

Need for Implementing Control on Political Parties Funding

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In today's world most of the countries are ruled by governments elected by the citizens of that country. These representatives belong to the registered political parties supervised by various regulatory bodies.

Political parties are back bone of democratic system and they are supposed to ensure that elected members stick to a their centralized policy communicated to the citizens during the election times. Political Parties therefore, overlook the implementation of various policies and procedures necessary in sound operations of the country. Political corruption disrupts the system and eventually the corrupt practices trickle down to every level of the society.

Political corruption is the manipulation of political institutions and rules and regulations. Laws and regulations are systematically abused, side stepped, ignored or tailored to fit their needs, by those who control political parties

The degenerative effects of political corruption cannot be counteracted by an administrative approach alone. Endemic political corruption calls for radical political reforms.

In developed countries the problem is more of incidental or occasional nature, which can be controlled by improving checks and balances or bringing time to time necessary reforms.

In the third world countries the situation is different. Political parties are usually established to ensure the rule of law and democratic state, and are expected to function

correctly, establish transparency in state affairs and act responsibly. However, these cannot exist and operate without funding therefore, democracy cannot exist without funding of political parties. For their survival political parties look towards various sources to fund their operations. Funding of political parties equals to funding the democracy. Lack of checks and balances, laws and regulations in the third world countries expose the political parties to the funding sources working for their own benefits. Sometimes these funding sources have relations with countries which may have political interests in manipulating the democracies of the third world countries in general or a specific country in particular. Funding in this case means the funding of democracy. Such funding is used to influence the political parties, candidates to election, politicians as state or government leaders, parliamentarians, local elected officials and leaders and responsible persons of local and central authorities.

Political corruption includes position abuses, theft or public resources, fund embezzlement, unlawful use of public goods, lobbyism, active and passive corruption, protectionism and illicit enrichment.

Without proper controls the funding of political parties can be used for abuse of public means or administrative resources, theft or embezzlement of public resources, offering of personal donations in order to advance on hierarchical steps of the party, purchase of seats on lists of the candidate party in elections, funding from sources prohibited by law, anonymous or secret, funding from illegal sources of criminal provenance; funding in exchange of facility attainment from politicians, abuse of public mass-media

resources, use of donations for attainment of political benefits, attainment of funds through extortion, intimidation, blackmailing, purchase of elector's votes, use of information on funding in order to clean the slate with donors of political opposition.

Political funding therefore should be closely monitored as its misuse directly effects the progress of any country. The funding system of political parties and their election campaigns reflect their capacity to appoint in public elective positions conscientious and honest persons and prevent political corruption.

In order to achieve a fair system of political funding in third world countries, the governments should ensure to introduce public funding of political parties and election campaigns, limiting donations to political parties, limiting election campaign expenditure, the transparency of funding sources, monitoring of political funding, established rules/norms to be clear and concrete, ensuring abidance and application of norms in practice (implementation mechanisms, responsibilities and sanctions).

In Pakistan, The Political Parties Order, 2002 section 6 mentions as follows:

- (2) The contribution made by members or supporters of any party shall be duly recorded by the political parties.
- (3) Any contribution made, directly or indirectly, by any foreign government, multi-national or domestically incorporated public or private company, firm, trade or professional association shall be prohibited and the parties may accept contributions and donations only from individuals.

- (4) Any contribution or donation which is prohibited under this Order shall be confiscated in favor of the State in the manner as may be prescribed.

Section 13 explains:

- (1) Every political party shall, in such manner and in such form as may be prescribed or specified by the Chief Election Commissioner, submit to the Election Commission, within sixty days from the close of each financial year, a consolidated statement of accounts of the party audited by a Chartered Accountant containing: -
 - (a) annual income and expenses;
 - (b) sources of its funds; and
 - (c) assets and liabilities.
- (2) The statement referred to in clause (1), shall be accompanied by a certificate signed by the party leader stating that: -
 - (a) no funds from any source prohibited under this Order were received by the party; and
 - (b) the statement contains an accurate financial position of the party.

Although a system exists to monitor the flow of funds to and from the political parties the effective implementation of it yet to be seen. We are a third world country struggling to decrease the corruption in the country. Without proper implementation of the effective monitoring of political parties funding it is almost impossible to decrease corruption in the country. Political parties keep on resisting the controls over political funding. The Election Commission should come up with a system of conducting forensic audits of all the major political parties using the latest technologies to ensure the legitimate sources of political funding and their proper utilization.