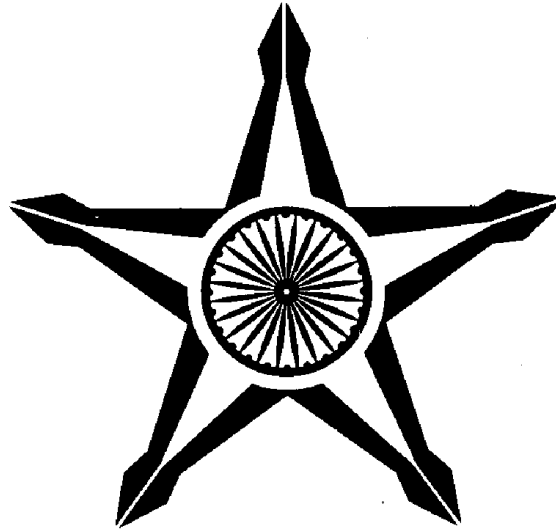


Lok Satta



People Power

Electoral Reforms Campaign funding

Electoral Reforms – Campaign Funding

Problems

- Explanation 1 of Section 77 of RP Act, 1951
- No public auditing
- Weak (non-existent) enforcement (IT)
- No disclosure norms
- No penalties
- No asset and income disclosures
- No incentive for open 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 : 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 percapita 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.

Electoral Funding – Possible Reforms

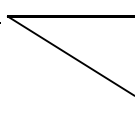
- Full tax exemption to donor
- Full disclosure norms (both donor and recipient to EC, IT and public)
- Party accounts – audited, disclosed and open
- Candidates income and assets disclosure
- Severe penalties for non-disclosure or false disclosure
 - fine ten times the amount
 - disqualification for 6 years
 - Donor's imprisonment for 6 months
 - Candidate's imprisonment for one year
 - Party's derecognition
 - Office bearer's imprisonment for 3 years

Possible reforms (contd.)

- 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

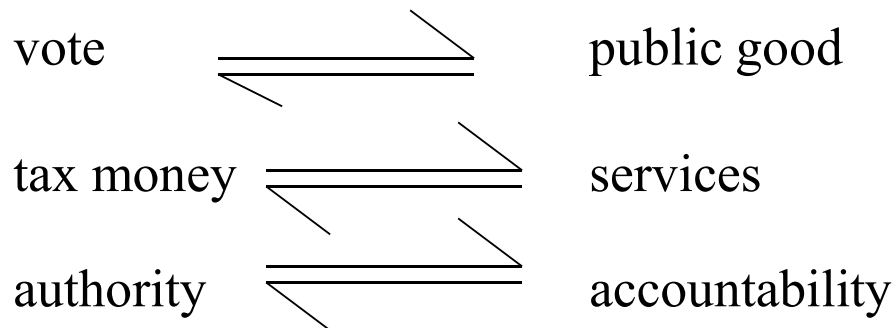
- non-discretionary
- verifiable

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



value of vote will then be far greater than the money offered

Electoral Reforms - Polling irregularities

Voter registration

- Serious flaws
- Sample survey
 - ▶ 40% errors in towns
- 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**

Details of electoral rolls verified			Deletions Reqd (Errors of Commission)				Additions Reqd (Errors of Omission)				Variation		
District	No. of Polling Stns.	No. of Voters	Shifting	Death	Other	Total	% to voters	By attaining age	By shifting	Total	% to voters	Total	% to voters
E.G	4	1289	166	36		202	15.7	31	50	81	6.3	283	22.0
W.G.	2	2086	37	52		89	4.3	24	23	47	2.3	136	6.5
Krishna	1	416	27	13	1	41	9.9	12	3	15	3.6	56	13.5
Prakasam	2	1297	43	38	2	83	11.7	34	12	46	3.5	129	9.9
Nellore	4	3084	87	79	15	181	5.9	60	100	160	5.2	341	11.1
Chittoor	2	1762	143	37	90	270	15.3	47	110	157	8.9	427	24.2
Kurnool	4	4648	488	71	1	560	12.0	82	128	210	4.5	770	16.6
Warangal	2	1399	51	15	4	70	5.0	7	12	19	1.4	89	6.4
M'bnagar	1	344	32	11		43	12.5	35	12	47	13.7	90	26.2
Karimnagar	5	3956	549	100	59	708	17.9	78	142	220	5.6	928	23.5
Khammam	2	2016	11	36	12	59	5.8	37	0	37	3.7	96	9.5
Rural Total	29	22297	1634	488	184	2306	8.5	447	592	1039	5.8	3345	14.3

**Verification of Voters' Lists in Andhra Pradesh
Survey of Urban Polling Stations**

Details of electoral rolls verified			Deletions Reqd (Errors of Commission)				Additions Reqd (Errors of Omission)				Variation		
District	No. of Polling Stns.	No. of Voters	Shifting	Death	Other	Total	% to voters	By attaining age	By shifting	Total	% to voters	Total	% to voters
Vizag	3	1298	355	22	17	394	30.4	82	413	495	38.1	889	68.5
E.Godavari	3	419	78	14	0	92	22.0	39	85	124	29.6	216	51.6
W.Godavari	2	1491	121	12		133	8.9	46	179	225	15.1	358	24.0
Krishna	3	1919	690	35	0	725	37.8	53	500	553	28.8	1278	66.6
Kurnool	3	1796	419	43	28	490	27.3	62	90	152	8.5	642	35.7
Nalgonda	1	797	273	5	2	280	35.1	34	125	159	19.9	439	55.1
Warangal	2	1863	320	28	30	378	20.3	43	74	117	6.3	495	26.6
Guntur	5	4060	1039	83	92	1214	29.9	209	604	813	20.0	2027	49.9
Hyderabad	5	4459	923	31	42	996	22.3	85	691	776	17.4	1772	39.7
Urban Total	27	18102	4218	273	211	4702	26.0	653	2761	3414	18.9	8116	44.8
Rural+Urban	56	40399	5852	761	395	7008	17.3	1100	3353	4453	11.0	11461	28.4

**Post-Polling Survey of Select Polling Station Areas
(1999 Assembly and Parliamentary Polls, Hyderabad, AP)**

Assembly Constituency Polling Booth No.,	No.of /voters	No.of votes polled	No.who reported that they actually 'voted'	No. not voted or doubtful cases				Percentage of doubtful and 'not voted' votes
				Residing in the area but not voted	Left the area but not residing within the city	Left the city within country etc.	Total	
1	2	3	4	5	6	7	8	9
207/173	1143	625	483	5	91	46	142	22.7
207/176	956	459	377	15	41	26	82	17.9
209/93	725	428	306	20	95	7	122	28.5
209/75	989	495	380	42	72	1	115	23.2
210/426	893	476	399	22	49	6	77	16.2
Total	4706	2483	1945	104	348	86	538	21.7

Simple solutions

Voter registration:

Post office 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