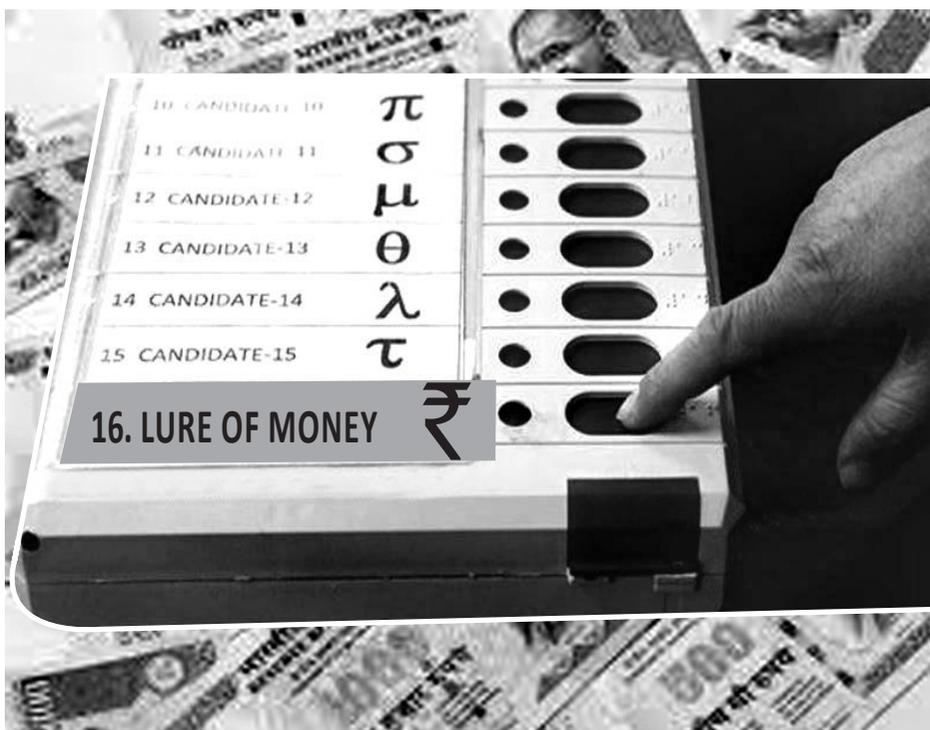


Lure of money in lieu of votes in Lok Sabha and Assembly Elections

The trend: 2007-2014

CMS-INDIA CORRUPTION STUDY



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Lure of money in lieu of votes in Lok Sabha and Assembly Elections

The trend: 2007-2014

Foreword by

Shri Suresh P Prabhu
Former Union Cabinet Minister

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Foreword



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*

Preface



This India Corruption Study report of 2014 is on lure of money in lieu of votes in Indian elections. This is what CMS described in 2007 as “note-for-vote” when it conducted the first ever systemic survey on the subject. The year 2014 could be described as a year of elections. This year had witnessed national general elections and elections for 10 Assemblies, just before, simultaneously with Lok Sabha and soon after. Also, the year had elections to municipal and local panchayats of erstwhile Andhra Pradesh.

It was in 2007 when CMS noticed that the note-for-vote phenomena in basic public services involving citizens has become fountainhead of corruption in the country, and is much more widespread than is realized. It is not a casual affair, but a deliberate one. It was in 2008 round of survey we found that there was no pattern in this way of luring voters and that variations from State to State were distinct. Of course, 2007 round was limited to BPL households. In the surveys, since it was also realized that the extent of lures differ from one poll scenario to another, we felt that we should probe the phenomena more in the context of different polls, Lok Sabha, assemblies, bye- elections, etc. That is what we did between the two Lok Sabha years of 2008 and 2014 - although in a limited way.

This report is more an update on note-for-vote trend in the country culminating the year of 2014 elections. The focus in surveys in 2014 is more on States other than Andhra Pradesh, Tamil Nadu and Karnataka, the three States where the phenomena already reached threatening levels. But this report covers the period of 2007 to 2014. The States which experienced unprecedented shifts in party loyalties and in voting intentions were specially covered. However, not each and every election held during the period could be covered. Since the endeavour of the India Corruption Study is CMS' self driven, resource crunch too dictated the scope of coverage of each round of field survey.

I thank Dr N Bhaskara Rao for initiating the series of India Corruption Study, including this one on note-for-vote.

Comments and suggestions are appreciated. Please help us improve and correct any lapses in this task as we intend to continue the pursuit.

P N Vasanti
Director General, CMS
New Delhi, October 6, 2014

India Corruption Study: Lure of money in lieu of votes The trend – 2007-2014

The trend

That money is paid to voters for their vote is known to those who are familiar with grass root politics of India. We do not have any data for the magnitude of the phenomena except occasional newspaper reports and television pictures of voters being distributed cash (and of course gifts of all kind) or unaccounted cash being confiscated before reaching voters. But neither the extent of voters lured nor the amount of money involved in this menace is known for any state with any reliability. The Assembly elections in Karnataka (2013) and Municipal elections in undivided Andhra Pradesh (2014) and some by-elections earlier in Andhra Pradesh and Karnataka have set a new benchmark in this regard. When viewed together with 2007 and 2008 pre-general election surveys, the trend has become of threatening proportion to the very fundamentals of democracy. India Corruption Study which CMS started in 2000 as annual series found certain linkage between bribes citizens pay in availing basic public services and the quid-pro-quo practice of voting. That is how CMS went about tracking this phenomena of money in lieu of votes in Lok Sabha and some Assembly elections.

Although corruption is much talked about as a national malice, **one aspect that has not been seriously pursued is that this corruption by way of “note for vote” is depriving good governance and is threatening the roots of democracy, equity and development endeavors of the country. And that in fact, is the source and origin of “cycle of corruption” in the country. That is why CMS described it as “mother of all corruption” in the country. This particular phenomena has not become a priority concern either of corruption crusaders or of political leaders or of mass media as it should have been by explaining voters what accepting doles in lure and in lieu of vote meant to voters.** On the contrary, news media reports boost the phenomena. The way the news media reports such instances is as if it is an isolated affair to do with a few candidates in some constituencies.

This report of India Corruption Study series has special significance. When CMS took to the annual surveys on corruption involving citizens availing basic public services in 2000, corruption in general was among the top ten concerns of the people at large. More than a decade later, with expose of series of scams and extensive media coverage, corruption is being viewed in the top five problems or concerns of the country. Corruption across the public services has not declined, as one would expect. Increased public concern has not led to decline in note for vote either. India Corruption Study bring out that the phenomena of bribe giving by citizen and taking cash as voters in fact has spread far and wide.

The year 2014 could be called as “Year of Elections in India” as it had elections to Lok Sabha as well as to Assembly of seven States. Three of them were held along with Lok Sabha and the others were held separately in a different month. In two of the States, Maharashtra and Haryana, Congress or Congress led government is ruling for second or third term and they are accused of corruption. Field survey in these States indicate that a high percentage of voters changed their voting choice in the last minute. As such in these States special enquiry was made with probes on what factors determined such last minute shifts in voting preference.

Methodology

The purpose of this exercise is to offer reliable insights into the dynamics of the phenomena of note-for-vote at the time of elections; it is not so much for a statistically rigorous projections. While the survey rounds of 2007 and 2008 are national, the others were State specific. On the eve of the 2014 national election, the sample in the States covered is good enough for deducing reliable insights and trends on election campaigns, including expenditure.

If asked directly, not many voters will admit they have been lured or they had accepted money in lieu of their vote. (Many voters do not consider this quid-pro lure as “bribe”). But, if enquiry is made in a roundabout way and then at a later point about individual experience, it is possible to validate the responses. They would respond more easily if they knew someone around who had taken money at the recently held election. The enquiry included both perceptions and experience. Of course, in addition to what is distributed to individuals or families, candidates also distribute lump-sums, directly or indirectly, to office bearers/ influencers of communities, caste groups, temple priests, associations, etc. However, India Corruption Study processed and analysed the money distribution to voters.

All these surveys focused on cash lure. But it is not easy to ensure uniformity in response as voters tend to mix up cash and material gifts. This is also because sometimes the lure was by way of “money in kind”. In 2014 Lok Sabha election and earlier also in some instances, money was transferred (into) through Banks, Cooperatives, Chit Fund installments or paid as subscription for a phone or phone itself. This category of lure has been on increase during last couple of years. Money was contributed by some candidates for some community work (temple, road, well, etc). Then voters were lured more as a family package (2 or 3 or 4 votes in each) or community or as a bunch of voters of a community through a middle man. An effort was made to validate and cross check the extent voters were covered than the exact amount of money involved. 2014 round of surveys indicated increased use of middle man.

Field surveys were conducted at three periods - first one in 2007 was limited to BPL voters when Assembly polls were held for 7 States. The second in 2008 was against the background or/and ongoing campaign for 10 State Assemblies and Lok Sabha. The third round field surveys on a smaller scale were conducted in the context of elections to 10 State Assemblies and campaigns for Lok Sabha poll of 2014. Since we did not plan this enquiry as a time series study, the questions enquired into were not same and sample was not compatible. Also, the States where the field surveys were conducted were not the same.

The sample of voters covered were taken on a simple random basis but in such a way that it reflects local demographic composition. The overall sample size of voters covered in all in these various surveys during 2007 to 2014 period was over 75000 voters. Apart from two general elections, each period involved elections to more than a couple of State Assemblies.

This was the first ever-empirical study on “cash-for-vote” phenomena in 2007 with 23000 BPL (below poverty line) families. The second round in 2008 was with a sample of 18000 voters from 19 States. CMS has also been tracking the trend in individual States where the practice is blatant, both in the context of Assembly and Lok Sabha elections. The sample size of voters in these poll specific surveys in individual States ranged from 200 to 1200. Highlights of those two earlier surveys in 2007 and 2008 are presented here as baseline surveys on cash-for-votes.

With the kind of data we now have, a rigorous statistical analysis on effects could be attempted at the time of next round of polls in 2017 – 18.

Baseline survey rounds of 2007 & 2008

Table 1: What percent of voters were distributed money-two rounds of surveys in 2007 and 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

It is obvious that relatively more voters from economically poor families are lured across all States. In some States it is more than twice among BPL voters than in all voters. Kerala seems to be an exception. As this CMS study confirms, money for votes is not limited to the rural voters but a national phenomena spread across rural - urban, among different age groups and irrespective of educational level of voters.

As could be seen from Table I, prevalence of note-for-vote is more in three Southern States of Karnataka, Andhra Pradesh and Tamil Nadu. Among BPL voters, the percentage was higher – in 2007 it was 37 percent among BPL voters against 22 percent among all voters in 2008. In those three Southern States of AP, Karnataka and Tamil Nadu, well over 70 percent of BPL voters were distributed money for their vote. Even in Chattisgarh, Haryana, Rajasthan, Assam and Orissa, much more than 40 percent of BPL voters were distributed money.

A much higher percentage of voters in Karnataka, Tamil Nadu and Andhra Pradesh acknowledged receiving cash as an inducement “in the last 10 years” than in Bihar or Uttar Pradesh. The amount involved in these northern States was much less than in the southern States. The 2009 Assembly-cum-Lok Sabha elections in Andhra Pradesh could well be the most “expensive” ever in India - nearly half the voters were given money.

The note-for-vote menace was found relatively much lower in the then Left Front ruled States of Kerala, Tripura and West Bengal than in other States. The compulsions for luring voters with money are least where political parties are active at grass roots level and have cadres that are active year round, not just on the eve of an election. Another major influencing factor in elections is when local candidates contest from their state are local-local (not only belong to local but also present and reside). This appears to be a factor.

More urban votes are amenable!

A general impression is that relatively more voters in rural are vulnerable for cash in lieu of vote. But findings of these surveys bring out the other way around. Voters in urban relatively acknowledged experience or knowledge about note-for-vote phenomena. This could be because voters in urban areas have less loyalties both to parties and candidates. They are also more likely take to immediate gratification particularly in slum and resettlement clusters.

All pervasive? Summing up demographics

Table 2: Those who were distributed money in lieu of vote – by demographics

Demographics	Percent of BPL voters (2007)	Percentage of total electorate (2008)
Urban	30	23
Rural	40	21
18 – 25 years	38	22
26 – 35 years	38	22
36 – 50 years	36	20
No school / illiterate	36	19
Upto 12 th class	37	22
Graduate and above	44	24

There were no significant differences in this respect between age groups and education. But, interestingly, marginally a higher percent from higher education levels acknowledged receiving money for vote.

Most parties are alike

A sensitivity analysis of responses brings out that money was distributed notwithstanding which party was in power and that all the key contending parties / candidates were involved in this practice. As could be seen in BJP/NDA won constituencies, the candidates in 2008 Lok Sabha had distributed money to more voters – 25 percent, against 19 percent in Congress held constituencies. In states won by SP, BSP and Left parties, (significantly) relatively fewer percent of voters (13%) were paid money in lieu of vote.

Table 3: Those who were given money for vote by Party in Power

Lok Sabha seats by sitting party	Percentage of Electorate (2008)
Voters in BJP MP constituency	25
Voters in Congress MP constituency	19
Voters in other party MP constituency	21
Voters in NDA ruled States	27
Voters in UPA ruled States	21
Voters in Others ruled States (Left, BSP,..)	13

On the eve of 2014 Lok Sabha poll, CMS conducted the survey in select States and constituencies **before** and **after** voting. The pre-poll survey on expectations or perceptions of voters about cash lure brings out two things. First, the expectations are much higher than their experience a few years ago and, second, the states in the North (UP and MP) are fast catching up with the states in the South on the extent of cash lure.

Bye-election 2008

Local polls are more competitive?

More percentage of voters were paid money for their vote in the case of Assembly election than in the case of Lok Sabha election. The amount was even higher in the case of municipal and district panchayats as in the case of Andhra Pradesh in 2014.

Some by-elections are an exception. Depending on the constituency and the candidates in context, the extent of note-for-vote practice is expected to be high. The state government of the time was known for corruption particularly in civil contracts, land allotments or land use policies, mines, irrigation works, etc, where high volumes are involved, the rate and extent of note-for-vote is determined.

Table 4: Money as a factor in luring voters – case of Karnataka (percent of voters)

Assembly constituency wise (Karnataka) where winner in 2008 defected to ruling BJP causing bye-election	Percentage of voters paid money in the Assembly bye-election	Which party gave money to more voters - in that order	Party that won in 2008	Who had won in bye-poll 2008
Hukeri	35	JD(S); Congress	JDS	BJP
Arabhavi	16	BJP; Congress	JDS	BJP
Devadurga (ST)	39	BJP; Congress	JDS	BJP
Karwar	43	JD(S); Congress	Congress	BJP
Turuvekere	38	Congress/ BJP	Congress	JDS
Madhugiri	29	Congress/ BJP	JDS	JDS
Dod Ballapur	57	JD(S); Congress	Congress	BJP

In eight constituencies, where the winner in 2008 Assembly poll defected to ruling BJP, bye-elections was held in one go. In these by-elections candidates of three parties distributed money to extent of 16 to 57 percent of voters of those constituencies. Here, nearly one-fourth of voters were paid by more than one candidate. Which party candidate paid more is indicated in that order in the case of these eight constituencies (in Table 4). The money is not given uniformly across constituencies or even within a constituency. The keenness of contest and resource credentials of candidate determines the extent of voters covered. This field survey also indicated that in such keenly contested bye-elections, the extent of note-for-vote is much more than in the case of general election.

The winner in the by-elections spent less on note-for-vote than the other two leading contenders. This is perhaps because firstly the same person who resigned as JD(S) member re-contested. Secondly, the government in the State is of BJP and “patronage” has its own influence on the electorate. A similar phenomena was observed in Uttar Pradesh in the Assembly bye-polls in 2014.

Mother of corruption

An analysis of trends since 2007 in note-for-vote and citizen giving bribe for availing basic services indicate that voters end up paying a bribe of several times more the amount received for vote from a candidate once a few years. In turn, candidates, who lure voters with money, get busy making several times more of what was spend towards winning. That is why we have described this note-for-vote phenomena as “mother of all corruption” in the country. Election has become fountainhead of corruption in the country. In a way it is beginning of corruption and end use of money made out as bribe. It is here that the vicious cycle begins. The voter does not realise that for every Rs. 100 that comes, for example, from a candidate as a lure for votes, he or she is likely to end up paying five to ten times more annually as bribe in availing basic public services that a citizen is entitled to from the government.

Linkage, not recognized!

The best bet to counter the menace is voters themselves. They need to reject the very lure and realize the potential of vote for getting the government they deserve. Voters need to understand the linkage between note-for-vote and the “unofficial money” that they end up paying as bribe to get basic public services that they are entitled to get from the government. And, only then will we get more responsive representatives. Civil society groups should step up their vigilance and deterrence efforts at the local level. And, the Election Commission should come up with more deterrent measures to increase chances of poll process becoming free and fair. Also, if polls are contested with candidates speaking about issues that matter, thereby sensitizing and involving voters so that they become active citizens, the scope for note-for-vote could be curbed or minimized. But this 2014 poll was a bitterly fought one without keenness on issues of local concern.

Perceptions in certain areas and among certain sections of voters is that “winning chances” of candidates known otherwise for corruption are relatively higher. For example, 51 percent of votes in Jharkhand (even a higher percent of three-fourth in Santhal Pargana) think corruption image helps win the election!. Or, perhaps they feel so because of helplessness!

One reason why expenditure in election is increasing significantly is this shift of focus from parties to candidates and also candidates spending more on note-for-vote. These enquiries, together with reports carried by some news channels, indicate that election-related doles have inflated poll expenditure to over Rs.30,000 crores, which is by five times more than the expenditure in the 2004 poll.

Election Commission of India (ECI)

Concerned about the malaise of luring voters with money, the Election Commission of India (ECI) has taken certain initiatives recently towards curbing the trend. It has been appointing “expenditure observers” to track and validate expenditure on various components of poll campaign. It is obligatory for candidates to file expenditure statements a couple of times during the campaign period. The obligation that candidates must file expenditure statements within a specified period after the election has existed for some time. But there is no evidence that this has made any difference to significant increase in poll expenditure. The Commission, for the first time, had disqualified a number of candidates who did not file their expenditure statements for the earlier election from filing their nominations in 2009. But they neither belong to leading parties or the spenders beyond limits.

Since CMS had brought out the extent of “note-for-vote” phenomena in that nationwide large survey in 2007 (refer Transparency Review – www.cmsindia.org), the Election Commission of India took to several initiatives to curb the flow of cash on the eve of the elections. That is how there have been several news stories during the elections, national, state and by elections, on the extent of cash seized. In each recent poll to assemblies, this was any where Rs.50 to 150 crores of cash recovered including from an ambulance, or helicopter, car tyre tubes, etc., the EC has inducted senior observers all over, including from IRS service, to track and bring to book such unaccounted expenditure by candidates.

Beyond that, Election Commission’s actions have not been known to be deterrents. More than the EC, Income Tax and Police, it is the media’s vigilance that has been exposing the practice. But, then, some experts would say the more such news reports appear on TV channels, the more likely the spread of the practice, with increase in amounts involved and voter expectations growing up as well.

Last minute factors

It is known that a significant percent of voters make up their voting choice in the last phase closer to polling day. This percentage could be anywhere between 7 to 27 percent depending up on which election, who the contending parties, keenness of contests, profile of candidates in context, etc. So what is it that drives voters to ultimately either shift their voting intentions or make up their choice in the last minute?

Undecided/ likely to change voters who make up in the last minute

Table 5: Undecided / likely to change voters who make up last minute....: Some examples
Percent of voters

	Percent who make up in the last minute	Undecided voters a few weeks before	Likely to change to their choice a few weeks before
Chattisgarh	10	4	23
Haryana	9	2	10
Jharkhand	10	1	8
Maharashtra	10	4	12
Uttar Pradesh	2	4	16
Rajasthan	6	1	16

Based on field surveys on the subject over the years, the factors that influence or contribute “last minute” choice could be summed up into the following in that order:

1. Local pressures
2. Lure of money
3. Effective campaigns
4. Coverage in news media
5. Manifesto offers

About 70 percent of those who change or make up their voting choice in the last minute are influenced by anyone or a combination of these five factors. In this process, lure of money is a more likely factor, not always acknowledged and often goes by group dynamics. Temptation or lure of money may not be a sufficient factor but is a likely common

factor in this process. For example in Jharkhand, Haryana, Maharashtra (2014) this “lure of money” alone works out to one-third of decision changes in the last minute.

Money as a last minute factor

Money lure is considered as one of the five critical factors that determine voting choice of undecided voters and induce shift in voting intentions in the last minute. The percentage of voters who view money as a factor has substantially increased in 2014 as compared to 2008. Some examples are given here.

Table 6: Percent voters who consider money as a last minute factor: 2008 - 2014
Percent of voters

	Considered corruption as a poll time issue		Lure of money is considered as a last minute factor	
	2008	2014	2008	2014
Delhi	8	-	4	6
Haryana	4	3	3	9
Jharkhand	4	6	2	9
Karnataka	2	27	7	15
MP	2	22	1	8
Maharashtra	3	12	2	10
Rajasthan	7	24	2	6
UP	2	22	1	2

The percent of voters who view corruption as one of the issues bothering them has also increased significantly in 2014. There is acknowledgement of money as an influencing factor in voting choice.

Is corruption a concern on poll eve?

Many respondents surveyed in 2014 recall lure for their vote than the percentage who acknowledge corruption as an issue bothering them in the context of elections. On probing further, a much higher percentage of voters concede that corruption influences or matters in determining voting preference closer to the polling day.

Increase in corruption, including in basic public services involving citizens, is no guarantee that voter would be concerned about corruption as an issue and resist or reject lure of money and gifts at the time of elections. Some agitations against such inducements in lieu of vote in the elections have not acquired momentum to make a difference.

The study brings out that voter does not make a link between taking lures from candidates during election times to the compulsions of giving bribe in availing government services in the subsequent months/ years. Both the loser and the winner in the election tend to recover or make up what has been spent in fighting the election, while the winner ends up making several times more.

High Expectations

A much higher percentage of voters expect that money will be paid in the poll ahead than the percent received in the previous election. On interviewing a few weeks before the Assembly poll in early 2014, a higher percentage than those who acknowledged such a practice previously, expected money in this election in 2014. (In some of these States in some constituencies before and after the election interviews were held with some voters to facilitate a comparison of expectations and actual experience).

The extent of note-for-vote in terms of the percent of voters who are covered or the amount involved is different during each election time. No pattern could be expected from election to election or even constituency to constituency or even in a same constituency from one poll to another.

Has paying bribe made voters any more sensitive about corruption?

There is no evidence of that. Citizens generally and even specifically in the context of elections, do not connect their having to pay bribe to avail basic public services to that of corruption as an issue of concern even at the time of elections.

Although a much higher percentage of voters paid bribe in availing one or other public services in the previous one year, much less percentage of voters consider corruption as an electoral issue. Even in States where the extent of note-for-vote as well as percent who paid bribe in availing a Government service is very high, the percentage of voters who consider corruption as an electoral issue is low as could be seen from the table here. That is perhaps why only an insignificant percentage of voters admit that money distribution in the last minute influences poll outcome. This is perhaps because the percentage of voters who were distributed money for their vote in the earlier election was high. Even though a significant percentage across States paid bribe in the last one year in availing a public services, not as many consider corruption as an electoral issue. How else can corruption be addressed by citizens? That election to legislatures is an opportunity to get “better people” represent them is not realized or is conveniently ignored. The linkage between the two experiences is not being realized as could be seen from the table here.

Table 7: Experienced bribe, yet corruption do not bother?2008/2014* Percent of voters

State	Percent of voters who paid bribe while availing public services in the previous one year	Consider corruption as an important poll issue 2008/2014	Know personally someone who was paid/ received in the neighborhood	Consider money as last minute factor that influences voting 2008/2014
AP	24	2	28	13
Assam	11	15	15	0
Bihar	14	6	38	19
Chattisgarh	23	3	31	10
Delhi	35	8	6	6
Gujarat	22	3	29	12
Haryana	21	4	13	9
HP	13	12	13	2
Jharkhand	40	6	68	9
Karnataka	22	27	19	15
Kerala	30	4	9	5
MP	38	22	32	8
Maharashtra	29	12	12	10
Orissa	14	5	18	0
Rajasthan	9	24	7	6
Tamil Nadu	29	2	18	7
UP	12	22	9	2
Uttarakhand	28	11	26	0
West Bengal	12	2	4	0

*For some States which were **not** covered in 2013 – 2014, 2008 findings are given

As a last minute factor, money influences...

Money's role as a last minute factor is acknowledged by a high percentage of voters but not many (do not) consider it as an influencing factor for the outcome of the poll. The tendency in responding to enquiry on influence of money is either exaggeration or it is a downplaying of its influence (depending on affiliations of respondents and whether they are "beneficiary" of note-for-vote or not).

The expectations of voters that they will be covered and with a higher amount (than before) could be seen across the States. Apart from local competitiveness of political parties, these perceptions are determined by coverage of news media, particularly poll surveys in news media.

Even though the percentage of voters who think money is a factor and influences poll outcome, much less percent of voters consider corruption as a poll time issue.

Experience and increasing Expectation

Money a last minute factor for voting choice.

Table 8: Some voters were paid for their vote – 2014 : some sampled States Assembly / Lok Sabha Percentage of voters

State	Percent of voters who were paid in the "last election"	Some voters will be paid now...	Consider money as last minute factor....	Money would Influences poll outcome	Corruption considered as an issue spontaneously mentioned
	<i>Experience</i>	<i>Expectation</i>	<i>Perception</i>	<i>Perception</i>	<i>Opinion</i>
UP 2014	6.0	17.0	2.0	4.0	22.0
Haryana 2014	8.0	8.0	9.0	7.0	3.0
Maharashtra 2014	22.0	43.0	10.0	10.0	12.0
Jharkhand 2009	10.0	14.0	9.0	23.0	6.0
Punjab 2013	24.0	25.0	4.0	20.0	5.0
Delhi 2012	12.0	14.0	6.0	28.0	8.0
Rajasthan 2013	11.0	12.0	6.0	75.0	24.0
MP 2013	18.0	20.0	8.0	79.0	22.0
Chattisgarh 2013	-	-	12.0	1.0	2.0
Karnataka 2008 /2013	37	50.0	15.0	30.0	27.0

Note-for-vote is no longer a casual affair. It is a conscious option of voter and deliberate and vitiating intervention of candidates.

For example, in UP more than half of voters were expecting money before voting, but after the polling, only around 26 percent acknowledged note-for-vote. Of course, this is higher than the voters who acknowledged the trend in 2009. Also, the amount per vote was more than before (but much less than what was distributed in Southern States in 2014 Lok Sabha poll).

Table 9: Expectations and Experience with Note-for-Vote : Some Examples of 2014 Lok Sabha
Percent of voters

State	2009 Experience percent of voters who acknowledge money was distributed	2014 Expectation percent voters who expect that money's going to be distributed before the poll	2014 Experience percent who recalled after poll experience or knowing a neighborhood distribution
Andhra Pradesh	53	70	75
Uttar Pradesh	20	65	26
Madhya Pradesh	29	52	30
Punjab	15	30	20
Delhi	20	30	8
Maharashtra	22	43	-

The Arvind Kejariwal effect on the percentage of voters paid was glaring in Delhi. In this election of 2014, hardly eight percent in Delhi acknowledged that money was distributed around against less than 20 percent in 2009 and about 30 percent who were expecting it prior to 2014 poll. Voters attributed this decline to Kejariwal's cadres and canvassers reaching their doorsteps.

An argument often heard is that giving away cash on poll eve is good as that is an occasion where rich shells out or share their (ill-gotten!?) wealth and that more (black) money comes into circulation. This, however, is too simple an outlook.

In States like UP, Punjab and Bihar muscle power in elections is getting replaced with money power. The phenomena of note-for-vote had caught on in these states too. But even in these states, the percentage of voters distributed money (although higher than in 2009) was lower than the percentage who were expecting money in 2014 before their constituency went to poll.

Some trends in the modus operandi of money distribution

This phenomena of cash lure is no longer a last-minute affair (before polling). In fact, for 2014 Lok Sabha poll, it all started much before the Election Commission's code of conduct came into force on February 5th. Wherever candidates were sure of getting party nomination, some of them went about disbursing big sums to certain local middle persons or outlets like provision stores, pujaris in mandirs, steel shops (for kitchenware and the like), chit fund outlets, hawala dealers, etc., for further distribution at a later day to voters with or without a slip in some cases. Even caste or community leaders were deposited for onward distribution at an appropriate time to certain indicated category of voters. Of course, in this case, the percentage of voters who actually received money was much less than the intended number of voters paid.

The "middlemen" played a more active role in 2014. As a result, the extent of direct payment to voter directly distributed was less. This could be one reason why immediately after the polling, the percent of voters who acknowledged receiving money was relatively lower. As a result, any accountability and moral responsibility of contesting candidate to the people of constituency cannot be expected same. In most cases where money was confiscated (more than Rs.300 crores), no name of a candidate figured or indicated, not even of the party. As a result, no one could be shamed.

2014 poll has seen a variety of distribution modes of money in view of tight arrangements of Election Commission. In 2009 poll, ambulances, newspaper distribution networks were used, including delivery boys. In fact, newspapers in Andhra had a photograph of a newspaper distribution office opening "counters" for delivering cash or giving slips showing the number of voter slips issued. This was shown on channels to further lure voters. Even educational institutions, including auditoria or stadia, were used for exchange of cash. There were also a few instances where money was paid for not going to polling booths as that was found easier route to ensure the opponent's votes were not actually cast. No deterrent measures to curb such tendency were heard by local authorities (although that is a cognizable offence).

The Commission confiscated more than Rs.300 crore in cash that was being transported for distribution during the Lok Sabha poll of 2014. That, according to CMS estimates, is not even one percent of total poll expenditure.

While in states where note-for-vote had already peaked, the 2014 percentage of voters did not go beyond 85 percent, though the amount involved had gone up. These states are Andhra Pradesh, Tamil Nadu, and Karnataka. What was distributed had gone up from Rs.2000 to 5000 at high end and Rs.500 to 1500 at lower end.

Trend in a few pockets indicate that if note-for-vote was not vogue, poll violence would have been witnessed as was in the case in UP in the earlier years. The evidence in AP is convincing (in a dozen seats). For, wherever a party could not deliver or distribute money to voters on

or before the polling day (for whatever reason), there were instances of clashes between the workers of two key contending parties and in fact that continued for next few days after the polling day.

Perception of voters, expecting more money than before at the time of earlier election, were much higher apparently because of two cues from news media. As never before, news media repeatedly reported that some or certain candidates are crorepati or and big industrialists. Second, never before news channels hyped bundles of currency notes confiscated on way for disbursement to voters. Both these trends in media coverage have increased expectations or voter demand. Thus, instead of a demotivating coverage of any such trend, coverage of channels had helped demand creation (unintentionally though). A phenomena of exaggeration of what “other candidate” is giving has added to the demand factor. Some local news channels even gave (as part of their news reports) how much was being paid to voters as a scroll.

Despite intensity of the phenomena and the way it was covered by news media, the malice did not receive serious larger attention. Political parties and leaders accused each other and as often but not condemned the very practice of note-for-vote. Its implications and linkage to overall corruption in the country was not even referred by any of the political leaders. As if it is all a concern of the Election Commission.

Over the years, it is so obvious from these CMS tracking studies that a major reason for higher and higher poll expenditure is this note-for-vote. But, worse is what it meant to accountability of elected representatives on the one hand and prevalence of corruption on the other. At this rate, how can Indian democracy assure Good Governance to its citizens?

When the candidates of leading parties are local, compulsions for taking to note-for-vote are minimal. But when the fight between some candidates is much beyond the particular election, like between two families or factions with old rivalries, the lure of cash is likely to be even more than the previous election.

Where and when political parties are active at grass roots and with active cadres, not just on the eve of an election, the compulsions to take to note-for-vote are less.

Is note-for-vote candidate driven (supply) or voter driven (demand)? It is difficult to conclude. Both exist in parallel.

The trend of decline of political parties and rise of individuals, has given push to note-for-vote phenomena. As an article of Transparency Review, Decline in Representative Character in Government), indicated, the number of individuals who matter in elections has gone up recently.

Because of note-for-vote, relatively better candidates, who are not otherwise resourceful to spend, are being left out or deprived from entering poll arena? Alternatives need to be explored. Can State funding address this concern? “Non-party” based contests at certain levels could also be thought about. Changing the electoral system (simple majority based) itself in favour of proportional system appears is a better bet.

Only 15% of poll expenditure, but vitiating the process

The 2014 Lok Sabha expenditure was estimated by CMS as Rs.35,000 crores against around Rs.10,000 crores of its estimate as expenditure in the 2004 Lok Sabha election. Increase in competitive electoral politics of the country is mostly responsible for this substantial increase in election expenditure which in turn could be correlated to the overall increase in corruption in the country during these years.

This estimate for 2014 is outcome of an elaborate analysis, based on a variety of past and present trends of parties in contest, keenness in contests, candidate characteristics, campaign monitoring, field observations, large scale survey data, updating with pre and post poll sampled interviews. This estimate includes expenditure involved at four different levels – by EC and various Government departments of States and Centre, political parties, contesting candidates and others (like corporate/industry, lobbies). CMS started tracking poll expenditure in 1996.

The increase should be of particular concern as a high percentage of those who contested in 2009 in Lok Sabha poll showed an expenditure substantially less than what the ceiling was at that time. According to an ADR analysis, on an average in 2009, candidates as per their own reports filed with Election Commission, spent less than Rs. 15 lacs against a ceiling of Rs 40 lacs then. And yet, the EC on recommendation of political parties increased the ceiling to Rs.70 lacs in 2014.

This estimate of expenditure does not include what was involved in **getting nomination of a party as its candidate in the case of some constituencies**. This was anywhere between five lacs in many to upwards of five crores of rupees in a few instances. Easily there would be 30 to 40 constituencies at the higher end. Since this is a deal between “higher ups”, it cannot be taken on board (newspaper reports and confessions by one or two candidates or those who failed to get the nomination only could be the basis). In the 2014 poll, expenditure by individual aspirants for obtaining nomination of a party, became “a new head of expenditure” of significant range.

This 2014 poll also confirms that proportion of expenditure by individual candidates has gone up significantly to around 40 percent of total poll expenditure. This meant decline of political parties in poll process further and rise of individuals. It needs to be seen in the coming years what change will come in the funding by Corporates to political parties. Corporates could now contribute formally five to seven percent of profits under the new Corporate Act 2014.

Overall, about half of what candidate spend is as note-for-vote and all of it is unaccounted or black money.

Betting on who wins or loses and with what numbers is the new head of expenditure. But this 2014 estimation does not include this head. Going by news media reports, the expenditure involved in betting is as much or more than the total expenditure involved in the election itself in some constituencies, candidates and poll outcome. But this amount on betting has nothing to do with electoral campaigns as such. Earlier, this activity used to be towards the end of the poll, before counting. But now in 2014, news on betting on poll outcome has been all around from the early phase itself as betting itself is being used to influence voters and even vitiating the very electoral process (the same way as poll surveys). Reliably capturing this betting expenditure requires specifically designed methodology. The extent and amount of money that change hands in this regard happens from diffused sources, more often invisible (unlike cricket betting). Mobile phone and social networks have given big push to this poll vitiating activity.

The case of Andhra Pradesh

Andhra Pradesh is an interesting and unprecedented case. CMS studies in the last decade indicated that AP is one of the states where more than half of voters are distributed cash on the poll eve and what is given per voter is also much higher than in most other states. Between March and May 2014, the state went for elections to Lok Sabha, Assembly, Municipalities and Corporations and for Mandal Panchayats. While Lok Sabha and Assembly polls were held together, the others elections were held separately. In all, in 42 Lok Sabha, 287 Assembly, 156 Municipalities, 22 Zilla Parishads, 1096 Mandal Parishads and 16,589 MPTCS, elections were held. The elections were more keenly contested between four or more parties. A quick estimate of what was spent by candidates in all in these polls in AP during that three month period was not less than Rs.7,000 crores and upto Rs. 10,000 crores. Against a ceiling of rupees two lacs by EC, ten to twenty times more expenditure was spent. According to a report, for example, election to Vijayawada Municipal Corporation (with 59 divisions) was near about Rs.100 crores, including what had gone into the election of Mayor. And all that in a matter of 20 days. This was despite that Vijayawada Corporation could not even pay salaries on its own. It was a four cornered fight. In the first one month of announcement of the elections to local panchayats in AP, about eighty lacs of cash was being seized daily in the State by police at entry points of towns. But these were only symbolic. This estimate does not include what was spent towards getting nomination of the respective party. Within the first three weeks of poll campaign, more than 100 crores of rupees was seized – the highest in India.

Media coverage of lures!

News media reporting of note-for-vote often gives the impression that it justifies the practice instead of presenting it as against the law, threatening democracy and against free and fair polls. For example, a politician who ends up spending a lot more to get reelected is presented as if it was inevitable. What is shameful is that the linkage is not made with the prevalence of corruption in availing public services by citizens. The very structure of reporting perhaps needs to change; adverse implications of accepting cash or gifts from candidates should be made known to larger sections of voters. Importantly, the linkage should be made known with local examples.

News media not only promotes and increases the incidence, it compels other candidates too to give or offer money in a competitive way and make the practice as an essential part of contest.

With media reporting that a certain percent of candidates are rich and resourceful and that many candidates in contest multiplied their wealth since last poll in a superficial way, expectations of voters goes up locally for higher amount.

By hyping in their coverage that candidates are crorepaties, contractors or rich entrepreneurs, news media unwittingly adds to the expectations of voters. "Conflict of interest" aspect of such candidates is hardly highlighted.

There is no shaming of candidates and leaders who engage in luring voters with money in a derogatory way. Even authorities who confiscate or interrupt distribution of money tend not to do so. And, news media hardly bothers with follow up reporting as to which party or candidate was involved even after reporting the incident (s).

With one-third or more of news media in the country slipping into control of corporates and political leaders, can we expect to curb the phenomena of paid news on the eve of elections? "Quid pro coverage or reporting" has now acquired threatening proportion in driving public opinion trends and priorities of the day.

The fact that election time is the right time to take on or bring on board the issues of concern is realized by only an insignificant percent of voters. This is something that needs to be reminded and promoted. Some TV channels made impressive efforts in this regard. But there is no evidence of making a difference in the scope and structure of campaigns. Electing someone who could and would take on concerns of local people including corruption is not realized by as many or perhaps it is taken for granted.

Taking money in lieu of vote during poll time amounts to taking bribe (some voters do not view it as bribe otherwise). Both taking as well as giving is illegal and punishable. This needs to

be reiterated by the media as often as possible. In fact, political parties themselves need to take on this malice critically and publicly. Leaders should encourage voters to complain about givers as well as takers of money in lieu of vote.

An interesting element covered by News channels during the 2014 poll campaign was about lures to voters by way of cash and kind. All news channels featured how voters were offered lures in different parts of the country. News channels devoted nearly three percent of their poll coverage mostly about lures of all kind during campaign period. In fact, they hardly devoted one-sixth of news coverage for issues and concerns of voters. Two-thirds of coverage was for parties and leaders centric. The way cash was intercepted and confiscated (over Rs.300 crores), and how polls involved an expenditure of over Rs.30,000 crores (as estimated by CMS), were all prominently reported by news media across the country.

But what significant difference did all this reporting make to the poll process? Each time cash was seized somewhere, news channels all over reported it by repeatedly showing the visuals bulletin after bulletin. Such reporting created fear and helped in curbing flow of cash, liquor, etc. But it also unwittingly gave ideas elsewhere for innovative methods of disbursing cash.

News media reporting of prominent cash transfer incidents has increased the expectations of voters. Though, initially, candidates lured voters with money, more recently, thanks to news media, some voters started demanding explanations going by what they heard and saw on channels. To add to that phenomena, news media went on to report that many contesting candidates are millionaires and how some of them had multiplied their wealth.

An insight from all this is that such reporting cannot be ignored as it only encourages the phenomena. There is need to find ways of reporting in such a way that accepting money in a quid pro implies high risk and encourages civil society to take initiatives to curb the phenomena. Can we expect to see a change in the structure and reporting of such practices?

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Dear Dr. Bhaskar Rao,

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 at IIC on 25 October.

You personally must actively participate and guide.

Dr Subhash C Kashyap,

*former Secretary - General, Lok Sabha
New Delhi, September 27, 2014*

CMS India Corruption Studies (some): 2000- 2014

- India Corruption Report – Urban Public Services (2000) – corruption involving citizens in 6 public services
- Adequacy of Citizen’s Charter (2001)
- CMS Corruption Perception Index – Public Services and Departments (2002)
- Corruption in Urban Public Services – Perceptions and Experiences of Citizens (2003) in 8 public services
- Compendium of Citizen Charters (2003)
- India Corruption Study (2005) - corruption involving citizens in 11 public services
- Tracking Corruption in India – 2005, (2006)
- TII-CMS India Corruption Study – with Focus on BPL Households (2007) – corruption involving citizens in 11 public services
- India Corruption Study (2008) – corruption involving citizens in 3 public services
- India Corruption Study : 2002 – 2009 – A Comparative Scenario (2010)
- Face of Corruption in News Media – A Report on their Coverage (2010)
- India Corruption Study 2010 – Is the Scenario Changing? (2011)
- Face of Corruption in News Media – A Report on their Coverage (2011)
- India Corruption Study 2012: Expanding Slums...Growing Corruption (2012)
- Independent Audit of Implementation of Clients’/Citizens’ Charter (CCC) by Central Government Ministries/ Departments (2013)
- India Corruption Study 2013-Focus on Women Users of Public Services (2013)
- Independent Audit of Implementation of Clients’/Citizens’ Charter (CCC) by Central Government Ministries/ Departments (2014)