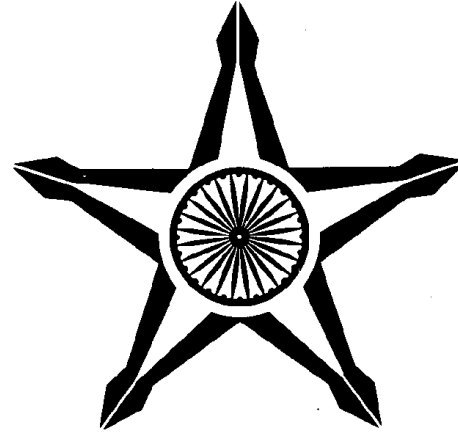


# LOK SATTA



*People Power*

**Political Reforms**

at

Administrative Staff College of India

Hyderabad

16 August 2001

# POLITICAL PARTIES

## Why regulation?

### **Political Parties**

- Monopoly or oligopoly
- Represent history, memories, aspirations of millions
- Seek power over all people
- Cannot be easily formed or built
- People and members have no realistic alternatives
- Vehicles for political participation of citizens

### **Societies**

- Free choice
- Mere organisations of convenience
- Pursue members' collective goals
- Can be formed and dissolved at will
- Members have multiple options
- Vehicles for voluntary pursuit of 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

# POLITICAL PARTIES

## What regulation ?

### 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

## Choice of Candidates

- By members at constituency level through secret ballot
- By elected delegates through secret ballot
- Central leadership cannot nominate candidates

# 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%**

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**\$ 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

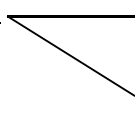
- Full tax exemption to donor
- Full disclosure norms (both donor and recipient to EC, IT and public)
- Party accounts – audited, disclosed and open
- Candidates income and assets disclosure
- Severe penalties for non-disclosure or false disclosure
  - fine ten times the amount
  - disqualification for 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

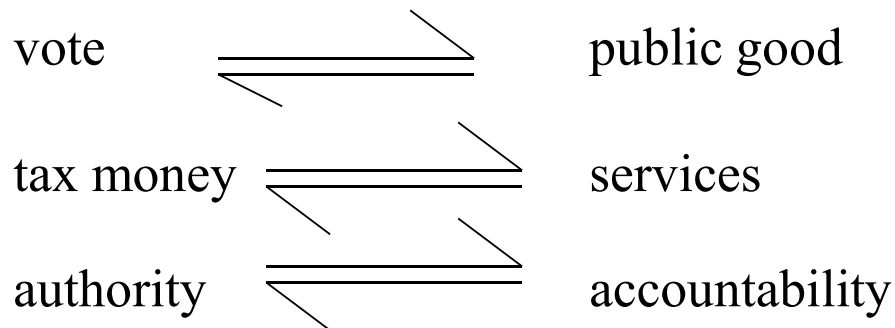
- non-discretionary
- verifiable

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<br>(Errors of Commission) |            |            |             | Additions Reqd<br>(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         |  |
| <b>Rural Total</b>                  | <b>29</b>            | <b>22297</b>  | <b>1634</b>                              | <b>488</b> | <b>184</b> | <b>2306</b> | <b>8.5</b>                             | <b>447</b>       | <b>592</b>  | <b>1039</b> | <b>5.8</b>  | <b>3345</b> | <b>14.3</b> |  |

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|-------------------------------------|----------------------|---------------|---|------------|------------|-------------|---|------------------|-------------|-------------|-------------|--------------|-------------|
| 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        |
| <b>Urban Total</b>                  | <b>27</b>            | <b>18102</b>  | <b>4218</b>                               | <b>273</b> | <b>211</b> | <b>4702</b> | <b>26.0</b>                             | <b>653</b>       | <b>2761</b> | <b>3414</b> | <b>18.9</b> | <b>8116</b>  | <b>44.8</b> |
| <b>Rural+Urban</b>                  | <b>56</b>            | <b>40399</b>  | <b>5852</b>                               | <b>761</b> | <b>395</b> | <b>7008</b> | <b>17.3</b>                             | <b>1100</b>      | <b>3353</b> | <b>4453</b> | <b>11.0</b> | <b>11461</b> | <b>28.4</b> |

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

| Assembly<br>Constituency<br>Polling Booth<br>No., | No.of<br>/voters | No.of<br>votes<br>polled | No.who<br>reported that<br>they actually<br>'voted' | No. not voted or doubtful cases          |  |                                      |            | Percentage<br>of doubtful and<br>'not voted' votes |
|---|------------------|--------------------------|---|--|--|--------------------------------------|------------|--|
|   |                  |                          |   | Residing in the<br>area but not<br>voted | Left the area but<br>not residing<br>within the city | Left the city<br>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   |
| <b>Total</b>                                      | <b>4706</b>      | <b>2483</b>              | <b>1945</b>   | <b>104</b>                               | <b>348</b>   | <b>86</b>                            | <b>538</b> | <b>21.7</b>  |



# 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