Advisory Group on Administrative Reforms
(Electoral Reforms)
28th August, 2002, RGF, New Delhi
Macro Perspective of Indian Polity

- Disaggregate volatility
- Broadly reflective of public opinion
- Ruling parties and powerful candidates do lose
- Rejection/Negative vote pretty common
Micro Perspective of Indian Polity

- Money power dominant
- Criminalization rampant
- Voting irregularities frequent
- People take money to vote
- Caste and divisive impulses are prominent
How is Democracy Surviving?

- A system of compensatory errors (competing distortions neutralize each other)
- Strength of Election Commission
- Tradition of Neutrality of Officials
- Pre-Polling process scrupulously fair (nominations, ballot papers, appointment of polling officials etc.)
- Post-polling process - completely non-partisan (transport, storage and counting of ballots and declaration of results)
What is Wrong with Elections?

- Polling Irregularities
- Autocratic Political Parties
- Money Power
- Criminalization
Polling Irregularities

Serious flaws in voter rolls

Sample survey  ▶  40% errors in urban areas

State-wide survey  ▶  15% errors in villages  ▶  > 40% errors in towns

21.7% possible fraudulent voting in cities
## Verification of Voters’ Lists in Andhra Pradesh

**Survey of Rural Polling Stations**

<table>
<thead>
<tr>
<th>District</th>
<th>No. of Polling Stns.</th>
<th>No. of Voters</th>
<th>Shifting</th>
<th>Death</th>
<th>Other</th>
<th>Total</th>
<th>% of Voters Attained 18 years of Age</th>
<th>By shifting</th>
<th>Total</th>
<th>% of Voters</th>
<th>Variation</th>
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## Verification of Voters’ Lists in Andhra Pradesh
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# Post-Polling Survey of Select Polling Station Areas

(1999 Assembly and Parliamentary Polls, Hyderabad, AP)

<table>
<thead>
<tr>
<th>Assembly Constituency Polling Booth No.,</th>
<th>No. of voters</th>
<th>No. of votes polled</th>
<th>No. who reported that they actually 'voted'</th>
<th>No. not voted or doubtful cases</th>
<th>Percentage of doubtful and 'not voted' votes</th>
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<td>Residing in the area but not voted</td>
<td>Left the area but not residing within the city</td>
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</table>
Simple solutions

Voter Registration

Post Office as Nodal Agency
Voter Lists on Display
Voter Lists for Purchase
Statutory forms
Receipt of Application
Acknowledgement
Action taken intimation

Polling Fraud

Voter identity card
Repoll if tendered votes exceed 1%
Wide publicity to utilise tendered vote
Criminalization

- Section 8 of RP Act not adequate
- Charges framed by magistrate
- Civil Society Pressure
- Transparency
- Media Exposure
- Disclosure of Prosecution, Charges, History Sheet, Rowdy Sheet etc.
## Political Parties - Why Regulation?

| Political Parties                                                                 | Societies                                           |
|----------------------------------------------------------------------------------|*************************************************|
| • Monopoly or oligopoly                                                          | • Free choice                                      |
| • Represent history, memories, aspirations of millions                           | • Mere organisations of convenience                |
| • Seek power over all people                                                     | • Pursue members’ collective goals                 |
| • Cannot be easily formed or built                                               | • Can be formed and dissolved at will              |
| • People and members have no realistic alternatives                              | • Members have multiple options                    |
| • Vehciles for political                                                        | • Vehicles for voluntary pursuit of               |
| • participation of citizens                                                      |   individual / group goals                        |
Political Parties – What Regulation?

**Membership**
- Free, open and voluntary
- Uniform, objective conditions / no restrictions
- No arbitrary expulsion
- Due process for disciplinary action

**Leadership choice**
- By regular, periodic, free and secret ballot
- Opportunity to challenge leadership through formal procedures with no risk of being penalised
Choice of Candidates

- By members at constituency level through secret ballot
- By elected delegates through secret ballot
- Central leadership cannot nominate candidates
Problems with Current Campaign Funding Laws

- Explanation 1 of Section 77 of R.P. Act, 1951
- No Public Auditing
- Weak Enforcement (Non-Existent)
- No Disclosure Norms
- No Penalties
- No Asset and Income Disclosures
- No incentive for Public Funding
Campaign Expenditure – India and US Comparison

Expenditure for Lok Sabha + all Assemblies – all parties + candidates

Estimated: Rs.2500 + Rs.4500 crores
Total: Rs.7000 crores = $1.5 b
70-80% is for vote buying

US election expenditure in 2000
Presidency + House + 1/3 Senate + 1/3 governors

Estimated expenditure: (Soft + issue ads Hard) $3 billion
80% is for TV advertising.
Actual campaign expenditure: 50%

$1.5 billion

Adjusted to our low per-capita income, and high purchasing capacity of Rupee, our expenditure is 60 times that of US!
Campaign Expenses – Vicious Cycle

- Illegitimate expenses are often 5-10 times the ceiling or more
  (Assembly ceiling: Rs 6 lakhs
   Lok Sabha ceiling: Rs 15 lakhs)
- Every crore spent illegitimately
  ↓
  Rs 10 crore returns
  (to cover ROR, Interest, personal upkeep, supporters, family’s future, next election costs)
  ↓
  Rs 100 crore collected through bureaucracy
  (for every legislator, there are 2000 employees who need to collect ‘rent’)
  ↓
  people suffer ten times more.
  Payment extorted, on pain of delay, harassment, humiliation, anxiety and greater loss.
Political Funding

- Tax credits for funding
- Full and truthful disclosure by donor and party
- Severe penalties for violations
- Compulsory statutory auditing
- Election Commission final authority for determination of compliance
- Public funding indirect – free air time
- Direct public funding – non-discretionary and verifiable norms
Political Funding

- Candidates income and assets disclosure
- Severe penalties for non-disclosure or false disclosure
  - Fine ten times the amount
  - Disqualification for 6 years
  - Donor’s imprisonment for 6 months
  - Candidate’s imprisonment for one year
  - Party’s de-recognition
  - Office bearer’s imprisonment for 3 years
- Reasonable ceilings
- Repeal of explanation under Section 77
- EC to be final authority on compliance and penalties
- Imprisonment by special tribunals
Electoral Funding – Possible Reforms

Public funding

Indirect – air time –
- public channels
- private channels
- more flexible use of time
- televised debates

Direct – only after other reforms are in place
- non-discretionary and verifiable

A model:
- funding for all candidates
- a threshold of 10% votes in the constituency
- Rs 5 or 10 per vote polled
- parties to get 50% advance based on last election
Will Vote Buying Disappear?

- Not immediately
- People will continue to take money for voting
- Candidates will spend personal money for sometime
- Severe penalties will force disclosures
- Local government empowerment will reduce vote buying

\[\text{vote} \iff \text{public good}\]
\[\text{tax money} \iff \text{services}\]
\[\text{authority} \iff \text{accountability}\]

Value of vote will then be far greater than the money offered
Other Critical Reforms for Reducing Unaccounted Expenditure

- Proportional representation (German model mixing with constituency election)
  - Incentive to buy votes in a constituency will disappear
  - Interests of local candidate will run counter to party’s need to maximise overall vote
  - Will give representation to small parties and legitimate reform groups, forcing change
  - Voting will be based on party image and agenda, not local expenditure
  - Ignored sections will find voice and get representation contd..
Other Critical Reforms for Reducing Unaccounted Expenditure

- Direct election of head of government at State and local levels
  - No one can buy a whole state electorate
  - Image and agenda of leader will be decisive
  - With separation of powers, there will be no incentive to overspend for legislative office
  - At state level, there is no fear of authoritarianism as Union government, Election Commission, Supreme Court etc., will act as checks
“The punishment suffered by the wise who refuse to take part in the government, is to live under the government of bad men”

- Plato