



Sources of Funding for Political Activities in Ghana

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ABSTRACT

Funding sources for political activity in Ghana were looked at. As a result, this study looked at Ghana's political activity financing sources. The research employed a descriptive survey with non-proportionate quota sampling and basic random sample techniques. Convenience sampling was used to pick 478 members of parliament (MPs), representatives of civic societies, independent candidates, and experts for the study. Interviews and questionnaires served as the primary means of gathering data. The data was analysed using Statistical Product and Service Solution (SPSS) version 21 and Microsoft Office Excel 2013. The survey found that wealthy people are the main source of political financing, as are membership fees paid by individuals who have made special contributions, donations, and contributions from foreign nationals. The State also provides funding for these organisations through its agencies. Ghana could also provide funding to political parties; nevertheless, this could reveal the obvious corruption and commercialization of electioneering. Furthermore, there must be some kind of legislation governing the influence of money in politics. According to the report, Ghana's registered political parties and independent candidates might be funded by using the catch-all and cartelization models. Additionally, by enforcing the Political Parties Law 2000, Act 574, and party constitutions, as well as maintaining accurate bookkeeping on contribution records, political parties can increase their transparency and accountability. More importantly, a public disclosure of funding sources on a quarterly basis might act as a check on overspending on political campaigns. To effectively and efficiently govern the activities of independent presidential and parliamentary candidates in Ghana, the Political Parties Law 2000, Act 574 has to be changed. It is necessary to change Article 187 of the 1992 Constitution to allow the Auditor-General to examine the financial records of Ghanaian independent candidates and registered political parties. Additionally, a legislative instrument (L.I.) granting the Auditor-General the authority to examine the financial records of Ghanaian independent candidates and registered political parties should be granted.

INTRODUCTION

Political parties are seen as essential institutions for the modern democratic regime and are crucial to the democratic process everywhere. They are relevant to the expression and manifestation of political pluralism and essential to the structure of contemporary democracy. Political parties carry out a variety of tasks, but one of their most important roles is to assist in the selection and backing of candidates as well as the utilisation of financial resources for advancement (Moncrief et al., 2001). Parties are strategically important in any democracy, hence it is impossible to ignore the importance of funding their operations. Political parties consider finance to be their most important resource (Biezen, 2003). However, in many parts of the world, the commitment to finance political parties has remained rhetoric for far too long. By proposing candidates for office, leading governments when they are in power, or holding governments responsible when they are not, political parties also contribute significantly to representative democracy. The degree to which elected officials and political parties respond to the public in between elections determines the degree of public trust in the political system. In the interim between elections, the public is mobilised by the media, interest groups, and nonprofits to hold political leaders and parties responsible. In politics, money is everything. The media, political parties, interest groups, non-profit organisations, and election campaigns all rely significantly on financial resources, or more generally, material resources. Funding is necessary for both coordinating group activities and interacting with voters, journalists, or legislators. It also covers overhead costs such as hiring employees, paying rent, and providing communication services to the public (Speck & Olabe, 2013). In addition to local individuals' contributions, political parties and candidates also receive funding from overseas support groups, multinational corporations, and expatriate populations. Many nations have passed legislation outlawing the use of foreign donations in politics, however many of those laws are ineffectual due to new practises and loopholes. Political parties' actions are influenced by the legislation governing their use and the availability of finances. Political parties are constantly seeking more funding due to the rising costs of operating their offices, local branches, membership lists, and regular meetings (Institute for Election Support (IFES), 2004). However, the primary driver of these costs is campaign spending. Even if they are not nominated by a political party or a registered party member, individuals can nevertheless register and run for office under many electoral legislative systems. Independent candidates can play a part in most proportional representation (PR) systems, but their significance is greater in nations with majority/plurality electoral systems (Duverger, 1981) than in those with PR systems. It is possible that some members of the legislature who are no longer party members may still want to run for elected office even if independent candidates are not allowed to compete in an election. The treatment of a parliamentary seat in the event that its holder quits or is expelled from their political party varies throughout countries. The representative may hold the position in certain nations, whereas in others it may be filled by a by-election, the political party, or neither (National Democratic Institute for International

Affairs (NDI, 2011). Anecdotal evidence in Ghana indicates that political parties, particularly the opposition ones, are underperforming due in large part to a lack of money. The opposition parties suffer from the resulting unequal political playing field as ruling parties exploit the power of incumbency in the lack of rules or regulations that distinguish between the party and the state (CDD, 2005b; Ninsin, 2006). This does, in fact, support the need to investigate the reasons behind the necessity of political party funding for the advancement of democratic countries like Ghana. Since Ghana restored to constitutional rule in 1992, the discussion around the funding of political parties has grown. The main issues have been whether state support is acceptable given the limited resources available and how to create political parties that can survive multiparty democracy.

Problem Statement

In 1992, the restoration of multiparty democracy marked yet another turning point in the history of political parties, as it allowed for the creation and registration of new parties to run in the December elections. When the fourth Republic started in 1992, an overwhelming thirteen political parties were created, driven by the desire to rule through the restoration of freedom. Since then, a few of these groups have disintegrated, while others have united, shifted their identities, and so on. Some have been on indefinite leave, however. After four years of constitutional governance, eight political parties have made it to the 1996 elections. Seven political parties ran in the 2000 elections. In the 2004 elections, eight parties participated (Jonah, 1998; Ninsin, 2006). Only seven (43.8%) of the sixteen political parties that were listed as registered parties in the Electoral Commission's records as of December 2007 actually ran for office in the 2008 general elections. Lack of funding appears to be a major factor in the inactivity of many of the parties, based on circumstantial evidence. As a result, the bulk of the poor continue to suffer as the large, minority political parties with steady financial streams continue to thrive. According to Sakyi, Agomor, and Appiah (2015), political parties with strong organisational structures and ample financial backing are often more likely to contest in Ghana's legislative and presidential elections.

The weaker political parties are also a result of the current political system. The American presidential or executive system of government is combined with aspects of the parliamentary system in the constitution. Similar to parliament, the president is chosen directly by the people through popular vote. It is not required by the constitution for a registered political party to propose a presidential candidate. Nevertheless, since the 1992 general elections, it has been customary for a registered political party to nominate a presidential candidate. This ensures that the victorious presidential candidate will always exercise executive power in tandem with his party, which will hold a majority in parliament (Ninsin, 2006).

Furthermore, a number of scandals involving the funding of political parties have surfaced in a number of member nations of the Council of Europe in recent years. The consequent deterioration of political parties' and politicians' legitimacy has shown how urgently this issue needs to be resolved in order to keep citizens' interest in and confidence in their respective countries' political systems from dwindling (Biezen, 2003). When Big Money is utilised in an opaque way, it can be black money or tainted money, and it weakens the rule of law since the people who supply the funds hold political representatives prisoner. Furthermore, another example of this opaque use of money in elections is vote buying. The excessive use of Money Power in elections has been reported by some parties, candidates, media and civil society organisations (Election Commission of India, n. d). In spite of these drawbacks, the study would focus on the sources of funding for political activities in Ghana.

Research Objectives

Main Objective

The main objective of the study is to examine the sources of funding for political activities in Ghana.

Specific Objectives

The study aimed at achieving the following specific objectives:

1. To ascertain the most funding of registered political parties and independent candidates
2. To establish the relationship between political parties funding and level of political campaigns.
3. To identify the funding challenges of political parties and independent candidates in Ghana.
4. To enhance the funding means of political parties and independent candidates in Ghana.

Theoretical Review

As Ghana was moving from colonial authority to independence as a sovereign nation-state in the 1950s, political parties played a significant role in the country's democratic practises. Eight parties were in existence between 1954 and 1957 in order to contest colonial rule and take part in the early pre-independent elections (Ninsin, 2006). The Convention People's Party (CPP), United Gold Coast Convention (UGCC), Northern Peoples Party (NPP), and National Liberation Movement (NLM) were the most active political parties in the political sphere. The identities and ideas of these early political groups varied. Some of the parties maintained their supranational or religious identities, while others were founded to represent subnational, ethnic, or regional interests.

In the second Republic (1969–1972), the nation returned to multiparty democracy following nearly five years of a one-party system. Consequently, a coalition of five to twelve political groups was established to collaborate in the endeavour to reinstate democracy. When eleven active political parties appeared in 1979, this number increased even more in the hopes of winning over the people and winning votes. There were just six political parties in existence by 1981 as the race for political dominance through elections had subsided. This decline was caused by the nation falling under military government in 1981, which persisted for more than ten years. As a result, military orders were used to decide corporate matters as well as matters of national importance, negating the free transfer of power through the voting booth (Ninsin, 2006).

Since then, a few of these groups have disintegrated, while others have united, shifted their identities, and so on. Some have been on indefinite leave, however. After four years of constitutional governance, eight political parties have made it to the 1996 elections. Seven political parties ran in the 2000 general elections. Only the better organised political parties were able to continue their involvement in Ghanaian politics by 2004 as the political landscape had sufficiently stabilised. In the 2004 elections, eight parties participated once more (Jonah, 1998; Ninsin, 2006). Twenty-five (25) political parties were registered as at December 6, 2016, according to the Electoral Commission of Ghana's records. At these, only six (24%), as well as one independent presidential candidate, ran in the 2016 presidential election. These included the following: Edward Mahama-led People's National Convention (PNC), Nana Akufo-Addo-led New Patriotic Party (NPP), Paa Kwesi Nduom-led Progressive People's Party (PPP), Nana Konadu Agyemang Rawlings-led NDP, Jacob Osei Yeboah, an Independent Presidential Candidate, and the National Democratic Congress (NDC) led by John Mahama.

Anecdotal data points to a lack of funding as a major factor in the inactivity of many of the parties. As a result, the bulk of the poor continue to suffer as the large, minority political parties with steady financial streams continue to thrive. Political parties that are well-funded and organised are thought to be in a better position to compete in Ghana's legislative and presidential elections. Even though it is generally considered to be important, political party funding is still a vague idea. Since their founding at the end of the 18th century, modern political parties have gone through four stages of development (Katz & Mair, 1995); each of these stages corresponds to a particular ideal-type political party model: cadre parties, mass parties, catch-all parties, and cartel parties. These party models differ from one another in a number of ways. Nonetheless, the two latter models—catch-all parties and cartelization—would be the main emphasis of our investigation.

2.2.1. Catch-All Party

Catch-all parties first appeared following World War II (Kirchheimer, 1966). "Failure of ideology, strengthening of leadership and weakening of membership, expansion of target groups, if possible, on entire nation, or on an increasing middle class, and party opening to a growing number of interest groups" are defining characteristics of this kind of party (Beyme, 2002, p. 22). Political parties soon became less and less dependent on membership dues and more dependent on other sources of funding, such as various interest groups. This was because the transformation of the mass into a catch-all party significantly diminished the importance of ideology while simultaneously diminishing the importance of the individual party member role.

It should be noted that there have been changes in the style of campaigning, with leaders and supporters communicating more and more through mass media, and "door to door" agitation and local meeting organisation losing significance as radio and television broadcasting proved to be far more cost-effective but also far more effective (Mulé, 1998, p. 62). The advancement of communication technology has had a profound impact on fundraising methods because there is now a greater disparity between the financial resources required for political campaigns and the resources that the parties have access to, like volunteer labour and institutionalised support. In these situations, interest groups have been given preferential treatment as a source of funding.

Cartel Party

Initial opposition to public party funding over time lost intensity and persuasiveness. Political parties funding from public resources became possible only after the parties have become legally and constitutionally accepted. Awarding this kind of benefits to the parties, with respect to other organizations and interest groups, has certainly facilitated the transfer of new functions of the political system to political parties (Beyme, 2002, p. 117). Besides the indisputable advantages of this mode of party financing, it should be also taken into account that public party funding, with secure funding from public sources, can weaken the interest of the parties to maintain stronger connections with citizens through their mobilization and building a relationship with society. With introduction and gradual increase of public party funding, donating parties as a way of expressing political views significantly lost its power, which can finally lead to the creation of a small number of wealthy parties separated from citizens and society, which will, instead working on the ground with members and potential "small" donors, prefer to turn to mutual cooperation in order to preserve the financial status quo (Johnston, 2005, p. 16). So in the 1970s system of cartel parties emerged (Katz & Mair, 1995), where the parties ensure their own survival, to a larger or smaller extent, secretly cooperating on various issues and thereby colonizing segments of the state.

Cartel parties "become agents of the state and exploit state funds (of party state) to ensure their collective survival" (Katz & Mair, 1995, p. 5) on the basis of mutual agreement between the parties, in which large opposition parties are also included, but new or small parties are excluded, which are with legal constraints disabled to fight in political arena. In Germany, political parties for the first time received support from the budget in 1959, in the amount of 5 million DM, and the resources were allocated to parties on the basis of inter-party agreement of the Bundestag budget committee, since at that time there was no legal regulation that would treat this issue (Drysch, 1998, p. 125).

Externally financed elite parties come to rely on private donations from individuals or private business to fund their increasingly capital-intensive campaigns, while the self-financing of wealthy candidates such as Ross Perot, Silvio Berlusconi or Thaksin Shinawatra might equally become an

increasingly prevalent phenomenon in modern democracies. Cartel parties, on the other hand, come to depend primarily on the subsidies provided by the state (Katz & Mair, 1995). These alternatives have implied a greater involvement of the state in political finance, either in the form of increased access to direct state subventions or the need for greater public control over private donations to parties and candidates.

RESEARCH METHODOLOGY

This study applied descriptive research because the data will be collected and examined to prove the theory of the study. Also the data collected will be used to describe the area of research and draw some conclusion. The two most common research designs available for researchers are quantitative, qualitative and mixed approach strategy. For the purposes of this study a mixed approach was best suited as the research has a large focus on numbers and the use of hypothesis and statistical tools to analyse them. The questionnaire and interview were intended to measure for the purposes of increasing the trustworthiness of the results and achieving the research objectives. The major population of the study is constituted from 275 members of parliament (MPs) of Republic of Ghana and 384 individuals from civil society comprised of students, election supervisors, universities, public and private sector personnel, as well as Independent Candidate and Expert. The researcher applied 95% confidence interval with Margin of Error $\pm 5\%$ which determined a sample size of one hundred and sixty-three (163) MPs out of population of 275. The sample size for civil societies represented three hundred and eighty-four (384). In order to obtain a sample suitable for the study, the researcher used convenience sampling for the MPs, Civil Societies, Independent Candidate and Expert.

The questionnaires developed for MPs, selected civil societies and independent candidate. For MPs questionnaire was made up of five sections. Section A consists of items drawing the demographic data of respondents. Section B, C, D and E investigates the study objectives. For civil societies, Section A examined demographic data and section B investigated the study objectives. The questions were in the form of binary and Likert styles. As for the independent candidate, an interview was conducted based on the four research questions. Self-administered questionnaires were used in the collection of data from the field with respect to the respondents and hand delivered to the various respondents and the completed questionnaires retrieved also by hand. After classifying the responses, the data was input into the software using Statistical Product and Service Solution (SPSS) version 21 for the testing of the hypothesis and Microsoft Office Excel Spread Sheet 2010 to present the data using figures and tables.

Analysis and Discussion of Results

4.4.1. Funding Sources of Parties

The respondents viewed that rich individuals constituted 54% on individuals while 10% on groups and 36% on organizations. Also, the respondents agreed that special contributions were 27% on individuals while 31% on groups and 42% on organizations. Moreover, the respondents accepted that donations to parties showed that 22% on individuals while 33% on groups and 45% on organizations. Additionally, the respondents agreed that membership dues were 63% on individuals while 18% on groups and 19% on organizations. Furthermore, the respondents stated that foreign contributions represented 28% on individuals while 33% on groups and 39% on organizations. Also, the respondents were of the view that state supports constituted 10% on individuals while 20% on groups and 70% on organizations. The funding sources of parties and independent candidates are demonstrated in Figure 4 below.

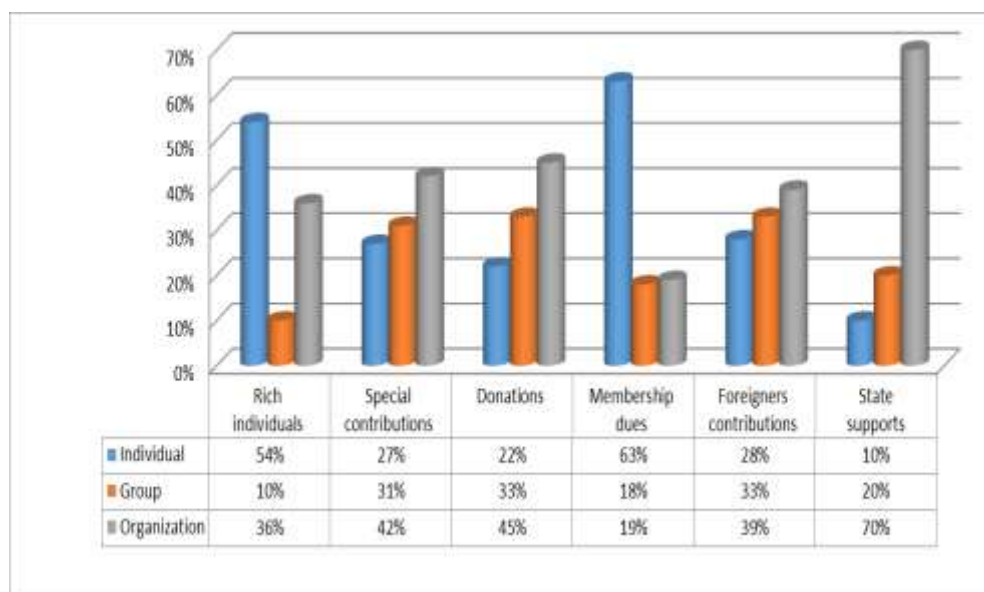


Figure 4: Funding Sources of Parties from Survey Report, 2017

Figure 4 shows that greater part of the respondents recognized that the rich individuals and membership dues generated from individuals while special contributions, donations and foreigners contributions were high on organizations and the State supports through the agencies.

4.4.2. State-Owned Media

Table 2

State-Owned Media

Responses	Frequency	Percentage (%)
Do you receive free air time and advertising space in the state-owned media for your political party?		
Yes	123	82
No	27	18
Total	150	100
If yes, can the support enhance multi-party politics and growth of democracy in Ghana?		
Yes	92	75
No	18	15
Uncertain	13	10
Total	123	100

Source: Survey Report, 2017

Nearly 82% of the respondents observed that the parties received free air time and advertising space in the state-owned media and 18% of the respondents excluded the justification. From the 123 above, 75% of the respondents agreed these could support enhance multi-party politics and growth of democracy in Ghana and 15% of the respondent differed and the other remaining 10% of the respondents were uncertain. Table 2 shows that most of the respondents agreed that parties received free air time and advertising space in the state-owned media and could support enhance multi-party politics and growth of democracy in Ghana.

4.4.3. Companies and Labour Unions

Whereas 51% of the respondents approved that companies and labour unions donate to political party while 28% of the respondents disagreed and 21% of the respondents were uncertain as shown in Figure 5 below.

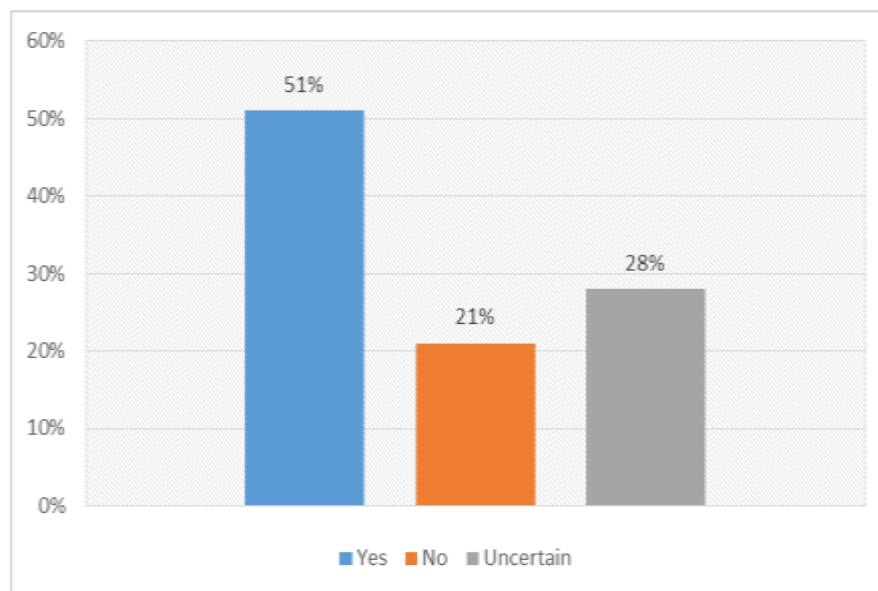


Figure 5: Companies and Labour Unions from Survey Report, 2017

The result revealed that preponderance of the respondents settled that companies and labour unions donate to political parties in Ghana.

4.4.4. Local Fund Raising Activities

Table 3

Local Fund Raising Activities

Responses	Frequency	Percentage (%)
Yes	102	68
No	21	14
Uncertain	27	18
Total	150	100

Source: Survey Report, 2017

Around 68% of the respondents affirmed that registered political parties and independent candidates solicit financial support from their local fund raising activities while 14% of the respondents disagreed and 18% of the respondents were uncertain.

The results showed that greater part of the respondents agreed that registered political parties and independent candidates solicit financial support from their local fund raising activities.

4.4.5. Should Ghana Fund Political Parties?

Figure 6 shows that 80% of the respondents maintained that Ghana should fund political parties, while 14% of the respondents disagreed and 6% of the respondents were uncertain. The results revealed that majority of the respondents agreed that Ghana should fund political parties.

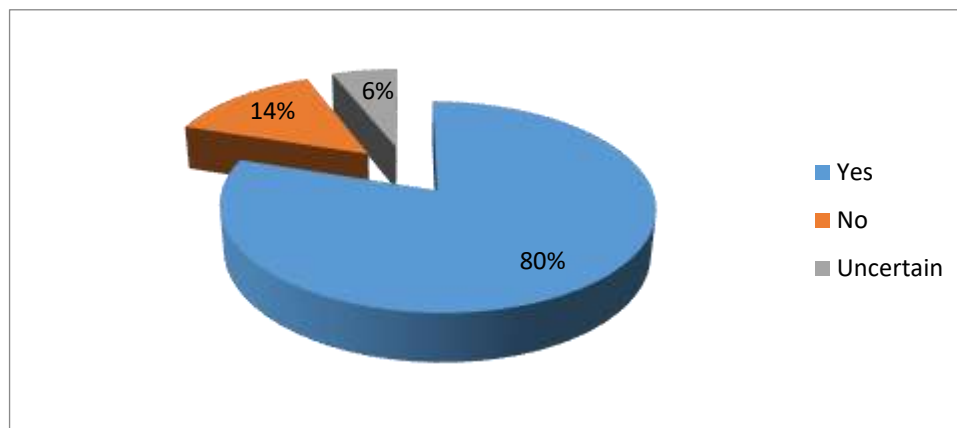


Figure 6: Should Ghana Fund Political Parties from Survey Report, 2017

Boost to New Parties

Table 4

Boost to New Parties

Responses	Frequency	Percentage (%)
Strongly Agreed	69	46
Agreed	45	30
Uncertain	12	8
Disagreed	18	12
Strongly Disagreed	6	4
Total	150	100

Source: Survey Report, 2017

Table 4 suggests that 46% of the respondents strongly agreed that State funds provide an important boost to new parties. It also came to known during the study that 30% of the respondents established the justification while 8% of respondents were uncertain. It was seen that 12% of the respondents disagreed and 4% of the respondents strongly disagreed to the account. The results showed State funds provide an important boost to new parties.

4.5. 2. Research Question Two: What is the relationship between political parties funding and level of political campaigns?

This part described the second specific objective of the study on the relationship between funding of parties and level of election campaigns.

Normality Test

Variable	Skewness
Political Parties Funding	0.81
Level of Election Campaigns	0.79

Source: Field Data, 2017

The test of normality is a key test done to assess whether the data collected from the field meets the various assumptions for a correlation analysis. The results indicated above displays that the normality indicators for both of the variables considered in the study meets the threshold of 1, thus all are below 1.0, and hence correlation analysis can be performed.

4.5.1. Correlation Analysis**Table 5: Correlation Analysis**

	<i>B</i>	<i>SE</i>	<i>B</i>
Pearson Correlation	1		.953
Sig. (2-tailed)	1		.012
Bias	.098 ^e	.049 ^e	.805 ^e
Std. Error	.098 ^e	.049 ^e	1.000
95% Confidence Interval			
Lower		.049 ^e	.805 ^e
Upper	.098 ^e		1.000

$r = 0.953$ ($p < 0.01$)

Source. Survey Report, 2017

The correlation analysis assessed the relationship between funding of parties and level of election campaigns using the Catch-all parties and Cartel parties. The correlation table above indicates that there is a significant positive correlation ($r=0.953$, $p<0.01$) and (0.805 to 1.0) between funding of registered political parties and election campaigns.

This means that there is significant relationship between funding of parties and level of election campaigns. Therefore, the hypothesis that there is an inverse relationship between funding of parties and level of election campaigns in Ghana was significantly supported.

In support of the findings above, the researcher conducted an interview with a political expert on issues concerning the effect of political funding have on political campaigns. When asked concerning this issue, the expert opined that *“there is utmost evidence to state that there is an effect of political funding on political campaign effectiveness. This is because when there is much money then it will be used to champion the cause of the individual standing for the party. With less money, they cannot do more, in fact some party members use cash to lure votes to their favour and so there is every reason to assert that funding affects election campaigns”*

When asked if the funding of political parties should be guide by law he stated that *“This must be done and not just done but also enforced. However, I will be quick to add that this will not be easy since those in power at the time will always find ways to get monies to support their activities and you need to prove beyond doubt that they got it from the wrong source before they are brought to book”*.

Money enables political parties to recruit and train new political leaders from different social backgrounds and make politics more inclusive. Money allows candidates with new ideas to communicate with voters and challenge traditional political elites and makes politics more competitive. Access to resources for political parties and candidates shapes political competition. Candidates that are well funded are likely to defeat opponents who have less money. The amount of money in a candidate's war chest can determine victory or defeat. Within certain limits, the regulation of money in politics can influence the process of political competition, fostering party organizations, setting incentives for new competitors or consolidating existing parties. Again, the appraisal of unequal funding of parties depends largely on what donations represent for analysts of political competition. Scholars reading fundraising as the outcome of candidate performance in gathering support for his race will see unequal funding as a natural outcome of the election race itself.

4.5.2. Advertising on Candidates' Effect Vote Shares

Figure 7 shows that 19% of the respondents strongly agreed that aggregate turnout and advertising on candidates' do effect vote shares, 21% of the respondents agreed whiles 15% of the respondents were uncertain. Meanwhile 36% of the respondents were disagreed the justification and 9% of the respondents strongly disagreed. The results revealed that majority of the respondents disagreed that aggregate turnout and advertising on candidates' do not affect vote shares.

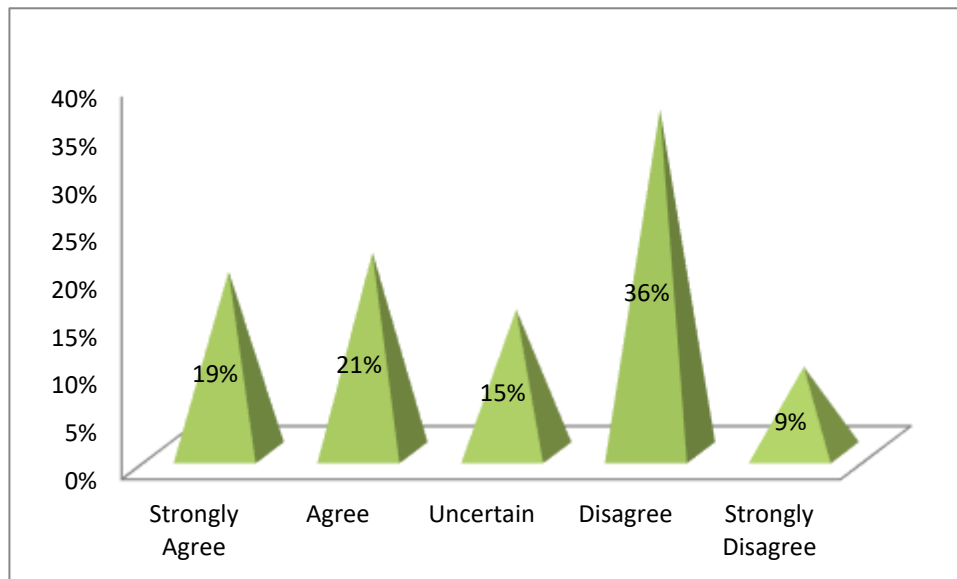


Figure 7: Advertising on Candidates' Effect Vote Shares from Survey Report, 2017

4.5.3. State Funding and Corruption

Table 6

State Funding and Corruption

Responses	Frequency	Percentage (%)
Strongly Agreed	36	24
Agreed	57	38
Uncertain	15	10
Disagreed	24	16
Strongly Disagreed	18	12
Total	150	100

Source: Survey Report, 2017

Table 6 reveals that state funding of political parties lead to political corruption. Greater part of 38% of the respondents recognised the assertion. The study also stated that 24% of the respondents strongly agreed to the assertion, 10% of the respondents were uncertain, 16% of the respondents disagreed while 12% of the respondents strongly disagreed with the assertion. The results suggested that greater part of the respondents agreed that state funding of political parties lead to political corruption.

Individual Candidates Associate with Fellow Party Members

Table 7

Individual Candidates Associate with Fellow Party Members

Responses	Frequency	Percentage (%)
Strongly Agreed	51	34
Agreed	57	38
Uncertain	12	8
Disagreed	22	15
Strongly Disagreed	8	5
Total	150	100

Source: Survey Report, 2017

Table 7 exhibits that individual candidates do benefit electorally from association with fellow party members. Nearly 34% of the respondents strongly agreed the assertion whiles 38% of the respondents agreed and 8% of the respondents were uncertain. Further 15% of the respondents disagreed and the remaining 5% strongly disagreed. The results proposed that greater part of the respondents agreed that individual candidates do benefit electorally from association with fellow party members.

4.6. 3. What are the funding challenges of political parties and independent candidates in Ghana?

The third specific objective of the study processed the challenges of funding political parties' activities in Ghana.

4.6.1. Lack of Finance

The responses were 94% of the respondents held that a key reason for the inactiveness of many of the parties is lack of finance and 6% of the respondents differed. Figure 8 depicts the results of the findings.

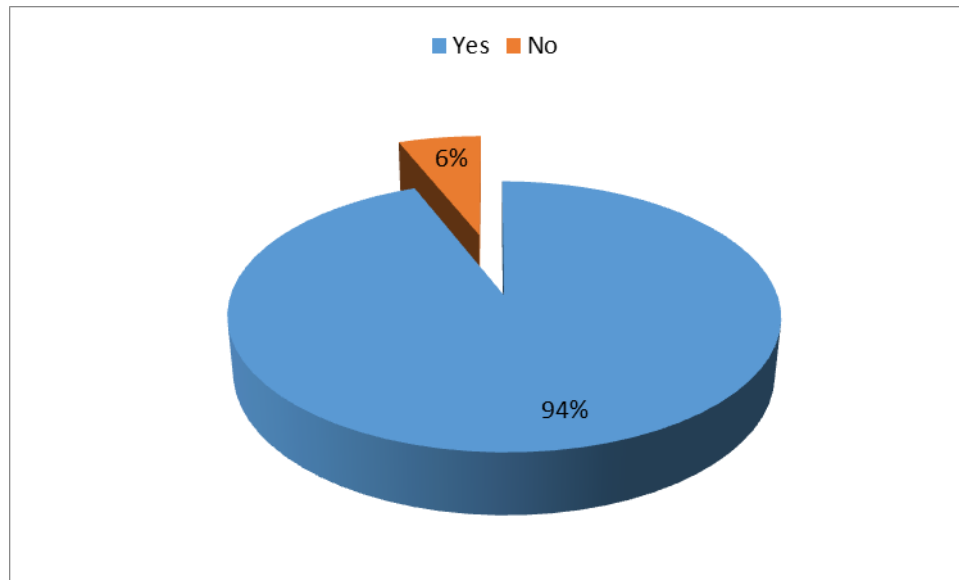


Figure 8: Lack of Finance from Survey Report, 2017

The results indicated that most of the respondents agreed that a key reason for the inactiveness of many of the parties is lack of finance.

4.6.2. Corruption and Commercialization of the Electioneering Process

Table 8

Corruption and Commercialization of the Electioneering Process

Responses	Frequency	Percentage (%)
Could political financing expose the blatant corruption and commercialization of the electioneering process?		
Yes	78	52
No	54	36
Uncertain	18	12
Total	150	100
If yes, should contribution records be disclosed?		
Yes	60	77
No	15	19
Uncertain	3	4
Total	78	100

Source: Survey Report, 2017

Table 8 shows that 52% of the respondents maintained that political financing could expose the blatant corruption and commercialization of the electioneering process, while 36% of the respondents differed and 12% of the respondents were uncertain. From the 78 of the respondents above, 77% of the respondents stated that contributions records should be disclosed, 18% of the respondents differed and 4% of the respondents were uncertain.

The results indicated that majority of the respondents agreed that political financing could expose the blatant corruption and commercialization of the electioneering process and contribution records should be disclosed.

4.6.3. Transparency and Accountability

About 13% of the respondents viewed the justification as excellent, that transparency and accountability in the political parties, while 21% of the respondents agreed as very good and 17% of the respondents claimed the statement as good. Furthermore, 29% of the respondents stressed as average, 12% and 8% of the respondents stated poor and very poor respectively as shown in Figure 9 below.

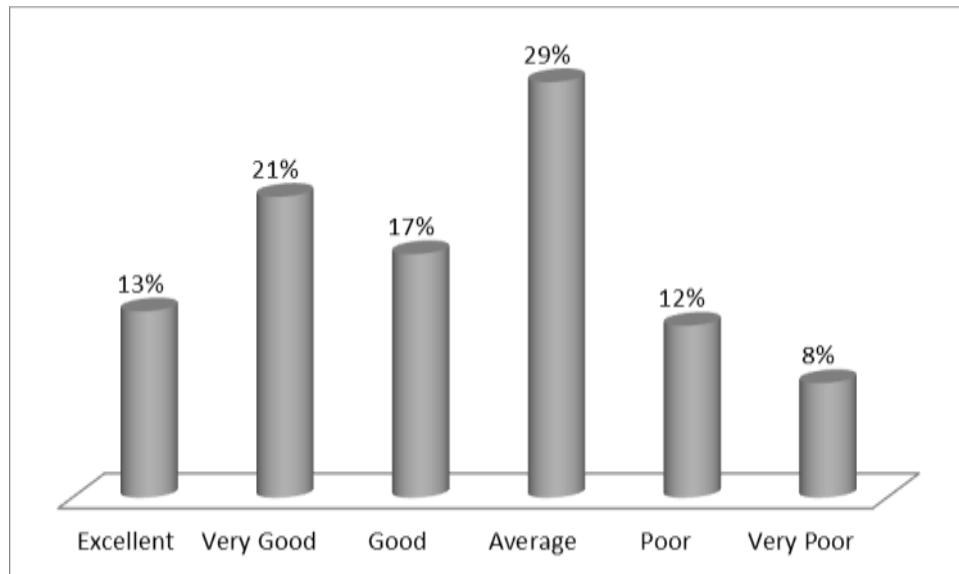


Figure 9: Transparency and Accountability from Survey Report, 2017

The results indicated that greater part of the respondents agreed that transparency and accountability in the political parties are not adequate.

Discussion of Results

The study scrutinized the sources of funding for political activities in Ghana. It appeared the demographic data of the respondents revealed that male MPs were more than female in Ghana's 2016 Parliament between the ages of 41 to 50 years, possessed Master degrees and from the opposition party serving their second term in Parliament. Likewise, civil societies were selected on gender equality between 31 to 40 years and possessed bachelor degrees. The study therefore deduced further the discussions of results based on the objectives of study.

Funding Sources for Political Party Activities in Ghana

Majority of 96% of the respondents indicated that finance is regarded as the most essential resource for political parties. Also, greater part of respondents indicated that the rich individuals and membership dues generated from individuals while special contributions, donations and foreigners contributions were high on organizations and the State supports through the agencies. According to Sakyi, Agomor and Appiah, (2015), all Ghanaian political parties obtain their major funding from rich individuals, special contributions and donations rather than membership dues, some rich individuals fund more than one political party; and funding from foreigners. Besides, 68% of the respondents confirmed that registered political parties and independent candidates solicit financial support from their local fund raising activities. This was confirmed in the literature review by Biezen, (2003) and Ninsin (2006) that the most common sources that are compatible with democracy are party membership dues, local fund-raising by party activists, profit of party-owned businesses and donations.

Feedbacks from MPs represented 80% maintained that Ghana should fund political parties but 24% of the respondents from civil societies disagreed. This was similar to the literature review by Nam-Katoti, Doku, Abor and Quartey (2011) that ascertained the views of civil society and politicians regarding the need for state financing of political parties in Ghana. They found that that, while party executives endorsed state financing of political parties, civil society held a contrary view.

Relationship between Funding of Political Parties and Level of Political Campaigns

The hypothesis showed that there is an inverse relationship between funding of registered political parties and independent candidates and election campaigns in Ghana was significantly supported. According to Bofo-Arthur (1988) that examined the implications political party funding in Ghana has on the democratic process in general. According to him "there is a correlation between financial resources, effective party organization and the democratic process". Also, greater part of the respondents agreed that aggregate turnout and advertising on candidates' do not affect vote shares. This was held in

the literature of Spenkuch and Toniatti (2016) that studied the persuasive effects of political advertising. The results indicated that total political advertising has virtually no impact on aggregate turnout and find a positive and economically meaningful effect of advertising on candidates' vote shares.

Funding Challenges of Political Parties and Independent Candidates in Ghana

Responses from 94% of the respondents held that a key reason for the inactiveness of many of the parties is lack of finance. Feedbacks from both of the respondents held that political financing could expose the blatant corruption and commercialization of the electioneering process. Similarly to the literature review, Ukase (2015) demonstrated that despite the existence of an enabling Act to sanitize campaign financing in Nigeria, the suspicious manner in which the presidential candidates of the two major political parties mobilized huge campaign funds in the wake of the 2015 general elections, reveals not just the contempt with which they hold this law, but also exposes the blatant corruption and commercialization of the electioneering process. Also, 84% of the respondents affirmed public disclosure can serve as a barrier to excessive campaign spending. Giving by Nam-Katoti, Doku, Abor and Quartey (2011) ascertained the views of civil society and politicians regarding the need for state financing of political parties in Ghana. They found that civil society and party executives were of the opinion that political parties should be accountable to the public through disclosure of their sources of funds, expenditure and other activities. Also, majority of the respondents agreed that state is funding stronger among the elite political class and party executives than ordinary party members. This was supported in the literature review by Sakyi, Agomor and Appiah, (2015) examined the nature and challenges of funding political parties in Ghana. The study conclusions are that, Ghanaians are divided on the question of state funding for political parties. But then, support for state funding is stronger among the elite political class and party executives than ordinary party members.

Conclusions

According to Ssenkumba (2005), political finance is the way political parties and individual candidates running for political office raise funds for election campaigns. However, a key reason for the inactiveness of many of the parties is lack of finance. The results of the study provide sufficient evidence that support the funding of political activities in Ghana.

- To ascertain the funding sources for political party activities in Ghana.

Is finance regarded as the most essential resource for political parties? Which of the following are the most funding sources of your party? Do you receive free air time and advertising space in the state-owned media for your political party? If yes, can the support enhance multi-party politics and growth of democracy in Ghana? Do companies and labour unions donate to political party? Could registered political parties and independent candidates solicit financial support from their local fund raising activities? Should Ghana fund political parties? Can state funds provide an important boost to new parties?

- To establish the relationship between funding of political parties and level of political campaigns.

Do aggregate turnout and advertising on candidates' effect vote shares? Could state funding of political parties lead to political corruption? Do individual candidates benefit electorally from association with fellow party members?

- To identify the funding challenges of political parties and independent candidates in Ghana.

Do you agree that a key reason for the inactiveness of many of the parties is lack of finance? Could political financing expose the blatant corruption and commercialization of the electioneering process? If yes, should contribution records be disclosed? How would you rate transparency and accountability in your party? Can Public disclosure serve as a barrier to excessive campaign spending? If yes, is money in politics viewed with suspicion? Is state funding stronger among the elite political class and party executives than ordinary party members? Only represented political parties receive state funds. Is that the case of Ghana?

5.4. Recommendations

From the conclusions of the study on the sources of funding for political activities in Ghana, the following recommendations were made:

- It was clear from the findings that there were fewer female MPs compared to the male MPs in Ghana's 2016 Parliament. There is the need for Government to finance the female participation in politics to ensure gender equality in Parliament.
- Registered political parties and independent candidates in Ghana should innovate and seek financial support before political campaigns.
- The State-owned media should provide balance air time and advertising space to enhance multi-party politics and growth of democracy in Ghana.
- Registered political parties and independent candidates should improve their local fund raising activities.
- There should be a passage into law a Political Finance Regulations to sanctions, expose corruption and commercialization of the electioneering process.
- Article 187 of the 1992 Constitution should be amended to give power to the Auditor-General to audit the accounts of registered political parties and independent candidates in Ghana.

- The Auditor-General should also be empowered with a legislative instrument (L.I.) to audit the accounts of registered political parties and independent candidates in Ghana.
- Proper book-keeping on contributions records.
- The Political Parties Law 2000, Act 574 needs to be amended to effectively and efficiently regulate the activities of independent presidential and parliamentary candidates in Ghana.
- Improve transparency and accountability in the political parties through the enforcement of the Political Parties Law 2000, Act 574 which mandates the Political Parties to submit their Audited Accounts to the Electoral Commission of Ghana.

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