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# **The Cost of Parliamentary Politics in Nigeria**

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## Introduction

Money is crucial for political parties to implement activities during elections and in between elections. In addition to other factors, candidates require adequate funds for effective campaigns, which contribute to possible electoral victory. In *The Audacity of Hope* President Barack Obama captured the power of money when he held that incumbent Senator Peter Fitzgerald, 'had spent \$19 million of his personal wealth to unseat his predecessor, Carol Mosley Braun'.<sup>1</sup> John C. Green also emphasised the importance of money to party politics when he stated that money is an especially valuable resource among several other resources which parties marshal in the process of seeking control of the personnel of government.<sup>2</sup> However, whether in established or new democracies, unregulated use of money, private or public, for politics, is capable of reversing the ethics, practices and spirit of democracy. It confers undue advantages and improperly alters electorates' available choices.

In Nigeria, the 1999 Constitution (as amended) of the Federal Republic of Nigeria specifies in section 225 (1-6), conditions, and requires scrutiny of the sources of funds, and expenses of political parties. Section 225 3(a), (b), and (4) forbid political parties from foreign funding of any kind. Section 226 (1-3) demands annual reports of accounts from political parties. By extension, the Electoral Act (2010) outlines the ceiling of expenses by candidates and political parties for specific elective positions. The maximum limit is pegged at 1 billion naira (N) for presidential candidates, N200 million for governorship candidates, N40 million for senators and N20 million for contestants for the House of Representatives.

These provisions are necessary to make certain that political parties and candidates are properly guided with regard to the scope of party and election funding and expenses. Additionally, putting a cap on expenses makes certain that the cost of politics remains reasonable and affordable, in order to retain qualitative and quantitative citizen participation. However, despite these provisions, parties and candidates have continued to infringe on these regulations. Fundraising conducted ahead of the 2015 elections was done without regard to legal provisions. Campaign expenses, particularly of the two main presidential candidates, overshot the N1 billion limits. Money was illegally used to buy votes and permanent voters' cards. State administrative resources were used by incumbent officials to facilitate party activities. Political party primaries became a cash and carry affair, aiding the success of the highest bidders. Yet, the Independent National Election Commission (INEC), the regulatory body, is yet to investigate, prosecute and sanction erring parties and candidates for infringements. This has been the pattern since transition to democratic governance in 1999.

A major implication of this abuse of money at elections and the apparent ineffectiveness of enforcement regulations is the skyrocketing cost of politics, at all levels, including the parliament which is the focus of this study. Expression of interest and nomination forms are priced beyond the reach of many. Politicians resort to desperate measures to mobilise funds, including sales of private estates, and borrowing from commercial banks and private lending institutions. A former President of Senate, Adolphus Wabara, noted that contesting to be an MP is an investment which warrants most candidates to sell private properties to meet election expenses, with the intention of 'recouping' if elected. For those who borrow from political investors, they are pressured to repay the loans before the end of their tenure, making them susceptible to corruption. Struggles to chair prominent Senate and House Committees reflect elected officials' need for personal financial gratification.

Describing the Nigerian situation, a serving MP noted, that 'access to public offices ought to be determined by people's votes, but because of the high financial costs involved; only those who can afford to pay continue to have access'. Public funds are often diverted to finance party and election activities. An ongoing probe of the Office of the National Security Adviser (ONSA) to former President Goodluck Jonathan aims to understand what happened to public funds to the tune of US\$ 2.1 billion which were meant for equipping Nigeria's military but were allegedly diverted to finance party activities for the 2015 general elections.<sup>3</sup> Similarly, Governor Joshua Dariye, of Plateau State, diverted state ecological funds for campaign activities of his party, the People's Democratic Party (PDP). The use of public funds for party activities cuts across all political parties; however, the practice is associated more with parties in power.

## Methodology

This paper draws on semi-structured interviews with serving and former members of parliament, as well as civil society practitioners who are knowledgeable in this area, to get their thoughts on the financial implications of running for office in Nigeria.

To elicit objective responses from respondents, they were assured that no comments would be directly credited to them. Desk-based research was also conducted on drivers of the cost of politics in Nigeria. Researching political finance in Nigeria is very demanding because funds are spent mostly in cash and informally. This makes it difficult to trace or scientifically establish patterns of income or trends of expenses. Records of the amount expended on campaigns, for instance, are hardly kept or made public by candidates. There is therefore no data on major contributors to parties; and no authoritative reports on campaign spending, categories of spending, and candidate funding strategies, which researchers can rely on.<sup>4</sup>

Major questions designed to elicit valuable information from respondents were discussed during one-on-one interviews. Those who were not available to be interviewed in person chose to respond to the questions through emails. The questions explored the historical context of campaign finance in Nigeria and how it shaped previous parliamentary elections and asked respondents to identify key drivers of the costs involved with parliamentary elections. Despite the lack of documented evidence on the actual cost of contesting parliamentary elections, and apparent unwillingness to declare the exact amount spent in contesting elections, interviewees volunteered rough estimates. The research attempted also to identify the sources of funding of parliamentary campaigns and the impact of the cost of parliamentary politics on citizen participation, particularly by women. Finally, the questions took a glimpse at the possibility of future expansion or reduction in the cost of parliamentary politics.

### I. Historical context

#### Political system

Nigeria is a federation with three tiers of government: federal, 36 state governments and, 774 local government areas. Each tier has three arms of government: the executive, parliament and the judiciary. At the federal level, a democratically elected President forms a cabinet to administer the country. The federal parliament is made up of the Senate, which is the upper house, and the House of Representatives, the lower house. The Senate is composed of 109 senators, based on equal representation of three senators from each of the 36 states and one representing the Federal Capital Territory (FCT). The House of Representatives is made up of 360 elected members from the 360 constituencies into which the country is divided. Numbers of representatives per state is based on proportional representation of the population of each of the 36 states, including the FCT.

Though a federation, Nigeria practises administrative federalism and not fiscal federalism. The federal government controls the resources of the country and therefore wields huge political influence. The 36 states depend on monthly budgetary allocations from the federal government. The People's Democratic Party (PDP) controlled the federation from transition in 1999 to 2015, when it lost to a coalition of three major opposition political parties who united under the banner of the All Progressives Congress (APC).

Politics at the centre is more lucrative and very competitive due to the concentration of and access to resources. Members of the ruling party are usually appointed to head ministries, departments and agencies. Due to high level of corruption and impunity, appointed and elected public officials have almost limitless access to public resources. By implication and historically, the ruling party has more funds to run party activities, including elections. As one of the three arms of government at the centre, the federal parliament is also well funded and has its budget drawn as 'first-line-charge' from the federation budget, as a measure of its independence.

Members of the federal parliament enjoy very lucrative salaries and allowances. Nonetheless, corruption scandals pervade the National Assembly, suggesting underhand dealings by MPs in the course of their

oversight functions are common. In 2012, Farouk Lawal, Chairman of the House of Representatives ad hoc Committee on Petroleum and Subsidy, allegedly requested and accepted US\$620,000 as bribe from a businessman involved in an oil subsidy scam. Former Senate President Adolphus Wabara was impeached over a N54 million bribe from the Ministry of Education.<sup>5</sup> As a result, elective positions at the centre provoke intense competition among political parties and candidates, as well as the intense use of resources. The current trend for ex-state governors being elected as senators is only increasing the resources required. A civil society practitioner interviewed in the course of this study held that, 'having been Governors for constitutional two terms, of four years each, ex-governors have enough funds to facilitate elections into the Senate, even with their dwindled political profiles'. 26 ex-governors are currently members of the Senate.

## **Party system**

With the exception of the failed transition programme of General Babangida's regime of 1985 to 1993 which imposed a two-party system, Nigeria has always practised a multi-party system. The 1999 Constitution provided for parties to be funded through government subventions, and this had led to an escalation of the numbers of registered parties from three at the return to democracy in 1999 to 63. Subventions to parties were stopped in 2010 to curb the increasing numbers, with the consequent deregistration of a host of inactive parties in 2012.

Politicians decamp from one party to another with ease to fulfil electoral ambitions. The lack of strict ideological adherence was pronounced before and after the 2015 general elections. When it became apparent that PDP was losing the presidency, several long-time members of the party decamped to the APC. Party membership has not strictly been about ideological stand, but more about being on the best platform that provides the best opportunity to win elections and give access to the national cake.

Nigeria practises the first-past-the-post (FPTP) system which gives all the advantages to the winner elected by simple majority. This winner-takes-all practice has turned politics to a do-or-die affair. Parties and candidates employ divisive, identity-based rhetoric to secure votes and political control, often with little regard for national unity.<sup>6</sup> A consequence of this system is the emergence of one or two parties as the most competitive platforms for winning elections. For the 16 years during which the PDP was in power at the federal level, it was the platform on which every politician sought to contest because it greatly increased the chances of winning.

Getting the party's ticket was as good as winning the election itself and as such, intra-party competition was very intense, often leading to violence and intimidation of opposition candidates. Personal security arrangements were made by candidates, which required generous amounts of money to hire and equip thugs and bodyguards. According to a serving MP, 'individuals in Nigeria are a municipal unto themselves as they provide their own infrastructures by generating electricity using personal generating sets, getting water by individually digging boreholes or wells and employing personal security guards to ensure safety of life and properties. Politicians also have to make personal provisions for security because the formal security forces sometimes prove inadequate.'

## **Ethnic division**

Nigeria is made up of about 374 culturally diverse ethnic groups with distinct languages and dialects.<sup>7</sup> The three major groups are the Muslim Hausa/Fulanis of the North-West, the Yorubas of the South-West - who are a mixture of Muslims, Christians and traditional worshippers - as well as the Igbos of the South-East who are mainly Christians. Since the civil war of 1967-1970, Nigeria has continued to strive to find her strength in this diversity by ingraining in the minds of citizens the slogan 'unity in diversity'. Various legal provisions exist to ensure inclusive governance and equitable allocation of resources. The 1999 Constitution (as amended) opens with the 'people of the Federal Republic of Nigeria firmly resolving to live together in unity and harmony as one indivisible and indissoluble sovereign nation'. Chapter 4 of the same constitution defines the fundamental human rights of citizens, irrespective of ethnic and religious affiliation. Provision was made in the Constitution for the composition of the Federal House of Representatives in such a way as to ensure representation of every section of the federation. Formation of the State House of Assembly in each of the 36 states was also designed to make certain that ethnic divisions within the states are represented. In terms

of resource sharing, appointments and employment by the Federal Civil Service are based on provisions of the Federal Character Act which guarantees equity among Nigerians. The Constitution (Section 222) requires that political parties be formed to reflect the country's national outlook to stem the emergence of ethnic-based parties.

Political parties usually fulfil these conditions for registration but are not totally exempt from ethnic colourations. The All Progressive Grand Alliance (APGA), for instance, was built around the personality of former Biafran agitator, Chief Odumegwu Ojukwu, and has more influence and members from South-East Nigeria. The Action Congress of Nigeria (ACN) had a greater following in South-West Nigeria than in other parts of the country because it was led by Chief Bola Tinubu, a Yoruba man. However, the PDP maintained a national outlook since formation in 1999, winning elections across the six geo-political zones of the country. The APC, since its formation in 2013, has also taken the appearance of a national party with its leadership drawn from the six zones of the country.

Notwithstanding the constitutional provisions designed to foster greater unity, ethnic consciousness and identities are deeply entrenched. National concerns are viewed from ethnic perspectives and interests, resulting in suspicion of other ethnic groups and often leading to conflicts. Due to these divisions and the resultant suspicion, political parties and candidates have had to reach out to ethnic groups, through their leaders, to negotiate or buy support with money or promises of certain appointments. In the run-up to the 2015 general elections, traditional rulers across Nigeria were allegedly bribed by political parties to elicit support for presidential candidates. Elements of this practice have been observed as far back as Nigeria's First Republic.

### **Previous work on campaign finance in Nigeria**

Local and international election observer groups have always included campaign finance concerns in the scope of their observations. In its final report on the 2003 National Assembly and Presidential Elections in Nigeria, the Commonwealth Observer Group noted that 'there is a strong "money culture" which affects the political landscape at all levels. Politicians went as far as acquiring local newspapers and broadcasting stations to advance access to the media.'<sup>8</sup> In its observation report on the 2007 elections, the European Union cited several instances of illegal use of money during campaigns and elections. In one instance, an incumbent governor was videotaped using government vehicles for the campaign, from which he threw bundles of money into the crowds.<sup>9</sup> In 2011 the National Democratic Institute noted that 'better financed candidates held large rallies; advertised on the radio, television and newspapers; and gave supporters money, food, garments and other gifts. While the latter type of campaigning violates electoral law, there was no serious discussion about prosecuting vote-buying.'<sup>10</sup> The report emphasised INEC's lack of capacity, beyond the audit of political party accounts, to prosecute parties and candidates for breach of campaign finance rules.

In 2003, the Centre for Law and Social Action implemented a research and advocacy project to address the issues of political finance. The initiative was supported by the Heinrich Boll Foundation and culminated in a policy agenda for reform. Proceedings of the workshop and policy agenda were published in a book in 2004 titled: 'Political Finance and Democracy in Nigeria: Prospects and Strategies for Reform'. Notable studies and capacity building have also been conducted by the Centre for Social Justice (CSJ).

Currently, CSJ is running a robust Political Finance Reform Programme which is focused on: capacity building for political parties and civil society organisations (CSOs); reducing the influence of money in electioneering; reporting of expenses by political parties and candidates and monitoring of the same by INEC. Detailed reports of the monitoring of political finance and use of state and administrative resources during general elections and stand-alone gubernatorial elections were published by the organisation. The focus of the reports was, however, limited to candidates vying for executive positions at the federal (presidential) and state (gubernatorial) level; those vying for the legislature were excluded. Additionally, monitoring was focused on the top two or three political parties. This makes it possible for low profile candidates and parties to escape compliance monitoring.

## II. Current drivers of the cost of parliamentary politics

The 1999 Constitution of Nigeria guarantees citizens' fundamental rights, including the right to peaceful assembly and association. Citizens are free to be members of legally registered and recognised political parties, which confers on them the right to contest for public office so long as they have attained a specified age, educational qualifications and other relevant criteria. However, certain formal and informal barriers in terms of costs hinder the free participation of citizens in politics. According to a civil society practitioner, 'most drivers of cost of politics are illegal because the dishonest use of both private and public funds is often involved'. Many of the MPs interviewed corroborated this assertion and even gave examples of having to part with monies for delegates and key members of their parties who demanded gratification, which had to be paid, in most cases, upfront.

### Expression of interest and nomination forms

Over the years, political parties capitalised on election periods to make money from candidates through the sales of expression of interest and nomination forms. The costs of these forms are excluded from what constitutes the limit of election spending. However, they are sold at exorbitant fees that makes it tough for anyone but the very rich to obtain them. While it is reasonable that funds be charged to ascertain that only serious candidates obtain them, in reality the enormity of the cost is a barrier to participation in politics. President Muhammadu Buhari reportedly obtained a loan from his bank to pay the N27.5 million required to gain the APC presidential nomination forms in 2015.

All interviewed MPs were unanimous that the high cost associated with politics, as reflected by the nomination form, has the implication of hindering the participation of credible and patriotic Nigerians with genuine intention to serve the country, but with limited financial means. Though some political parties exempt women from paying nomination fees, as a measure to encourage the participation of women, down the line the costs of participation makes it tough for some of them to continue in the race effectively to the very end.

Party	Office in view	Expression of interest (millions of Naira)	Nomination Fee (millions of Naira)	Total (millions of Naira)
APC	Presidency	2.5	25	27.5
	Governorship	0.5	5	5.5
	Senate	0.3	3	3.3
	House of Rep.	0.2	2	2.2
PDP	President	2	20	22
	Governorship	1	10	11
	Senate	0.5	4	4.5
	House of Rep.	0.4	2	2.4
APGA <sup>1</sup>	President	-	-	-
	Governorship	2	10	12
	Senate	0.5	3	3.5
	House of Rep.	0.5	2	2.5

1. APGA did not present a candidate for the 2015 Presidential elections.

## **Support of the godfathers or oracles**

Candidates curry the support of godfathers, also known as oracles, to further brighten their chances at the polls. Godfathers are instrumental to the emergence of virtually every successful candidate in whichever state they control. Alhaji Olusola Saraki, father of the current Senate President, Bukola Saraki, reigned as godfather in Kwara State and almost always singlehandedly determined who emerged as candidates in the federal and state elections. In Oyo State, the late Chief Lamidi Adedibu once openly boasted to have sponsored every successful politician, including the governor, federal parliament members, as well as state parliament members.<sup>11</sup> Getting the support of godfathers does not come cheap, whether in monetary terms, which has to be paid in advance, or a commitment to regular returns, a percentage of a certain budget-line of state resources, usually 'security votes'. The godfathers are typically above the law and able to mobilise support, money and violence for candidates. In 2003, Governor Chris Ngige of Anambra State attracted the anger of his godfather Chris Uba, when he reneged on terms of agreements after emerging victorious at the polls. The impeachment of Governor Rashidi Ladoja of Oyo State in 2006 was facilitated by his godfather, Alhaji Lamidi Adedibu, as punishment for not paying him N15 million monthly from the state security budget.

## **Party primaries**

Political parties have a responsibility to conduct primaries to elect their standard bearers. This intra-party activity has become a money guzzler for candidates on one hand and a money spinner for delegates and party officials on the other. Because the political fortune of a candidate is determined by the votes of delegates, the candidates and their sponsors go all out to bribe and buy those votes. There have been instances of delegates being camped in secret locations to make it difficult for other candidates to access them. Most delegates vote for the candidates that offer the highest amount of cash. For instance, over 8,000 delegates that participated in the APC presidential primary in Lagos State, leading up to the 2015 elections, allegedly made US\$5,000 each from the candidates during the three days of the primaries. Delegates were alleged to have received US\$2,000 each from the Atiku Abubakar campaign and US\$3,000 each from the Buhari political machine.<sup>12</sup>

In addition to bribing delegates with money, their hotel accommodation for the duration of the primaries as well as other logistics are generously taken care of by the candidates. Party primaries and conventions are fraught with fraudulent practices that tilt the outcome in favour of pre-determined candidates. One MP described how 'in the case of primaries, settling the delegates translates to major financial cost to candidates, because you have to pay in cash for their votes even when you have contributed to their rise to party executive positions. Otherwise, they will do magic, while you are not looking.'

## **Implications for the political system**

Having spent fortunes to win elections, the MP is already badly bruised, morally and financially. Individual MPs, and the legislature by consequence, lack the moral pedestal to oppose or stand against unpopular actions and policies of government. They are less focused on thorough legislative oversight, and more disposed to recouping huge election expenses. In the process, MPs become vulnerable to corrupt practices and are easily manipulated. Some MPs sold their properties and investments, while others dipped into their savings or borrowed to raise funds, to get into the House of Representatives or Senate.

Most interviewees believed candidates aspiring to be a federal MP would have to expend as much as N200 million on election campaigning - N160 million above the legal limit set by the Electoral Act (2010). One MP claimed as a matter of fact, that: 'it got to a point during the campaign that I decided not to keep records any longer so that I do [not] get discouraged'. A civil society respondent held that: 'as a result of the huge personal costs of the elections, many MPs are disillusioned about serving a society that milked them so heavily. As such, the passion and input in their responsibilities as MPs is already eroded with personal interests. In reality, recouping for most of the MPs could mean taking steps to look for gratification where they ought to look for the interest of the country.'



Having invested huge funds, candidates and their supporters have only one mindset: to win the election and win at all cost. The candidates and sponsors are not prepared to lose the huge sum invested in the process. Therefore, elections become prone to violence, fraudulent practices and all forms of irregularities. Aspirants explore every available means, including violence, intimidation, and vote buying, as well as rigging to ensure victory. In such a scenario, the outcomes of elections hardly reflects the wishes of voters. Election credibility becomes a difficult objective to attain, regardless of the professional competence of the election management body.

The high cost and potential for violence contribute to the low participation of women in politics. Political entrepreneurs do not believe women can win elections and will not want to put a stake on them. An MP averred that: 'women do not go too far in the electoral process as they usually opt out due to the lack of financial means necessary for mobilising supporters'. Though they constitute almost 50% of Nigeria's population, the percentage of women elected to the parliament, and other elective positions in the country, have never reflected this numerical strength. In the same vein, the country is deprived of the potential of the youth, as they are disconnected from a process through which they could be prepared for leadership. Apart from those with personal wealth or a rich family, it is tough for youth to participate in politics. The representation of women in the House of Representatives dropped to 3.9% after the 2015 election: just above the 1999 figure of 3.33%. The number of women represented in the Senate did improve to eight, just above the 2011 figure of seven women, but dropping below the marked gain made in 2007 when nine women were elected. But it still falls short of even 10% female representation. This unimpressive representation of women is not a coincidence because at no other time since transition in 1999 was there such open and massive use of money at elections as during the 2015 general elections.

	<b>Year of election</b>	<b>1979</b>	<b>1985</b>	<b>1993</b>	<b>1999</b>	<b>2003</b>	<b>2007</b>	<b>2011<sup>2</sup></b>	<b>2015<sup>3</sup></b>
House of Representatives	Numbers of elected women	11	14	20	12	21	27	26	14
	Numbers of elected members	445	589	360	360	360	360	360	360
	% of women	2.47	2.38	5.56	3.33	5.83	7.5	7.2	3.9
Senate	Numbers of elected women	1	1	9	3	3	9	7	8
	Numbers of elected members	57	91	109	109	109	109	109	109
	% of women	1.75	1.10	8.25	2.75	2.75	8.25	6.42	7.34

Source: INEC Gender Policy Document

### **Mediatisation of campaigns**

A major factor which influences the cost of elections is the mediatisation of election campaigns. Political parties and candidates use private and public electronic media to reach as many members of the public as possible. During election periods, radio and television stations' prime time periods are usually in high demand and therefore attract increased price tags. Funds are budgeted for live coverage of rallies and other political activities with partisan jingles, documentaries and advertisements struggling to dominate the airwaves.

2. These figures are as collated by the FMWASD Zonal Empowerment Offices for women political empowerment when a number of cases involving women were still unresolved at the Elections Petitions Tribunals as at date of this compilation i.e. four months after the elections.

3. 2015 figure culled from a Conference Paper titled 'Men Without Women: An analysis of the 2015 General Elections in Nigeria, by Nse Etim Akpan, Department of Political Science, Federal Polytechnic Wukari, Wukari, Taraba State, Nigeria.'

Expensive billboards are strategically positioned around town to capture public attention. The print media is filled with paid adverts of candidates' and party messages and activities. A study of the 2015 presidential elections indicates that huge amounts of money, far beyond total legal limits, was spent by the APC and PDP candidates on media campaigning alone. The PDP and APC respectively expended eight times and three times the amount legally allowed for running the entire presidential campaign, on the media alone.

<b>S/no</b>	<b>Description of media expenses</b>	<b>PDP/Goodluck Jonathan</b>	<b>APC/Muhammadu Buhari</b>
	Campaigns and rallies	N1,280,374,879	N671,062,200
	Expenses on billboards	N473,160,000	N190,380,000
	Electronic media campaign	N532,100,000	N410,050,000
	Electronic media adverts	N3,988,822,125	N1,064,706,850
	Print media campaign	N2,475,228,301	N579,647,687
<b>Total</b>		<b>N8,749,685,305</b>	<b>N2,915,846,737</b>

Source: Centre for Social Justice

### **Weak legal mechanisms**

In the First Republic which spanned 1960-1966, there was no definite campaign finance regulation. Political parties and candidates were responsible for funding election activities, and state resources were abused and corruption commonplace as a result. In the Second Republic which spanned the period between 1979 and 1992, legal provisions were provided in the 1979 constitution to regulate campaign finance. These included: the prohibition of any associations, other than political parties, from campaigning on behalf of a candidate or contributing funds to parties and election expenses of candidates; provision of annual grants to political parties; and enabling political parties to receive donations from individual and corporate bodies, except from abroad. However, the limit of funds parties and candidates could receive from individuals and corporate bodies was not specified. This was a loophole which parties and candidates abused. Private individuals lavished funds on parties and consequently on election campaigns. This led to the emergence of the money-bag phenomenon in Nigerian politics and subsequent overthrow of the Second Republic.<sup>13</sup> The narrative was not different with the 1993 elections that would have ushered the country back to democratic governance. Despite the well-orchestrated transition programme, there was no guideline to regulate campaign finance.

However, political finance regulations have been repeatedly refined and redefined since the 1999 transition to civil rule, such that the country now has the Electoral Act 2002, 2006 and 2010. Nevertheless, loopholes still exist. For instance, while Section 91(9) states that 'no individual or other entity shall donate more than N1 million to any candidate', Section 93(2) (b) in contradiction gives political parties leverage to receive unlimited amounts above the threshold, providing they record and keep 'the name and address of any person or entity that contributes any money or assets which exceeds N1 million'. Therefore, it becomes possible for candidates to technically overshoot the limit by transferring the extra cash to their party. Secondly, donors took advantage of the provision to donate funds in billions on behalf of several unnamed friends. This occurred repeatedly during the PDP fundraiser for the re-election bid of former President Goodluck Jonathan, during which N21 billion was recorded in donations.<sup>14</sup>

The APC for its part attempted involving ordinary Nigerians in raising funds for its presidential candidate through five platforms, including: donation via dedicated bank accounts; an electronic donation platform, targeted at young people who are computer savvy; donation up to N100 per time by means of text messages to dedicated numbers; the purchase of the party ring tone again for N100 and the use of scratch cards through which supporters could donate between N100-1,500. Through these direct donations, the APC planned to make N10 billion, with a further N40 billion expected in donations from its elected members at the federal

and state levels. This despite the campaign spending limit for the presidential campaign of N1 billion.

### **Lack of enforcement capacity**

While Nigeria's current political finance regulations are stronger than they have been, the capacity and willingness of INEC for enforcement is lacking. INEC is saddled with the responsibility, among other functions, to register and regulate political parties and monitor their activities, including finances, expenditures, primaries and campaigns. The tasks involved in tracking political parties' finances, as well as the election expenses of candidates, are overwhelming for the Commission. It has been more than a year after the 2015 elections, but there has been no investigation, arrest or prosecution of individuals for breaching campaign finance regulations. The PDP had donations running into several billions from serving governors, elected officials and party members. Corporate organisations donated funds to the party in breach of the law, but INEC failed to raise the red flag. On its part, allegations that the APC's presidential campaign was largely funded by outgoing governors - including those of Lagos and Rivers - are yet to be disproved.

The infringement of funding regulations is not peculiar to the presidential elections. For instance, Alhaji Muhammed Umaru Jubrilla, Governor of Adamawa State, publicly acknowledged receiving a donation of N500 million which facilitated his emergence as governor and convinced him to shift allegiance from his former boss, Murtala Nyako. The Governor's public acknowledgement of the illegal donation has not led to his prosecution or sanctions against him, as would have been expected. The lack of a deterrent, as apparent by the failure of INEC to prosecute anyone for infringing political finance regulations since the transition elections in 1999, is a major influencing factor for the worsening cost of elections in Nigeria.

### **Corruption and impunity**

A factor closely related to lack of enforcement capacity is the general laxity in the rule of law in the country. The Mo Ibrahim Index on African Governance for 2015 scored Nigeria low (50.8/100) with regards to enforcement of the rule of law. Since 2000, corruption, impunity and lawlessness have risen to phenomenal proportions in Nigeria. Individuals highly connected in society get away with all forms of crimes and infringements against the law with little or no consequences. The culture of impunity and recklessness on the part of political parties and candidates has therefore encouraged the abuse of party finance provisions. In situations where offenders belong to the ruling party, prosecution has been virtually impossible. As a result, elected government officials do not see problems in putting government funds to personal uses or to fund party and campaign activities. With the culture of corruption and lawlessness which pervades the Nigerian polity, the cost of politics continues to soar beyond the reach of citizens.

### **'Winner takes all' syndrome**

With candidates and political parties investing unimaginable amounts of money in the process, elections become a do-or-die affair. Contestants and supporters alike become desperate and resort to illegal means to manipulate or subvert the process. The FPTP system gives winners all the advantages, compared to other systems which enable proportional representation. Calls have been made at several meetings for the Nigerian system to be replaced to ensure opposition political parties and candidates do not totally lose out at elections.

### **Political culture**

Corruption and the embezzlement of public funds by the political class were often the reasons given by the military for the coups which have truncated democratic governance in Nigeria since independence. This categorisation of politicians as very corrupt was reinforced over time by the reckless lifestyles of elected and appointed public officers. Since the return to democratic governance in 1999, the financial profiles of politicians became very high. Elected officials have approved handsome service and retirement or severance packages for themselves. The country's MPs are believed to be some of the highest paid legislators in the world. The popular saying about politics in Nigeria is that it is the best vocation where money can easily be made. As such, electorates perceive politicians to be very corrupt and very rich. Furthermore, because of several years of non-fulfilment of political promises, Nigerians have come to believe that politicians seek to

be elected only to steal money and not to service the people. By extension, election periods are viewed by electorates as periods to get as much money as possible from the politicians. Given this scenario, politicians who are willing buyers of votes meet electorates who are willing sellers. With this situation, campaigns have become very capital intensive. Elections are completely made a cash issue as voters want to grab as much money as they can from politicians. Little or no attention is paid to campaign promises and manifestos, as a result.

### **Crowds for rent**

For candidates, the bigger the crowds at their rallies, the more the public is impressed and the more seriously their candidature is perceived. Attractive amounts are budgeted for the crowds to be rented, ranging from N3,000-8,000 per head. The higher the amounts the candidates can afford to pay, the larger the crowds that will be in attendance. Political parties and candidates try to outdo each other with the size of the crowds at their rallies. Candidates who are unwilling to rent crowds or give gifts at rallies attract very little following.

In addition to monetary compensation, it is common to see the crowd at rallies with t-shirts, wrappers, bags of rice, salt, groundnut oil, sugar and other foodstuffs. As expressed by an MP, 'the process of logistics for campaign is very capital intensive. Good numbers of cars have to be lined up and the crowd at the campaign grounds has to be huge, though some of them are not even committed members of the party or supporters of the candidate in question. The sheer numbers of people that attend the rallies gives an impression of seriousness of the candidate. So people hire crowds, including students'. In recognition of this, civil society organisations that were focused on promoting issue-based politics launched an anti-vote-buying campaign with the slogan 'collect their money but vote your conscience'. This is not to say that there have not been instances of candidates who successfully conducted issue-based campaigns without throwing money around or renting crowds, but they are not the norm.

### **Culture of free money**

The culture of 'free money' built over time by political leaders is a major driver of electoral cost. Free money is made available to youths, particularly during election periods, for doing nothing other than being political followers, praise singers and thugs. Outside election periods, the youths maintain access to free money by demanding 'settlement' from companies and individuals implementing projects. These demands are usually granted to placate the youths and ensure work was not disrupted. Most of the youths have lived on free money for years without any form of education or skills that could provide alternative sources of income. For this class of youths, election periods are a good time to make money. Wherever political parties and candidates go to campaign, provisions are made to settle the area boys, as they are called, for hitch-free campaign and party activities.

To tackle this challenge, two MPs from the Niger Delta region, where the phenomenon of free money is prevalent, recently organised training in solar electronics installation and repairs, hair dressing, and smart phone repairs for the youths. The motivation for this is that the youths will become less dependent on free money, thereby reducing dependency on the MPs and ultimately this will contribute to a reduction in the cost of politics.

### **Lack of volunteerism**

The volunteer culture is still not very popular in Nigeria, at least not with political parties. Party and candidate campaign team members are fully compensated for their work. Individuals and groups lobby to be part of campaign teams of high-profile parties and candidates for ancillary benefits and not as uncompensated volunteers. The higher the position candidates are vying for, the higher the cost involved in mobilising local campaign teams. Compensated campaign team members constitute a major cost of entry into politics as they must be paid, accommodated, fed and transported throughout the duration of the campaign, and beyond.

## Formal and informal demands on elected MPs

Demands from constituents are regular occurrences which MPs must deal with. Constituents recognise MPs as their representatives at the federal level and believe their responsibilities, direct or indirect, include dealing with their concerns, including personal ones. Officially, the MPs are expected to maintain constituency offices for which provisions are made by federal government. They are expected to go to 'know your constituency' meetings and to gather the input of constituents on bills, as well as identify pressing needs to be considered for constituency projects that are funded and directly implemented by the federal government. However, demands are regularly made on MPs by constituents, requesting support for and contributions to community development efforts. To meet these demands, MPs draw from their personal incomes.

Regardless of the input of the MPs into constituency development, in terms of the provision of infrastructure, the personal needs of the constituents, as well as those of the elders, are usually required to be met. The MP has to 'settle' in order to continue to be in the good books of the constituents whose demands include but are not limited to: school fees, medical bills, employment opportunities and holy pilgrimage trips. The situation is compounded by privileged constituents who also demand to be serviced financially. Such leaders can easily withdraw their support if not 'treated well'.

According to one MP, 'only very few of the phone calls received on a daily basis are not personal demands-driven. The demands are always there and will continue to be there, because Nigerians see politicians as very rich people with lots of money to spare. Moreover, emphasis has been shifting from physical infrastructural development to a new concept of stomach infrastructure.' As such the MPs are motivated to make as much money as possible to take care of the demands from the constituents. The situation puts undue pressure on the MPs and encourages corruption. The inability of serving MPs to 'settle' godfathers and VIPs in the constituency as much as expected usually leads to counter votes from the constituents during re-election bids, and possible replacement by a fresh and more ambitious candidate who is most willing to meet the demands of the constituents. This has caused a situation of rapid turnover in both houses. Of the 360 members of the federal House of Representatives, only 85 (23.61%) incumbents were returned in 2015 and only 33 Senators (30.28%) retained their seats. A respondent held that 'right now the rate of turnover is becoming a concern because it is not just about non-performance in terms of bills or motions but more about how much money parliamentarians are able to give the leaders per time'.

MPs are also often required to make donations to political parties. Ahead of the 2015 elections, while the APC requested donations from elected party members, including MPs, for the election of President Muhammadu Buhari, PDP made the same requests for the re-election bid of former President Goodluck Jonathan. According to Professor Moses Aluaigba, the 'inclusion of state governors and federal and state MPs as donors to the parties' campaign funds questions the compliance of the party with the Electoral Act 2010, as well as, the 1999 Constitution that forbids elected public office holders from making donations to political parties.<sup>15</sup>

## III. Outlook

From available data, the cost of politics shows an upward trend. From interacting with older politicians the impression given was that the cost of politics used to be very economical in the First Republic, because Nigerians were more concerned about the programmes, plans and credibility of political parties and candidates, for the citizens and the country. This has changed. Electorates are now more concerned with personal benefits than the credibility of politicians. Given these circumstances, money plays a greater role than the message or details of programmes candidates run their campaigns with. The more money a party and its candidate are able to mobilise, the more effective the campaign, and the increased likelihood of being elected.

Officially, the amounts required for candidates to signify interests in contesting elections has also drastically increased. Candidates contesting to be president on the platform of the PDP in the 2007 general elections were each required to pay N10,000 for an expression of interest form, and N5 million for a nomination form. The same year, a candidate for the House of Representatives paid N10,000 for an expression of interest

form and N500,000 for a nomination form. However, for the 2015 general elections, presidential candidates were required to pay N2 million for an expression of interest form and N20 million for a nomination form. Candidates for the House of Representatives are now required to pay N500,000 for an expression of interest form and N2 million for a nomination form. This comparison of what it cost to obtain the PDP nomination forms in 2007 and 2015 reflects the growing trend in costs of politics.

But in the 2011 and 2015 elections there was sharp increase in the cost of running presidential campaigns by both the ruling and opposition parties. The total traceable campaign spending of the PDP and opposition parties in 2011 almost doubled in 2015. The total traceable expenses of the PDP were a little over N5 billion in 2011, and those of three opposition parties (ACN, APGA and CPC) combined was just above N2 billion. However, in 2015, the total traceable amount expended by the PDP increased to almost N9 billion: 777.4% of the N1 billion total election limit for presidential candidates. The APC expended almost N3 billion in the same year; an increase of N1 billion on 2011 outlays and 192% more than the election limit for presidential candidates.

Year in view	Opposition	PDP
2011	N2,041,075,906	N5,015,614,851
2015	N2,915,846,737	N8,749,685,296
% increase in media expenses in 2015:	42.86%	74.45%
Well above N1billion total legal spending for presidential candidates by:	191.58%	774.97%

This upward trending of the cost of politics was acknowledged by INEC when it reviewed the legal limits of election expenses. The amounts specified in the Electoral Act (2006) were doubled in the Electoral Act (2010). Nonetheless, the current limits are totally unrealistic going by the actual expenses incurred by political parties that contested the 2015 general elections.

Stakeholders, including INEC, CSOs, and donor agencies have been working closely to bring public attention to the importance of restraining the use of money in politics. These collaborative efforts yielded fruit and led to a series of reviews and improvements in legal provisions guiding party finance in Nigeria. Ahead of the 2003, 2007 and 2011 general elections, the reviews led to the enactment of the Electoral Act (2002), (2006) and (2010). Legal provisions guiding the use of money in elections are firmer and more solid than before, though there is still room for improvement. Unlike in the past, candidates now have reporting obligations with the design of new rules making it possible for financial reports to be audited, and under oath.

Trainings were conducted to build the knowledge and capacity of INEC and political party officials, as well as civil society organisations, on issues surrounding party finance. CSJ, through the support of donor agencies, trained and equipped partners to monitor the use of money during the 2011 and 2015 general elections, as well as at stand-alone gubernatorial elections. This effort successfully generated data on some election expenses of political parties, which will be useful for future works on the topic. The availability, in the public domain, of the reports on monitoring and tracking of the level of compliance by parties and candidates has contributed to an improving body of knowledge on the topic. More awareness is being created and facts established about the real situation with money and politics in Nigeria. This reality creates bases for future robust actions that could encourage critical interventions which may lead to greater compliance.

Unfortunately, these have not led to a reversal in the disposition of political parties and candidates to use money illegally for elections. As noted earlier, both the APC and PDP contravened these legal provisions during the 2015 elections. No single individual has been prosecuted to date. INEC is saddled with the responsibility to sanction offenders; however, the Commission has not displayed the political will to take up this responsibility. In addition to the lack of will is the Commission's lack of capacity to follow through



with monitoring, investigating and prosecuting offenders. Nigeria has 30 registered political parties, which conduct primaries for elective positions at all levels in 36 states. Though INEC also has presence in all the states of Nigeria, it is doubtful that the Commission has enough human resource to effectively monitor infringements and still be focused on election activities. The current situation is not expected to change until both the political will and ability to enforce legal provisions are established.

#### **IV. Summary**

- Campaign finance regulations have continued to improve in Nigeria since its transition to democratic governance in 1999. However, there has been a lack of political will and capacity on the part of INEC to enforce legal provisions.
- CSOs and donor agencies have partnered successfully to advance the campaign to effectively regulate the use of money in elections. However, there are wider gaps to be covered and opportunities for greater collaboration.
- There is growing CSO capacity to monitor and track campaign finance. However, the tracking mechanisms may not be cost effective, if personnel have to be constantly deployed to campaign rallies and other party activities, while at the same time tracking radio and television for party campaigns.
- The focus has always been on top candidates vying for top executive positions such as the president at the federal and governorship at the state level, to the exclusion of other elective positions, including the federal parliament.
- The cost of parliamentary politics has continued to soar due to public and private demands on MPs by constituents, party officials, as well as godfathers. MPs expend several millions above the legal limits of the Electoral Act (2010) which puts most of them under financial pressure to repay loans or recoup funds expended during elections. Unfortunately, stakeholders pay little or no attention to the spiralling cost of parliamentary politics, leaving the institution susceptible to the dangers of the high cost of politics, corruption, ineffectiveness and easy manipulation.
- The rate of turnover at the parliament, because of the unregulated use of money in politics, is very high and does not help the building and retention of institutional memories for effective legislation.
- The quality of the oversight function is affected due to the strain on parliamentarians resulting from the cost incurred financially. Moreover, citizen participation is hindered by the high cost of parliamentary politics. The very best among the citizens are unable to gain entry to participate; access is gained only by those who can afford the cost of participation, who may not necessarily be the best candidates.
- Gender representation at the parliament is in deficit due to increasing cost of parliamentary politics.
- Limits set for campaign expenses in the Electoral Act (2010) are unrealistic and have to be reviewed for objective monitoring and transparent party and campaign finance.

#### **Recommendations**

The following are hereby recommended as possible actions to address the findings of this report:

1. High level post-election assessment, advocacy and multi-stakeholder engagement to objectively identify constraints to the enforcement of regulatory provisions by INEC. This will also help identify realistic and doable measures to build capacity and political will for enforcement.
2. Build capacities of more vibrant CSOs to multiply the numbers of knowledgeable practitioners in party and campaign finance. The empowered CSOs can grow to become a vibrant campaign network promoting campaign finance issues and regulation enforcement.

3. Capacity building and experience sharing workshops to identify practical cost-effective mechanisms for monitoring and tracking compliance with political finance regulations.
4. Media practitioners and owners must be engaged as stakeholders in the process and sensitised to the importance of political and campaign finance issues and monitoring. The media must also be equipped to take up responsibility for monitoring and tracking campaign finance.
5. Expansion of campaign finance monitoring and tracking to include members of the federal parliament. This is necessary to commence the process of addressing the growing cost of parliamentary politics.
6. Support the development of more democratic political parties, with living youth and women wings that are truly democratic and structured to build and enhance the participation of youth and women.
7. Further review of political finance regulations to reflect the current realities regarding existing loopholes, including more realistic campaign expenses limits and obligations for parties and candidates to submit bank and paper tracking as back-up for reports on election expenses.



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