




# FROM GRASSROOTS TO THE AIRWAVES

Paying for Political Parties and  
Campaigns in The Caribbean



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# FROM GRASSROOTS TO THE AIRWAVES:

## Paying for Political Parties and Campaigns in the Caribbean

OAS Inter-American Forum on Political Parties

Editors

Steven Griner  
Daniel Zovatto

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The overall objective of this study was to provide a comparative analysis of the 34 member states of the OAS, assessing not only the normative framework of political party and campaign financing, but also how legislation is actually put into practice. The specific themes addressed included Disclosure, Enforcement, Public and Private Financing, Access to the Media, and Gender. The study, to be published in three separate volumes, includes in-depth analysis of all the countries of the hemisphere.

Political leaders, academics, and civil society activists made up the team of national researchers. We believe that the diversity of these researchers provides a three-dimensional picture of political party and campaign financing, albeit at the risk of incorporating some personal opinion. Every effort has been made to provide a balanced, yet nuanced, view of this topic. Given the fluidity of political party reform in the region, some information may already be out of date upon publication of this report, an inherent hazard in a complex project such as this.

Numerous Caribbean experts contributed their time, expertise and knowledge of political parties in the Caribbean. First and foremost, we would like to thank Professor Selwyn Ryan of the University of the West Indies and Mr. Doug Payne for drafting the thematic chapters of this report. Professor Clyde Wilcox of Georgetown University reviewed each national report and thematic chapter and provided invaluable insights for this study.

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# Disclosure and Enforcement of Political Party and Campaign Financing in the CARICOM States

*Selwyn Ryan*

## I. Introduction

Elections in CARICOM States are privately funded. The system thus tends to favour established parties and incumbents with existing state control and/or established support amongst local and expatriate business communities. Caps on spending by candidates are absent or extremely low and are rarely respected. There is no ceiling on the funding parties can raise or spend and, with few exceptions, donors are not obliged to declare what they give, nor are parties obliged to declare what they receive. Most donors insist on confidentiality, in part because they fear that disclosure would invite victimization or charges of partiality.

Elections now cost a great deal. Most of the expenditure is on television, radio and newspaper advertisements; transportation to rallies; food and drink; and gifts or cash for voters. Funds are channelled to parties or individual candidates in cash donations or in kind. Many firms contribute to all legitimate parties, but have their preferred candidates or party. In recent years, financing has become more concentrated, a few individuals and firms contributing a disproportionate share of campaign funds.

Public attention has focussed on the issue of party financing in the last five years in some countries, but thus far there has been no sustained public demand for reform. Everywhere in the Caribbean, there is majority opposition to the public funding of political parties, largely because of the mistrust with which voters view politicians and parties and their unwillingness to burden the Treasury with the cost of maintaining them, whether during election campaigns or throughout the year.



## II. Disclosure, Accountability, and Enforcement

In countries where the law requires it, candidates, their agents, or parties file expenditure reports, which are published in the media. Little attention, however, is paid to these reports since most agree they do not reflect the realities of electoral spending. In general, in Caribbean States:

- Most campaign and day-to-day funding goes to the dominant parties. The fact that some of these parties are ethnically based and the prevalence of the first-past-the-post (FPTP) electoral system make it difficult for third parties to attract electoral support and concomitant funding. However, the example of the Trinidad and Tobago elections of 1986, which were won by a new coalition, suggests that where newer parties are capable of generating electoral support, funding is achievable. In Suriname and Guyana, the fact that elections are fought on the basis of proportional representation (PR) enables small parties to obtain more funding than is available in states operating a FPTP system.
- Election costs have increased significantly, especially in the last ten years. Everywhere in the region, elections have become more closely fought and campaigning methods increasingly “high-tech”. This has highlighted the political importance of financial resources and that of wealthy donors, both on-shore and offshore; it has tended to marginalise reform-oriented parties.
- Incumbents have a decided advantage in election campaigns because they have privileged access to financing in kind from firms in the state sector and those that depend on state contracts to ensure viability or increase profitability.
- There are no laws limiting institutional propaganda by the state or government during elections. As noted in chapter two of this report, however, the media are free and open to all parties able to pay for publicity.
- Disclosure levels are extremely low, often merely formal, and reports filed are widely disregarded. Demands for reform are often heard during and just after election campaigns, but are not sustained. Such monitoring as is done by civil society groups is cosmetic and intermittent. So far as can be determined, there has never been a case of a candidate or party being charged with an election funding offence and made to pay a penalty.
- Support for public financing of elections whether in pure or hybrid form is generally weak. Voters are sceptical about giving precious public resources to parties seen as insufficiently scrupulous and transparent; most doubt the regulatory or judicial capacity of the state to ensure accountability and enforce penalties for violations.

### III. An examination of the CARICOM countries

With the exception of Haiti and Suriname, CARICOM states are all Anglophone and continuing members of the British Commonwealth. Most electoral systems are based on the Westminster FPTP model. Largely due to their shared British political inheritance, campaign finance regimes in Anglophone CARICOM countries are broadly similar. The legal arrangements governing elections and election financing focus more on the activities of individual candidates than those of parties, which, in many states, lack definition as legal entities. They are codified in Representation of the People's Acts or Ordinances (RPA/RPO), which state how much candidates and their election agents are authorised to spend during an election, what they must disclose at the end of the process, and the penalties for infringements.

The country-by-country analysis that follows gives, in each case, a brief account of the party political framework, existing regulation of political financing, salient features of the current system of political financing, and impetus for change.

#### *Antigua and Barbuda*

Antigua became self-governing in 1967 and an independent state in 1981. Its population of 73,000 is mainly of African descent. Antigua's politics since 1967 have been largely dominated by the Antigua Labour Party. The ALP was defeated in 1971 by the Progressive Labour Movement, a break-away faction of the ALP. The ALP regained power in 1976 and held it until 2004 when it was ousted by the United Progressive Party. The comprehensive UPP victory (12-4) may have ended the ALP's political dominance.

There is no limit on the total amount that a party or a candidate is permitted to spend. There is also no provision for the public funding of parties, either directly or indirectly. There have been persistent allegations that money is a significant factor in electoral victory. The Commonwealth Observer Group to the General Elections in Antigua and Barbuda (1999) commented:

We understand that there are no regulations governing the limits on the amount that could be spent on campaigning by parties at either the constituency or national levels (sic), nor any method for ensuring the transparency or probity of political donations. We heard many allegations that the governing party had at its disposal considerable resources due to the active support of the foreign investors. We observed lavish spending by both parties on sophisticated campaign materials and events, which made the disparities in the resources available between the candidates all the more marked.<sup>1</sup>

The COG also noted accusations that, among other things, the governing party made use during the 1999 general elections of government funds to repair roads previously neglected; to embark on construction projects at election time, so as to provide jobs for supporters and would-be supporters; to waive import duties on cars and other equipment; and to sell government lands to young people at specially low prices. The government's response to the accusations was that "the timing of these initiatives was coincidental".

<sup>1</sup> The Commonwealth Observer Group to the General Elections in Antigua and Barbuda, Report of 9 March 1999.

To prevent possible future abuses, and in response to recommendations made by the COG, the Parliament in 2001 passed an amended Representation of the People Act that called for disclosure of contributions exceeding EC\$ 25,000 (US\$ 9,260), a prohibition of anonymous contributions exceeding EC\$ 5,000 (US\$ 1,850), authorised audits by the Elections Commission and sanctions for non-compliance.<sup>2</sup>

The revised Act stipulates that no political party shall accept monetary or other contributions exceeding five thousand dollars “unless it can identify the source of the money or other contribution to the Commission”. It is unclear whether the EC \$5,000 limit on anonymous contributions will apply to individuals or families and whether it is enforceable where political parties maintain offshore bank accounts. A sanction of EC \$2,000 (US\$740) a day pales in comparison to the potential amount of money raised in violation of the legislation and may not provide ample deterrence. Further, there is no indication as to what would trigger the sanction, or the time from which the offender would be liable to begin paying fines. It remains to be seen whether the legislation will be enforceable. Questions arising include: “will the Elections Commission have the capacity, in terms of staff and expertise, to trace funds and ensure that proper accounts are kept?” and “in the absence of judicial interpretation, who will decide what constitutes ‘any other forms of contribution’ in the Act?” The provision, though welcome, has only scratched the surface of a deep-rooted issue.

No one possesses reliable figures for election spending by either the governing party or the opposition party, nor by individuals. According to an election report published by the Center for Strategic and International Studies (CSIS), Prime Minister Bird estimated that “the ALP was able to spend about US\$ 2 million on the campaign”. The CSIS report noted opposition estimates of ALP expenditure of US\$10 million, to finance a high-tech final rally and the mass distribution of imported hams, turkeys, and other give-aways. Even if one accepts Bird’s figure, this would mean that the ALP spent about \$30 per capita in its 1999 campaign. By comparison, in the 1996 US presidential election each party spent US\$ 60 million, or a little more than \$4 per capita.<sup>3</sup>

No one has proven that electoral contributions are derived from illegal activities, asset laundering, corruption, or drug trafficking, but many allege widespread corruption. In particular, these critics note the findings of the McIntyre Commission of Inquiry into the Medical Benefits Scheme that reveal manipulation by senior civil servants in the course of general elections in Antigua and Barbuda.<sup>4</sup>

## *The Bahamas*

The largely ethnically homogenous population of the Commonwealth of the Bahamas is around 276,000, stretched over several islands. It achieved independence in 1973, under the leadership of the Progressive Liberal Party, which governed from 1967 to 1992, when

<sup>2</sup> Antigua and Barbuda Official Gazette, Report of the Commonwealth Team, 6 May 1999. The list included five basic points: 1) every political party shall keep an account book into which shall be recorded monetary and in-kind contributions and donor name and information; 2) no political party shall accept contributions exceeding five thousand dollars unless it can identify the source; 3) every political party procuring the election of a candidate shall file a report of the contributions made by individuals and entities; 4) Every political party shall grant access to examine the records; and 5) the Commission shall impose a penalty of two thousand dollars a day for failing to comply with this section.

<sup>3</sup> Centre for Strategic and International Studies, “Elections in Antigua and Barbuda”, vol. X, no. 4.

<sup>4</sup> McIntyre Commission of Inquiry into the Medical Benefits Scheme.

it was ousted by the Free National Movement. The FNM was dislodged in 2002. The Bahamas is in effect a two-party state, as no other party has won a seat in Parliament since independence.

The principal piece of legislation governing general elections in The Bahamas is the Parliamentary Elections Act of 1992. This act contains no provisions covering campaign contributions and no other act authorises public funds for campaigns or political parties. The Parliamentary Act does prohibit “corrupt practices, bribery at elections, treating and exercise of undue influence with regard to voters’ preferences”. While not specifically covering elections, the Public Disclosure Act of 1977 ostensibly entails a modicum of disclosure and accountability regarding access to the media for candidates of the Lower House and the Senate and other non-elected public officials. The enforcement of these laws has been characterised as “problematic”, as there have been no recorded cases of prosecutions.

The financing of political campaigns in The Bahamas is considered an entirely private affair between party candidates and their contributors. No information or data exists to indicate that the practice of soliciting and receiving contributions affects the result of the elections. However, it may be surmised that, as in other countries of the Caribbean, although money does not ensure victory, lack of money will almost always ensure defeat. The demographic dispersion of The Bahamas makes elections particularly expensive, according to party leaders. The chairmen of the principal political parties in The Bahamas, the Progressive Liberal Party and the Free National Movement, estimate that campaign expenses in the general election of May 2002 totalled B\$ 5million (US\$ 5million) for each party. An example of some campaign costings provided by these party chairmen included rallies with professional musicians, fireworks and lighting whose total cost could exceed B\$ 60,000 (US\$ 60,000). Each party held approximately six such rallies during the last campaign period.

There is no reliable evidence to indicate that contributions to political parties come from illicit sources or activities, but those interviewed did not rule out this possibility.

## *Barbados*

Barbados gained full independence on November 30, 1966 under the leadership of the Democratic Labour Party (DLP). Like other Caribbean nations, its population of 278,000 is largely of African decent. Politically Barbados has been a stable parliamentary democracy with the Barbados Labour Party (BLP) and the DLP alternating in government since independence.

There are no substantive regulations on political party financing in Barbados. However, under the Parliament (Administration) Act 1989 (CAP. 10), parliament provides an annual subvention of BDS 300,000 (US\$ 148515), which is shared among the political parties that have a parliamentary presence. In addition, each constituency is entitled to an office and a stipend of BD \$750 (US\$ 370) as well as the provision of a constituency assistant accorded to each MP under Section 10 of the Parliamentary (Administration) Act.

Interviews with senior executive officials of the opposition DLP and the ruling BLP reveal contrasting fortunes and levels of capacity to attract party financing. However, neither representative of the two parties interviewed was willing to provide quantitative details regarding specific sources of finance outside that provided through parliament.



DLP officials disclosed that its major sources of funding include:

- The collection of party membership dues and donations, which constitute approximately five percent of total dues (the collection process being “rather inefficient”).
- Donations from various representatives of corporate Barbados and well-wishers. Such corporate donations are mostly forthcoming only during election periods.
- Corporate sponsors may pay for services on behalf of the political party, but this is also an infrequent luxury.
- The party also raises funding via commercial endeavors, predominantly through fundraising ventures at the party’s headquarters.

Discussions with a senior member of the BLP executive revealed the many financial advantages that may accrue to a ruling party with a large parliamentary presence. This is the case since, apart from monies granted to the party by parliament, a party is also able to obtain revenue from the tax-deductible contributions of MPs. Furthermore, Ministers of Government, most notably the Prime Minister are most capable of attracting funding. Such contributions are augmented by the comparatively greater corporate donations that are disbursed to the ruling party.

Funds allocated to the political parties by parliament are used predominantly to cover basic, day-to-day expenses such as the issuing of wages to party officials and clerical staff and payment of utilities expenses and general maintenance of party headquarters.

Campaign financing is largely unregulated and amounts and sources are generally shrouded in secrecy. The BLP cites its election party finances as having been largely obtained from “party well-wishers”, and monies raised by its MPS. Both BLP and DLP cited advertising as their single largest campaign cost, absorbing up 60-70 percent of party resources. No figure was given for the cost of an adequate election campaign, but BDS 1 million (US\$ 495050) was reported to be grossly inadequate to run a successful election campaign.

The only legal requirement of political parties relative to the election campaign is that under the Representation of the People Act CAP. 12 for election agents to make a statement of all payments made by the election agent regarding a candidate, together with all bills and receipts incurred by the candidate; the Act provides for no regulatory scrutiny and, according to the DLP senior official, while a report is sent to the Management Commission of Parliament after an election, this report is not audited. Parties frequently do not themselves maintain records of donations and prevailing habits discourage even intra-party financial disclosure.

The two main parties in their party manifestos for the May 2003 elections, as part of their Better Government disclosures, suggested that legislation be tabled regarding integrity and transparency in all forms of governance and public life. In June 2003, days after the general elections, a Joint Committee of Public Accounts was established by the Barbadian parliament whose main duty is to examine audited financial statements of government authorities. Any person found guilty of an offence is liable to a BDS 25,000 (US\$ 12375) fine or to imprisonment for a term of two years, or both. The Committee in its statute makes no remark regarding the transparency of campaign financing.

## *Belize*

Belize, with a population of 256,000, achieved its independence under the Peoples United Party (PUP), in 1981. Its most recent election, held in 2003, was won by the PUP, which took 26 of the 29 seats. The opposition United Democratic Party (UDP) won power in 1984 and 1993.

While political parties in Belize are internally well-organised there are no external or legal regulations. Political parties are not legally required to be registered entities or to adhere to any regulations. Campaign financing legislation simply does not exist.

Since 1998, campaigns have become more sophisticated and better organised, particularly general election campaigns. As a result, the cost of conducting an election, usually over a 30-day period, has spiralled. Assad Shoman, former Minister of Government, wrote recently that, where running a campaign in a constituency once cost approximately BZ\$ 50,000 (US \$25,000) and conducting a national campaign cost about BZ\$ 900,000 (US \$450,000), today constituencies easily require “hundreds of thousands of dollars each to run a campaign, and each Party spends millions of dollars nationally in the campaign.”<sup>5</sup> A representative from the opposition party confirmed Mr Shoman’s estimate. However, mounting a campaign in some constituencies costs substantially more than in others. Unfortunately, there is no way of knowing exactly how much money was spent on any given election.

Campaign contributions for both major political parties largely come from business establishments. “It is an open secret that individuals, business firms and other organisations make overt and covert contributions to political parties. However, this business of contributing to political parties is so far taboo. It cannot be discussed openly but we know it happens and in some quarters in a big way.”<sup>6</sup> The base of significant contributors is comparatively small (a few businesses and perhaps a score of private donors) and concentrated among the economic elite.

In Belize large donors make contributions to the political party, which in turn distributes that money amongst its candidates. While individual candidates may raise money independently for their own campaigns, such amounts are insignificant compared with the large donations received and distributed by the central powers within the party. In this distribution, women candidates are often slighted. The lack of financial resources available to women running for office was consistently cited as a reason why women were absent from political leadership.<sup>7</sup> There is currently one woman serving in the Legislature as an Area Representative.

The lack of legislation to regulate and monitor campaign contributions means that there are no hard data to indicate the real origin of monies used to finance campaigns in Belize. Many suspect that contributions are derived from illegal activities such as money laundering, corruption, and drug trafficking, but there is no concrete evidence to support these allegations.

No public information is available on the amounts spent by candidates, parties and other players in any election campaign. It is likewise impossible to determine the amount and relative proportion of contributions received in cash and kind. Political parties are under no legal obligation to release information on internal financial operations.

<sup>5</sup> Assad Shoman, “No Revolution, No Reform”, *Amandala* 13 July 2003, p. 13.

<sup>6</sup> I. E. Sanchez, “Our Political Contract: Amendments and Additions”, *Second Annual Studies on Belize Conference: SPEAR Reports 4* (Belize City: SPEAR, 1990), p. 67-8.

<sup>7</sup> Adele Catzim and Michael Rosberg, *Women in Politics: Seeking Opportunities for Leadership* (Belize City: National Women’s Commission, 2001), p. 69.

The issue of campaign financing, and the need for regulating legislation has received greater attention due to the political consciousness raised by the political reform process of the 1990s. The Political Reform Commission, which was comprised of representatives from both major political parties and various civil society organizations, deliberated on the issue of campaign finance reform. That deliberation reflected concerns about this issue expressed by people during the Commission's countrywide consultations. In its report the Commission noted that "campaign finance reform was a popular theme throughout the public consultations and several calls were made to the Commission to develop recommendations to regulate campaign contributions to political parties and political candidates."<sup>8</sup>

Despite this, political will has been lacking. In 1998 the PUP in its manifesto committed itself to enacting campaign-financing legislation "to ensure disclosure of financial contributions to political parties and candidates and to limit campaign expenditure."<sup>9</sup> Nevertheless, parliament has yet to pass any meaningful political party or campaign legislation. In the 2003 election, neither major political party committed itself to enacting campaign-financing legislation. The UDP did pledge to create a committee "to set and monitor standards for political campaigns to limit the influence of money in deciding the outcome of elections."<sup>10</sup> The major political parties have recognised the saliency of the issue of campaign financing with the electorate, but the status quo remains entrenched. With the high cost of running a campaign, the inability to access the media for free, the absence of public or joint financing systems, and the financial dominance of the two major parties, third parties and independent candidates have found it virtually impossible to mount credible campaigns, much less win an election or even a single seat.

## *Dominica*

Dominica, with a population of some 72,000 people, became independent in 1978. It is the least economically developed Anglophone CARICOM state. Competitive party elections first took place in 1957 when the Dominica Labour Party competed with the Peoples' National Movement. Neither party won and factional politics dominated until 1961, when the DLP won seven of the eleven seats then available. The DLP again won power in 1966 and held office until 1979, when it was replaced by the Dominica Freedom Party, which remained in power until 1995, when it gave way to the United Workers Party. Politics in Dominica has been factional and coalition arrangements are often negotiated to sustain governments when no party wins a majority of the 21 seats into which the legislature is divided.

Regulation of political parties and campaign financing is not currently practised in the Commonwealth of Dominica. No legislation exists to limit campaign expenses, require disclosure of funding sources, promote equitable visibility among candidates, increase the candidacy of women, or provide for the collection of data for policy interventions. Neither the Electoral Commission nor the Integrity in Public Office Act treats with disclosure of campaign financing and levels of expenditure. Disclosure is not a live political issue; debate on disclosure had never been initiated as part of an election campaign previous to 2000, and

<sup>8</sup> *Political Reform Commission, Final Report (Belmopan: Government Printer, January 2000)*, p. 114.

<sup>9</sup> *Manifesto of the People's United Party. Set Belize Free: Strike (Belize City: PUP, 1998)*, p. 13.

<sup>10</sup> *Manifesto of the United Democratic Party, Agenda 2003 (Belize City: UDP, 2003)*, p. 28.

did not extend beyond the campaign period. Respondents rejected the idea of public funds contributing to the viability of parties or campaigns, citing as reasons state poverty and the propensity for such a system to lead to corruption.<sup>11</sup> A government official assessed that, in a small polity like Dominica, regulations for resource distribution and prohibitions and limits on financing would present a burden on the state due to its lack of resources and capacity to ensure compliance and enforcement. The state “would be creating a minefield of abuses that would make a mockery of the policy”.

Corruption is a perennial topic for sensationalising political campaigns but not an allegation spurring any serious investigation. Illegal money is not suspected to be a source of campaign financing and the notion of legislation to monitor a party’s finances has failed to capture public interest. Such laws as exist pertain to the powers and duties of the Elections Office in effecting free and fair elections.

The system as it stands — in which no public funds are contributed to party upkeep — insulates the population from excessive opportunism: parties are not formed due to ease of access to public monies, state guarantees of resources, or any other privileges that impinge on the public purse. Each party bears its full opportunity cost. General and by-elections have always been called when constitutionally due and the phenomena of early or spot general elections have not ruffled political order in the country; surprises are few. Plans for financing the next campaign therefore begin as soon as election results are officially declared — parties being confident of their funding sources and in-kind assistance from their supporters.

Escalating costs associated with the new media dimension of campaigns<sup>12</sup> provoked a former candidate’s observation that, while money is easily spent during an election campaign, governments routinely struggle for two years thereafter to stabilise the economy. One party official, however, argued that setting limits on party financing and electoral campaigning could open up the possibility of external agents buying out an election: “A wealthy source could simply hijack a party”. Speculation about “hijack” may be associated with resource limitations for maintaining party vigour between elections. Money is simply not available for stimulating party activities such as membership drives, members’ education, branch organisation, and leadership training. Financing campaigns has become harder due to rising costs and the poor performance of the economy since the early 1990s.

The ratio of candidate expenditure to party expenditure is not direct. The party’s contribution to each candidate varies and depends on its assessment of what is required in each constituency. Additionally, individual candidates are expected to raise as much funding as they can. The aggregate total expenditure for all candidates thus exceeds the party total.

<sup>11</sup> Dr. Pat Emmanuel, *Caricom Perspective*— January-June 1992.

<sup>12</sup> All parties agree that media campaigning is now their second highest electoral expense after transportation costs. See chapter two, p.7.



### Estimated Costs of Political Financing: Dominica

Year	Units	United Workers Party	United Workers Party	Dominica Labour Party	Dominica Labour Party	Freedom Party	Freedom Party
		US\$	ECS	US\$	ECS	US\$	ECS
1990	Candidate	18,726.59	50,000	37,453.18	100,000	74,906.37	200,000
	Party	561,797.75	1,500,000	224,719.10	600,000	337,531.84	1,000,000
1995	Candidate	37,453.18	100,000	37,453.18	100,000	37,453.18	100,000
	Party	561,797.75	1,500,000	337,531.84	1,000,000	337,531.84	1,000,000
2000	Candidate	37,453.18	100,000	37,453.18	100,000	18,726.59	50,000
	Party	1,123,595.50	3,000,000	561,797.75	1,500,000	224,719.10	600,000

Compiled by Cecilia Babb from estimated costs shared by informants. The researcher did not have access to party documentation.

The Dominica Labour Party, the oldest party, has a culture of individual candidates raising most of their campaign funds while the Party takes a loan from any commercial bank to cover basic budget lines. The campaign loan is usually guaranteed more on the personal standing of the party leader than the Council and is repaid from proceeds of diverse fund-raising efforts by the party up to the time of the next election.

Media sources hold that the quantum of campaign expenditure bears little resemblance to party results at the polls. The governing party may be thought to have an advantage in having access to and control of state resources, yet parties have been voted out of office. The Dominica United Workers Party was edged out of a second term in 2000 despite mounting what is considered the most lavish election campaign ever seen in Dominica.

The culture of privacy, reinforced by the absence of requirements for public disclosure, predisposes political parties to guard their financing information against the eventuality of it being made available to other parties. This precaution goes as far as not reporting to party branches, as changes in party membership may mean that information becomes public. Party officials and known contributors in the private sector were suspicious of the attempt to quantify the cost of an election and sought to keep this information private. The media was equally cautious about divulging information as to what a particular party had spent on advertising. Without access to records for comparing sources and destination of resources it is not possible to determine campaign costs accurately or conclusively.

Party informants and donors attested that the private sector tends to support all parties, apportioning larger donations to the party assessed as most likely to win. A private sector contributor to campaign financing did not find disclosure laws desirable. He was sure that they would effectively reduce private sector donations, donors being accustomed to a culture of privacy, but judged them unlikely to affect the in-kind assistance of the British Labour Party and the International Democrats Union, to which local parties are affiliated. These organisations provide flyers, streamers, publish manifestos and other printed matter to support the campaign of their affiliates. Their contributions are publicised via display of their logos alongside that of the party they assist. Dominicans resident abroad are members of these organisations and are often the lobby and conduit for such assistance.

## *Grenada*

Grenada's population of 102,000 is ethnically homogeneous and mainly of African descent. Several parties and mini parties have appeared on the Grenadian landscape, the most significant being the Grenadian National Party, the Grenada United Labour Party, the National Democratic Congress, the New Jewel Movement, the National Democratic Party, the Maurice Bishop Patriotic Movement, the Grenada Democratic Movement, and the New National Party. Alternations have been frequent and coalitions have often been necessary to enable governments to be formed. Grenada is the one country in the Anglophone Caribbean where a government has been overthrown first by revolution and subsequently as a result of military intervention by an external power.

The present political party and campaign financing regime in Grenada is private and characterized by an absence of any regulations or restrictions on the amount parties can raise or spend for electoral purposes. No new proposals are currently contemplated. There is no government funding, direct or indirect, and political parties and candidates are expected to raise their own campaign funds, which they do both locally and internationally from groups, individuals, and the private sector. Interviews suggested that the current system was perceived to create equitable conditions for candidates to the extent that they were free in open competition to raise and spend as much funding as they wished. However, these conditions also privilege parties and individuals with wider and more affluent support bases. Some interviewees hinted that money might also influence voters' choices.

Costs associated with political and electoral activities appear to have escalated significantly during the past ten to fifteen years, but no exact figures are available. There was some speculation by respondents that contributions from illegal sources do find their way into the Grenadian electoral system. However, no firm evidence was advanced. Information is inadequate to make any definitive statement regarding the impact of the type of financing used on the party system in particular and the political system in general. Estimating the cost of an election is virtually impossible as there is no obligation for parties or candidates to disclose such information and respondents were reluctant to divulge it.

The issue of political financing has never been a subject on the agenda of the government, the Parliament, or the political parties. Research uncovered only one pronouncement dealing with the disclosure of assets prior to an election and at the completion of a term in office. Few articles address the matter and it has not generated significant public concern. There is some support for legislation or regulation to govern political party campaign financing in Grenada, but views vary from individual to individual and organization to organization. There is also support for some form of indirect government funding, with appropriate conditions set for access to such funding, limiting its extent and the purposes for which it should be used. In interviews the ideas of limitations on expenditure by political parties and candidates; access to the media for campaign purposes; and public disclosure of political financing were positively received.

## *Guyana*

The republic of Guyana is situated on the northern coast of South America. Its population of approximately 750,000 is ethnically heterogeneous. Forty-eight percent and thirty-three percent respectively are of Indian and African provenance, while twelve percent are of mixed ethnicities. The remainder is of Amerindian, European, and Chinese descent. Guyana's two main political parties are the Peoples Progressive Party (PPP), which represents the Indo-Guyanese population, and the Peoples National Congress (PNC), whose main caucus is the Afro-Guyanese population. A third small party, The United Force (TUF), represents the European, Amerindian, and some of the mixed elements. Another small party, the Working Peoples Alliance (WPA) draws most of its support from middle class intellectuals and dissident groups that have broken away from the ethnically-based mass parties.

Guyana achieved its political independence in 1966 under a coalition which, in 1964, brought together the Afro-dominated Peoples National Congress and The United Force. The PNC remained in office for twenty-eight years until 1992, when power was captured by the Indo-Caribbean dominated PPP. Given the ethnic balance, the PR electoral system, and the ethnic nature of political competition, the PPP is expected to remain in power unless power-sharing arrangements are put in place.

The laws relevant to the financing of political party campaigns are contained in Guyana's Representation of the People Act.<sup>13</sup> Article 120(1)-(5), amended in 1990, is the sole legal arrangement in place for disclosure of election expenses incurred by parties during a national election. Disclosures of donors and other sources of funding are required to be submitted by party agents on behalf of a political party to the Chief Elections Officer. These regulations are rarely if ever adhered to or enforced by the authorising officer. One possible reason could be that the legal limits on campaign financing are inadequate for current party needs. Many also attribute nonenforcement to the fact that the government electoral body is comprised of representatives of the major political players on a proportionality basis.

According to the law, elections expense returns should be submitted, accompanied by a declaration, not later than the 35<sup>th</sup> day after the declaration of the results of elections. Few participants are even aware of this requirement. Since there are no "disclosure of information" laws in Guyana and successive governments have exercised tight control over information, public access to information usually presents great difficulties.

Article 121 of the Act stipulates that the Chief Elections Officer should, as soon as possible after the receipt of each election expenses return and accompanied documents, arrange for a summary of these to be published in the official Gazette. Notice of the date, time and place of their availability for inspection by the public should also be published. For two years returns should be available for inspection, upon the payment of a small fee. Claimants have fourteen days after publication of the elections results to send their claims to candidates and/or party elections agents for outstanding campaign expenses. Yet there are no penalties for not adhering to the regulations and Section 122(1) even provides for the possibility of authorised excuses for failure to submit a return and declaration.

<sup>13</sup> Laws of Guyana, Representation of the People Act Cap 1:03, Part XIII titled "Election Expenses," Clauses 115(1)-121(2).

Since 1990, when laws pertaining to electoral expenses were revised,<sup>14</sup> parties' financial expenses have grown. Empirical evidence suggests that the limits contained in the revised 1990 elections expense laws are unrealistic given current economic realities. At the time the law was revised, the Guyana dollar was valued officially at G\$ 45:00 to US\$ 1:00. It has since been significantly devalued, trading at G\$ 200.00 to US\$ 1:00. There has been little debate about raising limits on electoral expenses to reflect this shift. The context of Guyana's low per capita GDP (approx. US\$ 800) makes exponential increases in party and electoral spending difficult to explain.

All political parties' working capital and campaign funds are raised privately. Private contributions to political parties usually take the form of monetary and other donations such as vehicles, computers, printing of manifestos and flyers, meals for campaign staff, etc. that vary in amount depending on the projected electoral fortunes of the party. In-kind donations may cover expenses such as travelling by air, river, land and paying wages of campaign workers. There are few formal restraints on the utilisation of state resources, machinery, and state-controlled print and electronic media for campaign purposes.

The major political parties do not reveal their campaign costs, but information informally provided suggests that amounts are in the region of US\$ 1-2 million with the incumbent having a considerable edge. Small parliamentary parties like GAP-WPA secured sums between US\$ 500 and US\$ 10,000 from transnational firms registered in the United States for the last national elections held in March 2001. Excessive expenditure attracts greater public attention than the source of the funds. Concern has been expressed about the vast sums expended on the electronic media campaign advertisements and on large rallies, at which thousands are entertained by popular singers, big bands, and dancers and given food and alcoholic and non-alcoholic beverages.

There is no evidence of corruption in relation to the general violation of the regulations; rather, the system does not realistically lend itself to being observed because of the structural flaws inherent in a conflict-of-interest situation. There are no incentives to adhere to the regulations. Indeed there are disincentives to do so, since such submissions could possibly be used to target and victimize party donors by the party that possesses a monopoly on state power. Such occurrences routinely take place against minority interest groups in the winner-take-all political system in force in the country.

The issue of political party and campaign financing is fleetingly addressed around the time of national elections, mainly by small political parties subject to the disadvantages the system spawns. From independence to 1992 Guyana had a history of flawed elections; reform initiatives have generally focused on ensuring free elections rather than issues surrounding political financing.

## *Haiti*

Gaining its independence in 1804, Haiti is the second oldest Republic in the Hemisphere and the world's only nation founded through a successful slave revolt. Though it was the first independent black republic, Haiti's political history is best characterized by political turmoil

<sup>14</sup> Act 24 of 1990.



and undemocratic, dictatorial regimes, notably that of Francois Duvalier ("Papa Doc") from 1957 to 1971 and that of his son Jean-Claude Duvalier ("Baby Doc") from 1971 to 1986. For 200 years, *coup d'états* have been the norm for regime change with only seven of Haiti's thirty-seven Heads of State completing their terms. In 1990, Jean Bertrand Aristide was elected president on his commitment to bring fundamental change to the Haitian poor. A military coup in 1991 forced President Aristide into exile until 1994 when a multinational force led by the US reinstated him to power. Rene Preval succeeded Aristide in 1995. Questionable elections for parliament and later for president, in which Aristide was re-elected with minimal opposition, created a political crisis that culminated with Aristide's departure from the country on February 29, 2004. According to the OAS Electoral Observation Report, there were nineteen active political parties and some thirty political organizations in late 1999. There are however more than sixty registered political parties, with new parties being formed regularly. Haiti is currently ruled by an interim government and a provisional electoral council has been installed to supervise elections expected in 2005.

Political debate in Haiti does not focus on political party financing, but instead revolves around security and the continuing national political crisis. While the Constitution mandates the creation of a Permanent Electoral Council that ostensibly would monitor the financing of political parties, circumstances have not permitted its establishment. Since 1990, three provisional electoral councils have been constituted to organise and supervise elections that were often called on an ad hoc basis outside of the timeline mandated by the Constitution. Likewise, there is no tradition of transparency regarding the utilisation of public funds. According to noted historian Leslie J. R. Péan, the State is perceived as being the private property of those who are in power and public funds are administered accordingly.<sup>15</sup>

Nevertheless, article 281 of the 1987 Constitution of Haiti establishes partial public financing for campaign expenses incurred by political parties. Only parties that obtain ten percent of the overall national vote and a minimum of five percent of votes cast in a department are eligible. The 1986 law that regulates the functioning of political parties does not establish any mechanism, instance, or proceeding for the implementation of this constitutional obligation and no party has ever requested the public financing mentioned in the Constitution.<sup>16</sup>

Article 27 of the law establishes a limit of 100,000 gourdes (US\$ 2,500) on private contributions to parties. The Ministry of the Interior and the Ministry of Defence must authorize contributions in excess of this limit, but the latter Ministry no longer exists as the armed forces were abolished in 1994. In reality, contributors often give simultaneously to many political parties and most wish to remain anonymous for fear of political retribution. Given the high concentration of wealth in the country, the number of important contributors is very limited and contributions no doubt exceed the established limit. The Tax Code of Haiti<sup>17</sup> establishes that donations to political parties are tax deductible, but no party has ever declared a single donation nor have any citizens deducted contributions from their taxable incomes. Thus, no political party leader has declared the amount of contributions received or the identity of the contributors. Moreover, no legal norm limits the expenses of political parties during electoral campaigns and no law compels parties to declare how much they spend.

<sup>15</sup> Leslie J. R. Péan, *Économie politique de Corruption de Saint Domingue à Haiti 1781-1870* (Haiti: Éditions Mémoire, 2000).

<sup>16</sup> Décret réglementant de façon rationnelle le fonctionnement des Partis Politiques.

<sup>17</sup> Articles 24.13 and 24.129.

The Electoral Law requires candidates to pay a filing fee of between 125 gourdes (US\$ 3.13) and 750 gourdes (US\$ 18.75), depending on the position being contested. If the candidate is not from a political party, the filing fee increases tenfold. Conversely, the filing fee is lowered by two thirds for women candidates representing political parties. At least thirty percent of the candidates from the political party must be women in order to receive this discount.

Candidates cover the majority of their campaign expenses. Expenses are smaller in small, rural localities where people tend to have a closer relationship to the candidates and are more likely to provide services voluntarily and where the lack of television and radio stations limits campaign expenditure to posters of the candidates and public meetings and rallies. In the large cities, campaign costs are higher. Parties print thousands of posters, purchase radio and television spots, finance small community projects (sports teams, associations and development projects) and pay (and feed) campaign workers and party pollwatchers. A particularly important campaign expense in Haiti, especially for parliamentary candidates, is transportation to mobilize voters in a country with few passable roads.

Representative Wilnet Content presented a bill in parliament to regulate the functioning of political parties. The proposal would establish a minimum of 22,000 members to create a party, instead of the current 5,000. It would require that each party pay to the General Tax Authority ten gourdes for each registered member. If the party did not participate in an election, the party registration could be revoked. If the party received more than fifteen percent of the votes, public financing would be made available.

## *Jamaica*

Jamaica, an island with a population of approximately 2.5m, achieved its independence in 1962. Its population is ethnically homogenous and its party system reflects this. Since becoming independent, Jamaica has been governed by two political parties: the Jamaica Labour Party and the Peoples National Party. The parties traditionally alternated in power after two terms, a pattern that has recently changed. The PNP returned to office in 1992 and won an unprecedented fourth term in 2002.

Jamaican's Representation of the Peoples Act requires candidates, rather than political parties, to disclose the amounts they receive or spend. Each candidate is required to account for election-related income and expenditure within six weeks of election day. There is a JS 3 million (approximately US\$ 50,000) limit on expenditure. There is no system in place, however, for inspecting or auditing candidates' returns. Expenditure limits are thus largely unenforced and disregarded. Moreover, parties do not insist that candidates obey the law. Some candidates even declare that they spent nothing, and that the party met all their expenses. Lacking juridical definition, political parties are not required to indicate funding sources or amounts spent. There are no significant requirements for distribution of resources, nor prohibitions and limits on financing. This situation contributes to a degree of inequity and unfairness of competition among parties and candidates running for office. Those with access to resources enjoy a distinct, though not necessarily decisive, electoral advantage. The financing regime facilitates undue influence by sections of the private sector, legitimate and illicit, undermines the integrity of the public procurement system, and brings the wider political system into disrepute.

There has been a significant increase in the costs associated with political and electoral activities, due mainly to a marked decline in volunteer political activism and a substantial increase in media campaign costs. There is a concentration of major donors, and recipients of significant donations are confined to the candidates and leadership of the two major parties, which have alternated in office over the past fifty years. While no one has been convicted or even charged with receiving illegal campaign contributions, many of those interviewed for this study believe that proceeds from illicit drug money find their way into election campaigns, probably through individual candidates rather than the national parties. The misappropriation of public monies for electoral purposes is not, seemingly, so widely practised as is the manipulation of public sector projects (and advertisements) for political advantage.

It is very difficult, but not impossible, to determine the cost of an election. In the absence of hard data, it is estimated that distribution in cash exceeds financing in kind. The former, in the October 2002 elections, is estimated to have cost each of the major parties approximately J\$ 360 million (more than US\$ 6 million), much of which would have been spent on media access and mass mobilisation.

### *St. Kitts and Nevis*

St. Kitts-Nevis has a population of around 50,000, mostly of African descent. There have only been two changes of government since self-government was achieved in 1957. The dominant political party in St. Vincent-Nevis was the St. Kitts-Nevis Labour Party (SKNLP), which governed between 1957 and 1980, when it was defeated by a coalition of the People's Action Movement (PAM) and the Nevis Reformation Party. The SKNLP returned to power in 1995 and has since held power. The St. Kitts-Nevis electorate is divided into eleven constituencies, eight on the island of St. Kitts and three in Nevis.

In 1995, the Commonwealth Observer Group praised the colourful and good-natured style of political campaigning in the country, but noted in its report "that in respect of the campaign there are no provisions in the law which limit financial expenditure by political parties."<sup>18</sup> The lack of provision in the matter of campaign finance stems from the fact that the existing legislation dates back as far as 1983, at which time there was no public pressure for restraints on campaign financing. The law has not been updated or amended since.

Since there is no legislative requirement for disclosure of contributions, it is impossible to quantify the amount received by the parties. The governing party has an inherent advantage over the opposition parties, since the government authorities hold the levers of power. In addition to contributions, parties receive help from distinguished visiting platform speakers from fellow Caribbean countries, Canada, or Britain. Political parties in Canada and Great Britain have provided technical assistance to parties in St. Kitts.

Because there is no legislative provision for disclosure, neither the governing party nor the Opposition publicises the nature and extent of contributions received before, during or after elections. Campaign financing in St. Kitts and Nevis is shrouded in secrecy. This is as true at a general election as it is at the Island Elections for the Nevis Administration or for a

<sup>18</sup> The Report of the Commonwealth Observer Group. General Elections in St. Kitts and Nevis, July 3, 1995, p.12.

Referendum being held in Nevis concerning secession. It would therefore be a matter of speculation and sheer guesswork to try to assess the identity of contributors; whether contribution is in cash or in kind; the quantum of such contribution; or the total cost of an election.

Interviews in St. Kitts and Nevis suggested that the issue of election financing has a low profile with party members and contributors. There continues to be little community pressure for electoral reform, including provision for campaign finance constraints. Members of the public and electoral officials acknowledge that no amount of legislation will prevent finance in cash reaching both Government and Opposition Parties and their candidates. The political leader of the PAM however has been requesting electoral reform, even though the existing legislation was promulgated while his party was in office. While there does not appear to be any objection by the Government to political party or campaign-financing reform, the issue does not have high priority.

### *St. Lucia*

The island of St. Lucia, independent since 1979, has a population of approximately 152,500. Like the other states of the Eastern Caribbean, its population is ethnically homogeneous and mainly of African descent. Party politics were established in 1951, when the St. Lucia Labour Party came to power. There have since been three changes of government. In 1964 the United Workers Party captured power. The SLP regained power in 1979, ceding again to the UWP in 1982. The UWP remained in office until 1997, when it was again defeated by the SLP, which was re-elected in 2002. As elsewhere in the Caribbean, Guyana and Suriname excepted, elections are on a FPTP basis.

St. Lucia has no tradition of public funding for political candidates or political parties, nor is there any specific legislation governing the use and sourcing of political money for general party purposes or for electioneering. The only subvention by the state is connected to parliamentarians/constituency representatives, who receive an equal amount of money from the state to maintain constituency branches, a practice instituted by the St. Lucia Labour Party. Until 2003, party financing in St. Lucia practically lacked any legal control by the state. There are no prohibitions on financial contributions, whether by foreign governments, agents of governments, private individuals, or the corporate community. There are no constraints on political candidates and agents of political parties in raising and spending political money except insofar as the 1999 Money Laundering (Prevention) Acts provide some scope for the authorities to seek the cooperation of financial institutions in monitoring and detecting possible attempts to launder monies.<sup>19</sup>

The only piece of legislature relating to the need for politicians to disclose is the Integrity in Public Life Act of 2002. The Act itself does not make reference to politicians, but under Part III requires a person in public life,<sup>20</sup> including all elected and non-elected members of parliament, to file a declaration of income, assets, and liabilities at the end of every financial

<sup>19</sup> See the Money Laundering (Prevention) Act, 1999. Government of St. Lucia.

<sup>20</sup> See Integrity in Public Life Act of 2002, First Schedule (section 2) for a definition and identification of who constitutes "a person in public life".



year with the Independent Integrity Commission (the Commission is not subject to the control or direction of any person or authority).<sup>21</sup>

For the purpose of general elections both political parties organize a finance committee that is charged with the sole responsibility of raising funds explicitly for the election process. Such funds are generally kept separate from party funds. While these finance committees are partly drawn from the executive branch of the parties, and are generally kept separate from the political leader of the party, the leader is normally kept abreast of financial matters including fundraising activities, contributions, and donors, and can potentially play an important role in, for example, advising the finance committee on the desirability of accepting questionable funds.

An important element in party financing in St. Lucia is the level of party membership. Traditionally, party members contribute to the financing of the party's day-to-day operations as well as to the election campaign. However, both parties remain relatively weak; neither has well-established branches and official party membership is no higher than 2000 members. In the case of the United Workers Party, party members are expected to pay a monthly nominal fee of EC\$ 1.00 (US\$ 0.37), while the monthly contribution to the SLP is EC\$ 5.00 (US\$ 1.85). Even if contributions are paid, the sums raised cannot realistically be expected to meet the day-to-day cost of the party or an election campaign. Public office holders also contribute financially to the party's central office. The SLP receives monthly contributions from all party parliamentarians in the two-house legislature: thus all elected SLP members of the parliament as well as government-appointed senators contribute between EC\$ 150.00 - EC\$ 250.00 (US\$ 55 to US\$ 93) to the financing of the party.

However, domestic private sector sources, including offshore firms such as Corporate St. Lucia, and private individuals are the principal source of political party income. Both political parties admit that they are the beneficiaries of large sums of money from the business community in St. Lucia and that the extent of the financing depends to a large extent on the health of the economy and the perception by companies and individuals of the electoral chances of the party. Funds available to opposition political parties are generally limited, as businessmen are somewhat fearful of victimization. Many contributions are anonymous, known primarily to the finance committees of the party, and not reported to its general membership. Nonetheless, there are several individuals who are routinely acknowledged publicly and privately by social and political commentators as well as party officials. These individuals are also perceived by the general public as having tremendous political and economic influence in the country.

International agencies are also customary sources of party funds. In particular, the Westminster Foundation for Democracy provides small funding to both political parties, primarily for capacity-building purposes including training, some technical assistance, and political polls prior to elections. In addition, the United Workers Party (UWP) has source funds from the International Democrat Union, a European organization to which the party is affiliated through the Caribbean Democratic Union, an umbrella organization of right-of-centre political parties in the region. The IDU, through the CDU, provides assistance in the form of seminars for politicians and party workers on adequate preparation for campaigning.

<sup>21</sup> Integrity in Public Life, Part II, provision 8, Saint Lucia No. 4 of 2002.

These involve exchanges of information on campaign technology, fund-raising techniques, opinion polling, advertising, and campaign arrangements.

Neither party support, donor contributions, nor candidates' personal finance suffices to meet the growing expenses of mounting an effective election campaign. Both political parties admit that, given the high cost of election campaigns in particular, candidates have either mortgaged personal property or borrowed from financial institutions. It is customary for members of political parties and candidates to receive donations from private individuals, including from illicit sources, that may not be accounted for in estimated election costs. However the official position of the political parties is that drug money is not acceptable to the party, although they acknowledge that, like foreign financial support, this matter is difficult to control.<sup>22</sup>

While some deny that the size of the election war chest determines the result, the evidence strongly suggests that a party's capacity to raise funds is an important variable affecting its electoral success. This inevitably affects the ability of newer political parties to mount an effective campaign.

There is a growing tendency to de-emphasize the nightly community meeting in favour of door-to-door canvassing, advertising, television campaigning (especially the political broadcast), recruitment of North American and regional public relations firms to assist in electioneering, and huge rallies that require tremendous logistical execution, particularly in transporting large numbers of people across the island. Traditional forms of electioneering, including public election meetings and poster campaigns also remain important, particularly in rural areas. Political parties routinely depend on contributions in kind in the form of the provision of vehicles for transporting party supporters to central locations. Parties and rallies constitute an estimated twenty percent of total expenses, while media advertising accounts for between thirty and thirty-five percent.

Actual election costs are incalculable. Given the tendency for election funding to be directly channeled to candidates and to include the personal contributions made by candidates themselves, party expenditure does not reflect actual campaign costs. While some political parties claim that the 2001 elections cost their party under EC\$ 2,000,000 (US\$ 740,740), this is a very conservative estimate.

The rising cost of managing and staging an election means that candidates who had largely relied on their own resources, are now increasingly turning to their party for financial assistance. The Prime Minister regards this as an unhappy trend. Largely for this reason, some politicians are considering the desirability of some form of direct state sponsorship of the political parties. The SLP has considered the introduction of legislation to govern campaign financing, although this has not been seriously discussed at a high level.

Interviews uncovered little evidence of political will to undertake reform with respect to the financing of political parties. Neither political party is averse to some form of regulation; however, the issue is not high on party agendas, nor has it received much media attention. Political elites in St. Lucia, while recognizing the need for greater transparency, point to a number of problems that may hinder the effectiveness and desirability of disclosure laws:

<sup>22</sup> In 1997, the St. Lucia Labour Party, for instance, issued a clear statement of principle prohibiting the acceptance of monies from drug dealers.

1. The small size of the country, which may lead to victimization of donors
2. Donors' reluctance to have their names published
3. Antiquated methods of collecting political monies in St. Lucia, whether intra-party funds or from non-party contributors
4. Difficulty in regulating, given the manner in which funds are received and multiple recipients
5. The level of dependency and patronage in the community
6. The largely uncoordinated approach (in spite of finance committees) and therefore uncoordinated expenditure of the political parties and candidates.

### *St. Vincent and the Grenadines*

St. Vincent and the Grenadines has a population of approximately 112,400 persons, mainly of African descent. Party politics was established in 1954, when the Peoples' Political Party came to power. The PPP held power until 1967 when it was ousted by the St. Vincent Labour Party, which held power — with a two year interregnum — until 1984. It ceded to the National Democratic Party, which held office until 2002, when it was replaced by the Unity Labour Party. The electorate in St. Vincent and the Grenadines is divided into thirteen constituencies.

Two legal instruments govern the election of candidates to the House of Assembly in St. Vincent and the Grenadines. One is the Constitution, the United Kingdom S.I. 1979, No. 916; the other is the Representation of the People Act, 1982. Neither makes provision for the formation and functioning of political parties: both set out clear regulations stating the qualification for the election of candidates to the House of Assembly in the case of the Constitution, and, in the case of the RPA, the rules governing the conduct of elections. As is the case in many Caribbean countries, political parties in St. Vincent and the Grenadines are not legal entities. Thus, they are not legally bound to disclose their funding sources. In response to questions about funding, parties from time to time have found it morally or politically expedient to provide a limited accounting. There is, however, no legal requirement or systematised process for doing so.

A few years ago, measures were introduced to allow each party in parliament to receive a monthly subvention from the Consolidated Fund. Aside from this, parties depend on contributions received from business owners and other individuals and contributions from members. Confidentiality is guarded with the highest priority at the highest level of the party rank. There are no limits upon campaign contribution at the candidate or party level.

Campaigning for elections is a very costly exercise in St. Vincent and the Grenadines and the cost continues to skyrocket. Candidates and their parties are finding the prospects daunting. Most believe that the greater the amount of money available to a party and its candidate, the better their chance of winning the elections.

During the current Constitutional Review exercise, some have suggested that a revised constitution should include provisions to have political parties disclose and account for all monies they receive and spend.

## *Suriname*

Suriname, with a population of some 405,000 inhabitants, achieved its independence in 1975. Suriname has an unusually large number of political parties: there are some 40 of them on the register. The main parties are the National Democratic Party, the Democratic Party, the Reform Program Party, the Party for Revival and Democracy, the Democratic Alternative, the Social Democratic Party, the Vooruitstrevende Hervormings Partij and the Kaum Tani Persatuan Indonesia. Combinations of parties are usually formed to contest elections.

Unlike in the Anglophone Caribbean, there exists in Suriname a decree which seeks to regulate campaign financing. Enacted in 1987, the decree provides that “the governing board and in particular the Treasurer and the auditing committee should publish each year a report or balance of revenues and expenditures of the political organizations in the *Advertentieblad van de Republiek Suriname* (*Gazette of the Republic of Suriname*)” and in at least one of the Surinamese dailies. Political parties are also obliged to record this rule in their statutes.

An examination of the statements filed by political parties, especially those that entered the elections of 1996 and that of 2000, revealed that, other than in election years, political parties do not normally adhere to this disclosure obligation. For instance, during the general elections of 1996 only two parties disclosed accounts for the previous years. The parties that did not disclose were not disbarred from participating in the 1996 elections. All opposition parties in the election of 2000 disclosed their accounts. Only one of the parties that belonged to the defending government disclosed its accounts. Those parties that did not publish financial statements were not debarred from registering and participating in the elections of 2000.

One or two months before elections are held, political parties publish figures on their revenues and expenditures, although the figures disclosed are highly aggregated and provide little detail on individual contributors and the nature of the expenditures. Furthermore, political parties in Suriname do not continuously keep their books up to date. To “play catch-up” before a particular election, political parties might publish figures for four or five consecutive years in one public announcement.

One of the major reasons for the failure to comply with the spirit if not the letter of the law is the absence of any controlling mechanism or entity to which annual reports of political parties should be submitted. Likewise, there is no sanction to act as a deterrent.

## *Trinidad and Tobago*

Trinidad and Tobago is a small parliamentary republic, which gained its independence from the United Kingdom in 1962. It has a population of some 1.3 million and an electorate of some 800,000 voters who have gone to the polls on ten occasions since independence was achieved. The year 1956 witnessed the introduction of disciplined party politics with the formation of the Peoples National Movement. There have been four electoral turnovers since independence.

Most of the laws and regulations for the financing of elections in Trinidad and Tobago are contained in the Representation of the Peoples Ordinance (RPO) which was enacted in 1961. The rules have subsequently been modified; the latest amendment was made in 2000,

but changes were minor and related mainly to the amount of money that candidates or their agents were allowed to spend. The rules dictate that candidates or their agents are legally allowed to spend only TT\$ 50,000 (approx. US\$ 8,000).<sup>23</sup>

Candidates or their agents can receive gifts and other contributions for the conduct and management of elections up to a statutory limit of TT \$5,000 (US\$ 800) for general elections. Candidates are also allowed personal expenses, not exceeding TT\$ 5,000, incurred in connection with the elections. The Ordinance prohibits the incurring of expenses through the promotion and advertisement of the candidate by persons other than the candidate, the election agent, or persons authorised by the election agent. The rules, further, require that financial claims against a candidate or his agent must be submitted within 21 days after the election result is declared, and must be paid within 35 days. Candidates or their agents must also transmit to the Chief Elections Officer a statement of all payments made, together with bills and receipts, within 21 days after the day on which the results of the election are declared.

The returns and declarations are retained by the chief officer and are open to public inspection, on payment of a fee, for a period of two years. The penalties for failure to comply or for knowingly making a false declaration are severe, though not in monetary terms. Failure to file is deemed an “illegal practice” which is punishable by a fine of TT\$ 1,5000 (US\$ 250) and imprisonment for six months. The penalty for knowingly making a false declaration, which is deemed a “corrupt practice”, is punishable by the same fine and imprisonment.

Most agree that these caps bear little relation to what candidates or parties actually spend. When the rules were first enacted, independent candidates were still the norm and party politics not yet entrenched. While there was always a plethora of parties in Trinidad and Tobago, these were small and chiefly comprised the personal followings of one or two notables. The birth of the PNM brought into being other political formations which sought to match it organisationally. By 1996, independent candidates were the exception and parties the rule. The Representation of the People’s Ordinance, however, has not been altered to recognise the existence of parties, and spending and contribution limits for them do not exist.<sup>24</sup>

In the immediate post-independence era, parties in Trinidad received financial and other kinds of support from party membership dues, union contributions, and donations from minority group merchant trading elites who were seeking to establish themselves as invisible power brokers controlling party leaders. Party supporters also did a great deal of house-to-house campaign work on a voluntary basis. As in many other countries of the Caribbean, the island-circling motorcade or the whistle-stop railway tour were essential features of the old style “rum, roti and sardine” campaigns.<sup>25</sup>

Today, political campaigns in Trinidad and Tobago are capital-intensive and market-oriented. Funds are needed to pay media elites, PR experts, spin doctors, and pollsters, many of whom are imported from the US and the UK at high costs. Campaigning is largely

<sup>23</sup> *The particular provision of the RPO reads as follows: “No sum shall be paid and no expenses shall be incurred by a candidate at an election or by his election agent on account of or in respect of the conduct or management of an election in excess of the amount of fifty thousand (TT \$50,000.00) dollars in the case of a Parliamentary Election or twenty-five thousand (TT\$25,000.00) in the case of a Municipal Council or Regional council Election.”*

<sup>24</sup> Michael Pinto-Duschinsky makes the valid point that spending limits on candidates make sense in first-past-the-post elections but not in elections where candidates are elected as part of a list. Under the list system, voting is for parties and not candidates. Political Financing in the Commonwealth, Commonwealth Secretariat, 2001.

<sup>25</sup> Selwyn Ryan, *Race and Nationalism in Trinidad and Tobago*, (Toronto: University of Toronto Press, 1972).



an “air war”, fought via the media, especially newspapers, radio and television. While “ground wars” are still fought by a political infantry, that infantry is now largely a mercenary rather than a volunteer army. Many underclass voters also expect to be, and are, paid to cast their ballots. Many will not turn out to meetings or vote unless they are given a T-shirt. Party officials estimate that candidates each spend approximately TT\$ 100,000 (US\$ 16,000) instead of the TT\$ 50,000 (US\$ 8,000) that is allowed and that parties together spend approximately TT\$ 25 million (US \$4 million).

There are several ways in which funds are secured and channelled to political parties and candidates in Trinidad and Tobago.

- Social fundraisers are organised by candidates or party groups. These take the form of dinners, parties, or some other type of social activity. These build loyalty as they raise money, but the amounts earned are not substantial.
- In election years, major businesses routinely budget and allocate sums of money to all significant political parties. Much of the giving is justified as prudential practice. One wants access to whichever party wins.<sup>26</sup> The evidence indicates that the party in government is generally given more than the opposition.
- Businesses usually have their preferred parties, candidates, or political elites, and privilege one group more than the other, though many family-owned businesses split their support between major parties. Businesses are also known to adopt or sponsor particular candidates.
- Transfers may be effected in cash, by cheque, or as payment for services, such as advertising, transport, T-shirts, food or some other commodity. Indirect funding is tax deductible. Provisions in kind also allow some of the expenses to stay within the firm or the business group.
- State or state-owned corporations and statutory bodies normally provide jobs, services (advertising, transport, food, muscle) rather than cash donations to the governing party or designated individuals or firms.<sup>27</sup>
- “Community leaders” who control inner city spaces (garrisons) and other quasi-urban constituencies provide muscle and “ballot fodder” for candidates and parties, which in turn allocate lucrative contracts to manage unemployment relief or other social programmes that have the potential to mobilise voters. The state in effect thus indirectly pays for the election campaign of the ruling party.
- Some parties insist that corporate donations be made directly to the party and insist on giving receipts and deposit slips to donors. Many businesses or individuals, however, make donations directly to the party leader or his nominee or “bagman” and no attempt is made to formalise the transaction or insist on accountability. In both parties, the party treasurer receives only a fraction of the money donated during an election campaign.

<sup>26</sup> The President of the Chamber of Commerce (Trinidad) opined that “not everybody who puts money into a party is looking for favours. It’s part of the process. How else will the parties put ads in the papers and get their message across? Most contributors don’t have improper motives.” (Trinidad Guardian, October 7, 2002).

<sup>27</sup> Following the 2002 Trinidad elections, the Attorney General balked at paying a bill of US\$ 90,000 to an advertising firm for the production of documentary material and an ad campaign entitled “Let the People Decide”. The Attorney General described the actions of her UNC predecessor as an “abuse of power and a misuse of state funds” (Newsday, October 31, 2002). Both parties, however, use state resources to fund election activities.

This was confirmed by the former Treasurer of the Trinidad United National Congress (UNC).<sup>28</sup>

The Political Leader of the PNM also indicated his concern about the fact that many persons solicit money in the name of the party, and that the funds are not used for the purposes for which they were given.

- Party leaders also make fundraising trips to cities in the USA, Canada, the United Kingdom and parts of the region where there are significant diaspora groups. Much of the funding raised is never accounted for. Expenses incurred for hotels and travel are said to be high and thus reduce the net benefit available for exercise.
- Substantial donations are allegedly made to political parties and candidates from illicit sources. It is difficult, however, to quantify the magnitude of financing provided by these sources.

In an attempt to deal with the problem of political “gifts” to public officials, the Parliament of Trinidad and Tobago enacted Integrity Legislation in 1987 and in 2000, which required public officials to declare their assets to an Integrity Commission. Failure to do so or the making of a false declaration was made punishable by a fine of TT\$ 25,000 (US\$ 4,000) or two years in prison. The legislation was amended in 2000 to widen the net to include the spouses and children (under eighteen) of public officials, including all ministers and parliamentarians and to increase the penalties for infringements to TT\$ 250,000 (US\$ 40,000) and ten years in prison.

The legislation also contains a Code of Conduct which enjoins parliamentarians and other public officials to refrain from giving preferential treatment to any group or individual (cronyism) and from using office to advance their family’s personal or financial interest (nepotism). If found guilty, the official is merely reported to the regulatory Commission that superintends his activities (e.g. the Public or Judicial Services Commissions). While this is anti-corruption legislation and not legislation governing campaign finance, it is intended to approach problems associated with political financing from another direction.

<sup>28</sup> According to the former treasurer, “the only money I had to work with during that campaign (2000) was TT\$4m and TT\$200,000 I raised.... Persons were opening private accounts with the party’s money and were using it at their whim and fancy” (Trinidad Mirror, November 1, 2002).

## Political Party and Campaign Financing in the Caribbean

Country	Disclosure	By Party	By Candidate	Contribution Limits	Spending Limits	Public Funding	Media Limits
Antigua and Barbuda	Yes, not enforced	No	Yes	No, anonymous contributions	No	No	No
Bahamas	No	No	No	No	No	No	No
Barbados	Yes	No	Yes	No	Yes, limited to candidates	Yes	Partially on TV and Radio
Belize	No	No	No	No	No	No	No
Dominica	No	No	No	No	No	No	No
Grenada	No	No	No	No	No	No	No
Guyana	Yes, not enforced	No	Yes	No	Yes, not enforced	No	No
Haiti	No	No	No	Yes, not enforced	No	No	No
Jamaica	Yes, not enforced	No	Yes	No	Yes, not enforced	No	No
St. Kitts and Nevis	No	No	No	No	No	No*	No
St. Lucia	No	No	No	No	No	No	No
St. Vincent and the Grenadines	No	No	No	No	No	No	No
Suriname	Yes	No	Yes	No	No	No	No
Trinidad and Tobago	Yes	No	Yes	No	Yes, limited to candidates, not enforced	No	No

\* There is no public funding other than that parties are allowed to bring in vehicles and some other election related materials without paying customs duties.

## IV. Spending Limits and Public Funding

The Carter Center based Council of former Presidents and Prime Ministers of the Americas has come out unequivocally in support of public funding of political parties and election campaigns in the hemisphere. As the Council declared:

Mixed funding systems with a substantial public component are recommended. Public funds should be provided as a substitute for or a complement to private donations at all phases of the political process. Public funding for ongoing party activities and campaigns should be allocated by a mix of proportional rules and flat subsidies to all parties that meet reasonable thresholds. Large donations should be limited; small donations that the average citizen can afford should be encouraged, perhaps by offering tax credits.<sup>29</sup>

Public funding of election campaigns cannot, however, be meaningfully discussed without reference to spending limits. These, in turn, raise questions that illustrate key points of contention in the debate on the merits of stricter regulation of political financing in CARICOM states.

Those who argue for spending limits argue that the current system of minimal regulation and enforcement potentially undermines the democratic process, rendering it vulnerable to abuse by powerful and entrenched interests. Limits would prevent the wealthy from dominating and unfairly determining electoral and policy outcomes. In this view, limits should be imposed upon political contributions from, for example, interest and advocacy groups; major companies; and wealthy individual investors. Additionally, in the interests of transparency, groups or individuals whose expenditure exceeds a certain amount should be required to disclose their contributions.

Those opposed to limits argue that they themselves constitute an infringement of democratic freedoms. Democracy requires freedom of information and informed choice. It means that individuals should be free to act either unilaterally or to pool their resources to bring their views and concerns to the attention of the electorate. If they are restricted in any way in their freedom to do so, the electoral process may not be properly free and fair. They would prefer that no limits be imposed on what parties, candidates, or third parties spend.

These contradictory positions were recently debated in the context of a Canadian Supreme Court ruling. The Court, in a six-to-three decision, adjudged that limits on what third parties might spend “preclude the voices of the wealthy from dominating the political discourse thereby allowing more voices to be heard”. Speaking for the minority, the Chief Justice argued that the consequence of the ruling would be that the voices of citizen interest groups would be virtually muffled because “the only space left in the marketplace of ideas is for political parties and their candidates”. The majority, however, countered that this situation need not result, as third party spending limits apply only to election campaigns, and interest groups are otherwise free to spend as much as they wish.<sup>30</sup>

<sup>29</sup> *Financing Democracy in the Americas: Political Parties, Campaigns, and Elections*. The Carter Center. August 2003, pp. 59-60.

<sup>30</sup> See *National Post*, Wednesday May 19, 2004. Also the *Toronto Star* May 18, 2004.

The theoretical debate about spending limits raises further, practical questions. Should limits apply to parties, candidates, and third parties or only to parties and candidates? If limits are imposed only on what parties or candidates spend, is it not likely that parties and candidates will circumvent the limits imposed on them by speaking and acting through third parties, as Political Action Groups have done in the United States? If limits are placed upon what third parties can spend, is it not possible that citizen groups wishing to intervene to combat the influence of major parties or their candidates, or in favour of small parties, could be constrained in what they do by the limits, especially if these are too low? In sum, could limits not inadvertently contrive to preserve power in the hands of incumbents?

Other questions also arise. If limits are imposed, should they be applied only after election day is officially set, or all year round? What would obtain in jurisdictions where election dates are fixed constitutionally or where campaigning is a year round activity?

These questions are not easy to answer satisfactorily; there exists no system that all parties and the electorate trust unequivocally. They illustrate the complex issues surrounding campaign finance reform and indicate that such reform cannot be seriously and properly undertaken unless in the context of a wider constitutional reform exercise. This holds whether elections are privately or publicly financed or where hybrid systems are in place.

## V. Two Caribbean Proposals for Reform of Political Financing and Introduction of Public Funding

While widespread concern has been expressed about the consequences of the present formulae for party funding, few serious proposals for change have as yet been forthcoming. Only in Jamaica and in Trinidad and Tobago has the issue been put on the agenda.

In Trinidad and Tobago, a signature campaign was launched in 2002 by a civil society grouping calling itself the Constitutional Reform Forum, which has, as one of the five items in its “Citizens’ Agenda for Constitutional Reform Report”, a far-reaching proposal for campaign finance reform. The proposal calls for increased disclosure requirements for contributions to parties that exceed TTS 500 (US \$80); a prohibition on foreign contributions (except from Trinidadians living abroad); and independent audits of party books. Unique among other proposals in the Caribbean, the Citizens’ Agenda also calls for public financing of parties, to increase equity and transparency, and for significant contributors to be prohibited from receiving state contracts or ministerial positions with the power to award such contracts.<sup>31</sup>

In 2001, the Government of Trinidad and Tobago, through its Attorney General, convened the Law Reform Commission that prepared a *Preliminary Report on Political Parties and the Law (2001)*. The Commission recommended:

- (1) That a system of registration of political parties be adopted in principle;
- (2) That there be consultation with national stakeholders, including the Elections and Boundaries Commission and the Trinidad and Tobago League of Concerned Citizens, to determine the criteria for registration, the statutory limitations on election

<sup>31</sup> Constitutional Reform Forum. *Citizens’ Agenda for Constitutional Report, Trinidad and Tobago, 2001*.



- expenditure, and the obligations on political parties to disclose their accounts and submit their returns for public inspection;
- (3) That the Canadian model be considered as a prototype for Trinidad and Tobago;
  - (4) That the United Kingdom Registration of Political Parties Act be considered, with respect to the prohibition on broadcasting by a party which is not registered under the Act.

The report was circulated to members of parliament for comment, but none was forthcoming.

In Jamaica, independent Senator Trevor Munroe introduced a motion in the Upper House in May 2002 calling for the appointment of a national commission to consider regulation and funding of political parties. The Senate unanimously adopted a resolution calling on the government to set up a broad-based national commission to hold public hearings, examine and make recommendations on “appropriate legislation, including provisions for regulating and publicly funding political parties and election campaigns”. The government affirmed its intention to do so in January 2003, but to date no action has been taken. Both in the Senate debate and in the media discussion surrounding the issue, a consensus emerged on the need for some regime for the regulation of political parties and campaigns. Indications were that the debate, when it does develop, will focus on questions related to the extent of the regulation of parties; the degree of disclosure; the sources of campaign contributions; the forms and basis of public funding; the institutional framework for receiving and auditing party accounts; the possible extent of limits on campaign expenditure; and mechanisms for the enforcement of sanctions.

In November 2003, a bi-partisan committee was established to consider the desirability and feasibility of introducing public financing. The initiative came from the political leader of the Jamaica Labour Party, Mr. Edward Seaga, who expressed concerns about the role of “tainted money” not only in national and local elections, but also in intra-party elections. Seaga indicated that he was moving to embrace state funding to prevent the political process from being overwhelmed by money from tainted sources.<sup>32</sup> He suggested that state funding was not a perfect solution, but might be a way of nipping in the bud an emergent problem.

Another initiative with respect to public financing, not of elections but of activity undertaken by MPs, was suggested by the Parliamentary Salaries Committee in its report of November 12, 2003. The PSC recommended, *inter alia*, that emoluments for parliamentarians should be considered as having three separate components: parliamentary compensation, parliamentary expense reimbursements, and constituency expenses. The PSC also recommended that the state should provide a constituency office for all MPs, and that the allowances payable to MPs for the operation of such an office should be increased. Further, it recommended that MPs should be obliged to declare publicly their major assets and all their sources of income and benefits.

<sup>32</sup> *Jamaica Observer*, November 14, 2003.

## VI. Conclusions

Proposals for public funding of campaigns, whether in pure or hybrid form, have encountered lukewarm responses wherever they have been seriously debated in the Anglophone Caribbean. The majority, who oppose public funding, are concerned about the state using scarce resources, which they believe should be devoted to relieving poverty and meeting other basic needs, to fund political parties, especially those regarded as ethically challenged. They also argue that Caribbean states do not have the technical and administrative capacity to audit and regulate the use of such funds, which, they fear, would in practice be employed for questionable activities and personal gain. It is also feared that ruling parties would capture and manipulate these regulatory bodies and make them their milch cows. This anxiety runs particularly deep in political cultures where trust, transparency, and law enforcement are not the norm, and where elites exploit the state and treat its rules with impunity.

Questions also arise regarding the technical operation of systems intended to regulate political financing. What will be the penalty for infringement or non-compliance with the rules of public financing? Will errant candidates and/or parties be decertified or required to forfeit seats in the legislature, pay fines, forfeit funding, or the right to stand in future elections? Will violators be imprisoned? Who will identify violators? Does one depend on rival parties to lodge complaints or on whistle blowers? What if parties conspire to defraud the system by not laying complaints against one another? Then, too, who will bear the costs of litigation?

There are also issues concerning the timeliness of disclosures and whether funds should be allocated in advance of elections, or whether only part should be given up-front, with the rest paid on submission of agreed expenses after elections are concluded. If funds are given prior to elections, might it not encourage the proliferation of political entrepreneurs who regard entry into the political ring as a business venture that has few risks? If expenses are reimbursed, might this penalize those who cannot raise up-front political venture capital? Might it also penalize those who do not have name or brand recognition?

Those who oppose public funding typically believe that it would not meet its declared democratic goals, and that it would increase, rather than decrease, the total funds spent. It would also likely increase the funds that are not officially reported since parties would still, seeking comparative advantage — especially in close contests — solicit extra funding. The arrangement might also serve to fragment parties or to bureaucratize them excessively. There is a danger that lawyers and political practitioners remain forever one step ahead of attempts to regulate their operations and that campaign financing reform becomes a perpetual exercise. Opponents of change may also dispute the imputation that money determines electoral and policy outcomes in the Caribbean. In many Caribbean states, there has been a history of regular party turnovers, suggesting that money is not all that matters.<sup>33</sup> It is also the case that many constituencies are not electorally competitive, and barring a major electoral swing, no amount of money or media exposure would change outcomes. (Money might, however,

<sup>33</sup> *The recent election outcome in Antigua probably illustrates the point. While big money backed the then ruling Antigua Labour Party, there was a shift of some of the funding which previously went to the ALP to the Opposition United Progressive Party. It is also the consensus that radio was far more effective than TV in the election campaign.*

talk loudly in swing or competitive constituencies, especially those in which face-to-face canvassing is problematic).<sup>34</sup> Many of the questions surrounding reform remain unanswerable. Does greater access to television privilege parties that enjoy such access? Does money flow to candidates seen as likely to win or does it cause candidates to win? More importantly, can campaign finance reform by itself change anything without reform being enacted in other critical areas?

Proponents of reform insist that, these difficulties notwithstanding, Caribbean states must review their laws in respect of the operations of party and campaign finance. As we have seen, there are few laws that recognize parties or regulate or limit the manner in which, and the extent to which they are funded by either the private or public sector. Such rules as exist are outdated in important respects: they fail to recognize that parties are now as important, and often more important, recipients of political financing than candidates; and low limits on candidates' spending bear no relation to the modern reality of what is spent and how much is required to contest an election, particularly in competitive constituencies. Disclosure and enforcement regimes are cosmetic and ritualistic, honoured more in the breach than in the observance. The agencies to which candidates and parties are required to report are passive and somnolent and generally lack the capacity or the will to monitor such returns as are filed and challenge claims where they seem implausible. As the Carter Centre appropriately advises, "there must be assurances of timely justice and an end to impunity in abuses of political financing. The enforcement of political financing laws and regulations requires the existence of independent oversight authorities and an effective system of sanctions to end impunity".<sup>35</sup>

Although demand for public funding is not strong in the Anglophone Caribbean, pressure is building within civil society for reform of the campaign finance regime. While there is no single formula for political financing of campaigns that will solve the problems that now beset election campaigns in the region, it may well be that an OAS or a CARICOM initiative, possibly involving the provision of model legislation that regulates media policy, what donors are allowed to do, how much parties are allowed to spend, what they must disclose and to whom, and what meaningful penalties would be imposed for non-disclosure, might serve to stimulate debate throughout the region, which would in turn empower and enable watchdog groups in civil society or elements belonging to minority parties to place reform firmly on the political agenda.

<sup>34</sup> Michael Pinto-Duschinsky has argued that "the evidence seems to point to the conclusion that old-fashioned, face-to-face politicking costs more than the new mass marketing, media heavy approach". Whether this is so or not depends on the nature of the constituency, both in terms of its size and its demographic and geographical character. See Michael Pinto-Duschinsky, *Financial Democracy in the Americas* (Atlanta: The Carter Centre, 2003), p. 26.

<sup>35</sup> *Ibid.* p. 59.