

12th IACC
WORKSHOP SHORT REPORT FORM
FOR RAPPORTEURS

Workshop 4.3. Building transparent political finance regimes: the role of state modernization and oversight by civil society

Thursday, November 16 2006
15:00 – 17:30

Moderator: Bruno Speck, Transparency International

Rapporteur: Ana Bellver, World Bank

Panelists:

Marcin Walecki, Senior Advisor, International Foundation for Electoral Systems

Inge Amundsen, Senior Researcher, Christian Michelsen Institute, Norway

Antonio Jose Lizarazo Ocampo, exmagistrado Consejo Nacional Electoral of Colombia

Silke Pfeiffer, Regional Director Americas, Transparency International Secretariat

Challenger: Daniel Kaufmann, World Bank Institute

Main issues covered

The workshop started with a brief overview of the importance of party financing for democracy, the risks that money poses for political competition and political representation and a discussion on what are the main components of a sound political funding regime and the role donors can play in supporting countries to build transparent political funding regimes. Different models of donor support for democracy and party funding were discussed and a methodology to assess transparency and accountability of political funding was presented by TI.

Main outcomes

There was an agreement on the key role political parties play in democratic systems, and the importance of transparency in political funding to hold politicians accountable and reduce the influence of powerful interest groups in policy-making. Given the low level of transparency in this area, this should be an absolute priority.

However, transparency is a necessary condition but not a sufficient one for building sound political funding regimes. There is also a need to ensure effective oversight and enforcement of the legal framework. It is therefore key to ensure electoral bodies receive sufficient funds, have adequate technical capacity and are independent.

We need to ensure political parties are part of the reform and also we need to adopt a holistic approach where civil society, democratic institutions, political parties and donors work together in promoting transparency and accountability of political finance. But we also need to look outside the political system itself, as the problem of undue influence through political funding may not lie only on the system but also on other aspects such as freedom of the media. We also need to look at incentives for both sides: private sector and political parties.

We have made a lot of progress in understanding the role money plays in politics, but we still need more data and more research on this topic.

Main Outputs

Recommendations, Follow-up Actions

Reforms in political finance need a comprehensive understanding of the issues and actors involved. Sound political finance regimes need well designed laws and regulations; efficient and independent state oversight; parties and candidates prepared to comply with the law; press, civil society and voters overseeing the role of money in politics.

Transparency in political finance is key for state oversight to sanction illegal practices and for civil society, voters and the press to censor undue influence of money on the electoral process and on officeholders. When reformists take action, they should consider complete, timely and accurate information on political finance a priority, a first step to solve when tackling a much broader question.

Apart from tailoring reforms to local needs, activists have to develop strategies of implementation. Politicians, parties and donors have to buy into reforms. Scandal driven reforms still prevail, while there is a need for successive steps to reach transparent political finance regimes.

Although the issue of political finance at first sight is highly politicized, the example of bilateral cooperation shows how aid can help societies build sound and transparent political finance regimes. It is important to strengthen parties as well as state institutions, train the press as well as educate voters to take into account the information on money in politics, strengthen civil society organizations in their role of pressing for reform.

Workshop Highlights (including interesting quotes)