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Ghana Center for
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Understanding How Dirty Money Fuels Campaign Financing in Ghana

An Exploratory Study

Disclaimer

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Executive Summary

Since the inception of the Fourth Republic on January 7th, 1993, the role of money in Ghanaian politics has grown exponentially. In 2018, the Westminster Foundation for Democracy (WFD) and the Ghana Centre for Democratic Development (CDD) reported an estimated 59% increase in the cost of running for office as a member of parliament from 2012 to 2016¹.

The present cost of running for parliament in Ghana, as estimated by this study is GHC 4million (\$693,000²). GHC 2million of that sum is spent nurturing the constituency of interest and running for primaries and the other GHC 2million is calculated to be expended during the general election campaign.

Moreover, it is estimated that to have a viable shot at the presidency running on the ticket of either the National Democratic Congress (NDC) or the New Patriotic Party (NPP), a candidate needs to raise and spend about GHC 575million (\$100m). The rising cost of politics in Ghana was found to be linked to both demand-driven and supply-side corruption.

The high cost of politics in Ghana has led to the upsurge of dirty money within campaign funding. The study identified nine financiers of political parties and candidate campaigns, who were engaged in criminality, which included activities of Serious and Organised Crime (SOC). These activities included illegal mining/galamsey, illegal oil distribution (bunkering), fraudulent business, procurement infractions and its associated kickbacks from the award of contracts.

The seepage of unregulated money into politics in Ghana has been facilitated by the present campaign financing regime, which is characterised by a lack of transparency and ineffective regulatory oversight. Dirty money in politics can undermine Ghana's democracy, good governance, and the rule of law; it has further consequences for economic and social development.

There are also noticeable gender dynamics to campaign financing in Ghana, as women are uniquely impacted by the high cost of politics. Campaign financing is largely the preserve of men. This study affirms the exclusionary impact of the high cost of politics on women.

As this study was exploratory in nature, it was limited in scope to four out of the 16 regions in Ghana. To overcome limitations to the study, further research is needed. A scaled-up study across all the 16 regions/provinces of Ghana needs to be conducted and the cost of running for President itemised.

The placement of dirty money into political campaign funding is very blurred and opaque as expected. Providers of such funding and the recipients benefiting from it, are vested in not being linked to these money sources. The level and sophistication with which funds are concealed, layered, and placed in the formal economy makes it notoriously challenging to conduct investigations focused on suspected money trails. It is thus important to note that the identification of funding to relevant actors, within this report may not be of an evidential standard. This report will indicate whether the examples provided, and the observations arising from them are either, key informant statements, inference, anecdotal or open source / research products. The report paints a picture that is based on all the facts that were available to the researchers at the time of writing this report and asserts that dirty money is a significant contributor to current day political campaigning in Ghana. The report provides a compelling case to reasonably conclude that, there is a nexus between campaign finance and organised crime in Ghana.

The report summarises that, reforming Ghana's campaign financing regime is crucial to improving the integrity and quality of the State political structure and democratic consolidation by:

- Reducing the monetisation of elections,
- Reducing the incidence of vote buying and general political corruption and tackling the underlying structure of pervasive corruption in Ghana.

¹ Westminster Foundation for Democracy; CDD-GHANA, 'The Cost of Politics in Ghana', 45.3/4 (2018), 75 <<https://doi.org/10.2307/25304411>>.

² <https://www1.oanda.com/currency/converter/>, exchange rate used @ 20.05.2021.

Introduction

The influence of dirty money in politics is a worldwide phenomenon across both the developing and developed world. Recent years have seen a growing penetration of criminally derived and illicit funds into politics³. This report has given consideration to the differences between opportunistic local criminal actors, and serious and organised crime (SOC), in order to identify and, where able, differentiate between them to assess the presence and influence of SOC within the Ghanaian political structure and through individual campaign funding. Therefore, in using the term 'dirty money' it is to include funds which are sourced from either illicit, illegal, or criminal activity. If the nature of the criminality meets the SOC⁴ definition we will highlight this.

The absence of an effective campaign financing regime provides opportunities for ill-intentioned donors, local criminals, and organised crime actors to gain influence over elected officials by financially supporting their campaigns. This not only undermines democracy, good governance, and the rule of law, but also has negative consequences for economic and social development.

According to a 2018 report by the Westminster Foundation for Democracy (WFD) and the Ghana Centre for Democratic Development (CDD-Ghana)⁵, the cost of running for office as a Member of Parliament (MP) increased by 59% between 2012 and 2016. It cost an average GHC 389,803 (\$85,000) in 2016 to secure nomination in a party primary and compete for the parliamentary elections. This is the equivalent of a two-year salary of an MP in 2018. A significant finding of the report was that to secure funding, candidates rely on multiple sources of funding including personal finances, support of family and friends, campaign financiers, and even borrowing money from the bank to finance this expensive activity. The outcome of this inordinate rise in cost is that a successful candidate starts their position in office, financially indebted.

There is also a concern that campaign candidates who do not have access to such legitimate sources of funding, consequently, have to consider whether to accept financial support from illicit sources - i.e., donations which are viewed nefariously as investments by otherwise legitimate sources, or funds which are derived from criminality. Examples of this may be inferred from the following incidents:

- In 2005, the New Patriotic Party (NPP) MP for Nkoronza North was arrested by United States of America (USA) law enforcement agencies for trafficking in heroin and was sentenced to 120 months in jail at a Brooklyn court.
- In September 2009, John Hardy, Counsel for UK's Serious Fraud Office (SFO) told the Southwark Crown Court in London that five politicians of the governing NDC administration including MP and Roads Minister Dr. Ato Quarshie took bribes in the award of a contract to British firm - Mabey and Johnson⁶.
- More recently, Special Prosecutor Martin Alamisi Amidu identified John Dramani Mahama, former President and presidential candidate of the NDC in the 2020 election as "Government Official 1" who was alleged to have received bribes to influence a decision by the Government of Ghana (GoG) in the purchase of three C-295 aircrafts from Airbus for the Ghana Armed Forces.⁷ Mahama has since denied being Government Official 1 or allegedly taking bribes in the purchase of the three aircrafts for the Ghana Armed Forces.
- Furthermore, in April 2020, the U.S. Securities and Exchange Commission (SEC) charged Mr. Asante K. Berko, Managing Director of the Tema Oil Refinery (TOR) for allegedly arranging the payment of USD 2.5 million in bribes to Ghanaian government officials and MPs between 2015 and 2016 to facilitate the approval of a contract

³ David Kupferschmidt, 'Illicit Political Finance and State Capture', *International IDEA*, August, 2009 <http://www.idea.int/resources/analysis/upload/IDEA_Inlaga_low.pdf>.

⁴ The UK defines serious and organised crime as individuals planning, coordinating and committing serious offences, whether individually, in groups and/or as part of transnational networks. The main categories of serious offences covered by the term are child sexual exploitation and abuse; illegal drugs; illegal firearms; fraud; money laundering and other economic crime; bribery and corruption; organised immigration crime; modern slavery and human trafficking; cyber-crime.

⁵ See The Cost of Politics in Ghana, 2018. Visit www.wfd.org to read more about the cost of politics in Ghana.

⁶ Dr. Ato Quarshie (former roads minister) received £55,000; Saddique Boniface (minister of works) £25,500; Amadu Seidu (former deputy roads minister) £10,000; Edward Lord-Attivor (chairman inter-city transport corp) £10,000 and Dr George Sepah-Yankey (health minister) £15,000

⁷ See the [Full Report: Office of the Special Prosecutor Report on Agyapa Royalties Transaction](#) available at [Full Report: Office of the Special Prosecutor Report on Agyapa Royalties Transaction | Office of the Special Prosecutor \(osp-ghgov.org\)](#)

for a client⁸. Barely one week after the SEC charge became public, Berko resigned his position and has since denied the allegation⁹.

While the above examples provide no direct evidence that proceeds from the drug trafficking and kickbacks have been used to fund political campaigns, it is reasonable to suggest that because the persons involved in such prohibited activities are politically exposed persons (PEPs), an inference can be made that some of the proceeds from such actions may have been used to fully or partially finance political campaigns.

In addition, there is growing concern about foreign interference in elections through campaign financing in Ghana. A consistency of such interference can be seen from the below examples:

- In 1998, it was alleged that the kleptocratic Nigeria Head of State, General Sani Abacha had given President Rawlings \$5m to support his regime and his party's pre-campaigning activities for the 2000 elections. President Rawlings denied receiving even one cent in 1998, but eventually confirmed in 2016 he had received the money but only \$2m of it after revelations in Ghana and Nigeria¹⁰.
- In 2008, former President Mills was accused of receiving generous cash donations from Nigerian business moguls, including the billionaire and oil magnate, Jimoh Ibrahim and Clifford Orji Kalu, the controversial former Abia State Governor in Nigeria.¹¹
- In the lead up to the 2012 election, President John Dramani Mahama received a 2010 Ford expedition vehicle valued at \$100,000 from a Burkinabe contractor, Djibril Kanazoe, who had contentiously been awarded a \$650,000 contract to build a security wall at Ghana's embassy in Ouagadougou¹². The presidency dismissed allegations of corruption, arguing the vehicle had been placed in the vehicle pool at the presidency. Martin Amidu, the former Attorney-General who served as Ghana's first Special Prosecutor, accused the President of campaign financing breaches, alleging the Ford expedition vehicle had been used to illegally smuggle undisclosed amounts of money into the country to fund the President's campaign¹³. *"The only way funds could be unconstitutionally imported into Ghana from Burkina Faso was to be ingenious: through the Ford Expedition as the wrapper wrapping the many dollars needed for the Mahama campaign. No searches. No questions."* Martin Amidu – Source, Graphic Online. Mr Kanazoe will subsequently be awarded the contract for a £25 million European Union funded road project¹⁴.

The increasing concerns of dirty money in elections reflect a general pervasive culture of corruption amongst the political class which is demonstrated in the perennial high public perception of corruption amongst political leaders in several surveys like Afrobarometer. The 2019 Corruption Perception Index (CPI) also notes that "corruption is more pervasive in countries where big money can flow freely into electoral campaigns and where governments only listen to the voices of the wealthy"¹⁵. This affirms the importance of tackling unregulated financial flows, some of which may come from dirty money into Ghana's elections, to protect Ghana's democracy from retrogressing.

The presence of unregulated money in Ghanaian politics poses a danger to the quality and health of Ghana's democratic political system as it heightens the risk of corruption and promotes state capture by those who exclusively finance campaigns of candidates running for political office; degrades the quality of political representation; and promotes the exclusion of people who, but for their inability to fund the astronomical costs of politics, would have served Ghana well.

The 2020 general election offered a good opportunity to collect important empirical evidence to support research and advocacy for reform.

⁸ See [Asante K. Berko \(Release No. LR-24794; Apr. 13, 2020\) \(sec.gov\)](#)

⁹ See [Bribery scandal: Embattled TOR boss resigns; Akufo-Addo wishes him well | 3news](#)

¹⁰ See <https://www.myjoyonline.com/politics/2017/June-5th/abacha-2m-was-used-for-nationalistic-purposesrawlings.php>

¹¹ [Nigerian Cash Oiled Mills' Campaign \(modernghana.com\)](#)

¹² Dasmani Laary, 'Ghana President under Fire over \$100000 Car Gift', <https://www.Theafricareport.Com/>, 2016 <<https://www.theafricareport.com/1310/ghana-president-under-fire-over-100000-car-gift/>>.

¹³ Jasmine Arku, 'Ford Gift Was Used to Smuggle Cash for Mahama's Campaign – Amidu', *Graphic Online*, 2016 <<https://www.graphic.com.gh/news/general-news/ford-gift-was-used-to-smuggle-dollars-for-mahama-amidu.html>>.

¹⁴ africanews., 'Ghana's President and the \$100,000 Burkinabe Car Gift Controversy', *Africa News*, 2016 <<https://www.africanews.com/2016/06/16/ghana-s-president-and-the-100000-burkinabe-car-gift-controversy/>>.

¹⁵ See [CPI 2019 Global Highlights - News - Transparency.org](#), paragraph 2.

Methodology

In order to ascertain the sources of campaign financing in Ghana and whether some of the funds come from dirty money, a research question was formulated: “*Does money used for campaign financing in Ghana come from dirty money?*”

The key objectives of the study were:

- Undertake a detailed analysis of how dirty money fuels campaign financing in Ghana.
- Understand the role of money in Ghanaian politics.
- Investigate the influence of dirty money in Ghana's political campaign financing.
- Map and differentiate different types of dirty money.
- Use the evidence and information gathered to develop a set of practical and politically feasible recommendations that can contribute towards advocacy and reforms to minimise the influence of dirty money in electoral politics in Ghana.

TIER 1: The methodological approach adopted to answer the research question was a mixture of desk research (literature review) and newspaper content analysis, which formed Tier One of the research phase. The desk research and analysis sought to provide a basic understanding of the issues of campaign financing in Ghana, identify any patterns and manifestations of the phenomenon, examine the laws and institutions governing political financing in Ghana, discuss the effectiveness of the legal and institutional framework, and understand why challenges persist. Tier 1 drew on existing literature on the matter in Ghana as well as media content analysis.

For the media content analysis in Tier 1, a mixed methodological approach was adopted for the data analysis as it allowed for both quantitative content analyses and qualitative narrative analyses of documented publicly available data about campaign financing in Ghana. The quantitative aspect of this inquiry made it possible to code and count data using categories derived from both literature and the key objectives of the project. To complement the quantitative data, the narrative analysis was used to inductively query the stories/texts analysed to understand the nuanced means and motivations for financing electoral campaigns as presented by the financiers themselves or others. Since this inquiry was also exploratory in nature, a selection of media reportages¹⁶ of the financing of presidential and parliamentary elections spanning five general elections in 2000, 2004, 2008, 2012 and 2016 were purposively sampled and subjected to analysis. As much as was possible, data was sampled across political party lines for the NDC and NPP. The sampled data was then coded and analysed. After this, a narrative discussion was constructed around the findings during which trends and other emerging issues and their implications were highlighted.

TIER 2: Tier 2 was exploratory, with a focus on the financing of the two major parties in Ghana, the NDC and the NPP. Among the methodological approaches adopted in an attempt to determine if there is dirty money in Ghana's politics, was finding out the names and demographic data of the financiers of political parties and campaigns in the four regions where this exploratory study was undertaken: Greater Accra Region, Eastern Region, Ashanti Region and Western Region. To ensure accuracy of the data, researchers/investigators living in the four regions were recruited and trained to find out the names and demographic data of the major financiers in the region they had been assigned to.

A second set of researchers/investigators were assigned to one of the four regions they did not reside in, to use snowballing methods to identify party insiders and informants who could provide the names and demographic data of the major financiers in the regions they had been assigned to. The lists generated by the first and second group of researchers/investigators were analysed and the names of major financiers appearing on the list of both groups were included in the preliminary list of the major financiers in the region under reference. If the name of a major financier appeared on the list of only one of the researchers/investigators, then additional checks were undertaken to verify that the person so named is a major financier. Interviews were conducted with 40 informants and party insiders in the four regions from December 8, 2020, to January 8, 2021. 53 major financiers were identified as having contributed financial support of up to GHC 11.5m (\$2million) to candidates in the presidential and parliamentary elections in the four regions. To verify that the 53 financiers did in fact provide financial support to political candidates, an additional check was

¹⁶ Keywords searches were used to identify the 40 articles that were sampled for the media content analysis; data was segregated, cleaned and data exported to Excel to aid analysis

conducted. A representative sample of 12 of the campaign financiers, four in each region, were contacted and subsequent follow-up interviews were conducted with each of them from January 16, 2021, to February 28, 2021.

TIER 3: A final verification check of the names of the financiers was adopted by soliciting feedback on the list of names of the financiers from the party executives, business financiers, and politicians who attended the two validation sessions in Takoradi and Accra.

The validation sessions were held under Chatham rules March 19, 2021, in Takoradi, Western Region, and in Accra, Greater Accra Region on March 24, 2021. In all, four validation sessions were held, two each in Takoradi and Accra. The participants were grouped into two categories comprising politicians, party executives and financiers on one hand and the other group comprising officials from state-side enforcement, oversight, and constitutional bodies on the other.

Having been presented with the findings of the study, the financiers, politicians, and party executives were asked to critique the findings and shed more light on why and how campaign financing occurs whereas participants in the state-side enforcement, oversight, and constitutional group were asked to share their perspectives on why enforcement of campaign financing rules and regulations have not worked or are ineffective. The findings of the study were presented to both groups separately for their feedback and to elicit recommendations from them on what needed to be done to address issues of campaign financing in Ghana, as well as to address gaps in the study.

2.1 Key Assumptions

The following key assumptions were adopted for this study:

- A financier has a legitimate business and purely wishes to support his preferred political party or candidate, or both.
- A financier who is not engaged in a prohibited business/activity per se but provides funding to political parties and or candidates, in return for contract(s) for the procurement of goods, services, works, and proceeds funnelled back through kickbacks (cash payments).
- A financier is engaged in a prohibited business/activity and is using proceeds from the prohibited business/activity to finance political parties and or candidates running for political office in return for protection for the prohibited business/activity.

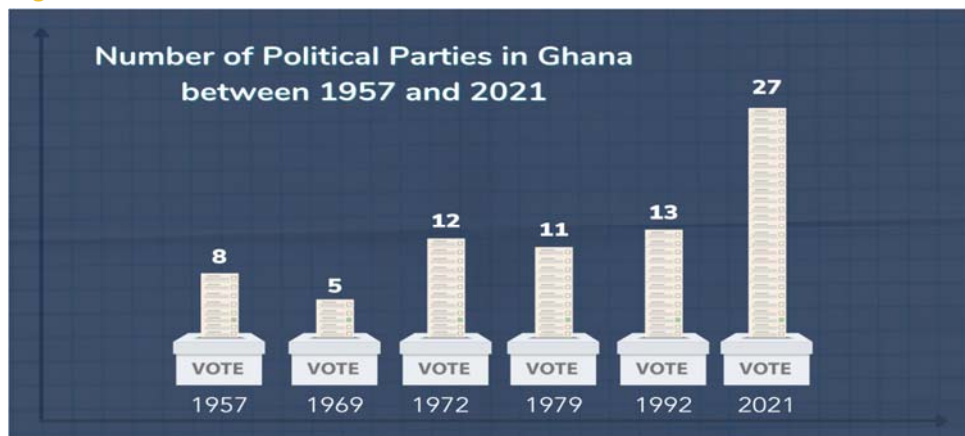
2.2 Limitations of Study

This study was constrained by the opacity around political campaign financing in Ghana and the limited sample size of four regions out of the 16 regions in Ghana. The study was also limited by the fact that it was attempting to extrapolate the results from the four regions of Ghana to the entire population. Further research will be needed to expand the study to the remaining 12 regions of Ghana.

Context of Campaign Financing in Ghana

Ghana's transition from colonial rule to an independent autonomous state in the 1950's necessitated the formation of political parties. Eight political parties were formed between 1954 and 1957 to join the struggle for self-governance from British rule. However, in 1969 and 1972, five and 12 political parties were formed respectively to restore the country to democratic rule (Ninsin, 2006). Following the military regime, which placed an embargo on political parties (1972 – 1978), eleven political parties emerged in 1979 although only six of them participated in the 1981 elections. With the return of Rawlings in 1981 in a coup, the military under Rawlings banned all political parties and activities. The tussle re-emerged in 1986–1992 and was climaxed in January 1993 when Ghana officially adopted constitutional rule under the Fourth Republic. 13 political parties emerged in 1992 after the embargo on political parties was lifted under Rawlings' military rule. The financial demands of multi-party politics coupled with the competitive nature of Ghana's electoral politics contributed to many of the parties becoming defunct. Some of these parties, therefore, aligned with either the NPP or NDC (Ninsin, 2006). As of 2020, there were about 27 registered political parties in Ghana¹⁷.

Figure 1: Number of Political Parties in Ghana



The figure above shows a significant spike in the formation of political parties in Ghana despite the rising costs of politics. However, whilst more parties have been able to register in Ghana, given the relative ease of registration, the majority of them have been unable to compete in elections due in part to disqualification of candidates by the Electoral Commission (EC). In the 2020 presidential election, the Commission disqualified five out of the 17 candidates that filed their nominations to contest the presidential election citing candidates' inability to meet the criteria established by the Commission¹⁸.

The foremost political parties, including the NPP and NDC, strategically sponsor these smaller parties, who receive less than 2% of the votes, as vehicles to acquire their support to rectify political issues. In addition, they fund these parties as a means to acquire their voter base. For instance, Akua Donkor, founder and presidential candidate of the Ghana Freedom Party who was disqualified by the Commission in the 2012 and 2016 presidential elections has flipped her support for the presidential candidate of the NDC and NPP seeking re-election. In 2012, she threw her support behind incumbent President John Dramani Mahama, stating in a post-election commentary that opposition candidate Akufo-Addo's loss to Mahama rid Ghana of a potential tyranny if Akufo-Addo were to have won the election¹⁹. In 2016, Akua Donkor supported and endorsed former President Mahama again²⁰, whilst in 2020 she endorsed incumbent President Akufo Addo²¹ even though she had been cleared by the Electoral Commission to run as a candidate for President.

Thus, there is a perceived opportunity for enrichment by smaller political parties. Despite their inability to win, they use their influence as a means to sell their voter base to the highest bidder.

¹⁷ [Electoral Commission – Transparency, Fairness, Integrity](#)

¹⁸ [FULL TEXT: EC disqualifies 5 presidential aspirants ahead of Election 2020 \(ghanaweb.com\)](#)

¹⁹ [God saved Ghanaians from Akufo-Addo's tyranny in 2012 – Akua Donkor \(modernghana.com\)](#)

²⁰ [Akua Donkor pledges support for President Akufo-Addo ahead of 2020 general elections - ABC News Ghana](#)

²¹ [Akua Donkor pledges support for President Akufo-Addo ahead of 2020 general elections - ABC News Ghana](#)

Inadequacy of funds is the major problem facing political parties in Ghana, while their ineffective electoral organisations can also be credited to that. Financing political campaigns is the crux of party building. Indeed, the nationalist and the post-independent parties paid great attention to it (Austin, 1964; Chazan, 1983; Osei, 1962; Shillington, 1992). Funding became a major concern for early political parties including the Convention People's Party (CPP) as they failed to pay critical attention to it from the very beginning. Parties such as the National Liberation Movement (NLM), Progress Party and the People's National Party (PNP) invented strategies to mobilise funds as their organisational needs enlarged.

Party financing in Ghana started as voluntary donations from the affluent members of nationalist parties. For example, George Paa Grant, a leading figure of the United Gold Coast Convention's (UGCC's) working Committee donated cash and materials for UGCC's campaigns. Others such as Nana Okutwer Bekoe III and Kojo Botsio supported campaign activities of the PNP with their financial contribution (Shillington, 1992). As the parties' organisational needs increased, membership dues, levies and fundraising became part of party financing in Ghana. Around that time, parties made the payment of dues compulsory for their members. For instance, one had to pay two shillings before he or she could be registered as a member of CPP. As well, five pounds (about £73 pounds in 2021²²) was levied on a load per cocoa of devoted members of the NLM and the United Party in the cocoa growing areas to foot campaign bills (Apter, 1955; Austin, 1964; Quarshie, 1971).

When it came to fundraising activities, parties raised income through events such as dinner dances, football matches, special church services and appeal for funds at campaign rallies. Additionally, "silver collections" during some church services helped the CPP to accrue hundreds of pounds. The UGCC on the other hand sold literature, badges and made appeals for funds during rallies (Apter, 1955; Austin, 1964). Similarly, some parties issued a "Founding Members Certificate" to party faithful's who pledged a substantial amount of money towards the rebuilding of the party. Just as with membership dues, however, there came a point in time when registration fees and donations became insufficient to run political party campaigns, coupled with donor fatigue. Parties were therefore challenged to find solutions to how they could increase their sources of funds. One strategy adopted was that parties which came to power levied their members who were employed to serve in state institutions. This gave birth to political corruption – the kickback syndrome entered the space of party funding in Ghana (Chazan, 1983). For instance, when the CPP was in power, CPP ministers and Assembly members paid some percentages of their salaries into the coffers of the CPP and state resources were also channelled into the accounts of the party (Chazan, 1988; Osei, 1962).

The democratic dispensation of Ghana's Fourth Republic provided the framework for the re-emergence of political parties in the country. A vibrant democracy has been institutionalised in Ghana (Whitfield, 2009), and it is among the countries in Sub-Saharan Africa with highly competitive two-party systems and fairly steady democracies (Morrison, 2004; Morrison & Hong, 2006). Elections have been held intermittently since 1992 with the most recent being the December 2020 general elections. However, Ghana's electoral politics is gradually becoming increasingly expensive despite parties being financially handicapped (Frimpong, 2018). Although Ghana has had successive peaceful exchanges of governments among the two major political parties, each has failed to implement the proposed direct public funding they advocated when in opposition (Arthur, 2016). Knowing how political parties are financed in Africa is relevant to strengthening democracy in the region (Saffu, 2003). Given that Ghana's democracy is seen as a classic example for the rest of sub-Saharan Africa (Ayee, 2017), understanding how political parties are funded in this country can provide some insights into possible sources of political party funding in other sub-Saharan African countries.

According to Gyampo (2015), political parties are the vehicles through which the ideals of multiparty democracy could be achieved in any fledgling democracy. But in Ghana, they are the most neglected of all the political institutions. Consequently, they exist merely as "election machines" and become redundant during inter-election periods. How political parties fund their operations and where they get such funds from before, during and after elections must be a matter of significant interest to all.

In a typology of campaign financing by Frimpong (2018), the following sources of campaign funding were identified: state funding, grassroots funding; plutocratic/elite funding; foreign funding; and illegitimate funding. State funding in Ghana has been limited to the provision of media coverage to political parties. Whilst most political parties in Ghana attribute the sources of their campaign funding to grassroots funding sources, it is suspected that some funding emanates from illicit and illegal sources. It is this theory that this study will seek to explore.

²² For the estimated value of 5 pounds in 2021, see [2021 Inflation Prediction | Future UK Inflation Calculator \(in2013dollars.com\)](https://www.in2013dollars.com/)

Legal and Regulatory Framework of Campaign Financing

The 1992 Constitution of Ghana and Political Parties Act, 2000 (Act 574) provide the legal framework for the funding of political parties and campaign financing in Ghana. The regulatory body of political parties is the Electoral Commission (EC), which is tasked with the responsibility of registering political parties and regulating political parties and campaign finance.

The seven members of the Commission are appointed by the President of Ghana but can only be removed for stated reasons including on grounds of ill-health or misconduct upon the finding of a prima facie case and a judicial enquiry headed by the Chief Justice of Ghana, recommending removal from office. To date, one Chairperson of the Commission, Mrs. Charlotte Osei has been removed from office for misconduct arising from breaching the procurement of items under the Public Procurement Act²³. Two other deputy commissioners were also removed.

Whilst the EC, like many Ghanaian institutions is meant to be independent, in practice, the EC operates with limited autonomy. The Head of the Electoral Commission is appointed by the Executive in power and are thus required to adhere to the priorities and requests made by those in power. As aforementioned, Charlotte Osei was appointed by the NDC administration under former President Mahama. However, in 2016, upon the victory of NPP under Nana Akufo Addo, she was removed from her post, due to her perceived loyalty to the opposing party. Thus, the ability of the EC to enforce campaign financing laws and regulations is likely curtailed by political influence and control.

Under the law governing campaign financing, Ghanaian citizens are allowed to contribute to the financing of political parties:

- Only a citizen of Ghana may make a contribution or donation to a political party registered in Ghana.

(1992 Constitution of Ghana (Chapter 7, Article 55 (15))

A citizen is also defined as a body corporate and may contribute to the funding of parties.

- A firm, partnership, or enterprise owned by a citizen, or a company registered under the laws of the Republic at least seventy-five percent of whose capital is owned by a citizen is for the purposes of this Act a citizen.

(Political Parties Act, 2000 (Act 574), Section 23(2))

The law prohibits funds from foreign sources entering Ghana's politics by prohibiting non-citizens from contributing to the financing of parties.

- A non-citizen shall not directly or indirectly make a contribution or donation or loan whether in cash or in kind to the funds held by or for the benefit of a political party and no political party or person acting for or on behalf of a political party shall demand or accept a contribution, donation, or loan from a non-citizen.

(Political Parties Act, 2000 (Act 574), Section 24(1))

Penalties apply to both the non-citizen that provides funds to a political party and the party that receives such funding.

- A non-citizen found guilty of contravention of section 24 shall be deemed to be a prohibited immigrant and liable to deportation under the Aliens Act, 1963 (Act 160).

(Political Parties Act, 2000 (Act 574), Section 25(2))

- Where any person contravenes section 23 or 24, in addition to any penalty that may be imposed under this Act, any amount, whether in cash or in kind paid in contravention of the section shall be recovered from the political

²³ The Public Procurement Act 2003 (Act No. 663) as amended by the Public Procurement (Amendment) Act 2016 (Act 914)

party as debt owed to the State. The political party or person in whose custody the amount is for the time being held shall pay it to the state.

(Political Parties Act, 2000 (Act 574, Section 25(1))

The prohibition on receiving funding from a non-citizen applies to political parties, *not candidates*, a clear loophole, and an opportunity for reform. There is also no limit on how much a citizen can contribute to the funding of a political party.

Furthermore, unlike the direct prohibition of non-citizens from funding political parties, the law does not prohibit funding political parties or candidates from SOC-prohibited sources. Political parties are only to declare their sources of funding in their annual statements and audited accounts to the Electoral Commission but are not required to disclose the names of financiers.

As part of its oversight function, the Commission is responsible for receiving and publishing audited accounts and returns of the parties as well as revoking the license of a political party that fails to comply:

- 21. (1) A political party shall, within six months from 31st December of each year, file with the Commission
 - a) a return in the form specified by the commission indicating:
 - i. the state of its accounts
 - ii. the sources of its funds
 - iii. membership dues paid
 - iv. contributions or donations in kind
 - v. the properties of the party and the time of acquisition
 - vi. such other particulars as the Commission may reasonably require, and
 - b). audited accounts of the party for the year.
 - i. Notwithstanding the provisions of this section, the Commission may at any time upon reasonable grounds order the accounts of a political party to be audited by an auditor appointed by the Commission whose fees and expenses shall be paid by the Commission and also request the political party to file with the Commission the audited accounts at a time to be specified by the Commission.

The Commission's oversight function extends to ensuring that political parties that participate in elections submit a statement of its assets before and after the elections:

- Statutory Reporting requirements of political parties before and after elections 55(14)
 - 14. (1) - A political party shall, within twenty-one days before the general elections, submit to the Commission a statement of its assets and liabilities in such form as the Commission may direct.
 - 14 (2) - A political party shall within six months after a general or by-election in which it has participated, submit to the Commission a detailed statement in such form as the commission may direct of all expenditure incurred for that election.
 - 14 (3) - A statement required to be submitted under this section shall be supported by the statutory declaration made by the general or national secretary of the political party and the national treasurer of that party.
 - 14 (4) - Without prejudice to any other penalty provided in this Act or any other enactment, where a political party:
 - a. refuses or neglects to comply with this section or,
 - b. submits a statement which is false in any material particular; the Commission may cancel the registration of the political party.

Despite this legal framework, political parties routinely default in complying with the requirement to submit audited accounts and statements. The Commission has also been negligent in applying sanctions under the law and gets pushback from the political parties when the Commission raises the prospect of applying sanctions. NPP's Director of Elections, Martin Agyei Mensah-Korsah once stated boldly that the Commission cannot sanction political parties that fail to meet their statutory duties to the Commission, suggesting that the Commission itself had failed to enforce the full

implementation of the law by making sure that all the registered political parties have active offices in all districts before qualifying to run for elections.²⁴

The Commission's Director of Electoral Services Dr. Serebour Quaicoe recently stated that about 90 percent of the political parties did not meet requirements under the campaign financing law.

"By our assessment, I wouldn't want to put the number of political parties that should exist, but 90 per cent of them should have been cancelled." Source: MyJoyOnline.com²⁵

Furthermore, evidence suggests that the Commission does not follow up on the submitted audited statements and accounts by the political parties, to verify the audited statements and accounts align with the assets and liabilities of the political parties as reported to the Commission.

In an interview²⁶ with the Commission's former Director of Elections, Mr. Albert Arhin, he attributed the Commission's inability to enforce the campaign financing regulations to lack of institutional capacity and political will.

The Commission does not have the institutional capacity to examine and conduct an independent audit on financial statements and audited accounts the political parties submit to the Commission. Also, the Commission has failed to exercise political will to sanction parties that fail to meet their statutory obligations because the thinking is that by applying sanctions such as revoking the registration of a political party it could jeopardise Ghana's democratic process, especially if the registration of one of the two dominant parties, NPP or NDC, is revoked.

To remedy the gaps in institutional capacity and demonstrated lack of political will, Mr. Arhin recommended that the power of receiving financial statements and audited statements from political parties and performing an independent audit be transferred to a different state institution - the Ghana Audit Service (GAS), which already has an existing structure and demonstrated capacity. With its expertise, structure, and material resources, the Audit Service could effectively perform an independent audit and recommend appropriate sanctions against errant political parties to make the political parties accountable and responsive to their statutory obligations under the law.

It bears noting, though, that Article 187 of the 1992 Constitution, which mandates the Auditor-General to audit accounts of public and statutory institutions will have to be amended to include an audit of political parties, which are not public or statutory organisations within the meaning of Article 187 of the 1992 Constitution. In addition, the Political Parties Act, 2000 (Act 574) will have to be amended to transfer some of the Commission's oversight and regulatory functions to the Ghana Audit Service.

As an alternative to the legal challenges that could be encountered in amending both the Political Parties Act, 2000 (Act 574) and the law mandating the Auditor General to audit the public accounts of state institutions, the EC and the Auditor-General could establish a memorandum of understanding (MOU) to allow the Auditor-General to perform independent audits on financial statements and audited accounts which the political parties submit to the Commission.

²⁴ [EC can't sanction political parties - NPP \(ghanaweb.com\)](#)

²⁵ [About 90% of political parties not up to standard - Dr Quaicoe - MyJoyOnline.com](#)

²⁶ Interview was conducted May 10, 2021 in Accra. Mr. Arhin is currently the National Coordinator for The Coalition of Domestic Election Observers (CODEO), an independent and non-partisan network of civil society groups, faith-based organizations and professional bodies which have been observing Ghanaian elections since its founding in 2000.

Tier 1 - Findings from Media Content Analysis

Tier 1 findings were derived from the media content analysis that this study conducted. Based on our indicative analysis of media reportage of contributions to the NDC and NPP spanning elections in 2000, 2004, 2008, 2012 and 2016, it can be adduced that the source of campaign financing is dominated by high-profile political personalities at both national and local levels. As can be seen from the table below, where 'N' represents the 'Population' [40 media content analysed] and "Percent" is the sample percentage in the 'Population', political parties and their electoral campaign activities appeared to be primarily financed by prominent party followers. They accounted for a little more than half (52.5%) of all the sources of contribution observed in our analysis. This was followed by the contribution provided by officials elected on or running on a party's ticket or platform. Such persons were identified as sources in 20 percent of our exploratory sample.

Source of Contribution/Funding

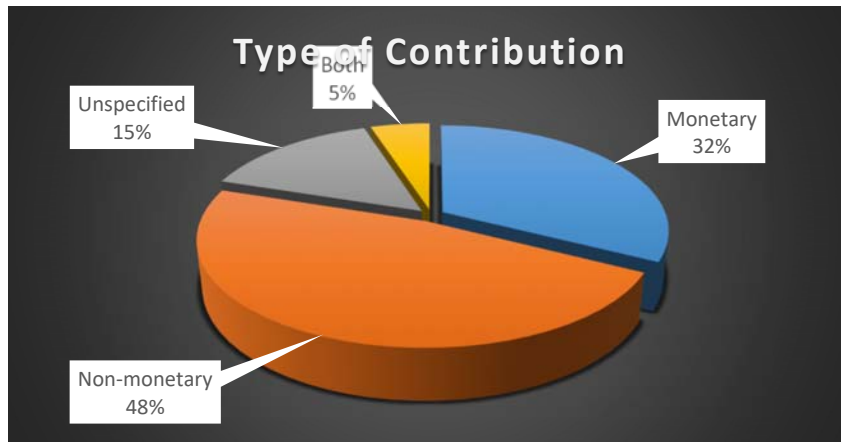
Source	N	Percent
Grassroots membership fundraising	5	12.5
Funds from party's elected officials and electoral candidates	8	20
Unauthorised use of state resources for partisan campaign activities	4	10
Support from other prominent party sympathisers	21	52.5
Corporations	1	2.5
Foreign funding (governments and Institutions)	1	2.5
Total	40	100

The least commonly mentioned sources of contributions were organic grassroots-membership fundraising; corporations; and foreign entities. Organic grassroots-membership fundraising accounted for 12.5% of campaign funding, whilst corporations and foreign entities both accounted for 2.5% of funding respectively. Whilst grassroots funding may be over-reported to mask illicit sources of funding, funding from foreign entities may be underreported, as a contribution by a foreign entity violates the campaign financing law in Ghana. Thus, the only time financing by foreign entities is evidenced, which in this case is one in total, is when the foreign entity's financial connection to political parties becomes public knowledge and the contribution is exposed as being made either as a violation of campaign financing law i.e., the contribution is being made to an opposing party and the other parties are keen to expose, or that the contribution made is from the proceeds of crime. When the prohibition against a foreign entity contributing to financing a political party or candidate is further contextualised, given the illegality of the donation combined with potential links to criminal intersects, it is highly likely that true figures of foreign campaign donations are significantly under-reported. Similarly, funding from corporations may be under-reported to mask quid-pro-quo arrangements.

In terms of the type of contribution or support that political parties were commonly reported to have received, our data points to non-monetary (48%) being the major type of contribution. Such contributions ranged from the provision of buildings, cars, motorcycles, phones, stationery, to even bales of second-hand clothing. For instance, an NPP diaspora group known as the Diaspora Patriots in Ghana Foundation (DPG) made contributions made up of mostly non-monetary items and an unspecified amount to their party:

"At a press conference in Accra yesterday, the group also donated 4,000 NPP-branded T-shirts, 10 megaphones, 100 solar lamps, 10 motorcycles, 200 NPP-branded caps and an undisclosed amount of money to support campaign activities in eight constituencies in the Greater Accra Region and 12 others across the country." Source: Graphic online

Figure 2: Type of Contribution



Another case in point was the NDC's presidential candidate, John Dramani Mahama's donation of a fleet of cars to the party:

The presidential candidate of the National Democratic Congress (NDC), John Dramani Mahama, has handed over twenty (20) vehicles to the leadership of the NDC to help enhance the operational capacity of the party's regional offices. The Nissan pickup vehicles and Renault Duster Saloon Cars were donated by various benefactors to support the former President during the recent internal NDC presidential primaries. The vehicles were however not deployed for the [primaries] campaign. Source: Citinewsroom

Other examples include Freddie Blay, Chairman of the NPP, who procured a fleet of buses for the party's constituency offices; and Omane Boamah, former NDC minister for communication, donating 1,100 branded T-shirts of John Mahama, 3000 Campaign fliers, two registered motorbikes, and a laptop for the constituency secretariat in New Juabeng North.

Arguably, this type of contribution (non-monetary) to political parties and the potential doors it opens to influence peddling and corrupt practices may be more difficult to track as there are unlikely to be detailed and complete paper trails. In addition, it is also highly improbable that investigative agencies which typically act only at the behest of the party in government would follow the money and track whether these non-monetary items have been acquired through the proceeds of crime. Both political parties and the EC do not appear to have robust and transparent procedures for documenting, monitoring, and accounting for such contributions. Another dimension of such type of contribution is the likelihood of it being used to facilitate vote buying. In the below extract, one can surmise how sewing machines donated to advance campaign efforts would be 'used'.



Deputy Attorney General Godfred Yeboah Dame has presented 37 motorcycles and 21 sewing machines to eight constituencies to support the campaign efforts of the ruling New Patriotic Party (NPP)... "People need to hear the message of the NPP across the country. I see the motorbikes as the vehicle that will literally carry the NPP's message to every nook and cranny of the country to spread the good word about President Akufo-Addo. The sewing machines are a donation from my wife, Dr. Joycelyn Dame, and they are intended to assist the hardworking women around the country who are appreciative of the President's efforts in poverty alleviation among women in Ghana" Mr. Dame said. - Source: Dailyguidenetwork.com



Items donated by a government appointee to an NPP constituency; Source: Citinewsroom.



NDC party leadership receiving a donation from the presidential aspirant; source: citinewsroom and John Mahama.

"Dr Anthony Nsiah-Asare, the Presidential Advisor on Health has supported Ahafo Ano South-East constituency with 3 motorbikes and 10 bales of clothing to strengthen campaign activities towards victory 2020 for President Nana Addo, the Parliamentary Candidate, Hon Francis Manu Adabor and the New Patriotic Party. The Presidential Advisor had earlier supported Atwima-Kwanwoma and Ahafo Ano South constituencies with similar items".

In the main, non-monetary donations should be considered as suspicious in regard to their motives, because their intent to financially and materially support their favoured political parties might be equally matched by their personal aims to ingratiate themselves with party and government power brokers and recoup their 'investments' should they and their parties capture power.

Meanwhile, monetary contributions accounted for 32 percent of analysed cases while five percent of contributions analysed were made up of both cash and non-monetary items. Instances where contributions were unspecified accounted for 15% of our data. Such lack of detail, is worrying and reflects the generally clandestine nature of political party and campaign financing in Ghana and the lack of effective regulatory oversight provided by the EC.

Profile of Contributors

Profile	N	Percent
Current Government Official	6	15.4
Former Government Official	7	17.9
Political Party Official	8	20.5
Parliamentarian	2	2.6
Businesspersons	6	15.4
Others	6	15.4
Political Party Diaspora Groups	5	12.8
Total	40	100

Again, our preliminary analysis gives an indication of the profile(s) of the kinds of people/entities who frequently contribute to political parties and their electoral efforts. From the table above, majority of the contributors (23 out of 40 contributors) are from the upper echelons of the political elite (political party official, 20.5%; former government official, 18%; current government official, 15.4%; and parliamentarian, 2.6%).

Contributors primarily linked to persons whom media reportages described as businesspersons accounted for 15.4% of our sample. In Ghana, as in other countries, the financial connections between private business and politics are undeniable. However, unlike some countries where attempts are made to make such connections (particularly, ones related to party and campaign financing) transparent, Ghana's situation is shrouded in secrecy. Our observation may not be incontrovertible proof that businesspersons do not support or contribute to political parties in Ghana. Rather, it might reflect their desire to not draw public attention to their involvement with political parties for fear of being victimised when the opposition administration they did not support takes power. In fact, several politicians including NDC's Sammy Gyamfi are found to openly complain when a business that did not provide financial support to a party in power and accuses the new administration of allegedly victimising them. In the extract below, Sammy Gyamfi was commenting on the alleged victimisation of NDC financier and businessman, Ibrahim Mahama, who is also the brother of former President Mahama: he was noted to have denounced the practice of penalising Ghanaian businessmen based on their perceived support for political parties, as it was adversely affecting private sector growth and job creation:

"All the time what we do is to politicise and smear the work of these businessmen. If we continue doing that the country may collapse. Already the government is saying that it cannot create jobs on its own but private sector so if we don't see them as our own and support them, we will collapse ourselves and the country. What we must know is that they are Ghanaians first of all and are creating jobs for people regardless of their party affiliations." Source: Peacefm Online

Our analysis also draws attention to the increasing role played by Diaspora groups affiliated to political parties. These groups, whose members reside overseas, provide both financial and non-monetary support to political parties and their electoral agenda. Again, the lack of oversight and accountability of such fundraising efforts may open the doors to money laundering, bribery, and state capture by foreign entities disguised as Diaspora groups.

Recipient Mentioned

Recipient	N	Percent
National party representatives	15	37.5
Regional party representatives	4	10
Constituency party representatives	11	27.5
Presidential candidate	5	12.5
Other party members	1	2.5
Unspecified	4	10
Total	40	100

We further analysed the key entities who were reported to be the 'recipients' of contributions and support to political parties. As can be seen from the table above, the majority of recipients were party representatives. However, they seemed to be acting as only the initial recipients and 'acknowledgers' of the contribution. Beyond this initial receipt and acknowledgement, tracking of these contributions become difficult in the proverbial 'black hole' of political party

machinery. Further research and investigation by CDD found very limited information about who and how these resources are used within the party.

Expected or Actualised Reward

There is some connection between contributions and support provided to political parties and candidates, and the access such contributions provide to political and governmental rewards. As aforementioned, most contributors have existing connections and ties to the corridors of power; as current or former government and party officials, they are more likely to retain or get access to additional rewards. Data gathered from media sources shows that at the point of contribution, donors only expressed their desire to support their party to win a presidential or parliamentary race. However, this does not appear to be the entire picture as the same financiers have publicly expressed their disappointment and frustration for not acquiring any or enough rewards (government appointments, contracts, and other benefits) for their investment. Political party financing has become an open business where companies and individuals who donate monetary and non-monetary resources to finance political campaigns not only hope for a return but demand for it as a matter of course.

Therefore, this motivation or practice only becomes apparent through public reports, if contracts or other 'rewards' are withheld or delayed from party contributors/supporters by officials in power. In most cases, people who contribute substantial amount of cash and non-cash do not simply contribute or support their parties or candidates just to see them in power and implement an ideological agenda they subscribe to. They do so, with significant expectations of some compensation/reward from government officials they helped put in power. Such rewards or recognition seem to be important to the contributors not just because of the financial benefits, but also because its provision or denial ties into the cultural concept of "giving or losing face". "Face" in this context means the socio-cultural understanding of honour, respect, and social status. Thus, some contributors consider the rewards they may get or denial of it as either 'gaining' or 'losing face'. For instance, a regional party financier is reported to have bemoaned the mockery he and fellow party financiers were being subjected to when he indicated how they had become laughing stocks under their own government as their early expectation that their lives will change upon the ascension of their party to power had not been actualised (Source: Zaaradio.com)

Consequently, there are also anecdotal reports of agitations and lobbying on the part of campaign financiers to actualise benefits from the government machinery at both the national and local levels. The NPP Member of Parliament (MP) for Assin Central, Kennedy Ohene Agyapong, is heard in the extract below, complaining about how contractors affiliated to their rival party NDC were getting contracts at the expense of NPP financiers:

"Seidu...Ali Seidu [contractor allegedly affiliated with rival party NDC] looked at me at Ministry of transport and told me he had 27 contracts...but [other NPP contractors] are sitting there...People who did not sacrifice for this party are the very ones enjoying." Source: MyNewsGh.com

This same MP is reported to have made this long but revealing statement:

"On Sunday when you go to the Ridge Park you will see the Ashanti businessmen and the support...there are a couple of them, they all supported the NPP but the current government has given them nothing, but you still give contracts to Kofi Job. God punish people who took Kofi Job to the President...Today NPP we can't create contractors...Is that what they want to tell me? NDC can give you as high as 60% mobilisation to start work which means they have financed the project for you...the cost of the project has been financed. They have given you the money so next time you are going to do work you use government money to execute it and awaiting your profit...why can't NPP do that if NDC did that to promote their businessmen. Today about 80% of the rich men in the country are NDC even under our watch. They are the very people we are dealing with. So, when our supporters sit back, they ask what is happening. When I sit back and see NPP persons complaining I feel scared and guilty". Source: Ghanaweb.com

Another example:

"A statement signed by Alhaji Adam Issifu, a known NPP financier [in the northern part of Ghana], stated that they are having sleepless nights and the immense support they offered to the party, especially, the various youth groups in the party in the region have since not paid off after the elections...neglecting several requests for contracts and appointments." Source: Zaaradio.com

In light of such anecdotal evidence, we can say that the lack of transparency and effective regulation of political party financing provides conducive conditions and motivations for contributors and office holders to exchange suspicious (if not illegal) support and rewards.

Tier 2: Findings from Fieldwork

In this section of the report, we present the findings from our 'boots-on-the-ground' fieldwork. Our fieldwork is distinct from the media content analysis we conducted in Tier 1. As stated earlier in the **Methodology** section, our fieldwork was exploratory; we focused on the financing of the two major parties in Ghana, the NDC and the NPP in the four regions where this exploratory study was undertaken: Greater Accra Region, Eastern Region, Ashanti Region and Western Region. Refer to the **Methodology** section for additional information.

6. 1 Monetisation of Politics in Ghana

A key objective of this exploratory study was to find out the extent of the monetisation of politics in Ghana, that is, the cost of politics and how it drives campaign financing; how much money candidates need to raise to finance their campaigns; and to assess the likelihood that some of the money could come from illicit, illegal, or criminal activities especially given the unregulated nature of campaign financing in Ghana.

The study found that the rising cost of running for political office and the amount of money candidates must raise to contest elections at the constituency level and run as a parliamentary candidate is directly linked to both demand-driven and supply-side corruption, creating interdependencies. On the demand-driven corruption side, party officials and delegates at the constituency level expect and or are given money and items of value to influence the election of a parliamentary aspirant. This demand-driven corruption at the party primaries increases during the national parliamentary election. In 2017, Mr. Alban Kingsford Bagbin, who was running for re-election as MP bemoaned this demand-driven corruption, explaining²⁷:

"When you go to talk to your party members and any of them you approach, they will tell you that you cannot just come and talk to me like that and go away. When you visit the Chiefs, the courtesy must be followed, your pocket is empty... When you are going around, and you are not greasing palms they will vote against you. When you do not organise events and let the drinks, food and music flow you are bound to lose..."

He estimated the cost of running for election for a seat in parliament at GHC 2million (\$348,432).

"You don't have the money and some people are sponsoring. You spend about two million Ghana cedis to be elected as a member of parliament...Who pays the piper calls the tune"²⁸

Furthermore, the WFD and CDD-Ghana estimated that the cost of running for office as a Member of Parliament (MP) increased by 59% between 2012 and 2016. It cost an average of GHC 389,803 or \$85,000, the equivalent of a two-year salary of an MP in 2016 to secure a nomination in a party primary and compete for the parliamentary elections. The report indicated that candidates rely on multiple sources of funding including personal finances, support of family and friends and even borrowing money from the bank to finance this expensive activity.²⁹

A *Corruption Watch* expose' on the 2020 NPP primaries also uncovered demand-driven corruption endemic in Ghana's politics. During the NPP primaries in the Dome-Kwabinya constituency for instance, each of the two candidates gave 500 delegates a sum of GHC 3,000 each. In addition, one candidate gave each of the 500 delegates a GLICO Life Insurance package worth GHC10,000 while the other candidate gave each of the 500 delegates a 32-inch Nasco flat screen television set and an Indian-made cloth.³⁰

²⁷ [MPs spend an average of GH¢2million during campaigns - Alban Bagbin \(ghanaweb.com\)](#)

²⁸ Ibid

²⁹ See The Cost of Politics in Ghana, 2018. Visit www.wfd.org to read more about the cost of politics in Ghana.

³⁰ [Adwoa Safo gives NPP Delegates 3,000 cash; Insurance Policy Worth 10,000GHC - Corruption Watch Ghana](#)



Figure 3: Picture of a copy of the GLICO Life Insurance policy – Credit Corruption Watch

In light of the provision of money and items of value by candidates to influence votes, an enduring question that remains is whether the biggest spender always wins the election. In their seminal work on elections in Africa, Cheeseman, Lynch, & Willis (2021) conclude the biggest spender does not always win an election³¹. To test the validity of this finding, this study analysed data from *Corruption Watch*'s investigation into the NPP intra-party parliamentary primaries held in June 2020. We found from our analyses of data from six of the 12 constituencies that where candidates or their assigns admitted giving 'gifts', those who gave the largest amount of cash and material inducements won the election. See Table 1. The finding from our analysis of the data of six intra-party constituency primaries may have limitations because this was an intra-party election where only party delegates voted. In addition, we did not undertake exit interviews to find out from the delegates whether money and items of value influenced their vote the most. These limitations notwithstanding, we infer that the biggest spender with a "good message" is more likely to win an election and confirms Oti Frimpong's (2018) finding that there is a relationship between campaign spending and a candidate's performance in elections; candidates with scarce funds find themselves at a disadvantaged position.

Table 1: Biggest spenders won the election.

Constituency Name	Candidate Name	Description Of Inducement	Performance	Remark
Kwesimintsim	Joseph Mensah (Incumbent)	Paid GHC1, 000 to each of the 200 delegates; gave a half piece of cloth (six yards) to each female delegate and two brand new singlets to each male delegate.	Second (167 votes)	Biggest spender won the election
	Dr. Prince Hamid Armah	Paid GHC1,500 to each of the 200 delegates; camped some delegates at his residence night before election, supplied them with food and drinks.	First (222 votes)	

³¹ Cheeseman, N., Lynch, G., & Willis, J. (2021). *The moral economy of elections in Africa: democracy, voting and virtue*. Cambridge University Press.

Effia	Joseph Cudjoe (Incumbent/ Deputy Minister)	Gave about 300 delegates a standing fan and half piece of cloth (six yards) each; camped about 300 delegates and gave each person GHC1, 900 and a 32-inch flat screen Hisense television.	First (312 votes)	Biggest spender won the election
	Dr. Adwoa Kwagyiriba	GHC400 to 200-plus delegates and Nasco 32-inch TV sets to 100-plus delegates.	Second (105 votes)	
Yendi	Hajia Abibata Shani Mahama Zakaria	Distributed GHC1000 state money under the MASLOC loans to delegates of the constituency; gave three bags of NPK fertilisers to each delegate	Second (210 votes)	Biggest spender won the election
	Alhaji Umar Farouk Aliu Mahama	Distributed 1000 bags of sugar to delegates and opinion leaders; distributed about 800 bags of rice to NPP delegates and opinion leaders during Eid-UI-Fitr; distributed 400 knapsacks, 2400 bottles of weedicides, 600 cutlasses, 400 bottles of anti-snake sprays and 800 bags of fertilisers to delegates.	First (244 votes)	
	Alhaji Osman Baba Daney	Presented a parcel of food ingredients to each delegate; paid GHC300 to each delegate.	Third (139 votes)	
Abuakwa North	Gifti Twum Ampofo (Incumbent)	Gave GHC1500 and a flat screen TV set to each delegate.	First (150 votes)	Biggest spender won the election
	Mr. Kay Amoah	Gave each delegate GHC500 in addition to either of tabletop refrigerator/flat screen TV.	Second (116 votes)	
	Kofi Obeng	Paid GHC500 to each delegate.	Third (112 votes)	
	Nana Serwaa Acheampong	CW undercover reporters could not establish that candidate offered any cash or material gifts to delegates.	Fourth (35 votes)	
	Sarah Adwoa Safo (Incumbent and Minister of State)	Gave GHC3000; a GLICO Life Insurance package worth GHC10, 000 to about 500 delegates; camped and fed some delegates.	First (496 votes)	Biggest spender won the election

Dome-Kwabenya	Michael Aaron Oquaye Jr. (High Commissioner)	Gave GHC3000, a 32-inch Nasco flat screen television set; Indian-made cloth to about 500 delegates; camped and fed some delegates.	Second (488 votes)	although by a slim margin
Nkawkaw	Eric Kwakye Darffuor (Incumbent/Regional Minister)	Gave unspecified amount of money and an item of value to delegates	Second (159 votes)	Biggest spender won the election
	Joyce Opoku Boateng (Appointee)	Gave GHC400 to each one of an unspecified number of delegates.	Fourth (82 votes)	
	Seth Agyei Baah (Ex-MP)	Gave GHC2000 to each of 250 selected delegates.	Third (156 votes)	
	Kwabena Adusah Okerchiri (Ex-MP)	Gave money GHC100-200 to each delegate depending on loyalty.	Sixth (28 votes)	
	David Boateng Asante (Appointee)	Gave to each of an unspecified number of targeted delegates GHC500, a gas cylinder and a burner.	Fifth (73 votes)	
	Joseph Frimpong (Tutor)	Gave each of 450 selected delegates GHC2000 and either a flat screen television or Bruhm refrigerator.	First (206 votes)	

In addition to the demand-driven corruption inherent in the rising cost of running for office, the study also found that the rising cost of politics is caused by the increases in the cost of filing fees at both the party level and by the Electoral Commission (EC) with increases running over 500%. In addition, although the EC is fully state funded, it still charged presidential candidates GHC 100,000, only refundable if a candidate secured up to 25% of the votes cast and parliamentary candidates GHC 10,000, to be refunded if an aspirant secured 12.5% of the votes cast.

The filing fee for President charged by the EC in 2020 showed steep increases from GHC 10,000 in 2012; GHC 50,000 in 2016 and GHC 100,000 in 2020. These astronomical increases do not seem to concern the NDC and NPP as they are confident in their ability to secure 25% of the valid votes cast, given the lack of credible competition, and have the EC refund their money to them. It is pertinent to note that when either of the two parties is in power, they seem ambivalent about the high cost of the filing fees, but only complain when the party is in opposition. In 2016, the NPP, which was then in opposition complained about the increase in the filing fee for President from GHC 10,000 in 2012 to GHC 50,000 in 2016. The party's 2016 Campaign Manager, Peter Mac Manu, described the increase as 'exorbitant'³²; while the NDC,

³² See <https://www.modernghana.com/news/718498/ecs-ghc50000-filing-fee-too-much-npp.html>

which was in power in 2016, seemed indifferent about the increase with its director of elections, Samuel Ofori Ampofo saying the increase was 'just right.'³³

By contrast, when the NPP secured power in 2020, the party characterised the astronomical increase in the filing fee from GHC 50,000 in 2016 to GHC 100,000 in 2020 as an "investment"³⁴, because of the confidence NPP had of securing 25% of the votes and getting their money back. However, the NDC expressed concern about the increase with its Deputy General Secretary, Peter Boamah Otokunor describing the increase as disappointing and an attempt to exclude others.

"It is rather disappointing that the Electoral Commission is not being sensitive to the very institution they are leading. This is a clear indication to exclude some people from contesting"³⁵.

The study sought to probe further the EC's presidential filing fee increases with follow-up interviews with two EC officials in the Greater Accra and Western Region. The two officials were unanimous that while advocates of political inclusiveness may be concerned about the increases in filing fees, what needs to be tackled is the unwritten policy by the top hierarchy of the EC to hike up the filing fee for presidential candidates in order to limit the number of presidential candidates appearing on the ballot³⁶. This view offered by the two EC officials was corroborated by some party executives with knowledge of EC's "operations" who attended the validation sessions in Accra and Takoradi, proffering that the EC wanted to discourage too many presidential aspirants, especially the smaller parties and independent candidates, from littering the ballot with too many candidates. (More information in **Tier 3** below).

In addition, fees for contesting for parliament, first as a primary aspirant at the party primaries, and second, as a parliamentary candidate has also been rising. For example, for the 2020 elections, NPP charged its presidential aspirants a sum of GHC 220,000, up by 1,000 % from 2016 and its parliamentary aspirants GHC 22,000 for a nomination form and a filing fee to enable them contest on the ticket of the party. The NDC on the other hand charged candidates who wanted to run for President and parliament a sum of GHC 420,000, and GHC 27,000 respectively. However, the EC maintained its 2020 fee for parliamentary candidates at the 2016 fee of GHC 10,000, having increased the fee earlier from GHC 1,000 in 2012 to GHC 10,000 in 2016.

Given the latest cost increases in running for office, the study probed further in an attempt to provide a current estimate of the cost of running for office, that is, the cost of politics. In interviews with party informants, past and current candidates and MPs, the study learned that aspirants/candidates have to nurture the constituency for a number of years, spending on voters in the constituency and financing the campaigns for the election of party executives and coordinators in the constituency nearly three years before they contest in the primaries, which we estimated at GHC 2m. A further estimated GHC 2m is spent during the run-up to the primaries, bringing the total estimated amount to GHC 4m.

Although the cost of running for President was not initially conceptualised as part of this study, it was thought to seize on the opportunity presented by the participation of top-level party executives at the validation sessions, to begin a process of collecting information to estimate, for the first time, the cost of running for president of Ghana.

"For Presidential elections, if you don't have USD100m don't come. The viability of candidature is dependent on how much we are able to raise." A high-level party executive and a former presidential campaign member stated.

A recent estimate by CODEO in April 2021 also put the cost of running for president at \$100m³⁷.

³³ Ibid

³⁴ NPP's director of elections Evans Nimako said this in an interview on Happy 98.9 FM. See [NPP describes EC's filing fee as an investment - Happy Ghana](#)

³⁵ Otokunor gave an interview to the national broadcaster GBC Radio which was reported on by the media and available here [NDC wails over 100% increment in presidential filing fees: says it's very disappointing \(ghanaweb.com\)](#)

³⁶ Interviews with the two EC officials were conducted December 16, 2020 and December 30, 2020, in Accra and Takoradi respectively. The two officials requested not to be named because they had not been authorized to speak on behalf of the EC.

³⁷ <https://www.ghanaweb.com/GhanaHomePage/NewsArchive/It-costs-100m-to-run-for-president-in-Ghana-CODEO-estimates-1255456?channel=D2>

6.2 Sources of Funding for Political Parties and Candidates

A further objective of the study was to establish whether the sources of funding of political parties and campaigns was from dirty money.

This line of enquiry is also legitimate because the law – Political Parties Act, 2000 (Act 574) requires a political party to disclose the “sources of its funds” when it files its annual returns and statement. As aforementioned,

“A political party shall, within six months from 31st December of each year, file with the Commission

- a. a return in the form specified by the commission indicating:
 - i. the state of its accounts
 - ii. the sources of its funds
 - iii. membership dues paid
 - iv. contributions or donations in kind

(Political Parties Act, 2000 (Act 574), Section 21(1))

The law does not require a political party to disclose the names of persons who finance parties or campaigns, neither does it require candidates to file annual returns. The lack of a requirement on candidates to disclose financing they have received and file a tax return constitutes one of the biggest gaps in regulating campaign financing in Ghana to prohibit funds from SOC-prohibited activities into Ghana’s politics. The impact of not regulating persons is increased as candidates are given about 80% of the contributions by financiers and donors directly in cash, according to party insiders and executives who spoke to researchers of this study.

This study established several sources of financing of parties and campaigns of candidates. One of these sources of funding for political parties is membership dues/subscriptions, which amount may vary based on the party member’s level of membership in the party. For general party membership, the study found membership dues/subscriptions ranges from GHC 1 to GHC 5 per month per registered party member. Payment is irregular and party sources from both NPP and NDC estimated that the parties receive less than 1% from membership dues. This finding from the fieldwork contradicts the nearly 50 percent income the two parties have reported in the returns and audited statements submitted to the EC. See **Tier 3** for more detail.

Another source of funding is from donation by special interests. Party insiders explained that the biggest contributions come from special interests, particularly businesspeople who support the party and candidates at several levels in return for contracts, contacts, positions, and protection of businesses from governmental interference or clampdown. This study found from our interviews with party insiders and executives that cash amounts donated by special interests and business financiers in support of the candidature of a president candidate ranged from GHC 40,000 to GHC 11.5m (\$2m).

Other funding sources include voluntary contributions from party members and sympathisers; donations from “Kingmakers” in the party, referring to those who want to be imbibed with appointive powers; funds from short codes, donations via mobile money codes established with Telcos for direct deduction of airtime and or donations from users accounts; donations from wealthy individuals not affiliated to the party; funds from fundraising activities in Ghana and overseas; funds from foreign donors, administrations, and businesses – which are breaches of the prohibition against non-citizens funding a political party or candidates.

Figure 4: Candidate sources of funding

Candidates sources of funding



Personal savings



Loans



Family



Special Interests



Friends



Business Financiers

In other unique circumstances, donations are given in the form of subsidies, which are given when the party prints campaign paraphernalia and party documents. The parties also receive donations from special levies on Members of Parliament and government appointees. In addition, if a political party is in government, the party also requests Metropolitan, Municipal and District Chief Executive (MMDCEs) to fund the party's activities from their Internally Generated Funds (IGF).

Aside from monetary donations, the parties receive non-monetary donations in the form of vehicles, items of value, a building or space for use as a party office, or the payment of rent by a party member(s) for the party's constituency or national office.

For candidates running for office as MP, the study found that the bulk of their funding comes from their personal savings and loans, confirming an earlier finding by the WFD and CDD-Ghana³⁸. While the sources of financing an aspirant's campaign remained unchanged, at least 8 in 10 of the former aspirants and current MPs told our researchers during the fieldwork and validation sessions they were increasingly falling into debt from the high cost of financing their campaign before, during the election, and when they win the election and are serving as MP or after they leave office. This could be considered a high risk, high reward engagement, as the desire for money, prestige, and influence maintains this self-fulfilling cycle where MPs continue to spend exorbitant amounts on election campaigns with the hopes of recouping funds and enhancing their reputation.

Indeed, some MPs from both sides of Parliament, including Alhaji A.B.A Fuseini, NDC MP for Sagnarigu and Kennedy Agyapong, NPP MP for Assin Central stated in media interviews that MPs are breaking down and in debt from the high cost of financing their campaigns, monetary demands from constituents, and generally inadequate salaries paid by Parliament.

“I can tell you that the lives of many former MPs are not much to write home about, many of them have left Parliament and have become destitute... I can tell you that when MPs are still active in offices, the kind of pressures they undergo from constituents is unimaginable, it leaves a vast majority of them in debts”³⁹.

In recent months there has been renewed calls from the leadership of both parties – NPP⁴⁰ and NDC⁴¹ – to address the high cost of running for political office.

6.3 Distribution Channels of Campaign Financing Funds

The study uncovered that contributions and funding for political activity are often made directly to parliamentary and presidential candidates and to the party through the Party/regional chairpersons, heads of finance and fundraising committees at the national, regional or constituency level, and also through other influential members of the party.

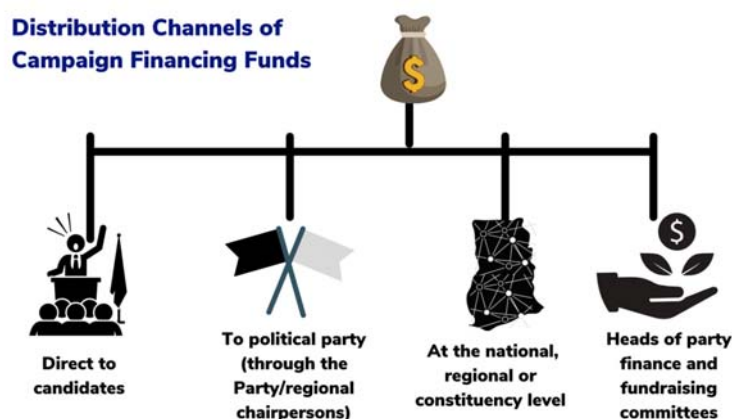
³⁸ Westminster Foundation for Democracy; CDD-GHANA.

³⁹ A.B.A Fuseini also decried the monetization of Ghana's politics. See [Ghanaian MPs are very broke – A.B.A Fuseini reveals \(ghanaweb.com\)](https://ghanaweb.com/GhanaHomePage/NewsArchive/abafuseini-reveals-ghanaian-mps-are-very-broke-1000000)

⁴⁰ Kyei-Mensah-Bonsu calls for dialogue on monetisation of politics (citinewsroom.com)

⁴¹ Monetization of our politics, the root cause of corruption - Asiedu Nketia (ghanaweb.com)

Figure 5: Distribution Channels of Campaign Financing Funds



Donations are often made in cash, underscoring an op-ed by Lolan Ekow Sagoe Moses that the channels for distributing funds for political party activity is “an opaque campaign finance system that allows anonymous donors to spend large sums on political parties”.⁴² Even though the Political Parties Act, 2000 (Act 574) makes provision for citizens to provide funds for political party activity and campaigns, contributors, especially those in the private sector do not make their donations public for fear of reprisals if the candidate they supported did not win, validating findings from Tier 1. Nevertheless, those who provide funds to candidates in expectation of receiving a return on their donations ensure that they give the funds directly to the candidate so they can be assured that the candidate will reward them for their contributions.

6. 4 Why Financiers Provide Funding for Candidates and Political Party Activities

The study examined what motivates financiers of political party activity and campaigns by interviewing party insiders and executives, candidates, MPs, and financiers. Interviewees were unanimous in their views that financiers of political party activity and campaigns provide financing in expectation of appointments, procurement awards for works, goods, and services; protection of businesses; tax waivers (in the case of merchants); and instrumental rewards such as being consulted on major decision-making.

In follow-up interviews with major financiers whom the fieldwork had identified in the four regions, one of them explained the reason for providing financial and non-cash support to candidates:

[I finance political party activity and candidates] “To build contacts and to sustain my business under every government. As a businessman, you finance the parties to stay in business under every government. This has engineered friends for me in both NDC and NPP in every part of Ghana so I’m able to get favours everywhere.”⁴³

In an answer to the question whether the financier was awarded contracts under all administrations, and under which administration the financier received the most contracts, the financier affirmed:

“Yes, I did get contracts under all of them, but I got the most contracts under the late President John Evans Atta Mills government, but not much under former President Kufour...Aside from the benefits I get as a result of my party financing,

⁴² Sagoe-Moses Ekow Loland, “How to Unmask Corruption in Ghana” New York Times Op. Ed., May 2017.

⁴³ Interview with “Major Financier “A”, February 1, 2021.

I believe the quality of my work, duration of delivery also contributes to the reason I get many contracts under the various governments. That helps me to recoup all my investments.”⁴⁴

Another financier also shared the motivations for providing financial support to political parties and candidates running for office:

“I finance candidates for president and parliament on the ticket of both the NDC and NPP to ensure I get new contracts and protect the contracts I received from a previous government if there is a change of government. So far, things have been good for me and my business.”⁴⁵

Indeed, the study found that in addition to financing candidates and parties for contracts and contacts, another reason is for the protection of the businesses of financiers.

“As a businessman, you don’t really have a choice, they [candidates and parties] don’t force you to finance them but once they approach you to make a demand.... you don’t want to take the risk of your business struggling in case they win. Once they approach you, you must find the money and give it to them. It is difficult to get contracts from a government that doesn’t consider you as one of them so your past financial support to them is what can influence them to give you deals and contracts.”⁴⁶

Interestingly, when 12 of the major financiers whose views were sampled and interviewed across the four regions were asked whether they would like to maintain this supply-side corruption, 11 of them preferred a change – that they wished they did not have to finance candidates and parties for contracts and to protect their businesses because it was unethical and increases the cost of doing business.⁴⁷

Only one of the major financiers, who is a party executive, supported continuing with this “way of doing business.”⁴⁸

6.5 Key Businesses Financiers Are Engaged In

The primary question this study sought to answer was whether politics in Ghana is financed from dirty money? To answer this question, this study first identified financiers in the four regions (see below) and then conducted a follow-up research/ investigation on all the financiers to find out the occupation or business activities the financiers are engaged in.

The major financiers identified for each region were Greater Accra (16); Ashanti Region (11); Western Region (12); and Eastern Region (14).

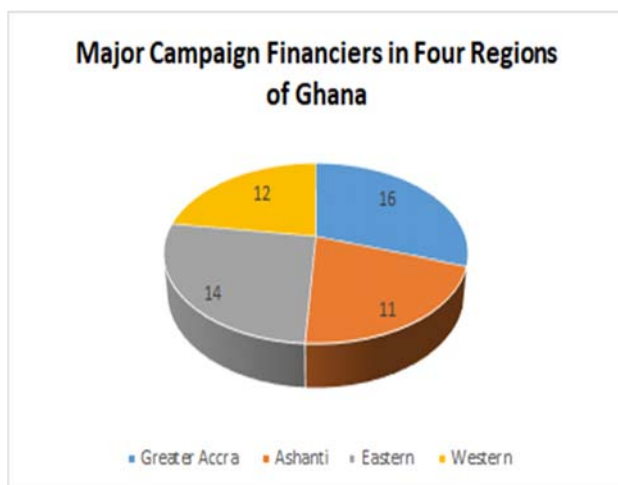
⁴⁴ Ibid

⁴⁵ Interview with Major Financier “D”, February 3, 2021

⁴⁶ Interview with “Major Financier “A”, February 1, 2021.

⁴⁷ Interviews with 12 Major Financiers in the Greater Accra, Eastern, Ashanti, and Western Region, January 16 -February 28, 2021

⁴⁸ Interview with Major Financier “J”, January 19, 2021



This follow-up research/investigation was crucial to determining whether dirty money is used to finance politics in Ghana.

In the Ghanaian context, such illegal activities would include SOC activity such as illegal mining (galamsey), illegal oil diversion, networked smuggling, and other crimes which can be either be conducted by organised crime networks or local actors such as bribery and corruption, procurement breaches, cyber-crimes, money laundering and other crimes. It would be reasonable to suggest that political financiers who engage in any of the aforesaid businesses or activities may be using the proceeds from their prohibited activities to fund political parties or candidates.

The follow-up research/investigation established that the financiers are engaged in the following business activities/sectors as provided below.

Key Businesses of Political Party Financiers

Businesses of Financiers	Greater-Accra Region	Ashanti Region	Eastern Region	Western Region
Political Appointees	×	×	5	3
Procurement	×	3	3	4
Oil and Gas	2	1	×	1
Galamsey	×	2	3	2
Real Estate	2	2	×	×
Chieftaincy	×	×	3	×
Waste Management	1	×	×	×
Hospitality	3	2	×	×
Merchandising	2	×	×	1
Freight Forwarding	1	×	×	×
Alleged Fraudulent Businesses	1	×	×	×
Publishing	×	1	×	×
Illegal Oil Bunkering	×	×	×	1

Figure 6: Key Businesses of Political Party Financiers

As a result of the list of business activities of financiers that our research focused upon, nine financiers were found to be involved in SOC related activities. The SOC activities identified include Illegal mining⁴⁹/galamsey (7 financiers); Illegal Oil Bunkering⁵⁰ (1 financier); and alleged fraudulent business (1 financier). Although the other financiers were not identified as being engaged in SOC businesses per se, it is suggested that proceeds from criminal SOC activities such as bribery and corruption (kickbacks) in the award of contracts for goods, services and works⁵¹ are used to finance candidates and political party activity. It is suggested therefore that by inference, funds from dirty money were directed into Ghana's campaign financing/financing of candidates and political party activities.

Enforcement of the laws prohibiting SOC-activities have been anything but effective. Sometimes politicians, including serving government appointees and party executives have been implicated in the Serious Organised Crime of galamsey.⁵² In early 2020 Kofi Bentil, a vice president of think-tank IMANI, opined that Ghana's fight against 'galamsey' was doomed because too many politicians and leaders in the Ghanaian society were funded from the proceeds of 'galamsey' and entangled in the illegal activity.

"For me, it's simple as that but do you know why that will not be done, because too many of our leaders are involved in 'galamsey', too many politicians are funded from 'galamsey' money and too many of the people involved in 'galamsey' have too much power in the country, so we won't win the fight against 'galamsey.'" Source: Ghanaweb⁵³

It is also worth noting that as many as 10 of the financiers are engaged in the procurement of works (construction of roads and buildings) and that our follow-up investigation/research established independently that all 10 financiers had been awarded contracts by both administrations of the NPP and NDC under sole-sourcing or restricted tendering procurement regimes with the price awards considered as exceedingly high, raising suspicions of padded contract sums.

Lastly, one category of major financiers within this study is Chiefs. Funding from Chieftaincy sources is arguably not permitted in Ghana and therefore classified as illegal funding. There is also an added dimension that the source of funds provided by some of these Chiefs may emanate from organised criminal activity (see findings from Northern Ghana study).⁵⁴

Our study found that three of the major financiers are Chiefs in the Eastern region. Current law on campaign financing does not prohibit a citizen from providing in-kind or cash donation to a political party (parties), therefore it is also arguable that Chiefs may not be engaging in an illegality per se if they contribute to political party activities. However, when the campaign financing law is read together with the 1992 Constitution, which prohibits Chiefs from engaging in party politics, challenges remain. Despite this prohibition, not only do some Chiefs finance political campaigns, they also openly ask their subjects to vote for a particular candidate. For instance, in the lead up to the 2020 presidential election, a chief in the Eastern region where the current president, Akufo-Addo hails from, endorsed Akufo-Addo's re-election bid and pledged to personally lead a campaign to ensure his subjects voted for the President:

Nana Okoda Darko I, the Gyasehene of Akyem Kusi Traditional Area in the Demkyembour District of the Eastern Region, has declared his support for President Akufo-Addo and the ruling NPP come 2020.... The Gyasehene who made this known when President Akufo-Addo visited the community, also promised to lead his community members to vote massively for the ruling New Patriotic Party in the next elections. - Source: ModernGhana.com

⁴⁹ Galamsey or illegal Artisanal Small-Scale mining is prohibited by law under the Minerals and Mining (Amendment) Act, 2015 (Act 900). This law was further amended in 2019 and penalties increased for violators up to 25 years imprisonment along with a fine of up to fifteen thousand penalty units.

⁵⁰ Illegal Oil Bunkering/Diversion/Smuggling continues to be a problem along the coast (Tema and Western Region). Vice-president has expressed concern about this matter [Illegal bunkering, fuel smuggling will be dealt with forcefully - Bawumia \(ghanaweb.com\)](#); illegal oil bunkering is estimated to cost Ghana about \$500m in lost revenue every year ([Black Market Dealings Cost Ghana \\$500m - Report | News Ghana](#)); law enforcement officers continue to make arrests ([W/R: 8 arrested for illegal bunkering | 3news](#))

⁵¹ The Public Procurement Act 2003 (Act No. 663) as amended by the Public Procurement (Amendment) Act 2016 (Act 914) prohibits procurement infractions and imposes a term of imprisonment of up to five years, a fine, or both on violators. "A person who contravenes provision of this Act commits an offence and where a penalty is not provided for the offence, that person is liable on summary conviction to a fine not exceeding two thousand five hundred penalty units or a term of imprisonment not exceeding five years or to both the fine and the imprisonment." Public Procurement (Amendment) Act 2016 (Act 914), Article 92, Section (1)

⁵² [Galamsey saga: Ekwu Ewusi drops names in petition to BNI boss > YEN.COM.GH](#)

⁵³ [Fight against galamsey: Too many politicians are funded from 'galamsey' money – Kofi Bentil \(ghanaweb.com\)](#)

⁵⁴ Ohene-Effah. M & Walsh. C, Analysing the Drivers of Serious and Organised Crime, and Vulnerability in Northern Ghana, 2021

Similar endorsements had been made by some Chiefs in support of the candidature of the NDC candidate in the December 2020 presidential election, John Dramani Mahama. However, other Chiefs, including the very influential Asantehene have stayed out of active politics and admonished other chiefs to stay out of active politics.

Chiefs are key influencers in their communities and their subjects take their endorsements seriously when it comes to electoral politics. Gyampo (2011) affirms in his study on *Chiefs and Electoral Politics in Ghana's Fourth Republic* that “.... Chiefs played a role in influencing their outcomes [five elections: 1992, 1996, 2000, 2004 and 2008] either in a subtle way or in the open.”

Even though the law prohibits Chiefs from engaging in active politics, calls for an amendment of this provision in the law to allow Chiefs to participate in party politics have been growing.

Tier 3: Validation Findings

In this section of the report, we present our findings from validation sessions we conducted for this study. The validation sessions captured under Tier 3 of this study were intended to consolidate empirical evidence on the presence of dirty money in Ghanaian politics through a validation process. A total of four validation sessions were held for the purpose. The first two sessions were held in Takoradi and the latter two in Accra. Participants comprised major financiers⁵⁵, politicians, party people, security and enforcement agencies, and other state-side organisations. Participants were asked to contribute opinions about campaign financing in Ghana to assess the extent to which their perspectives corroborate the findings uncovered by the CDD Ghana project team's fieldwork under Tier 2 of the study. Recommendations on how to address the exigent challenges of campaign financing were also explored.

7.1 Why Financiers Provide Funding for Candidates and Political Party Activities

Whilst participants upheld the Tier 2 findings that the cost of politics in Ghana was extremely high, there was pushback on the estimated cost of running for parliamentary elections of GHC 4m, as participants from all the sessions believed that in reality, it was much higher than reported. Participants noted that, to win an election, a candidate must ensure that those who are voting are catered for. The home of politicians, they indicated, was comparable to Emergency Rooms as there were often scores of people assembled to seek financial surgeries from candidates. To get through the primaries, an aspirant had to make sure members of the Electoral College were well compensated. A breakdown of expenditures for parliamentary candidates was provided by a participant who had contested the primaries of one of the leading parties. The candidate/participant in a bid to become a parliamentary candidate paid the school fees of 53 students to tertiary institutions, at an average cost of GHC 2300 per student; pocket money was provided for all students after the payment of fees; and chop boxes were procured for many senior high school students. The candidate also had to renew the health insurance of many constituents and spent an average of GHC 600 per every sick person visited. All these were done within the period of January to June 2020, before the primaries were held.

In addition, the candidate had to pay rent for 260 people, with the rationalisation that 61.9% was a safe bet to guarantee victory in the primaries as all 420 delegates in the constituency said their rents had expired. All these payments were preceded by the candidate's funding to contest constituency elections so they could provide support for candidates bid after their victory.

Similarly, the candidate sought to engineer the friendly composition of the Electoral College by funding the selection of constituency coordinators. 390 forms were bought for prospective delegates, with GHC 20 given to each candidate.

On the eve of the primary, the candidate had a sum of GHC 300,000 for election night campaigning and generated an additional GHC 300,000 from a loan provided by a financier, which totalled GHC 600,000. This money was used to buy 32-inch flat screen television sets for distribution, and delegates were given an additional sum of GHC 600 each. The GHC 600,000 was insufficient to meet the demands of delegates and the candidate went on to lose the primary, obtaining about 25% of the valid votes cast.

Another candidate also detailed his experience as an aspirant for public office. From the year 2012 when he first indicated his interest to run for political office, he stated he had continuously spent money on funerals and *aduas* (Muslim funerals), *awureys* (weddings), and other social gatherings in his constituency. "Almost everything around the constituency, you will be called upon to pay. If you don't, you will be seen as uncaring." This experience shared by the candidate is consistent with popular culture of demand-driven corruption related to running for elected office in Ghana.

⁵⁵ A major financier is a person who makes cash and non-cash contribution of \$100,000 (GHC 580,000) to a candidate and or political party in return for contracts for the procurement of works, services, and goods and or protection of business or appointment.

The expectation that a candidate should provide money to the celebrants/bereaved families has also been elevated to a civic duty where the presence of a candidate is also required at social events. In some constituencies, a candidate that fails to provide financial support to celebrants/bereaved families and/or be present at such social events risks re-election or winning the election. For instance, in post-election 2020 media interviews in the Ledzokuku constituency where incumbent MP and deputy minister of Health, Dr Bernard Okoe-Boye was unseated, some voters explained the incumbent lost the election because he failed to attend social events such as funerals and child naming ceremonies.⁵⁶

Participants corroborated the study's finding that the high cost of politics in Ghana had led to a funding regime largely dependent on major financiers. Financier motivations for providing campaign funding to candidates and political parties were explored in Tier 2 of this study. The finding that financiers were investment-driven and provided funding to political parties and candidates in anticipation of appointments; procurement awards for works, services and goods; protection of businesses; tax waivers (in the case of merchants); and instrumental rewards such as being consulted on major decision-making was upheld during Tier 3 validations.

Participants upheld the study's assertion that major financiers were self-seeking individuals whose primary motivation was to recoup their investments plus profit in candidates. Major financiers were noted to have declined support to some participants because they doubted their viability as political candidates. They often tried to back the winning candidate to maximise their chances of profiting off their investment. Sometimes they would split up their funding support on a 70%-30% scale, giving the lion share of 70% to the candidate they believed would win and 30% to the candidate they had less confidence in their winning of the election.

Participants advanced that, financing politics in Ghana is based on a dysfunctional system of reciprocity where anybody who gives anything in support of campaigns expects to be able to get it back. They seek to use candidates they support as conduits to secure favours for themselves. Whilst some of these major financiers seek contracts, others seek appointments. Financiers are often hopeful their sponsored candidates will secure appointments so they can more easily service their needs.

They posited that, the relationship of businesses to politics was increasingly on an “invest or perish” basis. So, to maintain relevance, most businesspeople often had to invest in opposing parties or candidates, to maximise the chances of their business thriving.

In addition to the validation of the Tier 2 findings on the motivations of financiers for providing campaign funding, participants inputted that, there were a few outliers. A candidate for political office stated he had received funding from a financial service person interested in the political success of young people with some set of values. The motivation of said donor was to 'keep the soul of the nation intact'. There were also noted instances of people who genuinely believe in a person's ability to contribute towards a better Ghana, thus supporting their candidate with no interest in rewards.

Another motivation for the provision of campaign financing from a prohibited source – a foreign organisation was shared. It was related that, a foreign NGO that was working in Ghana, for example, took a very pragmatic decision to donate to the political party which shared its ideological agenda. By providing financing support to the presidential candidate of the party that shared the NGO's ideology, the NGO believed it would have succeeded in ensuring the election of a candidate in fulfilment of its ideological mandate. The NGO assessed that what the party needed was money to mobilise its people. The support of the organisation contributed to the production of a candidate who eventually became President. It must be emphasised that the financial contribution provided by the foreign NGO violated Ghana's campaign financing law:

- A non-citizen shall not directly or indirectly make a contribution or donation or loan whether in cash or in kind to the funds held by or for the benefit of a political party and no political party or person acting for or on behalf of a political party shall demand or accept a contribution donation or loan from a non-citizen.

(Political Parties Act, 2000 (Act 574), Section 24(1))

⁵⁶ Okoe-Boye lost his seat because he refused to attend naming ceremonies, funerals – Constituents (ghanaweb.com)

7.2 Key Businesses Financiers Are Engaged in, and Alleged SOC-Prohibited Activities

Tier 2 established several sources of financing of political parties and candidates including membership dues, loans, and donations from friends, family, business financiers and special interests. In addition to the sources of funding identified by the research team, participants at the validation sessions identified social networks as one of the leading sources of campaign financing in Ghana. They explained that members of social networks finance campaigns with the intention of getting candidates who identify with their mandate elected. An example of such networks was cited to be old student associations who often mobilise to support a candidate from their school. Participants also noted the rise of a growing crop of young financiers whose main motivation was to secure better employment prospects upon the victory of their supported candidates.

Participants expressed concern about the unregulated nature of campaign financing especially the lack of due regard to knowing or disclosing the sources of funds used for financing political parties and campaigns. During the validation sessions, law enforcement agencies were particularly concerned that unregulated sources of funding would undermine the security of the state and Ghana's democratic governance. There was unanimity from all the participants particularly MPs in having regulation that would require political parties and candidates to disclose their actual sources of funding with prohibitions on funding from the proceeds of SOC- activities to prevent the seepage of dirty money into Ghana's politics.

As indicated, reports submitted to the Electoral Commission in fulfilment of disclosure regulations do not often reflect the real sources of campaign funding. Asked for an explanation about the discrepancy at one of the validation sessions, a party executive explained that some of the donations from "questionable sources", which cannot be reported are often 'hidden' under membership dues or subscriptions. Even more worrying was the disclosure by some participants at the validation sessions that parties and candidates do not verify or concern themselves with whether the financier is engaged in a legitimate or SOC-prohibited business/dirty business. They just want the money to finance their campaigns.

It was advanced that, because campaign financiers who become known as donors of one-party risk their business if the opposing party they did not support ascends to power, they play it safe and donate to both parties. Political parties which are aware of this risk to donors, attract the financiers by offering them protection from identification by attributing money sourced from such persons to party generated dues. This kind of creative reporting, it was concluded, facilitates the entry of unregulated monies into Ghana's politics as it offers protection for financiers engaged in illicit and criminal activity.

Participants affirmed the study's mapping of the major business interests of political financiers, and the theory that, some financiers are engaged in dirty money activity including SOC. Whilst most financiers identified themselves as political appointees, or being involved in oil and gas, real estate, hospitality, and merchandising, participants shared that the real sources of income for some major financiers may be different than those stated, as dirty money sourced campaign funding may be whitewashed to erase its traceability. According to participants, financiers engaged in dirty money activities often put on the act of engaging in legitimate business. They further explained that illicit money from cybercrime activities such as identity fraud, romance fraud, and other "Sakawa"⁵⁷ were often used to build hotels for commercial purposes to put up a front of proper business activity by financiers, effectively cleaning up the money they earn from such illicit and illegal activities.

Intelligence was shared by participants to indicate that the study's theory that foreign illicit money seeps into campaign financing was right. It was indicated that, there was an influx of money from foreign countries during the 2020 election. A case where a Lebanese national was caught with \$1.4 million and 256,000 Euros in cash at the airport was cited as an example of how money from illicit activities can seep into Ghana's politics used to buy influence during elections.⁵⁸ Participants shared that, these illicit networks often work in syndicates; and the extent to which money from such

⁵⁷ "Sakawa" combines cyber fraud with occultism to scam victims in foreign countries of their money. For further reading on "Sakawa" refer to Armstrong, Alice (2018). "Chapter 4 'Sakawa' Rumours: Occult Internet Fraud and Ghanaian Identity". In Littlewood, Roland (ed.). *Cosmos, Gods and Madmen: Frameworks in the Anthropologies of Medicine*. Berghahn Books. pp. 67–92.

⁵⁸ Ghana Talks Business, 'Lebanese Citizen, Arrested at Kotoka Airport with \$1.4m in Cash', *Ghanatalksbusiness.Com*, 2019 <<https://ghanatalksbusiness.com/2019/04/lebanese-citizen-arrested-at-kotoka-airport-with-1-4m-in-cash/>>.

activities are used to support campaigns may be underestimated as they often resort to the use of land entryways at border crossings between Togo, Cote d'Ivoire, and Burkina Faso.

7.3 Impact of Cost of Politics upon Candidates

It was confirmed by participants that the existence of dirty money, and linkages between financiers and recipients were unlikely to surface in any investigation. Participants from the security and enforcement agencies shared they were often prevented in addressing campaign finance breaches including the infiltration of money sourced from illicit and illegal activity. They shared that intelligence gathered on such activity often goes to government who are beneficiaries of the flawed campaign finance regimes. It was difficult to be able to assert independence in that area as the heads of law enforcement answer to the ruling government. They stated that, the people identified by the study as major campaign financiers engaged in illicit activity were people already known to most security agencies. In instances where they were to proceed on investigations into such persons, it often had to be halted due to the individual's connection to government. *"A political appointee is there with a certain agenda so he would not allow whatever hinders his political agenda. If a financier is in trouble, he has to free this person to continue to survive".*

Participants echoed they were frustrated by attempts to reform the system, as it was often subject to political meddling.

The participants also confirmed that the demand and expectation from constituents were significant and draining upon financial resources of politicians. An example was provided - *"A three term MP lost his seat in 2016, and by 2018 did not have even GHC 500. He borrowed so much to be able to contest primaries, and because his party lost too, he had no avenue to recoup monies. That former MP is now down to nothing."*

Tier 3 interaction also qualified the exclusionary aspects of the cost of politics. A participant stating this leads to the exclusion of key contributors to Ghana's politics like women and the youth. *"Too many good people are not getting the opportunity to serve because they do not have the hard cash to participate."*

Gender Dynamics of Campaign Financing

One of the issues the study explored was the gender dynamics of the high cost of politics and campaign financing. Here, we examined whether gender is one of the predictors of the viability of a person's candidature, a viability which may be dependent on a candidate's ability to raise and spend money to influence a political vote during general elections.

As the findings of this study have shown, the high cost of politics in Ghana means that for a candidature to be viable, a candidate must raise and spend about GHC 4m if running for office as an MP and about \$100 million if running for office as President. Oti Frimpong (2018) has also explained that there is a relationship between campaign spending and a candidate's performance in elections; candidates with scarce funds find themselves at a disadvantaged position.

Exploring the gender dynamics of the high cost of politics and campaign financing is also pertinent to assessing whether progress is being made by women, the gender group that is under-represented in parliament, and in political participation generally. As Gender Expert and Human Rights Advocate, Regina Oforiwa Amanfo explains, although some progress has been made in increasing female participation in politics, progress has been slow.⁵⁹

She explained that while Ghana's electoral processes have improved over time - through eight (8) successive multiparty competitive elections, women representation in parliament has been abysmal.

The statistics on women representation in parliament since the inception of the fourth republic indicate that, in the first parliament on 7 January 1993, for instance, women constituted only 7.5% of the entire membership of parliament (i.e., 15 out of 200 MPs). In the 1996 parliamentary elections, 59 women contested and 19 were elected, constituting 9.5% of parliament. In 2000, the number of MP women candidates increased to 101 but the percentage share in the legislature stagnated at 9.5% (i.e., 19 were elected). In 2004, the number of constituencies increased to 230 from 200 but the number of women contestants remained stagnant at 101 (Amanfo, 2021).

She noted that out of the 101 contestants, 25 were elected which represented 10.9% of the house. In the 2008 parliamentary elections however, the percentage of women in parliament dropped to 8.7% (20 out of 230) while the number of contestants remained the same. The 2012 parliamentary elections saw some slight improvement in women elected to the August House to 10.9%.

Further, the 2016 general elections also produced improved women representation in Parliament up from 10.9% to 13.1%. The marginal improved percentage of women representation in Parliament was sustained and improved in the 2020 presidential and parliamentary elections to put women representation in the 8th Parliament at approximately 15% (i.e., 40 out of 275 MPs). Yet despite these slight improvements, Ghana continues to lag behind the 30% minimum threshold recommended by the UN for women representation.

⁵⁹ Interview with Regina Oforiwa Amanfo, Head of Gender and Human Rights, CDD-Ghana, March 20, 2021

Statistics of Female MPs in Ghana (1992 - 2020)



Figure 7: Statistics of Female MPs in Ghana (1992 - 2020)

Tier 2 of the study unveiled the exclusionary effect of the high cost of politics on the participation of Ghanaian women in active politics. The dependence of a candidate's viability to raising the levels of money necessary, was seen as a particular challenge to the ability of women to participate effectively in politics in Ghana.

Participants at the validations shared information on the gender dynamics of the high cost of politics and campaign financing. They asserted that female candidates face unique challenges when attempting or running for political office; and, in soliciting and raising funding to support their bids for political office. Socio-cultural norms and traditions still prevalent in Ghana, exacerbate the inequality of females against their male counterparts from a young age. These include but are not limited to, less opportunities to acquire a formal education beyond primary or secondary; higher risk of early or child marriage; expectation of looking after the household in line with traditional gender norms rather than obtaining a job. In addition, during the validation session, it was mentioned that women are sometimes asked to choose between their political ambitions and their marriages. Faced with such an ultimatum, some women abandon the idea to run for office. A participant noted allegations as such had contributed towards the demise of her marriage as her husband had given her a "politics or me" ultimatum. Her decision to continue her pursuit of political power had led to the irretrievable breakdown of her marriage.

This animosity towards women in politics has also been fuelled by insinuations that female candidates in Ghana are only able to generate political funding because they are engaged in inappropriate sexual relations with men. The risk of defamation of character can prevent women from engaging in the political sphere.

Participants also noted that, raising funds to run for office is exceptionally challenging for women as many financiers' do not believe a woman's political candidacy is viable against a male candidate. A female participant shared an incident where she was invited by a male major financier to a meeting to explore her candidacy. She believed he could provide financial support to enable her to secure her party's primary nomination. The financier ultimately declined to provide funding support because he made the determination that she did not stand a chance against the male candidates in the primaries simply due to her gender. Her inability to secure the full campaign funding unlike her male counterparts put her in a lot of debt; this candidate informed CDD that she was still struggling to pay-off her debt even after losing her bid. She iterated her belief that her inability to attract campaign funding was the likely reason she lost the election as her male counterpart outspent her.

In exploring the gender dynamics of the high cost of politics and campaign financing, researchers also sought to identify female campaign financiers and female aspirants of primaries who were either successful at running for office as MP, and /or those whose bids were not successful at the primaries or as candidates for MP. However, out of the 53 financiers in the study, researchers only identified one female as a financier within the four regions where this exploratory study was undertaken, limiting the sample size.

It should be noted that only one financier was identified, from the 4 regions of the study. It is likely that if the study was extended to all 16 regions, more would likely be uncovered. In addition, only two out of the 12 female politicians invited to participate in the validation sessions attended.

Challenges in Enforcement of Campaign Financing Laws/Regulations

At the validation sessions in Takoradi and Accra, participants who were drawn from the enforcement and regulatory agencies shared their insights into illicit, illegal, and criminal activity, the likely seepage of proceeds from dirty money into Ghana's politics, and the challenges in enforcing the laws on campaign financing and related laws on SOC activities. They commented on the implications of campaign financing and the consequential challenges on public sector corruption and to the entire government system, offering insights into the institutional challenges security and enforcement agencies face in mitigating campaign financing challenges.

Intelligence was shared by the participants which upheld the findings from Tier 2 that dirty money seeps into campaign financing in Ghana. They stated that, some of the people identified by the study as campaign financiers were involved in criminal and some SOC activities. They corroborated this by affirming that they were people already known to most security and enforcement agencies. Investigations into such persons and others believed to be engaged in illegal activity, often had to be halted due to the individual's connection to the party in government. In most instances, it was unthinkable to investigate such persons as their political connections had made them untouchable.

It was also indicated that, there was an influx of money from foreign countries including China, Lebanon, and Nigeria during elections in Ghana. A participant shared a case where an Ivorian was arrested at one of Ghana's land borders attempting to smuggle several hundred thousand of US Dollars into Ghana during the 2016 electioneering campaign. The alleged money smuggler supposedly told immigration officials he was to deliver the money to one of the candidates of the two main parties. Power players stepped in and facilitated the repatriation of the alleged smuggler back to Ivory Coast. The entire debacle was also kept away from the media. This again evidences the interference security and enforcement agencies face from political power players in their quest to enforce campaign regulations prohibiting non-citizens from funding candidates and political campaigns.

In addition, government's appointment of institutional Heads was said to be responsible for the political interference encountered in the work of security agencies. Upon pushback from the moderator of the validation sessions about why officers in charge could not exert investigative independence as they were not directly appointed by the President, participants answered that such investigative officers are answerable to institutional heads who are appointed by the government. Participants echoed they were frustrated by attempts to reform the system, as it was often subject to political meddling.

Participants from security and enforcement agencies validated the study's finding that, there were legislative and regulatory challenges to campaign finance in Ghana. According to participants, the regime of financial accountability for political parties lies exclusively in the realm of the Electoral Commission, which often relegates this responsibility in favour of its primary responsibility to facilitate free and fair elections in the country.

Key Impacts, Enablers, Drivers

Impacts

- The high cost of politics necessitates candidates to source funds causing them to incur significant debt prior to entering political office. This debt represents a massive increase in risk as the candidate has to generate funds, either legitimately or illegitimately to pay off that debt. In order to remove the risk of outstanding debt once they leave office, politicians feel the need pay off this debt. This often leads to the looting of state-funds through corruption.
- There is now a level of expectation amongst electorates that MPs will actively nurture their vote. The level of this demand is being exacerbated by the competing candidates to provide the most lucrative and enticing gifts to secure the votes of the electorate. This in turn is creating a financially unsustainable situation for prospective candidates, thereby heightening the risk of dirty money entering politics.
- The high cost of politics is having an exclusionary and discriminatory effect on political candidature and political participation. This prevents the fair and proportionate representation of society from Parliament. Specifically:
 - The youth, who present visionary and untainted potential, no longer believe that they can enter politics given the rising costs.
 - Women are disadvantaged due to the rising cost of politics, as traditional cultural upbringings of women prevent them from legitimately accumulating the necessary wealth required to successfully fund their campaigns.
 - Only the economic and political elite can enter the political arena given the inability of low - to middle-income candidates to accumulate the necessary wealth required legitimately. This maintains the status quo and prevents real change.
- The expectations of the ruling party for their appointed officials to contribute to party funding from their state-areas of responsibility reduces funding capacity that would otherwise be spent on providing and enhancing public services.

Enablers

- As indicated by participants at the validation sessions in Section 7.3 **Impact of Cost of Politics upon Candidates**, the prevalence and influence of dirty money in politics is increasing due to the political settlement of Heads of agencies across State enforcement agencies who interfere and influence relevant investigations concerning financiers and politicians.
- The patrimonial nature of Ghana's politics means that its appointees are unable to assert independence. Appointees are beholden to the big man (patron) who facilitated their tokenistic appointments. They in return must service the linkages that got them appointed.
- The demand-driven and supply-side corruption along with the high cost of filing fees at the party level and by the Commission especially for president are facilitating the continuous increase in the cost of politics.
- Politicians who are indebted to major financiers are using their networks and influence to prevent the investigation and or prosecution of financiers engaged in SOC activities including galamsey.

Drivers

- Participants at the validation sessions had advanced that, one of the key causes of the monetisation of politics is poverty. Citizens perceive politics to be a profitable business and rationalise that if they successfully support a candidate's campaign, they are then entitled to a share of the 'profits'. In poverty-stricken constituencies, however, citizens do not consider their support to be on an investment basis. Instead, such voters require immediate payments or rewards from candidates prior to election outcomes because of their financial vulnerabilities, such as the payment of school fees, hospital bills, or rent. This increasing need to meet the demands of voters drives the politicians further into debt in order to secure the voter base and succeed in their campaigning raising the risk of politicians relying on dirty money. This is especially relevant to poverty struck constituent areas as articulated by two MPs who participated in the validation sessions:

"There's a perception that by voting for you to be in a position, it's going to benefit you, so they need to milk a lot of money out of you".

"There's a huge problem. So, you need to cushion yourself or go broke".

"People have come to see politics as a way of making money, so give me what I can get now, so you can go on to make a lot of money".

The political party expectation that successful candidates contribute funding to the party machinery necessitates that candidates must explore access to further money sources. There is a limit to the sustainability of licit sources to finance campaigns, and thus may cause some candidates to adjust moral and ethical standards to meet the prevailing demands of financially driven culture.

Stakeholder Analysis

In this section of the report, we conduct stakeholder analysis by assessing the likelihood or otherwise of stakeholders supporting the agenda for reform of campaign financing laws and regulations, addressing the monetisation of politics and prohibiting dirty money from entering Ghana's politics. We identify stakeholders, their mandate, and their likelihood of support as well as assess their influence in supporting or hampering reform. The analysis and tentative conclusions we make about a stakeholder's likely support for reform or hindering reform are inferred from a variety of sources including assessment of the stakeholder's mandate, public statements made in support of /opposing reform, and where a stakeholder has not made such public statements, we fill the gap with our own analysis. Moreover, we assess the stakeholder's interest and influence.

We classify these stakeholders into 8 groups:

1. Executive Branch of Government
2. Legislative Branch
3. Regulatory/Enforcement & Constitutional Bodies
4. Political Parties
5. Private Sector
6. Anti-corruption and Accountability CSOs
7. Media
8. International Organisations and Development Partners

Sector for Reform	Name of Sector/Ministry/Org	Role/Mandate	Support
Executive Branch of Government	The Office of the President	The Presidency makes executive decisions in consultation with Cabinet members. These decisions would include reform of the status quo ante and, which reforms are then implemented by ministries, departments, and agencies of state.	Members of the Executive branch of government, including the President get into office through the political process and would relate to the monetisation and high cost of running for political office, currently estimated at \$100m. Even though the Presidency has not made public statements to support reform of campaign financing laws and regulations, it may support reform, first from a self-interested point, and second, if there is pressure from its party and state and non-state stakeholders.
	Attorney General and Ministry of Justice (MoJ)	The MOJ advises the Presidency/government on legal matters as well as drafts and initiates bills at the direction of the Executive.	The MoJ takes directions from the Presidency and will most likely support campaign financing reform if directed by the Presidency

Legislative Branch	Parliament	Parliament is the law-making body of Ghana. It can repeal, amend, or promulgate new legislation on campaign financing and related laws and regulations.	MPs from all sides of the House have been bemoaning ⁶⁰ the high cost of running for office and have indicated their support for reform in public statements ⁶¹ as well as in their contributions to this study at the validation sessions.
Regulatory/Enforcement & Constitutional Bodies	Electoral Commission (EC)	This category of state-side stakeholders has varying mandates ranging from regulating political parties and election management (Electoral Commission); enforcing laws and regulations related to aspects of campaign financing (Ghana Immigration Service deporting non-citizens who finance parties; EOCO, NIB, GPS – investigating and on the authority of the AG prosecuting SOC) and conducting public education (NCCE)	This category of state-side stakeholders is likely to support campaign financing reform and enforce the implementation of these reforms especially if the Executive Branch of Government leads the reform agenda and demonstrates political will. We make this inference based on the contributions and perspectives participants shared in the four validation sessions this study held.
	Public Accounts Committee of Parliament		
	National Commission on Civic Education (NCCE)		
	Commission on Human Rights and Administrative Justice (CHRAJ)		
	Audit Service /Auditor-General		
	Economic and Organised Crime Office (EOCO)		
	Financial Intelligence Center (FIC)		
	Ghana Revenue Authority (GRA)		
	Ghana Immigration Service (GIS)		
	Ghana Police Service (GPS)		
	National Investigations Bureau (NIB)		

⁶⁰ [MPs spend an average of GH¢2million during campaigns - Alban Bagbin \(ghanaweb.com\)](#)

⁶¹ [Kyei-Mensah-Bonsu calls for dialogue on monetisation of politics \(citinewsroom.com\)](#)

Political Parties	All registered and functional political parties	Political parties provide the platform for citizens/supporters to harness their ideals and participate in Ghana's democracy.	Political parties are likely to support the reform agenda based on their public statements and contributions to this study where they expressed support.
Private Sector	All formal and non-formal businesses in the private sector.	Within the framework of campaign financing, private sector companies that are owned 75% by Ghanaians are considered citizens and their role is to contribute to the financing of political parties.	As we found from the study, persons/businesses in the private sector contribute to financing political parties and candidates in return for procurement of goods, services, and works. They make these contributions secretly, which they say not only increases the cost of doing business, but also creates corporate governance deficits for their organisations. It is arguable that the private sector will likely support reform, but there could also be some holdouts who have been benefitting from the status quo ante and would want the way things are to continue.
Anti-corruption and Accountability CSOs/Media	<p>CSOs - Ghana Integrity Initiative, Citizens Movement Against Corruption, CSO Anti-Corruption Coalition, Ghana Anti-Corruption Coalition, IDEG, CDD-Ghana, Pensplusbytes, IMANI, ACILA, ACEP, IEA, MFWA</p> <p>MEDIA - Electronic media (TV, Radio) with affiliates in the 16 regions, Print media (Graphic, Daily Guide,</p>	This category of stakeholder's demand accountability and reform of policies/introduction of policies in aid of anti-corruption and good governance.	CSOs and media have held programs advocating reform of campaign financing in Ghana and would likely support a reform agenda. Their initial advocacy had not been data-driven and would likely utilise this data-driven study on campaign financing to be better advocates of campaign financing reform.
International Organisations and Development Partners	UNDP, EU, World Bank, DANIDA, UNDP, USAID, FCDO, EU, World Bank, GIZ, US Embassy		International Organisations and Development Partners are likely to support reform of campaign financing laws and regulations because they have been supporting research and advocacy for reform. The EU recently issued a report calling for reform and regulation of campaign financing in Ghana ⁶² .

⁶² [PRELIMINARY STATEMENT \(europa.eu\)](https://www.europa.eu/press-room/media/30612/en/statement)

Figure 8: Interest and Influence of Stakeholder Matrix



All stakeholders identified within the table above, have varying degrees of influence. Their position may suggest that they have high influence, but the realities of SOC inflows in campaign funding impede their ability to affect change as they are compromised by the impact of dirty money. In addition, some political elites and private sector actors who are politically connected, may have little interest in solving illicit flows of resources in the funding of political campaigns given they may be direct beneficiaries from such payments.

To effectively initiate and engender reform, it is important to have a good mix of stakeholders who are vested in the issue (Executive Branch of government, Parliament, Electoral Commission) and have high influence to bring about change as well as stakeholders who have high interest but low influence.

Conclusion

This exploratory study was intended to assess the monetisation of politics and the extent to which campaign funding comes from dirty money. The study through a multi-tier research methodology sought to understand the role of money in Ghanaian politics by undertaking a detailed analysis of how dirty money fuels campaign financing in Ghana, and its impact on Ghana's political campaign financing.

The study uncovered that,

- Less than 1% of funding for campaign (political) activity originated from membership dues/subscriptions.
- The more tangible sources of campaign financing were from major campaign financiers - some of whom are engaged in SOC activities.
- The majority of campaign financiers provided their funds with the expectation of receiving some form of reward. The type of reward for funding political activity included procurement favours in the form of works, services, and construction contracts; appointments; protection of businesses; protection from prosecution in the case of illegal activities; tax waivers; and access to power.
- Campaign funding from suspicious donor sources were revealed to be channelled directly to individuals rather than to a political party account. The funds were either direct to candidates for political office or to political parties via its executives or other influential party members. This was to ensure recipients were clear as to who the financier was to ensure they were subsequently rewarded.
- The key business activities of such contributors were generally discovered to be Procurement (construction, works, and services), Mining (legal/illegal), Merchandising, Real estate, and Hospitality.
- Specific sources of funds identified as dirty money activities include illegal mining, illegal oil diversion, and kickbacks from procurement of goods, services, and works contracts and from proceeds of organised crime.
- The gaps in the legal and regulatory framework and oversight of campaign financing in Ghana has enabled the inflow of dirty money into Ghanaian politics.
- The high cost of running for elections is exacerbating exclusionary politics and preventing the reforming of the status quo. This, in turn, is inhibiting real change actors to enter the political arena and drive influential changes for positive developmental outcomes.
- Gaps exist in the legal, regulatory and enforcement of campaign financing regime.
- This study was undertaken to, among other purposes, collect data on major campaign financiers in four regions of Ghana for the first time. The data could, among other things, be utilised to match campaign contributions to rewards for contracts for the procurement of goods, services and works, and other benefits. To establish comprehensive baseline data from this study, it would be necessary to collect data on major financiers in the remaining 12 regions in Ghana.

The study drew the conclusions that:

1. The cost of politics in Ghana is prohibitively high and notably increasing. The estimated costs of politics established from this study is much higher than previously reported estimations.
2. There is an unsustainable expectation of politicians being cash cows to both their party leaders and the electorate.
3. Money from illicit, illegal, and criminal activity, conducted by both local criminal and SOC actors, has found roots in Ghanaian politics.

These conclusions stem from political parties actively seeking to avoid regulations and, in many instances, interfering in the effective oversight activities of state-institutions.

Recommendations

In light of the findings of this study, we propose the following issue-based recommendations. A short timescale is six months; a medium timescale is 12 months, and a long timescale is 24 months.

Issue Category	Timescale	Recommendation
Institutional Challenges and Reform	Short	1. Findings of study should be shared with all stakeholders responsible for regulating and enforcing campaign financing and related laws and regulations, highlighting gaps and remedies.
		2. Engage Electoral Commission (EC) and jointly identify the current gaps and issues in campaign financing regulatory regime and institutional strengthening to develop solutions.
		3. Facilitate engagement between the EC and Ghana Audit Service (GAS) to explore the option of the EC engaging in a memorandum of understanding with the GAS to provide an independent audit of the accounts of political parties.
	Medium	1. Enhance EC's capability to effectively monitor, enforce, and sanction electoral campaign and political party regulation.
		2. Memorandum of understanding between EC and GAS to be signed in order to facilitate the commencement of independent audits of the accounts of political parties.
		3. Capacity building provided to relevant stakeholders in the enforcement of SOC and related campaign financing laws and regulations
		4. Review the appointment process for heads of enforcement agencies to provide them independence of tenure to enable them to conduct investigations into electoral and political crimes and hold violators accountable.
	Long	1. A unit established within the EC with capacity to perform independent audits of accounts and statements submitted to the EC by political parties and to follow up to ensure political parties are complying with their statutory obligations.
High Cost of Politics	Short	1. Undertake tailored briefings with political parties, Members of Parliament, anti-corruption CSOs and media, private sector, EC, and donors emphasising the high cost of politics.
		2. Establish a coalition working with the NCCE and other relevant stakeholders to sensitise their citizens about demand-driven corruption during primaries, which increases the cost of candidates running for office in the party's primaries.
	Medium	1. Political parties should address the high cost of politics by instituting a policy which adjusts the cost of nomination and filing fees for presidential candidates, and candidates who contest as parliamentary aspirants in the party's primaries.
		2. The EC should reduce the filing fee for running for President and/or MP by instituting a policy which adjusts the cost of filing fees in increments of 5-10 percent every general election cycle. In the alternative, the EC should abolish the filing fee for President and instead approve or disqualify candidates based on the candidates' party's meeting the criteria of having the required party structures of two-thirds representation in the districts. This will be in addition to the general qualifications enumerated by the 1992 Constitution of Ghana.
		3. In order to increase female participation in politics and meet the UN goal of at least 30% female representation, political parties and Electoral Commission are to consider reducing the nomination and filing fees for female candidates as well as other vulnerable groups including persons with disabilities.
		4. HMG and international donors should work with GoG to identify international best practice for raising financial support for political campaigns.
	Long	1. EC should work with Parliament and other stakeholders for the enactment of legislation and accompanying policies to establish a three-month window for campaigning by candidates to reduce the high cost of politics.

SOC Inflows in Ghana's Politics	Short	1. As part of the strategy of sharing the findings of this study with stakeholders, a deliberate focus on SOC should be had with enforcement officials/agents in the Criminal Investigations Department of the Ghana Police Service; Financial Intelligence Centre; Economic and Organised Crime Office; Ghana Immigration Service; National Investigations Bureau; Office of the Special Prosecutor; Electoral Commission, and Commission on Human Rights and Administrative Justice.
	Medium	1. Capacity building, mentoring initiatives, and train the trainer programs to be designed and deployed to relevant enforcement officials/agents to enhance their ability to effectively identify, monitor and prevent funds from SOC entering into Ghana's politics.
	Long	1. A provision is made in the Political Parties Act, 2000 (Act 574) to specifically prohibit the funding of political parties and candidates from SOC proceeds. 2. Candidates and political parties should be educated as to the impact of taking monetary and non-monetary donations from SOC sources.
Legal and Regulatory Reform of Campaign Financing Legislation	Short	1. Findings of study should be shared with stakeholders in the Executive Branch of government including the Office of President, Ministry of Justice and Attorney-General, Ministry of Interior and Constitutional, Legal and Parliamentary Affairs Committee of Parliament highlighting the gaps in the Political Parties Act, 2000 (Act 574) which needs amendment.
	Medium	2. Consultations should be had with all stakeholders towards establishing an agenda of process for amendment of the Political Parties Act, 2000 (Act 574).
	Long	To effectively regulate the opacity around campaign financing, the Political Parties Act, 2000 (Act 574) needs to be amended to:
		1. Establish a ceiling/threshold on monetary and non-monetary campaign contributions political parties and candidates can receive from a donor.
		2. Candidates for MP and presidential election should be required to disclose and file returns on contributions received for their campaigns.
		3. Prescribe percentage increment the EC can charge as filing fees for both the presidential and parliamentary elections.
Research and Advocacy/Public Education	Short	1. One purpose of this study was undertaken to collect data on major campaign financiers in four regions of Ghana for the first time. The data could be utilized to match campaign contributions to rewards for contracts for the procurement of goods, services and works, and other benefits. To establish comprehensive baseline data from this study, it would be necessary to collect data on major financiers in the remaining 12 regions in Ghana.
	Medium/Long	1. Public sensitisation and education campaigns must be provided concurrently by state and non-state actors to the electorate to reduce demand-driven corruption.

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