

## **SPECIAL REPORT ON ELECTION EXPENDITURE**

### **A SERIOUS MATTER OF CONCERN**

#### **INTRODUCTION**

This special report of the Programme for Protection of Public Resources (PPPR) of Transparency International Sri Lanka (TISL) relates to the cost of election propaganda to give an accurate picture of the costs incurred by political parties and the State for the conduct of the Presidential Election 2010. PPPR hopes to finalize the computation of the total cost of the conduct of the Election by end February. This report has been prepared to give an indication of the nature of the costs incurred so that voters and policy makers can form an opinion on the economic costs of the election in which they elect the head of the State.

#### **1. MAIN AREAS OF COST AND EXPENDITURE**

The expenditure broadly falls under five categories:

- i) legitimate expenditure by the Commissioner of Elections,
- ii) costs of law enforcement, expenditure by political parties/candidates,
- iii) costs incurred on account of abuse of state resources,
- iv) hidden and non specific costs
- v) other miscellaneous costs

TISL has been extensively monitoring the abuses of state resources while raising the issue of campaign expenditure. This report also deals briefly with the cost of media advertisements run by political parties.

Between 1<sup>st</sup> December 2009 and 15<sup>th</sup> January 2010, the costs of the campaigns of the two main candidates had surpassed Rs 450 million. This is merely the costs of publishing, broadcasting or telecasting the advertisements in print and electronic media (excluding the cost of production), based on the disclosed rates per rate cards. However, election advertisements are much higher than the normal rates. The actual cost will increase manifold, especially taking account of the effective costs of promotions in favour of candidates presented to the public via news, recast of previous telecast events of

promotional value, discussion platforms and talk shows, , opinions and interviews of/with selected individuals, direct and indirect advertising and pseudo communication messages included within programmes, songs, pictures.

The cost of the General Sarath Fonseka's Campaign as at December 31 2009 was Rs.7,054,000. However as of January 15<sup>th</sup> 2010 the cost had increased to Rs 80,446,900. The UPFA and Tarunyata Hetak (both exclusively campaign for President Mahinda Rajapakse had incurred, as of December 31 2009, Rs. 200 Million. This cost had increased to nearly Rs. 380 Million by January 15 2010.

*See Schedule for breakdown of costs and expenditure of advertisements*

## **2. CONCLUSION**

Elections involve extensive expenditure and some of these are legitimate and essential whilst some are excessive and ostentatious and therefore wasteful and unacceptable. Some of the costs are easy to assess and are visible and some are hidden and difficult to assess. Some of the costs arise and are incurred via abuse of state resources. At the same time some of the costs incurred are in respect of spends prohibited by law and/or violate guidelines for a free and fair election issued by the Commissioner of Elections. Payments and spends which are in pursuit of corrupt practices and against accepted norms of society are also seen to be incurred.

The expenditure of political parties, which are not disclosed at any stage, include extravagant spends not affordable in a low income country and should be prevented by common agreement. The abuses of state resources and various other hidden costs including corruption related spends should certainly be controlled and eliminated.

The Commissioner of Elections, the Law Enforcement Officials, Monitoring Groups, Political Party leaders and Civil Society must collectively commit to introduce and ensure compliance by all of best practices acceptable by society at large and are not wasteful.

By end February 2010, TISL will present to policymakers and the public its recommendations on necessary reforms, best practices and compliance measures to ensure free and fair elections within an acceptable socio political culture suitable for a country with limited economic resources and high levels of income/wealth and capability disparities.

### Schedule

The following is the breakdown of the cost and expenditure of advertising.

#### **UPFA**

<b>Media</b>	<b>Spots/Insertions</b>	<b>Cost (Rs)</b>
TV	5,339	151,041,300
Radio	3,732	17,738,800
Newspapers	512	48,615,000
<b>Total</b>	<b>9,583</b>	<b>217,395,100</b>

#### **Tarunyata Hetak (exclusively for President)**

<b>Media</b>	<b>Spots</b>	<b>Cost (Rs)</b>
TV	6,485	146,617,800
Radio	3,664	13,958,400
Newspapers		
<b>Total</b>	<b>10,149</b>	<b>160,576,200</b>

#### **UNF/UNP/JVP combined for Sarath Fonseka**

<b>Media</b>	<b>No. of Spots</b>	<b>Cost (Rs)</b>
TV	984	66,921,100
Radio	1,183	8,964,800
Newspapers	24	4,561,000
<b>Total</b>	<b>2,191</b>	<b>80,446,900</b>