that the Commission is overwhelmed with its workload such that it has neglected this duty. As posited by International IDEA, "the Electoral Commission exercises very little control of political finance. It has not investigated or audited party accounts within the study period due to a lack of capacity, nor has it sanctioned any party for violating the law despite the fact that several violations have occurred" (IDEA, 2016:9).

Aside the lack of enforcement, there are loopholes in the current regulatory framework that facilitate non-compliance by the parties. For instance, although the parties are required to disclose and account for campaign funds, this law does not apply to candidates or their campaign teams (Star-Ghana, 2020). Furthermore, there is no law regulating campaign finance and campaign season – when should campaign start and end – a situation that has led to unending campaign by political parties.

6. Free Lunch or Paying the Piper?

There is an adage that there is no free lunch, therefore, if candidates are spending so much on elections, then the question is who is paying for it and why? Political parties are usually burdened with numerous competing expenditures such as the cost of rallies, congresses, transportation, training, salaries and allowances, rent, utilities and other operational expenses (IDEA 2006). In order to raise sufficient resources and meet these expenditures, election candidates and political parties often resort to unconventional persons or entities to mobilize financial support (Strauss, 1994). Due to the unavailability of public subvention for parties in Ghana, they are forced to rely on subscription and membership dues (Bagbin and Ahenkan, 2017).

Unfortunately, despite the large following of the party, only few are registered members and pay dues (Bagbin and Ahenkan, 2017; Bedi, 2017). As noted by IDEG (2018), party members do not pay dues and when they do, they are inadequate to fund the activities of the party. Similarly, fundraising activities of the parties have also proven to be either inadequate or dangerous means of raising funds (IDEA, 2006; Bagbin and Ahenkan, 2017). This makes the leadership of the party susceptible to the influence and control of financiers. Bértoa and Sanches, (2019) argued that the most prevalent sources of revenue for election aspirants is their personal income or loans and funds raised through family and friends.

Political parties in the country are usually funded by a small group of rich individuals usually known as party financiers who becomes the King Makers in the party (Bedi, 2017). These financiers with questionable source of wealth align themselves with particular candidates with the hope of recouping their investment should the candidates win (Ohman, 2013). As the saying goes, he who pays the piper calls the tune. Therefore, they use their influence to lobby for positions and contracts for themselves and others which provides fertile grounds for corruption (Bedi, 2017).

On the other hand, candidates who are not able to secure funds from financiers resort to loans whilst others squander all their personal savings (Casal Bertoa, and Sanches, 2019). This leaves most office holders in debt before they assume office. In such a situation, candidates must also begin to look for means and ways to either restore the savings or pay back the loan once they are elected. For instance, in 2017, it came up that the NPP owed prudential bank GHC 2 million from the 2012 general elections (peacefmonline.com, 21 January, 2017).

7. Effect and Disenchantment of the Public

Although, monetization of electoral politics and governance is a global phenomenon (Onah & Nwali, 2018), it has had far reaching ramifications on African politics than any other continent (Bryan and Baer, 2005). Monetization has disastrous impact on representative democracies and accountability

systems. In a representative democracy, there should be an opportunity for honest competition based on ideas and policies to enable voters make informed choices among candidates. Diamond (2004) posited that a key feature in democracy is a transparent system for choosing and replacing government through free and fair elections. However, monetization undermines the sovereign will of the voter and tilts the electoral process in that it gives unfair advantage to well-resourced candidates (NIF, 2001).

Monetization has a two-way impact on governance, first it allows incompetent people with fat wallets to be voted into power whilst flushing out existing competent people in power who do not have the financial muscle to compete. This depletes and denies state institutions of the needed competence and experience required to function effectively. For instance, during the July 2020 NPP parliamentary primaries, majority of the incumbent MPs who lost their seat occupies high level positions in parliament including chairmen and vice chairmen of committees such as Education, Legal, Finance, Trade, Youth and Sports among others. This affect the quality of parliamentary business.

Consequently, there is lackluster performance of parliament in terms of fulfilling its legislative functions and holding the government accountable to enhance development dividends. It been estimated that only about 5% of the MPs in the current Ghana parliament perform real parliamentary duties². It has also created a situation of consistent absenteeism in parliament by members. For instance, the average MP in the Ghanaian Parliament misses 1 out of every 4 sitting with some missing as high as 3 out of every 4 sitting (Odekro, 2015).

Second, monetization undermines democracy by promoting corruption and reducing the role of honesty and integrity in politics. Politicians who buy votes invariably recoup the amount invested in vote buying (Ojo, 2008) and save enough for the next vote buying at subsequent primaries. Candidates that are sponsored by financiers do the bidding of their paymasters as these financiers use their influence to lobby for positions and contracts for themselves and their cronies (Bedi, 2017). As a result, they compromise their integrity and accountability to the benefit of financiers (Bryan & Baer, 2005). As posited by NIF (2001), monetization corrupts the democratic principle of “one person, one vote” into “one donor, much influence”.

In the immortal words of Mr. Elvis Afriyie Ankrah, (a former minister of local government and youth and sport under the 6th government of the Fourth Republic, 2013-2016) “*Check all the corruption-related cases, from BOST to whatever, check, it is linked to campaign financing. There is always a financier there*”. In his view, the current electoral system legitimizes and institutionalizes corruption and therefore until the issue of campaign financing is dealt with, there will always be corruption. This sentiment has been corroborated by other high-ranking politicians in the country who have complained that monetization encourages the use of public office for dishonest gain. On the other hand, those that are self-financed may prioritize their individual parochial gains over national interest in order to either pay back their loans or recoup their lost savings.

² This was reported by the majority leader of the current parliament, Hon. Osei Kyei Mensah-Bonsu retrieved from: <https://www.ghanaweb.com/GhanaHomePage/NewsArchive/Only-13-out-of-275-MPs-perform-real-parliamentary-duties-Majority-Leader-1054132>

Thirdly, it further raises the cost of political campaigns to the point of excluding prospective political leaders who only have modest financial resources. It suppresses minority parties and candidates and hinders women and other marginalized groups who do not have the financial strength to compete in monetized elections (Ballington, 2003; Best, 2008). As a result, Ghana’s politics is saddled with the representational problem where women in particular are side-lined from effectively contributing to political and public processes. Overall, it erodes citizens’ values about governance and turns political leadership into a commercial product that is up for auction to the highest bidder.

Furthermore, political vigilantism and electoral violence are consequences of monetization as financiers who have invested heavily in elections may use every possible means to win (Adetula, 2015). Thus, the overriding impact of monetization on governance is the persistent rise in violence, high levels of unemployment, poverty and income inequality, poor public service delivery and less accountable governments. In fact, “*money politics makes it impossible for electoral outcomes to reflect the popular will and therefore cannot guarantee democracy, accountability and good governance* (Egwu, 2009, p. 41; International IDEA, 2001).

Due to this calamitous effect of monetization on Ghana’s electoral politics, several politicians and other stakeholders such as the National Peace Council, Traditional Authorities, Religious Leaders and Civil Society Organizations (CSOs) have all expressed profound concerns about monetization. The disenchantment with monetization culminated during the campaign for the December 2019 referendum when many Ghanaians cited it as a key reason for their disdain for the participation of political parties at the local level [i.e. the proposed amendment Article 55(3)]. As stated by one of the “No” campaigners, ‘*the Choice for the referendum must be NO to save the state and its people from the consequences of monetization of electoral processes and politics*’ (Modern Ghana, November 13, 2019).

8. Politicians’ Dilemma

The big question now is, why are politicians complaining about monetization but still engaging in it? This section will prove that although monetization may not be in the collective interest of politicians and the society, it is rational for individual election candidate to engage in vote buying. This paper uses the concept of the Prisoners’ Dilemma originally propounded by Flood and Dresher in 1950 and formalized by Tucker (1950) to illustrate why politicians will always engage in vote buying although it may not be in their collective interest. The Prisoners’ Dilemma illustrates the concept of non-cooperation between two rational individuals even if it appears to be in their interest to do so.

Table 1: Politicians’ Dilemma

		Candidate 2			
		Pay		Don’t pay	
Candidate 1	Pay	A%	B%	(A+X)%	(B-X)%
	Don’t pay	(A-X)%	(B+X)%	A%	B%

Source: Author’s construct, 2020

Consider two candidates competing for parliamentary primaries. Each candidate has a certain chance of winning the primaries: Candidate 1 has A% chance of winning whilst Candidate 2 has B% of winning. There is an option of bribing delegates in order to increase their chances of winning and each candidate can decide to either pay the bribe or not. Assuming that paying a bribe increases a candidate's chance by an X%³. If both candidates decide not to pay the bribe, they will come back to their original chance of winning the primaries. However, if one candidate pays the bribe and the other does not, his or her chance of winning the primaries increases by X% and the other reduces by same. In such a game, the dominant strategy for each candidate is to pay the bribe in order to increase his or her chance of winning the primaries. This is because paying the bribe guarantees each candidate either his initial chance of winning (A% or B%) or improves his or her chance by X%.

Therefore, the Nash Equilibrium⁴ will be for both candidates to pay the bribe. The two candidates acting in their own self-interest does not yield the optimal outcome for the society since each candidate choose to protect himself at the expense of the other candidate. Notice that if both candidate pay the bribe, it brings them back to their original chances of winning the primaries. In this case, although paying the bribe is not in their collective interest, because of mistrust and lack of cooperation between the two candidates, they will both end up paying bribes to achieve the same results they could have achieved with no bribes.

The proposition here is that monetization of electoral politics is first a game of mistrust between the two candidates and therefore any proposals aimed at demonetizing politics must first address the issue of trust. So far as there is an incentive to bribe, candidate will always pay bribes. This reflects the position by Hon. Joseph Mensah, the incumbent MP for Kwesimintin in the Western region who admitted to paying bribes to delegates. He stated that though he is personally against vote buying, it is the norm that every candidate must give the delegates some inducement in order to get them to vote.

9. Market for Lemon vs. Gresham's Law

Another important question that arises then is, why does the electorate demand and or accept bribes from politicians before voting especially when it is illegal? This section applies the concept of Market for Lemons propounded by George Akerlof in his paper "The Market for Lemons: Quality Uncertainty and the Market Mechanism" in 1970 to examine how information asymmetry can reduce the quality of goods on the market. In his analysis, he posited that if buyers are not able to differentiate between a low quality good (lemon) and high quality good (peach), then they will be willing to pay the average price of the lemon and the peach (which will be less than the price of peach). Consequently, this will eventually drive out sellers of peach from the market leaving only the lemons on the market.

Assuming that there are two kinds of politicians i.e. the good ones (who are there to serve the interest of electorate) and the corrupt ones (who are there for their private gain). Due to information asymmetry, voters cannot distinguish between good and bad politicians and do not know which

³ This analysis makes a simplistic assumption that the amount that candidate pays will have the same effect on their chances

⁴ This represents the optimal outcome in a game where no party has an incentive to change strategy

candidate will serve their interest if voted into office. Therefore, in order to minimize their losses, the electorate will demand for some form of insurance. In such a situation, because the delegate is not sure whether the candidate will represent their interest, they will demand for some form of compensation in case the candidate refuses to serve their interest after election. When this occurs, it raises the cost of competing for the election to levels that only a corrupt politician can afford. The only option for a genuine or non-corrupt politician is to either leave the market i.e. bow out of the race or become corrupt themselves (find the money to pay for the compensation).

Thus, information asymmetry among the electorate will lead to a situation where bad politicians will adversely select themselves for elections and drive away good politicians. This is comparable to Gresham's Law of Money i.e. bad money chasing away good money - corrupt politicians chasing away good politicians. Per this analysis, unless there is symmetric information between the electorate and candidates, the electorate will always demand for compensation before voting for candidates. This is particularly relevant in the Ghanaian context where citizens have lost hope in the political system and have become disenchanted with political parties.

Successive governments by the duopolies (NPP and NDC) that have emerged in the Fourth Republic have failed to deliver their promises. As such the delegates consider party election seasons as their "cocoa season" to also profit from the system. Indeed, during the NDC National Youth and Women organizer primaries, some of the delegates were said to have stated that "*today is our cocoa season. We won't see them again. We have to take what is due us. They have money to share*" (Peacefmonline.com, 30 October, 2018).

10. Forging Consensus Towards Demonetization: Key Proposals

Demonetization occurs when a currency is stripped off its legal tender. Likewise, demonetizing electoral politics and governance means stripping the excessive usage of money which negatively influences electoral politics and governance of its legal tender. It is an undeniable fact that money is a necessity in politics, it is "*the mother's milk of politics*" (Stanbury 1986: 795) and the *fuel for engine of party politics* (Haughton, 2012). Therefore, it is important to control its negative influences whilst fostering its positive impact (Ohman, 2013). Accordingly, there is the need for an appropriate framework so money can play a constructive role in electoral politics and governance.

From basic demand and supply analysis, to reduce price of a commodity, it is either supply of the commodity increases or demand for the commodity reduces. Therefore, all proposals for demonetizing must be geared towards increasing supply or reducing demand for votes. In an attempt to address this problem, several stakeholders have put across proposals aimed at demonetizing Ghana's electoral politics. Regrettably, up till now, there has neither been convergence on the appropriate solutions nor strong national consensus on the way forward in resolving this canker. Therefore, this final section seeks to analyze the pros and cons of some of these proposals.

10.1. Democratizing Party Ownership

As noted earlier, the lack of public funding for political parties coupled with inadequate dues payment by members has left the parties with no choice but to resort to private funding that are highly opaque.

To countervail the power and influence of these private financiers, there is the need for the payment of party dues and subscription through vibrant party membership to finance the political parties. For instance, both the NDC and NPP pride themselves with having at least 4 million registered members, if each of these members is to contribute an average of GHC 10 per month, this will yield GHC 40 million monthly and GHC 480 million yearly.

This will provide adequate resources to the parties, help reduce the influence of the private financiers and energize the base of the party which has become “subservient to power brokers” (IDEG, 2018; Myjoyonline.com, 31 December 2018). Additionally, it will not only help party members claim ownership of the party but also enable them to dictate the usage of party funds and demand accountability from party leaders. In this case every card-bearing member of the party becomes a worthy contributor and owns shares in the party.

It is instructive to clarify that the parties to some limited extent have already adopted this approach as a source of funding for party activities. For instance, in 2011, the NPP launched electronic based party membership identity card and a mobile phone-based party dues and contribution system to generate funds for party activities for 2012 elections. Similarly, the NDC in 2019 also launched three electronic payment platforms; app interface, website address and short codes for mobile money payment (peacefmonline.com 16 July, 2019). For this to succeed will require some level of sensitization among citizens who are already disenchanted with the parties and appears to be disengaging from party politics. Nonetheless, this proposal if pursue will still preserve intra-party democracy, demonetize party politics and reform the parties to be development oriented.

10.2. Public Funding for Political Parties

There are proposals for direct public funding of political parties to complement party subscription and membership dues to resource the parties as done in other democracies. For instance, countries like Kenya, Uganda, Morocco, South Africa, Zambia, Angola, Malawi and Botswana all have direct public funding for political parties (Casal Bertoa, and Sanches, 2019). It has been argued that public funding can be channeled into supporting the developmental needs of the political parties such as the preparation of party manifestoes, policy programs, public education, research and annual conferences among others (IDEG, 2015). The distribution of state funding should be based on the proportion of funds that the parties are able to raise themselves. In addition, parties with transparent and accountable financial systems as well as high women representation can be allocated more public funding. This will not only encourage parties to comply with existing laws, but will also solve the underrepresentation problem within the parties.

10.3. Enforcement of Existing Laws

Ghana is known for enacting laws but falling short in ensuring compliance to these laws. In this regard, there is also the idea that strict enforcement of existing legislation on general bribing and treating in elections and party financial regulation is the panacea to monetization. Specifically, section 33 and 34 of the Representation of the People Law, 1992, PNDC L284 together with the section 23 and 24 of the

Political Party Act 574 (2000) should be rigorously enforced. The enforcement should be coupled with incentives for compliance and sanctions for non-compliance of the law.

10.4. *Creation of a Multiparty Democracy Commission*

Given the inability of the EC to regulate the parties and enforce existing laws, there is also a proposal for the establishment of independent constitutional body i.e. *Multiparty Democracy Commission* to regulate the activities of political parties (IDEG, 2019). Just as all critical sectors of the economy are regulated, the Commission should be mandated with registering and regulating the parties as well as administering political parties' funds. Furthermore, the Commission must be given the power to monitor and audit the accounts of the parties as well as convene dialogues and discuss broad national interest issues. In Kenya for instance, there is the Independent Electoral and Boundary Commission which is the election management body responsible for conducting or supervising referenda and elections to any elective body or office whilst the office of the Registrar of Political Parties is responsible for the registration, regulation and administration of political party funds

10.5. *Strengthening the Developmental Orientation of Parties*

There has been advocacy for constitutional amendments and consequential reforms aimed at strengthening the developmental orientation of the parties. In this regard, proposals include the amendment of Article 55(3) to enable political parties to participate in local government. With several political parties now in government at the local level, their developmental governance capacity will be strengthened to enable them to be effective in local development (IDEG, 2018). Also, in order not to saddle the parties with election overload, there are proposals for the merger of presidential, parliamentary, district assembly elections, as well as the merger of all internal political party elections. The country should define an election year and a campaign period for party elections. This together with will shift the focus of the parties from elections to public service delivery. Moreover, manifestos must be mandatory and a requirement for party registration with a copy lodged with the regulatory authority. Aside these, there must be mandatory annual conference by the parties to discuss developmental ideas [IDEG, 2019].

10.6. *Internal Party Reforms*

Within the parties, there are proposals for political parties to amend their constitutions to allow for unconventional methods of choosing MPs (GNA, August 5, 2020). In such a case, the leadership of the party in parliament will assess the performance of MPs and report to the party leadership for a decision to be made to either allow the MP to go unopposed or be contested. However, this policy itself can create room for intense lobbying and bribery by MPs at the national level. It is also an affront to intra-party democracy since the bedrock of democracy is competition.

First, there are proposals for political parties to amend their constitutions to allow for unconventional methods of choosing MPs. In such a case, the leadership of party in parliament will assess the performance of MPs and report to the party leadership for a decision to be made to either allow the MP to go unopposed or be contested (GNA, August 5, 2020). Whereas this may be a good policy that may save the parties from needless monetization, it falls short in the following respect. This policy

itself can create room for intense lobbying and bribery by MPs at the national level. It is also an affront to intra-party democracy since the bedrock of democracy is competition.

The NPP during its National Delegate Conference in August 2009 failed to amend Article 11 of the party's constitution that sought to unanimously endorse a parliamentary candidate based on a continuous assessment of the MP's performance in Parliament by the Parliamentary leadership, in the constituency by the constituency executive committee and in the region by the regional executive committee (Modernghana.com, 25 August, 2009). The NDC on the hand abandoned the informal candidate selection such as the direct imposition of candidates by executives after its lost the 2000 general elections (Ichino and Nathan, 2012). Therefore, it is unlikely that the party will favor such a proposal which created internal discontent in the party.

Others have argued that political parties should simply expand their electoral college to allow all card bearing members of the party to vote (GNA, August 5, 2020). This ultimately increases the supply of votes and reduces the price per voter. Also, extending the franchise to all paid-up party members in the constituency would go a long way to improve inclusiveness and minimize the extensive vote buying and selling (Ichino and Nathan, 2016). Given that party primaries have become a profit-making commercial enterprise for both delegates and party executives, it will be difficult for such a proposal to be accepted by the parties.

Already there are signs that parties favors the expansion of the electoral college. In 2009, the NPP expanded its electoral college for the selection of the party's Presidential candidate from 2340 to about 115,000 delegates after concerns were raised about excess monetization of the 2007 presidential primaries (Modernghana.com, 25 August, 2009). Likewise, the NDC also expanded its electoral college to include all card bearing members of the party that enabled 1,286,728 delegates to cast their votes in the 2015 presidential primaries (Modernghana 10 May, 2017). Unfortunately, the party has reversed to the old special delegate voting system.

10.7. *Strengthening the Regulatory Framework*

Given the weak regulatory framework that political parties operate within, there have been proposals to strengthen the financial and operational regulatory framework within which political parties operate [IDEG, 2019]. To this end, there are calls for legislation that ensure open, transparent and accountable campaign financing which places reasonable limits on campaign spending and contributions of parties and candidates. Also, others have argued for the need to ensure limited campaign season to limit the unending campaigns by the parties. For instance, countries such as Nepal, Romania, Peru, Bulgaria, India, Botswana all have laws limiting political party or candidate spending. However, as demonstrated earlier, the parties have not always complied with the regulations on financing and therefore there is no guarantee that enacting new regulation will necessarily compel the parties to reduce monetization. The idea of legislations such as campaign financing ceiling can be likened to price control in a competitive market and these controls usually create distortions on the market leading to black market operation.

11. Conclusion

With the eighth presidential and parliamentary elections scheduled to take place in December, the use of money in electoral politics has become prevalent and poses a threat to multiparty politics in the country. It is not only

vote buying that is increasing monetization but also exorbitant filing fees by the parties. The analysis presented in the paper has demonstrated that the politicians by themselves will not stop monetizing electoral politics due to mistrust. The delegates or the electorate on the other hand are not willing to let go off the opportunity to profit from this money-making venture. Despite many proposals from various stakeholders on demonetizing electoral politics, there is still no clear consensus on the way forward. As such, it will be important for the nation to look at addressing this canker through initiating national dialogue and consensus building.

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