



“Gender Equality in Political Party Funding”

Julie Ballington, International IDEA

Paper presented at the Workshop *Is Financing an Obstacle to the Political Participation of Women?* Inter-American Forum on Political Parties, OAS

Washington DC, USA, 16 December 2003

1. Introduction

Thank you to the OAS for providing the opportunity for me to present the findings of a study that was prepared for International IDEA's handbook on *Funding of Political Parties and Election Campaigns* published a couple of months ago. When producing the handbook, IDEA was eager to include a case study on the specific obstacles women face in electoral processes, but was confronted with the challenge of limited information. As is the case in the Americas and the Caribbean, there was a shortage of solid comparative information on the topic at the time of writing, although certain countries like the United States, Canada and the United Kingdom are relatively well documented. As we have heard from our previous speaker, EMILY's List has been instrumental in addressing the challenges that confront women candidates and providing information and statistics on the issue of funding elections in the US.

But beyond these countries, anecdotal evidence from aspiring candidates sometimes exists and there is no shortage of recommendations from international and regional organisations that the issue needs to be addressed, but well documented reports and hard facts are hard to come by. I will therefore present some of the key barriers that I found to affect women's participation in elections related to funding which provide a general comparative overview, knowing full well that I putting myself on the line somewhat by being surrounded by people who have a wealth of experience and research from particular countries in this region.

We know that political parties are at the heart of all democracies and that they have strategic responsibility to prepare and select candidates to stand for election. We know that a continuing challenge for political parties is to ensure that they are representative of the different groups and distinct sectors of society. We also know that women remain significantly under-represented in legislatures (at 15% in 2003) and that there are several barriers that women candidates confront en route to political power. There are strong arguments articulated, especially in developing democracies, that electoral finance is an increasing obstacle to women's election to parliament. This presentation focuses on two key questions: Are insufficient resources a reason for the apparently small pool of women candidates? And what strategies might we consider to assist women candidates financially at various stages of the electoral process?

The available research suggests that there are two key stages in the electoral process where money in politics has a direct bearing on women candidates: (a) the party nomination and recruitment stage, and (b) financing the campaign. In both stages the type of electoral system appears to have implications on fundraising, where strong candidate-centred systems appear to have more pronounced barriers than list-PR systems, especially with closed lists.

2. The Party Nomination and Recruitment Stage

In strongly candidate-centred systems like the US, in which parties nominate candidates only in the weakest sense, winning a primary election usually determines candidature. Women with sufficient resources and credibility to mount a campaign can win direct primary contests and have proved to be as successful candidates as men. However, in the past several obstacles to women's representation have been identified—most notably insufficient resources to campaign successfully for nomination, resulting in a small pool of women candidates.

Research conducted in Canada for the Royal Commission on Electoral Reform and Party Financing in the early 1990s demonstrated that the process of local candidate selection can prove a financial obstacle for women. The research found that the cost of contesting a party nomination was disadvantageous to women, who on average had less access to financial resources than men.

The challenge of funding also applies to men, but there are several reasons why obtaining financial resources is especially problematic for women. These gender differences in funding include the following.

Psychological Barriers

Early studies (Carroll) on the effect of campaign funding argued that women potentially face greater psychological barriers than men in asking for money for their personal use. Men have traditionally been positioned as “breadwinners” and accustomed to raising money for their own use, while women were traditionally relegated to the private sphere where their history has not typically been one of raising funds on their own behalf. Today this idea is disputed by many, as socialization patterns have changed significantly in the past two decades where the economic status of women has improved. However, sex-role socialization remains a barrier for some women, particularly in traditional, patriarchal societies.

Networks

It is often argued that men are able to campaign more effectively outside the party structure because they are more likely to be linked to business and professional networks which can provide the financial resources and expertise necessary to mount successful campaigns. Several researchers in the US have argued that the undeveloped nature of the networks available to many women affects their fund-raising capabilities, where: “Most women are not well integrated into occupational and social networks that often serve as a major source of campaign funds.”

The network argument reaches further into what is traditionally understood as the “all-boys network” within the party—most party leaderships today remain male-dominated, and women are often excluded from these networks. The absence of women from network occasions works against their effective participation in decision making.

Early Money and Nomination Contests

Early money is the initial financing a candidate requires to launch a campaign for candidature. It is often argued that the difficulties women face in primary elections and in receiving party nominations are the result of a shortage of early money. This early money is identified by some as crucial to have because it enables the candidate to establish name recognition, gain exposure and

organize a campaign team—hire staff, arrange for headquarters and set up a telephone service, among other things. The acknowledgement that women needed early money in the campaign process was the inspiration behind the founding of EMILY's List, as we have heard.

Since the emergence of groups like EMILY's List which focus on the power of early money in congressional campaigns, increasing attention has also been paid to “seed” money and its role in attracting early money. Seed money is the start-up funds of election campaigns, and was traditionally used for nomination costs and perhaps some preliminary advertising. Much seed money will often come from the candidate him/herself. This self-financing is often a major obstacle for women in particular. Women still earn less than their male counterparts, and the situation most women candidates find themselves in is not conducive to putting large sums of personal money into a campaign.

In Canada, the high cost of seeking a party nomination was reported to “severely disadvantage many groups that have traditionally been under-represented in Canadian politics, particularly women, who...have fewer links to financial backers”. One suggestion to deal with this problem was to set limits on the amount of money spent during nomination contests (there is a limit on spending during the election campaign). While political parties sometimes assist women candidates with funding in the election campaign that follows nomination, there is little or no assistance at the nomination stage of the process.

Hidden Costs and Personal Financing: While the financial obstacles facing congressional candidates in the United States are arguably unrivalled elsewhere, other hidden personal costs exist, as demonstrated in the United Kingdom and elsewhere. These include:

“Nursing” the Constituency

If a candidate is recruited by the party, there are further personal costs in “nursing the constituency” for one or two years prior to the election. These include telephone, postage, transport and possibly secretarial costs, some of which may be taken up by well-resourced local parties. EMILY's List in the UK Labour Party (inspired by EMILY's List in the USA) may meet some of this expenditure for Labour women, yet a large amount of nursing the constituency is done by the candidate. Many women may feel they cannot afford the financial investment required to nurse a seat.

Family Responsibilities

Active campaigning demands time and flexibility which few people, particularly women with families, can afford. In many families women assume primary parenting responsibilities which are often extremely difficult to combine with long hours of campaigning. Research undertaken by the Fawcett Society after the UK election in 2001 highlights the experiences of some Liberal Democrat and Labour Party women, who noted that financial issues and childcare considerations were more likely to affect them than men.

There have been proposals in the UK to have childcare costs included in the campaign financing covered by the parties. The Fawcett Society recommends that systemic barriers to selection need to be removed, suggesting that: “Financial capability and lack of childcare commitments should not give a candidate a head start in the selection process. Assistance for candidates in financial difficulty and an understanding for candidates with caring responsibilities are essential if genuine equality of opportunity is to be achieved”.

The Canada Elections Act makes provision for childcare expenses to be included in the personal expenses of a candidate for election, but not for the expenses incurred in the initial campaigning to receive nomination by the party. One of the recommendations of the Royal Commission

noted that the cost of childcare imposes an unequal burden on many women seeking elected office and proposed that childcare is a necessary expense in seeking nomination as a candidate which should be considered a legitimate tax deduction.

These funding obstacles are not restricted to countries with candidate-centred electoral systems but also affect aspiring candidates in party-centred systems (or in proportional representation systems). Women still need to build name recognition, canvass and be elected onto the party ticket. It may also be the case that candidates with money may be able to buy themselves a place high up on a party's list. However, once elected onto a party list (especially closed lists), women in list-PR systems have an advantage over women contesting in constituency systems. Where political parties are responsible for campaigning, rather than the individual candidate in the constituency, women stand a greater chance of election provided they are placed in "electable" positions on the party list. Whatever may be the other effects of PR versus constituency electoral systems, PR systems may take some of the financial pressure off individual candidates.

3. Campaign Financing

Where women have succeeded in winning a primary nomination and being recruited by a political party, they usually receive some financial backing from the party. In closed List-PR systems, campaigning usually proceeds on a party basis, but in **candidate-centred systems**, where candidates rely on private funding to campaign, women again face obstacles in the party financing stakes.

The High Costs of Seeking Private Funding

With no public funding for congressional candidates, individual candidates and their campaigns are responsible for all fund-raising in the US. The need to run two very expensive campaigns in one election cycle makes fund-raising a daunting task, especially for challengers and open-seat candidates. However, in the 1992 US election, women made major gains in representation in the House of Representatives: Their numbers increased from 28 to 47, where the ability of women to raise more money than their opponents was a contributing factor to the increase. As we have heard, the important catalyst of change was the advent of women's networks providing early money and campaign support to women.

In many other countries, the high cost of running an election campaign with limited or no public funding can be disadvantageous to women candidates. In Bangladesh for example, the rapid growth of campaign costs (despite a cap on campaign spending) in elections has meant that candidates seek to raise large sums of money from various sources, including private companies, relatives and local business houses. Women are often affected during campaigning as they are seldom able to raise the large sums required to win an election, particularly if running against a male candidate. In the 2001 election, of the 36 women candidates, just five were elected in constituency seats. The difficulties women face in winning a constituency election, including the large sums of money required, have prompted calls for a quota system ensuring a minimum representation of women in parliament.

Cost and Incumbency

The power of incumbency is a further factor, especially in the US. The incumbency advantage is enormous, and because the vast majority of incumbents are men, women's chances of succeeding in the House are limited. In the 1992 election only 7 per cent of sitting US representatives and 11,5 per cent of incumbent senators were defeated. Of the 41 women candidates who challenged incumbent members of the House, only two (4,8 per cent) won. Proposals for campaign finance reform, in particular for spending limits for individual candidates and time limits for term in office, are largely attributable to the tremendous advantages enjoyed by incumbents. Half of the male candidates who run for the US House are incumbents, and have the large war chests of

campaign funds. This suggests that women do not enjoy equality of opportunity in running for the House.

Scarcity of Resources

In many developing democracies the lack of money to pay even modest candidate deposits can exclude women from the election process. In Tanzania, women candidates are affected by a relative lack of resources for campaigning compared with their male counterparts. One result of this inequality is that few women run in the country's constituency seats, relying instead on the system of intra-party elections for access to reserved seats: Under the election law 20 per cent of seats in parliament are reserved for women. In the 2000 parliamentary elections only 71 out of the 862 candidates (8,2 per cent) were women, and a mere 12 were elected to the 232 constituency seats. This is in stark contrast to the 37 women elected to the reserved seats. The scarcity of resources is often felt hardest among new parties or those not represented in parliament, as only represented political parties receive public funds in Tanzania. Several women from opposition parties interviewed prior to the 2000 parliamentary elections noted that the biggest problem they faced was a lack of financial resources for effective campaigning. Women candidates often had to finance the costs of transport and campaigning materials themselves, expenses which they could barely afford. This was particularly problematic in rural areas where the cost of transport to reach rural voters is very high. Because of the expense involved, some candidates resorted to door-to-door campaigning, often with a limited impact.

4. Options for Ensuring Gender Equality in Party Financing

An analysis of the available information suggests that women face certain financial obstacles contesting elections. Certain proposals and recommendations to deal with these obstacles have been suggested by different organisations, including most recently at the NDI global forum of women political leaders held last week in Washington. The forum produced a Global Action Plan which includes the recommendation that women candidates run in winnable districts and call on parties to provide meaningful financial support. However, recommendations alone do not ensure that reform will take place. Following are some suggested proposals for reform:

Limits on Campaign Spending

In order to ensure equality of opportunity for all candidates, one option is to limit expenditure in primary elections and during electoral campaigns. Women are often unable to raise the same levels of funding as men. Setting a ceiling on campaign expenditure and limiting the campaign period, it has been suggested, would promote the ability of all individuals to participate in political life on an equitable basis.

Fund-Raising Networks

Women's fund-raising organizations have a huge effect on the flow of money to women candidates. As has been demonstrated, fund-raising groups in the USA have been very influential in raising and mobilizing funds for women. These fund-raising networks are particularly important where there is no public funding and candidates have to raise private funds to contest an election.

Public Funding: Levelling the Playing Field

An adequate system of rules for the funding of political parties should improve the equality of opportunity for all parties competing in an election. **Public funding** introduced in Latin America aims to reduce the influence of special interest groups and help create a level playing field for all political actors in the electoral process. Public money is provided usually without any obligation

for the recipients, but it can be regulated in such a way as to ensure that parties nominate a certain percentage of women candidates for election.

In **France** a constitutional amendment in June 1999 was passed where the law now “favours the equal access of women and men to electoral mandates and elected offices and positions”. The parity principle requires that 50 per cent of candidates forwarded for election must be women, or political parties face financial sanctions. The reform is designed to ensure parity between men and women in access to political office in all list elections in France as well as elections for the National Assembly. For the election of candidates to the lower house, political parties face financial sanctions if they do not put forward 50 per cent candidates of both sexes. Parties will lose part of the public funding based on the number of votes during the first ballot of election to the lower house being penalized when the difference between the number of candidates of each sex goes beyond 2 per cent of the total number of candidates on the list. For example, if a party presents 55 per cent of candidates from one sex and 45 per cent from the other, the 10 per cent gap between the sexes results in a 5 per cent reduction in the public funding it receives. This type of “incentive” tied to public funding has been proposed by a number of women’s organizations as one way to address the low recruitment of women worldwide.

Another way of providing indirect public funding is access to the state and privately run **media**. This is an important element of party campaigning, establishing a connection between the candidates and the community. Media time free of charge is a subsidy in kind, and was used in Timor Leste as one way to help women candidates: Those parties that had women placed in high positions on party lists received additional media time.

Daniel Zovatto notes that in some Latin American countries public funding is provided for **research, institutional development, civic education campaigns and training** (this includes Argentina, Bolivia, Brazil, Costa Rica, Mexico and Panama). This funding could be used as an incentive to recruit more women, and provide training and skills development on issues of fundraising and campaigning.

Other forms of indirect public funding include tax benefits, help with transport of printed matter, incentives for election participation etc. **Childcare costs** are a legitimate and necessary expense for many candidates seeking nomination. The Canadian Royal Commission into Electoral Reform and Party Financing recommended that childcare costs should be included as legitimate expenses for both nomination contests and general elections. Childcare is currently considered a personal expense in the campaign period but not in the nomination process.

Political parties need to reform!

Ultimately, as part of a broader democratic exercise, political parties need to reform, renew and modernise to regain the trust of citizens. One way to do this is to reach out to women, young people and other groups to seek their participation, and provide means to overcome the obstacles to their participation in the political process, including financing. Today there is a trend where NGOs seem to be doing more to support women candidates than political parties: by providing funding and training on campaign management. This has taken the onus off political parties to address their own shortcomings.

Ultimately political parties need to take responsibility for the key activities which other organisations cannot do: raise funds, prepare and recruit candidates, funnel debates between elections, and monitor office holders. They can develop their own internal measures to support women candidates, such a paying financial rebates to party branches that willing to provide financial support to women candidates. In the end it boils down to political will – where there is

no will for reform from political parties, little relief in the short term can be expected regarding women's political participation.

Summary of Options for Funding Reform

1. Limit campaign spending in primary or nomination contests.
2. Provide early money to women contestants.
3. Limit campaign spending and impose campaigning time limits.
4. Establish networks for the financing of women's electoral and nomination campaigns. This is particularly important for women in systems where there is no access to public funding.
5. Provide incentives through public funding: the amount of funding a party receives could be linked to or dependent on the number of women candidates it puts forward for election.
6. Include childcare costs in nomination and election expenses.
7. Conduct more research into the effects of campaign financing on women and explore more avenues for reform.