

A CMS REPORT

Poll Expenditure, The 2019 Elections



A ECI Advertisement in Newspapers

“ MY VOTE IS NOT FOR SALE ”

Do you accept Cash, Gold, Drugs and Gifts to influence your vote?

It is a betrayal of democracy and also a punishable offence with
Imprisonment upto one year or fine or both.

Election Commission of India

<https://eci.gov.in>


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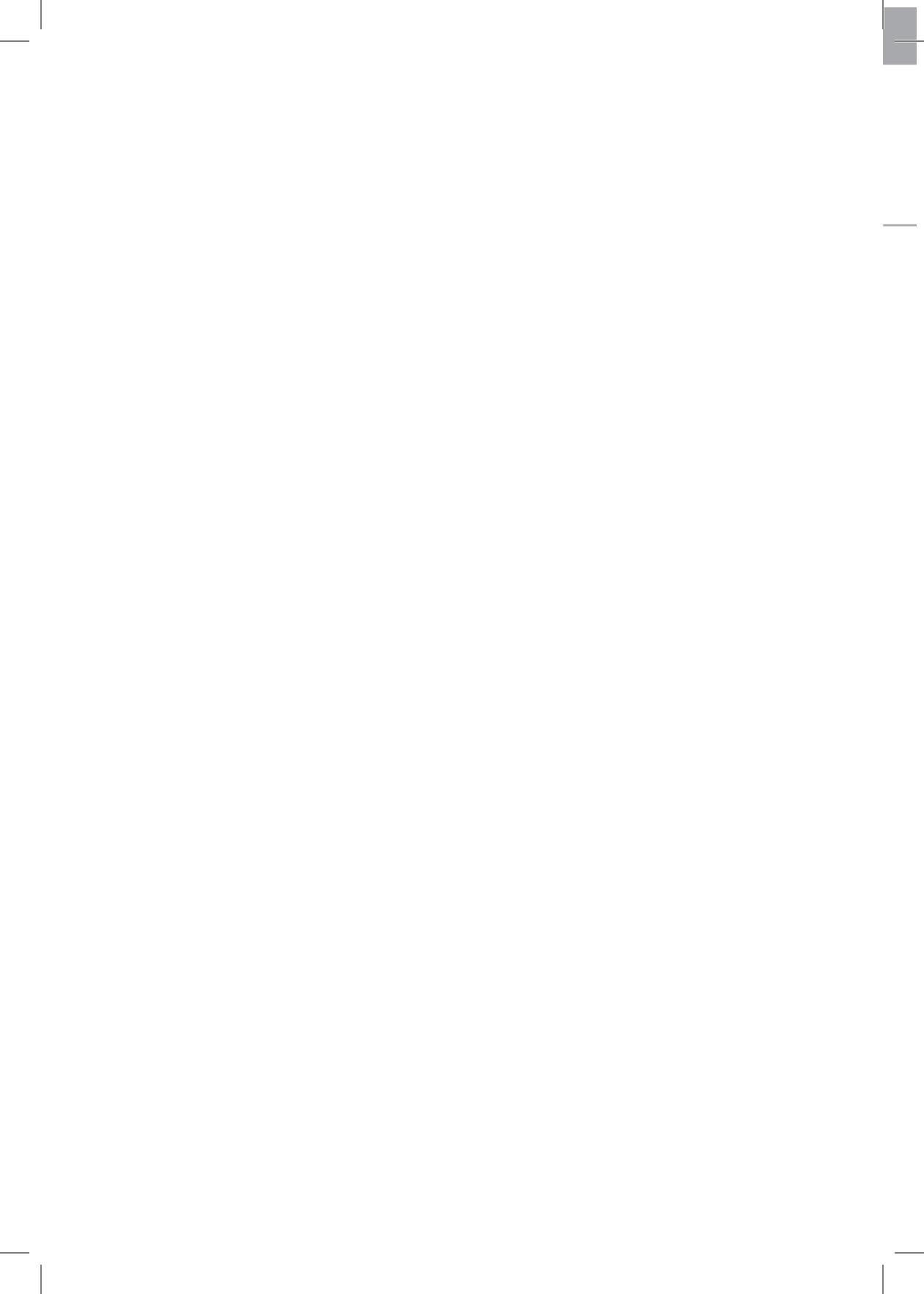
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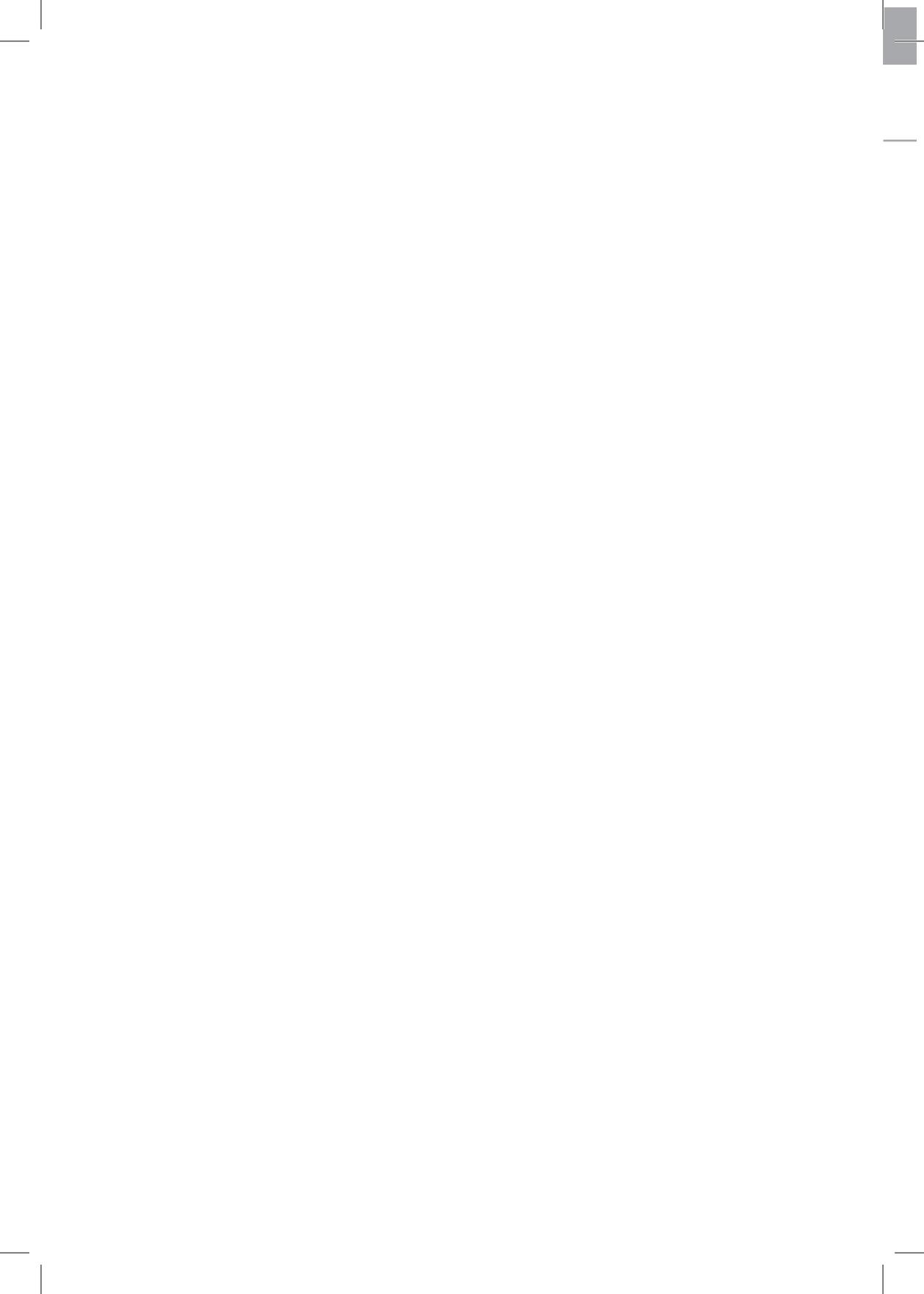
Foreword by

Dr S Y Quraishi

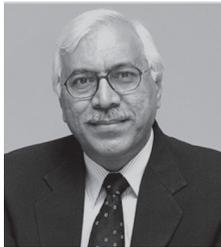
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Dr P N Vasanti

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Foreword



The pathbreaking research being conducted by CMS reveals the linkages between election expenditure and the exorbitant levels of corruption that citizens have to bear with in the next five years while availing basic public services. This report, together with the ADR analysis, signals threats to representative form of government. If nearly half of our legislators have criminal cases and more than two-thirds are crorepathis, it is hardly surprising that poll expenditure continues to multiply with every election, as this report also concludes.

Can we sustain our fundamentals without addressing the critical issue of poll expenditure? Initiatives taken by Election Commission of India to curb poll expenditure are hardly sufficient. As a result, Rs. 3377 crore have been seized in this election, three times the amount seized in all of 2014 elections.

The mind-boggling seizures may lead to two conclusions (1) The abuse of money has increased manifold, or (2) the vigilance of the commission has increased the seizures. While the commission may be more vigilant and the amount of seizures may have gone up as a result, the overarching role of money power is in full display in the arena of voter manipulation, with liquor and drugs playing havoc.

Even though the horrors of money are obvious, why will they legislate in their own self interest till sufficient advocacy on the ground pushes for it? We cannot expect to see the next election any better than 2019 in terms of freeness, fairness and transparency, if the rising tide of criminalisation of politics and overarching influence of money in politics isn't stemmed.

I am glad that CMS is pursuing this issue as an independent professional research body and giving it the centre stage it deserves along with other pressing issues related to the environment, governance and development. The ripple effect of black money and increasing poll expenditure are the consequences of political inaction and lethargy. It remains to be seen whether the parliamentarians show political will to heed the call for fulfillment of the nation's dream for a corruption-free India where the constitutional ideal of a level playing field is realized in the field of elections as well.

May 30, 2019

SY Quraishi, PhD

Former Chief Election Commissioner of India



Preface



CMS has been studying election campaigns for long and election expenditure more specifically, for nearly two decades. The concern of CMS in bringing out this analysis is to make people at large realise that poll expenditure is increasing every election and that it is not making any difference in terms of representative character of who is contesting and getting elected.

CMS studies over the last 18 years on corruption (India Corruption Studies series, 2000-18) involving citizen in availing public services, have convincingly indicated that election time expenditure is “mother of all corruption” in the country. And yet we do not seem to realise the linkage between increasing election expenditure, prevalence of corruption in the country and good governance.

Dr N Bhaskara Rao’s recent book, “Sustainable Good Governance, Development and Democracy” (SAGE, 2019), discusses “cost of democracy”. It also debunks recent attempts of some global studies to put India in the category of “flawed democracy”. Without addressing this phenomena of election expenditure and the kind of polarisation poll campaigns are causing, even after 17 general (Parliamentary) elections and 70 years of Republic, how can we expect to level up?

The estimates in this report are based in the “front end” costs and expenses traceable. It is only tip of the iceberg. Imagine how deep and wide is this iceberg beneath, and how it can damage our democracy. For a turning point in our democracy, we need to seriously deliberate this poll expenditure phenomena. We hope this monograph will help expedite that process, before the country is confronted with the next round of elections.

In solidarity,

May 21, 2019

P N Vasanti, PhD

Director General, CMS
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An Overview

The 2019 general (Parliamentary) election in India emerges to be the most expensive election ever, anywhere. Even more, this election to Lok Sabha (lower house of Parliament) will go down as a bitterly fought vicious campaign.

The poll process was stretched over almost 75 days, with polling held in seven phases. In fact, an intense poll campaign started a few weeks before the formal notification. Never before the candidates, leaders and parties, and even the news media, were so much in violation of “model code” of the Election Commission of India (ECI). They all fought the election as if it had to be fought “at any cost”. During the campaign, the campaigners and the news media often referred about the money being spent or distributed to lure voters. Throughout the campaign period, news channels showed vividly and repeatedly of confiscation of cash, gold, silver, liquor, etc. in transit. The value of these was more than twice of what was confiscated during the 2014 poll. The first of a series of advertisements in daily newspapers that ECI had run with a banner was “my vote is not for sale” and “any such sale is betrayal of democracy and also a punishable offence with imprisonment”. That advertisement was however not followed up with any actions to demonstrate the claim of ECI.

In 2019, the number of voters increased to 902 million and the number of polling booths to over a million. However, overall voter turnout has only increased marginally. The number of SC and ST seats remain the same. The number of seats contested by women was also almost same, except in West Bengal and Odisha where the party in power took initiative of selecting more women candidates. The number of candidates per seat on an average remained around 15. A number of them were dummy or for bargain or in to register protest. Also, in 2019 the number of millionaire candidates continued to be prominent, as was the case of those with criminal background. Their names and number

was reported prominently in the news media. Compared to earlier CMS field studies, a high percentage of voters had acknowledged or confirmed themselves receiving cash for their vote directly and about many other voters receiving the same. For the first time it is confirmed that “bank transfer” of money on the eve of poll has become a new route to lure voters in the name of one or more schemes.

Between the polls held in 2014 and 2019, elections to state assemblies were held at least twice. In 2018 six Assemblies went to polls, including Karnataka, Telangana, Madhya Pradesh, Rajasthan and Chhattisgarh. The poll expenditure in these states signalled that the upcoming Lok Sabha poll in 2019 is going to be vigorous, vicious and a money guzzler. Leaders of opposing parties accused each other of money they were receiving or spending in the elections. For example, TDP was alleged to have spent Rs. 10,000 crores. YSR party was alleged to have received Rs. 1000 crore from TRS party and Rs. 500 crores from BJP. Instances were more of key party functionaries referring to the amount spent by own party, how much voters were paid and how much all parties together had spent. All this was in news media for public consumption.

The other development which contributed for increased poll expenditure in 2019 include the Government initiated changes. These include introduction of electoral bonds to facilitate contribution of corporates for poll funding in anonymity, removal of ceiling on corporate contribution (up to 7.5 percent of three-year average profits), allowing contribution of foreign corporate in India for campaigns, etc.

The Supreme Court in September 2018 ordered that candidates in 2019 should publicly declare their criminal background, if any, by advertising in newspapers and channels “in bold letters” and thrice after filing nomination. The expense of those advertisements have to be within the allowed ceiling (that only a few candidates complied so far despite the Supreme Court reminding the ECI, is another issue).

Income tax raids after ECI notification on houses of associates and the ones connected with some political leaders, candidates and extensive media coverage of the same on the kind of money involved, had further stimulated a psyche of poll time expectation of lures by voters. Checking aircrafts of key players, including the PM and CMs presumably for cash (as widely reported) while on campaign, had further added to the psyche syndrome.

ECI has continued to take initiatives every election time. These initiatives include 1) a ceiling on candidate's expenditure after notification and file a statement to ECI within 75 days, irrespective of won or lost, 2) all expenditure should be by bank and by a specific account, 3) candidates are directed to account every expense and indicated weekly, in fact the range of costs for different heads of campaign expenditure are indicated, 4) for enforcing the same the ECI has elaborate system of surveillance and tracking at district level, local observers and assistant monitors were deployed, locally and even expected to do shadow accounting. How is all this information is being used and what action taken for violations and excesses was not clear even for the earlier elections. In 2019 it further strengthened its apparatus, including by appointing more expenditure observers from income tax and revenue departments. It confiscated twice more cash, gold, liquor, than in 2014. But there is no evidence that those initiatives made much difference on the expenditure on poll campaigns. Overall, as per seizure report by ECI on May 19, 2019, nearly Rs. 1300 crore worth drugs/narcotics were confiscated in addition to cash (Rs 839 crore), liquor (worth Rs 294 crore), gold/silver (valued around Rs 986 crore) and other freebies/items worth Rs 58 crores; in total cash/items over Rs. 3500 crores were seized. After a huge cash seizures in Tamil Nadu ECI had canceled 2016 elections in two assembly constituencies and in one assembly in 2017. Again now in 2019, one Lok Sabha seat has been cancelled. Neither seems to have made any difference on the amount of cash distributed in Tamil Nadu elections.

For a different reason also the 2019 Lok Sabha poll was a watershed election. This was how major source of poll funding is now corporate and in the name of transparency, anonymity is promoted in that process. "Crowd funding" where citizen and community contributes for campaigns is no longer a sought after source. Is this good for vibrancy of democracy or not, one could wonder? Can we save India from being put in "flawed democracy" category of countries, without addressing ever increasing poll expenditure and the implications?

As a former senior bureaucrat wrote recently in *The Hindu* (April 16, 2019) "electoral malpractice has appeared in new forms. Voter bribery and manipulation through the media has been the technique of unethical influencing voters in place of voter intimidation and booth capturing. Booth capturing is an identifiable event taking place at a particular time and place. But the new technique is difficult to trace to specific parties and candidates". It is against this background, the relevance of self-initiated efforts like this exercise by CMS becomes important.

Dilemma in Estimation

The 2019 poll poses special questions in this exercise to estimate the expenditure. CMS estimates of election expenditure in the earlier election included primarily campaign activities undertaken after the ECI notification of poll schedule. But this poll had witnessed considerable hectic campaigning a couple of weeks before the ECI notification on March 10, 2019. That expenditure although deserve to be included, has not been. This includes expenditure on advertising in media in the specific context of elections. And the initiatives and activities of the Government to remind in the context or eve of poll, and directly aimed at key voter segments, like women self-help groups, farmers, elderly pensioners, etc. Although some decisions were taken just on the eve of notification, the benefit accrued while the poll process was formally on. Two such decisions of TDP Government in AP more specifically were glaring. Even at national level, the incumbent party's cash transfers to farmers, fall in the same category. They also had huge poll targeted public meetings and even rallies hours before the poll code came into play. Similarly, issuance of farmers' loan waivers cheques to be included or not, was a matter of consideration.

Also, biopics of contesting leaders and their trailers timed for the occasion continued. Glaring were initiatives of some channels on dedicated party poll propaganda. How can an estimate of poll expenditure not include these costs? Of course, there were some channels both at the Centre and in some States who continued even after the ECI notification as dedicated propaganda entities. Then there were solo hour-long interviews on different national channels in between the poll phases of special poll relevance. The dilemma was whether these costs were to be included? Also, media coverage, which could come under "paid news" category, was not considered in this indicative estimate.

The 2019 poll eve witnessed quick migration of leaders and aspirants from one party to the other, but on inducement involving money in quid pro arrangement immediate or post poll. These are not included even where the extent of money involved was known.

Betting on who wins or loses (at constituency and national level and who gets what the number of seats) now involves huge amounts running into hundreds of crores. This happens at the beginning, during the campaign period and even after the polling. This is not included as this money is not for voters. But sometimes this is also deliberately conducted to influence voting trend for a bandwagon effect.

The estimate given here are indicative for the front-end expenditure after the ECI notification. The "other expenditure" comprise the one before the notification, ones not cover under the code, and to do with the in shifts or migration of leaders between parties and for getting nominations. This cannot be quantified and is also much beyond the realm of poll campaign.

Methodology

The methodology for estimation of expenditure involved in the 2019 election included analysis of past and present trends at various levels. The key six sources for the estimation include,

- 1) campaign activities by parties and candidates
- 2) voters' observation in select constituencies
- 3) qualitative discussion with independent observers and party functionaries
- 4) analysis of profile of candidates, constituencies, as well as development profile of constituency
- 5) news media coverage of contests, campaign, and reference to expenditure related activities
- 6) Secondary data on demographic divides, including caste, and previous CMS poll studies and the benchmarks from the baseline survey of 2007 and 2008.

Over the years CMS have evolved a **PEE approach** (Perceptions, Experiences and Estimation) of enquiry, to reasonably arrive at what goes in or involved in different activities at different points of campaign and category of pockets or different constituencies. It was this approach, known as PEE model, which helped to come up with more reliable estimates on corruption involving citizen in availing basic public services (CMS India Corruption Reports, 2000-18), please see Annexure-I.

Direct Bank Transfers during Elections

In the wake of reports that the Government had transferred certain amount to farmers (both by Union Government & State Government in some states) and women (in AP), all voter respondents were enquired on this. One fourth of voter respondents had acknowledged that Government did transferred money to someone or other in their community and they were also informed of such a transfer. Near about one sixth of voters acknowledged that their own bank account was credited with money in the previous one month.

Both Union Government and State Government in (AP) names were mentioned as the one who had transferred money to their account. (DWACRA, Rythu Bandhu Scheme, agriculture, flood relief, Samaj Kalayan depts. were specifically mentioned by some voters). Flood relief and toilet construction were also mentioned for the transfer that took place just on the eve of the poll notification or and after the notification by ECI. (the EC had cleared/allowed this transfer). Nearly ten percent however did not know who or which department had transferred money into their account.

Estimates and Assumptions

Based on primary and secondary inputs, these assumptions were made about what percent of voters were distributed and how much was distributed per voter.

1. Fifteen to forty percent voters were distributed in a sizeable number of segments/ sub-segments of constituencies
2. Amount distributed depends on the keenness of contests, profile of candidates and the region. Even with in a constituency, there were different levels. The range distributed per voter included:
 - a Rs.100-500
 - b Rs.500-1000
 - c Rs.1000+
3. Inducements/incentives to rope in “middlemen/leaders” was significant in 100-120 Lok Sabha Constituencies.
4. Although the number of candidates per seat were more than three in most, expenditure of only two candidates in most seats was included. For the other only a nominal expense for nomination and campaign was considered.

During the 2019 poll process (just before notification and after), some local (caste/ community) leaders or political middlemen were lured for wooing voters locally at booth level. Where voters were not paid directly, these middle personalities were incentivised and entrusted with that responsibility. This practice is not new, but the extent it happened in 2019 was significant and has become part of the overall strategy of most parties. Not all were paid in cash. Some were offered promises, including positions or patronage.

Ten to twelve percent of voters acknowledged receiving cash “directly”. But two-third had acknowledged that voters around them also received cash for their vote. Voters were lured with differed offers for their vote. Benefits were offered as promises for voting and if party comes to power. These lures include, pension, school education, annual benefit, house construction, job guarantee, etc. About 10 percent acknowledged that the candidate of the party in power had promised job, if voted again to power.

Is Corruption a Poll Issue?

Two thirds of voters have acknowledged that corruption was referred to leaders in their campaign speeches. But more than one third is not sure that new Government would do something about corruption.

Although a little over ten percent voters consider corruption as country's problem, not even half of them consider it as an election issue.

Around 40 percent voters acknowledged receiving poll related messages on their mobile phone just before the polling day. Social media and IVRS were also a major head of expenditure.

But for certain restraints and scrutiny of ECI, more intervention of social media outlets would have been there. Parties have decentralised in their respective efforts to localise social

media use and costs too. A series of sophisticated reinforcing motivating films were used on television channels and social media. Other costs included several war room initiatives, including strategy out sourcing, monitoring of booth level voter profiles and analytics.

A new major item of expenditure in this poll was "middle man/leader". This expenditure has now become a "normal", but distinct trend. The money involved for this was mostly at the initiative of candidates themselves. This person inducted could be a functionary of another party.

Poll Expenditure 2019 – An Estimate

S.No		Percent	Amount Estimate (Rs in Crores)
1.	Voter directly	20-25	12-15000
2.	Campaign/Publicity	30-35	20-25000
3.	Logistics	8-10	5-6000
4.	Formal/ECI	15-20	10-12000
5.	Miscellaneous	5-10	3-6000
Total			55000-60000

Source: CMS Analysis & Estimation

On an average, nearly Rs 100 crores per Lok Sabha constituency, has been spend. Overall, it is estimated about Rs 700 per vote was spent in 2019 Elections.

Heads in Estimated Expenditure

Spent by :	Percent	INR Amount in Crores
Candidates	40%	24,000
Political Party	35%	20,000
ECI/Government	15%	10,000
Media/Sponsors	5%	3,000
Others/ Industry (not contribution to political parties)	5%	3000
Total		60,000

Source: CMS Analysis & Estimation

As the number of candidates who are millionaire and with business interest has been on increase in the recent elections, a higher percent of expenditure is being borne by candidates themselves. There are many cases of candidates contributing to the party or/ and meeting some campaign costs of some other candidates as well.

Some candidates are funded by the party. The number of candidates who are funded even partly in major parties, are on decline. But, the party in power tend to support a much higher percent of candidates directly. More than one-third of all poll expenditure could be described as 'unaccounted for'. That is, more than half of what the candidates and parties spend in all.

National parties pass on money to state units, specifically for election expense. Some of the advertising, social media, print costs are met by the central office of the party. Social media costs are now decentralised. Party also meets costs of major public meetings, including for aircrafts. In earlier years, Congress party, when in power, even supplied Jeeps to state units and also to some candidates (at nominal cost).

Interestingly, no one in the government, or among party functionaries, or candidates or their associates will disclose even indicatively in a formal enquiry of what was being spent. But there will be one or two leaders or workers who bursts before the news media with some figures or other. During this 2019 campaign, more than a couple of leaders in more than a couple of states accused the other candidate or the party, on how much they were spending or had spent on per vote basis.

Estimates of Expenditure: 1998 - 2019

Trend Year	Total Estimated Expenditure (in Crore INR)	% of ECI Spend	Congress+ (in %)	BJP+ (in %)
1998	9,000	13	30	20
1999	10,000	10	31 – 40	25
2004	14,000	10	35 – 45	30
2009	20,000	12	40 – 45	35 – 40
2014	30,000	12	30 – 32	40 – 45
2019*	55,000+	15	15 – 20	45 – 55

**estimate include expenditure on Assembly elections held in 2019*

Source: CMS Analysis & Estimation

In 20 years, involving six elections to Lok Sabha between 1998 and 2019, the election expenditure had gone up by around six times from Rs. 9,000 crores to around Rs. 55,000 crores. It is interesting to see how the ruling party gears up to spend much more than other parties in Lok Sabha poll. The BJP spent about 20% in 1998 against about 45% in 2019 out of total poll expenditure estimate of Rs. 9,000 crores to Rs. 55,000 crores. In 2009, Congress party's share was 40 percent of total expenditure in 2009, against 15 to 20 percent in 2019.

Source of Poll Funds

Generally, funds to poll campaign flow from different industry sources in different ways. These include mostly:

- Real estate
- Mining
- Corporates/Industry/trade
- Contractors (particularly civil) – infrastructure, government projects
- Chit fund – financial services
- Transporters, transport contractors
- Unorganised sectors/NGOs
- Education enterprisers
- Foreign/NRI
- Others (film, telecom)

Privatisation (outsourcing including) and where “regulations” are bought in or modified, they tend to be contributors to poll campaign.

The Case of Andhra Pradesh

In majority districts of Andhra Pradesh voters were paid together for Assembly and Lok Sabha. In AP, four (of 13) districts (two in Godavari, Krishna and Guntur districts) more than half of voters were paid on an average and paid anywhere between Rs 1000-2000 per vote. And in half of Assembly seats (75-85), number of voters (nearly a lakh voter per constituency) were distributed money directly or through middle person. In these seats a quarter of these voters (that is about 20,000-25,000 voters) were distributed by at least two parties/candidates (TDP and YSR). In a few constituency three candidates distributed.

TV channels and some political leaders openly talked or reported how much was given to voters. And how many voters were given by different parties. A week after the poll, a member of the Parliament told a press conference in the capital of AP that one had to spend Rs 50 crores to win the poll and that Rs 10,000 crore in all was spent in this 2019 poll in AP. (The Hindu, The Hindustan Times, April 21, 2019). He also claimed that Rs 2000 was given per vote. It was also known that “cash carrying vehicles” of Banks were used for shifting of large volumes of cash overnight. (unlikely to be checked).

If the elections for Assembly and Parliament are held separately with some time gap, the poll expenditure would have been more by a quarter than otherwise. That is if both are held separately, the expenditure would have been Rs 14,000 crores. Together about Rs. 7000–9000 crore were distributed during the 2019 poll campaign (for Assembly and Lok Sabha). This does not include what some candidate had paid for getting the nomination of the party.

Overall, over Rs 120 crore in cash and 12 crore worth of liquor was confiscated. Average per vote was Rs 2000 or upwards-higher in this state and in more seats.

It was more a supply – demand model which dictated the extent of money deployed. In this, it is not that voter demands but competition between candidates which dictates how much is distributed. And this amount was not uniform, but depends on which community it was, number of voters and when poll was held. Here the range of voters who were distributed and the extent paid per vote (individually or in group or family wise) varied too widely – for example, in Gudivada Assembly, a voter was given Rs. 2000 at one place and Rs. 7000 at another place. The sitting candidate of a different party paid between Rs. 1000-5000. “Competitor compulsions” was a new phenomenon for hiking the rate in this election.

Andhra Pradesh, indicative estimates of money distributed...

Districts	Assembly seats	% of active voters who were distributed cash	Amount of cash distributed per vote
Srikakulam	10	60	500-1000
Vizianagaram	9	40	500-1500
Vishakhapatnam	15	40	1000-1500
West Godavari	19	45	1000-2000
East Godavari	15	60	1500-2000
Krishna	16	60	1500-3500
Guntur	17	60	2000-4000
Prakasam	12	65	1000-4000
Nellore	10	45	1500-3000
Chittoor	14	50	1000-2000
Kurnool	14	50	1000-3000
Anantapur	14	50	1000-1500
Chaddaph	10	60	1500-3000

Note: However, this does not mean that it was uniform in all constituencies of the district

Source: CMS Analysis & Estimation

These averages are for general seats. What was distributed in Lok Sabha was lower per voter in ST and SC seats both in the case of assembly and even if the percent of voters involved was same or more than the average of general seats. The more the millionaire and criminal record candidates, they are likely to pay more and to a large percent of voters. That 40% of candidates of one party had criminal background against 8% of another party nominees.

The Case of Telangana

On April 11, 2019, Telangana had Lok Sabha poll for 16 seats. It had the Assembly poll only a few months earlier. CMS estimated Rs 5,000 crores expenditure for the Assembly poll in Telangana in December 7, 2018.

As voters were disbursed money in the Assembly polls, this Lok Sabha poll involved a lower percent of expenditure. Also, because the contests were not keen, as in the case of the Assembly, the Lok Sabha contests were perceived as “one sided poll”. Also, in this Lok Sabha middlemen or/and party functionaries were “looked after” liberally by the TRS party. This expenditure made on the basis of contests between three parties (TRS, Congress and BJP). (TDP did not contest for Lok Sabha). The money dispersed for Lok Sabha poll was estimated as Rs 350-450 crores for the 16 seats. It was less because schemes of the new state government (to farmer, women and old age) were generous. Two instalments were distributed just around the time of the poll date and, secondly, the number of defections into the ruling TRS party of senior leaders from other parties, had diffused the keenness of contests in Telangana in 2019.

But, in all, over Rs 68 crores was confiscated (60 cash, 5 crores in liquor, 3 crores in drugs) during the campaign period. Biryani packet plus cash (one to two 500 notes) was common to workers and most at key public meetings.

Some Constituencies with high candidate expenditure

There are constituencies where individual candidate have spent more than 40 crores. Interestingly high money spent in these constituencies was known around and from the very outset. Not all that offered to voters was always in cash, part of its was in “slips”. Money distribution was outsourced to agents in some. Pilgrimage and foreign trips to groups of voters was a new way for canvassing and for community votes (foreign trips include to Bangkok, Singapore).

Some constituencies (75-85) witnessed high poll expenditure in their respective state. Such examples include:

State	Constituency
Rajasthan	Jaipur
	Chittaurgarh
	Jodhpur /Dhaulpur
Karnataka	Mandya
	Kalburgi
	Shimoga
Tamil Nadu	Theni
	North Chennai
	Thoothukudi
Andhra Pradesh	Kadapa
	Anantapur
	Vishakhapatnam / Vijayawada/ Guntur
Telangana	Nalgonda
	Chevela
	Malkajgiri
Kerala	Vadakara
	Thiruvananthapuram

State	Constituency
Delhi	Chandi Chowk
	West Delhi
	North East
Maharashtra	Nagpur
	Baramati
	Nanded
West Bengal	Diamond Harbour / Jadavpur
	Kolkatta South
	Mathurapur
UP	Amethi / Kanpur
	Saharanpur
	Ajargarh
MP	Jabalpur
	Guna
	Bhopal

Some Suggestions

ECI has not only increased the number of “Expenditure Observers” across constituencies, but, many of them were from Income tax Departments / Indian Revenue Services. And, yet there was no evidence that it made any difference of what was in all distributed during 2019 poll. In fact, the way nomination was filed by some candidates with huge rallies, fanfare and procession of cars alone are indicative of excessive expenditure and in violation of codes and ceilings. And yet, nowhere anyone was issued notice or reprimanded. Its “red alert constituencies” in each state were also the money guzzlers. Except symbolic confiscations at some places there was no stern initiative of ECI. Unless it demonstrates its powers, it cannot expect to make the difference.

Some of the powers of ECI are not clear. If ECI remains a silent spectator when parties and candidates do not observe its directives, what is its sanctity? For example, on filing expenditure details within 75 days. TRS the major party that dominated the 2018 Assembly poll and won overwhelmingly, has allegations of huge money spent directly and indirectly. However, even this being obvious, what did the expenditure observers of ECI do? Have such observers who are also expected to be “shadow observers” added to the sanctity of ECI? Even where parties or candidates had submitted their affidavit, the trend indicated was blatantly misleading and far from reality, what did ECI do? This is the reason the expenditure of the next round of election is likely to increase further.

It is high time that Parliament deliberates on poll expenditure for campaigns, and about election funding, preceded by serious national discussions.

The news media channels and publications should take it as a responsibility to orchestrate a debate specifically on poll reforms and particularly on the scope of the state facilitating candidates in reaching voters and to inform them with basic credentials of candidate. The ECI should obligate candidates in each constituency to jointly address public meetings.

The government should make it an obligatory responsibility of all news channels to allow space or time at no-cost to candidates, same way as Doordarshan and AIR. The system could be same or a better and transparent modality could be arrived at after consultation with channels. This exercise should start now instead of waiting for the next round of polls.

All candidates should give another specific affidavit to ECI at the time of filing nomination that they will not distribute cash, gold, liquor etc. to lure voters individually or for communities.

As political party and candidates and even the governments are not enthusiastic to curb and curtail poll expenditure, it is for citizen and civil society to take up the issue. The ECI should make voters understand the linkage between poll expenditure and over all corruption in the country, specifically citizen availing public services.

Election commission of India should take an open review of total poll expenditure trends across states and put out the report to public after the election. So that, it serves the next round of elections.

Party manifesto should mention the source of budgetary allocation for schemes/ programmes suggested by political parties, in case they come to power.

ECI should specify that candidate in constituencies should campaign at least a few times/ places jointly instead of solo. It should experiment with the idea of at least three joint public meetings by all contesting in each constituency. The candidate should decide themselves where and how each meet could be held. The costs could either be shared by each or possibility of state facilitating could be looked into. Such joint campaign not only reduces campaign costs and promote civility. It promotes cooperative campaign instead of accusing each other and promote animosities. The campaign is expected to be more harmonious. This will also help voters to rationally decide on their choice after seeing and hearing candidates together.

The possibility of restricting poll publicity activities by the incumbent, at least one month or a fortnight before formal notification by ECI should be considered.

ECI's role in restraining poll expenditure is not evident except by way of confiscations. Its role should be evident in reducing expenditure by individual candidates. If candidates are submitting affidavit showing that they had spent lower than ceiling for that election, why should ECI agree to raise the limit for the next election? The ECI should conduct a transparent analysis on expenditure details submitted by winners and losers and come up with more accountable ways.

ECI had postponed poll in two seats in 2016, countermanded in two in 2017 and one Lok Sabha in 2019, after finding huge cash flows or recoveries in each case involving one or other party personalities. For the same reason earlier, in 2012, two Rajya Sabha polls were scrapped in Jharkhand. There were instances of one or other candidate asking cancelation of the poll for alleged large scale distribution of cash. Obviously ECI cannot act without "substantial evidence". But nowhere has any one been prosecuted, to send out a strong message.

Despite so many conducting poll surveys on the eve of elections and as reported by news media, there was no effort at ECI to include this expenditure or to take into account. Of course who meets these costs of poll surveys, the one in public media and by the channel or the party or candidate or conducted by any other sponsor, needs to be known to public. CMS estimate of this expenditure earlier in five assembly elections in 2018 was upwards of Rs 100 crores. This 2019 poll witnessed several times more expenditure on this count.

Campaign financing without “crowd funding” being a part of election expenditure should be a concern for its implications. As such, it may be desirable for parties and candidates to generate from this route as well, and for the ECI to even consider this aspect..

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Baseline survey rounds of 2007 & 2008

Annexure-I

Percentage of voters who reported receiving money two rounds of surveys in 2007 & 2008		
State	Percentage of Voters (2008)	Percentage of voters among BPL HH (2007)
Karnataka	47	73
Tamil Nadu	34	78
Madhya Pradesh	33	29
Andhra Pradesh	31	94
Bihar	23	31
Orissa	27	50
Delhi	25	24
Gujarat	24	32
Chattisgarh	22	73
Uttaranchal	20	33
Uttar Pradesh	18	32
Rajasthan	14	41
Maharashtra	13	32
Haryana	8	40
Jharkhand	7	21
Assam	4	56
Tripura	-	3
Himachal Pradesh	-	4
Kerala	13	8
West Bengal	4	18
National	22	37
Sample Size	18,000	23,000

Source: CMS

CMS-INDIA CORRUPTION STUDY

Lure of money in lieu of votes in Lok Sabha and Assembly Elections The trend: 2007-2014



This CMS report quantifies something we know about that money is used to lure voters. But not as an issue threatening the very free and fair character of our elections. The scale of this menace as revealed here should scare every right thinking citizen of the country. The report reminds of the urgency for more serious and concerted efforts not merely to curb expenditure in election campaigns, but for a change in the very electoral system where simple majority is not good enough to win. The insights from CMS field studies in this regard require to be debated for the way our news media reports the poll process and our political parties go about selecting their candidates in a perpetuating way. Eventually, voters have to be far more sensitive and understanding of linkage of poll time lures with corruption in the country and impact of that on the very nature of governance itself. No wonder why CMS India Corruption Study over the years have been advocating that good governance cannot be realized without citizen involved corruption is addressed, starting with lure of voters with money.

This report reminds me of several new initiatives that India should consider. Firstly, should we continue to be too inundated with political parties and further fragment voters vitiating the very poll process? The very representative character of the elected is getting affected. The smaller the margin in getting elected, the more the scope for note-for-vote.

The duplicity is confining the poll process with the ill. The note-for-vote is only a symptom. It is time to debate whether we should shift over to proportionate representation system of elections to Lok Sabha and Assemblies. Are party less elections, as indicated here, feasible? We should revert back to this system in the case of elections to Zilla Parishad and Panchayts (as they were at one time).

Both collection of money for campaign and expenditure for getting elected have to be far more transparent and formalized. We need to codify election campaigns activity wise. Only then every transaction could be through banks. That should be possible with recent initiatives of Narendra Modi Government to universalize banking. The Election Commissions recent initiatives are much needed but there is no evidence of that making a difference as this CMS report also brings out.

Suresh P Prabhu
Former Union Cabinet Minister
Mumbai, October 6, 2014

Icons about CMS... over the years

I must compliment CMS for carrying out highly commendable research work undertaking and carrying out interesting initiatives and remarkable activities in so many spheres of social development over the years.

–**Justice P N Bhagwati** (2010), Former Chief Justice of India

I know how challenging it is to build and sustain an independent research body at national level. Whatever areas of development you have chosen CMS has made a mark. No wonder CMS research today is credible, its findings and publications are viewed seriously. I compliment CMS for setting a new model that applied social & media research could be independent, credible and also sustain itself.

–**Abid Hussain** (2010), Former Indian Ambassador to USA

This CMS report quantifies something we know about that money is used to lure voters. But not as an issue threatening the very free and fair character of our elections. The scale of this menace as revealed here should scare every right thinking citizen of the country. The report reminds of the urgency for more serious and concerted efforts not merely to curb expenditure in election campaigns, but for a change in the very electoral system where simple majority is not good enough to win. The insights from CMS field studies in this regard require to be debated for the way our news media reports the poll process and our political parties go about selecting their candidates in a perpetuating way.

–**Suresh P Prabhu**, (2014), Union Cabinet Minister

CMS deserves profound appreciation for conducting this nationwide study meticulously, with vigor and within tight time schedules and transparently all through. The unique methodology specially developed by CMS for this study, based on their annual surveys on corruption involving common citizen, helped enhance the scope of the study much beyond numbers.

–**Admiral R H Tahiliani**, (2005), Chairman TII

CMS has been rendering a great service to the nation by holding a microscope and a telescope to the media in our country. This latest Report 'Face of Corruption in News Media' focuses on the extent of coverage in the media on the issue of corruption.

–**N.Vittal**, IAS (Retd.) (2010)
Former Central Vigilance Commissioner of India

I admire the efforts being made by the Centre for Media Studies (CMS) to scientifically analyze the media tendencies that are hindering the effective conveyance of the intended message.

–**Ramoji Rao**, (2010), Chairman, Eenadu Group

I have known you (Dr. Rao) and CMS for the whole period since 1990. When CMS was founded your missions was and continue to be creative research in the field of empowering citizen and ensuring good governance.

CMS has now become a brand name in the field of media research with many pioneering and innovative initiatives like Vatavaran Festival, public opinion surveys, analysis of right to information movement and on social development.

–**B G Deshmukh**, (2010), IAS (Retd.),
Former Cabinet Secretary, Principal Secretary to the Prime Minister of India

Over a decade, Centre for Media Studies (CMS) has been doing pioneering research which has deepened our understanding of corruption in various sectors and regions in India over time. Where we relied on anecdotal evidence and conjectures for decades, CMS has been supplying us hard data and quantitative evidence. What is more conscious effort has been made to appreciate the nuances in a complex phenomenon of corruption, rather than indulging in sensationalism and head-line grabbing.

–**Dr Jayaprakash Narayan**, (2010)
General Secretary, Foundation for Democratic Reforms

As usual, CMS has rendered another great service to the nation by bringing forth this report. The rot it reveals is truly alarming. With your permission, we would like to distribute copies of this report as part of the background material for the forthcoming national conference on Electoral Reforms.

–**Dr Subhash C Kashyap**, (2014)
former Secretary - General, Lok Sabha

Any study on corruption can only be done through surveys and questionnaires. Following the methodology used in earlier studies, the one (CMS-ICS 2015) also quantifies perception, experience and estimates. It is a study worth reading and disseminating because of the awareness such studies create, contributing to the countervailing pressure...

–**Prof Bibek Debroy**, (2015), Member NITI Aayog

I am happy to note that Centre for Media Studies (CMS) has been carrying out the exceptional good work in various areas having substantial public interest. One of their initiatives is the study on corruption in the country... I am sure that this study will help the public at large, the researchers, NGOs, Government in tackling the menace of corruption. I am confident that CMS will come out with more such purposive, educative and impactful surveys in time to come.

–**K V Chowdary**, (2015)
Central Vigilance Commissioner, Gol

30 years
*of active & hectic pursuits,
as an independent institute
and research based think-tank.*

