



Electoral funding and the search for free, fair and credible elections in Nigeria: The 2023 general elections in perspective

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Abstract

There is no specific and standard definition of what free, fair and credible democratic elections mean under international law. The international law by implications only tries to lay down a guide and qualities of what a free and fair democratic election should and what it should not be. Election as one of the most essential ingredients of democracy, its conduct has remained a challenge to democratic governance not only in Nigeria but also almost all over the world. Nigeria's electoral process has since the first one in 1922 during colonialism to the last in 2023 has been characterized with fraud such as imposition of candidates, rigging; stuffing ballots, violence, and intimidation etc. This article is mainly theoretical in perspective using the primary and secondary data in its context. The paper also adopted System theory by David Easton. The paper argued violence, legitimacy crises, corruption and other vices cannot be unrelated with electoral fraud. Findings indicated allegations of administrative restrictions being selectively applied to losers coupled with election rigging by winners.

Keywords: Democracy, Election and Electioneering, Election financing

Introduction

In developing countries of Africa and other emerging states of the world, participation in all manners of political activities is shrouded with a lot of ordeals and uncertainties, especially in Nigeria where electoral malpractices are almost being institutionalized. Quite a number of our contemporary political thinkers and analysts have continued to express their concern relatively on the quality and degree of people's involvement in electoral arrangements. Similarly, foreign and local election observers have been unanimous in their worry over election conduct in developing countries such as Nigeria. It is an obvious fact that competitive and fairly conducted elections give the electorates the regular opportunity to select the right leaders of their choice without fear or sentiments. The regular opportunities to participate freely in all election conduct which uniquely translate to what is known as participatory democracy. Ideally, democratic principles are established, and embedded in the constitution of all societies that claim to be practicing democracy. Yet it is disheartening to note that the growing democracy in Nigeria is highly characterized by a lot of electoral frauds such as thuggery, god-fatherism, ethnicism/sectionalism, manipulations of voters' registration, physical intimidations, corrupt electoral officials, monetary and material enticement and falsification of election results.

To a great extent, these unwholesome situations have in most times resulted to series of political crisis and social unrest with a serious threat on the socio-economic development and corporate existence of this country. Without doubts, successive administrations seem to have made frantic efforts to institutionalize democratic principles in Nigerian body polity, but the pertinent questions have been, why have such good efforts failed to stabilize democracy in the country? What are the causes and effects of electoral problems on the development and growth of Nigerian polity and what measure should be taken to address electoral problems in Nigeria?

This paper is structured to-reflect on certain sub-issues as stated thus: overview of the electoral history in Nigeria, the associated problems of electoral process in Nigeria, consequences of electoral failures on Nigerian emerging democracy, conclusion of the analytical findings and the way forward for better Nigeria.

Democratic governance is a process whereby democratic principles such as popular sovereignty, empowerment, political equality, majority rule, functional constitution, rule of law, independent judiciary, periodic free and fair election and human rights and freedom are enshrined in a polity. However, in Nigerian context these principles are not waxing stronger if not functioning properly, especially principle of free and fair election which perhaps is one of the essential three. Election in a democracy is very important because it is medium through which that the expression of the people is shown via legitimacy and leadership succession. According to Dickerson *et al* (1990) election is defined as a post mortem that investigate the record of office holders whose actual performance may have little to do with promises made when they were previously elected.

However, the general elections conducted in Nigeria since the re-emergence of democracy in 1999 did not satisfy the quest for democratic governance in the country. Yet with exception of the outcome of 2015 election, it is the same political party that has been ruling the country at the center, thus credibility of those elections is put to question because of its characterized irregularities. It is worthy to note that, the struggle for democracy in Nigeria was not conceived only as an end in itself to end the military rule or as an externally oriented initiative, but also as means for achieving responsible political institutions, which promote a government that is accountable to the people (Bello, 2011). Meanwhile democratic governance is not merely about election and the transfer of power to civilians but about the rule of law, respect for the constitution and for fundamental human rights, socio-economic empowerment and peace, security of lives and property etcetera. The situation in

which Nigerian democracy has been in this era, in transforming political and socio-economic empowerment of its citizens still remain an illusion.

It therefore raises fundamental questions such as: What is the meaning of democracy and which democracy? It is pertinent to ask these questions because when democratic government is fully in place, it is expected to create happiness for the large percentage of the population as against the happiness for the few 'transnational oriented elites', within Nigeria. It is also expected to create equality, gradual and incremental socio-economic and political transformation and legitimately create an environment that will allow people at all level to exercise control and authority over political and economic activities that affects them.

In spite of the significance of credible elections to democratic governance, it is sad to observe that malpractice has been synonymous with elections in Nigeria. Elections have been characterized with fraudulent machinations which frustrate democratic aspirations of the people. Results of Nigeria's elections have often been associated with political tension, violence and crisis. Ibrahim (2007) ^[16] has noted that outcomes of many elections in Africa have been so contested that the conditions for survival of the democratic ideals have been compromised thereby making the democratic feature bleak and not promising.

The tragedy of the country's democratic experience since the re-emergence of civilian rule in 1999 has been according Imobighe (2013) ^[19] bizarre manipulation of electoral process, whereby election riggers turn out to be the net beneficiaries of the electoral process, and this creates a lot of frustration in the electorate.

For instance, the political officer who bought their way to power, mainly use their time to accumulate more fund to again buy their way to power in the next election. They do not feel obliged to be accountable to the electorate. In the following discussion we shall grasp the challenges of democratic governance in Nigeria. While on one hand democratization era encouraged democratic governance on the other hand electoral process increases challenges and crisis of democratic governance in Nigeria during the fourth republic.

However, before the 2023 general election in Nigeria, the federal government headed by President Mohammed Buhari through the Central Bank of Nigeria initiated a twin policy of currency redenomination and cash swap policy to allow for cashless economy in Nigeria. A move many saw and described as been political than economical in the light of the build up to the 2023 election scheduled for Feb. 2023. While some analyst and scholar believed it was a welcome development to help mitigate electoral fraud through eliciting financing of the process, others argued the policy was ill-timed and was meant to frustrate the masses who ought to own the process from participating in the process due to paucity of fund to enable them also compete.

It is within this context the researcher seeks to x-ray the impact of such economic policies on the masses in an election cycle year as observed in the just concluded 2023 general election in Nigeria.

This paper adopted qualitative research method. The qualitative research method was chosen because of the nature of the study and it helped the researcher understand perceptions regarding the subject under study as it involves collecting and analyzing already existing documented data

to create a detailed description of the researcher's observation.

This paper also adopted the non-experimental research design. This is because it is a research design conducted without an experiment either in its pure form or quasi form. Furthermore, the paper adopted the exploratory type of non-experimental research design which will be used to get a better understanding of existing problem. This helped identify the problem, recommend solution and lead to further research. Exploratory research design type is commonly adopted when the research topics needs a strong foundation to analyzing the subject and making recommendation.

The major source of data for this research paper is the secondary source of data which provides foundation for the research as it provides the information on related problems that have already been solved and it also give direction to the present study. The sources of information were gotten from published report and official documents. These includes publication from both international and local observers like the commonwealth observers' group in Nigeria, Yiaga Africa, European Union Election observers' mission, international observers' group, independent election observers, civil society observer group amongst others.

Literature Review

The electoral management commission is saddled with the responsibility of managing election in any democratic society. Since the granting of independence in Nigeria, elections are being conducted by electoral body vested with such powers.

In the second republic the electoral body was named Federal Electoral Commission (FEDECO), In the third republic, it was tagged National Electoral Commission of Nigeria (NEC) while in the fourth republic, it was known as the Independent National Electoral Commission (INEC).

Election is being managed In Nigeria through and electoral act, the latest being 2022 electoral act that serves as a guide for the 2023 general election. According to the electoral act (2022) as amended, the management of the election in Nigeria shall follow this procedure amongst others:

- National register of voters and voter's registration. This consist of qualification of registration of Nigerian citizens who must be eighteen years and above (18year-above) and copies of the voters list being displayed as at when due.
- Procedure at election which include the day of electing them, submission of list of candidates by political parties and substitution of such, polling units and agents, ballot box, hour of poll, counting of votes, declaration of result and issuance of certificate of return.
- Political party, registration of political parties, monitoring of political parties, financing of political parties' grants to political parties, conducts of political rallies and processes of political campaign.
- Election petition: Period of filing petition, notification of election petition by tribunal and appeal.

The point remains election management in Nigeria has passed through stages of development. However, there is still a lot to be done mostly in the areas of electronic transition of result through included but not mandatory in

authentication of election result and outcome both by INEC and the various courts of the Land.

Electoral or Election financing in its meaning refers to the general financing of electoral activities ranging from the activities of political parties to those of the state institution charged with the responsibility of conducting election as they work on their separate interest towards the election proper and the post elections activities. This covers the funding of the activities of political parties and electoral agencies across activities like the creation and upgrading of voters register, voters' education and awareness campaigns, mobilization, security, election and polling day activities, announcement of results and post announcement litigation. According to Ujo (2014) ^[28], noted through political parties funding at the conventional level is carried out by members who carry the membership card of the party. Also, Oyupi (2003) ^[27] noted that political parties attract all members of members in both quality and quantity, and this is a major determinant when the issues of funding of the political party come to be considered.

However, within the same line of party funding both at individual level and party level, the electoral act (2022), stipulates the limits on amount of money or other assets an individual or political party can contribute. The nexus between election and election financing according to Joyce and Olusola (2011) ^[21], Democracy all over the world is an expensive system of government. The institutionalization of a Democratic government or regime cost a lot. Apart from the fact that electioneering forms the basis for choices to be made, it is also a huge investment which the state and the politician/stakeholders must make. All these have made the electoral system an expensive enterprise. Money takes central stage in this system. Election itself is the act of choosing persons or group of persons to represent a large group. Since election is central to democracy, realizing qualitative democratic government is impossible without the instrumentality of election. Democracy cannot thrive in any political system without credible, free and fair election. Hence, election expenses come to the fore (Zoaka and Uke, 2011) ^[29].

Electoral system in Nigeria is bedeviled with the use of the power of money in achieving electoral victory. "Victory" during poll in the country more often than not guaranteed by which party or candidate can raise and spend the most money during elections in Nigeria. In agreement to this, Obasanjo (2011) ^[24] stated thus; "Prepare for election as if we are going to war and I (Obasanjo) can state without hesitation, drawing from my previous life, that the parties and candidates together spend during the last election more than would have been needed to fight a successful war". As an active participant in Nigeria politics, Chief Olusegun Obasanjo could not have said it better. Be that as it may, money has influenced electoral politics and victory in Nigeria.

The Federal Government allocates the necessary funds to cover INEC's fixed and direct election costs, which are included in the commission's budget. Additionally, INEC receives support from development partners for various electoral activities, including training, capacity building, civic and voter education, production of information materials, and engagement with stakeholders. These efforts are aimed at bolstering the integrity of the electoral process, encouraging citizen participation, and advocating for inclusivity, particularly for marginalized groups such as

women, youths, persons with disabilities, and other underrepresented communities.

The Independent National Electoral Commission (INEC) has proposed a budget of N305 billion for the 2023 general election, as outlined in its Election Project Plan (EPP) document. This figure represents a 61.37% increase over the amount spent on the 2019 general election, which was N189.2 billion.

To assess the adequacy of election funding globally, the Cost per Registered Voter Index (COVI) is often used. In established democracies, the average cost per voter ranges from \$1 to \$3. Transitional democracies may see costs between \$4 to \$8 per voter, while post-conflict and some transitional democracies incur costs of \$9 and above per voter. For the 2023 election in Nigeria, INEC has estimated the cost per voter at \$5.39, based on a target of 100 million registered voters.

The major expenses outlined in the proposed budget are procurement of accreditation devices, which accounts for 34.51% of the total budget, followed by provision for run-off elections (8.89%), honoraria for ad-hoc staff (7.79%), logistics (7.54%), and printing of ballot papers (6.78%). These nine items cover 76.68% of the total budget.

Several factors contribute to the increased budget for the 2023 election, including the rise in the number of registered voters, the creation of new polling units, and inflationary pressures, particularly the increase in exchange rates since the 2019 election. Despite the increase in nominal terms, the cost per voter has decreased compared to 2019, although the exchange rate fluctuations have contributed to the higher overall budget.

Theoretical Framework

This paper uses system theory as theoretical framework. The relevance of system theory lies in its interactive function between the centre and the peripheries. Elections are crucial factor on political stability and economic development of any nation. The viability and sustainability of any sovereign political entity depends largely on free and fair elections. It is from this perspective that the system theory is applied. The system theory conceives of political activity as essentially involving the environment, the political system and its output (generally including economy).

The environment consists of the objectives, conditions and forces that generates demands and support inputs.

Support consisting of adherence to laws and positive system such as loyalty and patriotism. System theory takes the political or social system as the proper unit of analysis.

It was introduced to sociology and politics principally by Talcott Parsons in his book "The structure of social action" and by David Easton "The political system in 1953, Parsons, for instance spoke of a social system as containing four sub-system, devoted to adaptively, goal seeking, integration and intense which relates to the economy, models of ecological system (Katz: 1965) ^[22].

The system theory provides and organizing principle for integrated inter-disciplinary study that is purposive and can treat complex. Interdependency dynamics insight into the totality of the electoral process and into the interactions between the component parts, hence it is applied in this research work as a theoretical framework.

Analysis of Mode of Funding of Elections in Nigeria

1. Political funding of elections

The law is very clear with respect to election funding, no matter the interpretation given to it by different political divides and for clarity, the applicable laws are set out as follows:

Section 225(3)(a)(b) of the 1999 Constitution of the Federal Republic of Nigeria (fourth alteration) provides inter alia that “No political party shall hold or possess any funds or other assets outside Nigeria; or b. be entitled to retain any funds or assets remitted or sent to it from outside Nigeria”.

Section 85 of the Electoral Act, 2022 provides that: “Any political party that— (a) holds or possesses any fund outside Nigeria in contravention of section 225 (3) (a) of the Constitution, commits an offence and shall on conviction forfeit the funds or assets purchased with such funds to the Commission and in addition may be liable to a fine of at least N5,000,000; or

(b) retains any fund or other asset remitted to it from outside Nigeria in contravention of section 225 (3) (a) of the Constitution commits an offence and shall on conviction forfeit the funds or assets to the Commission and in addition may be liable to a fine of at least N5,000,000.”

Section 152 of the Electoral Act, 2022 defines a Candidate as a person who has secured the nomination of a political party to contest an election for any elective office.

Section 152 of the Electoral Act, 2022 also defines a Political party to include any association of person whose activities include canvassing for votes in support of a candidate for election under this Act and registered by the Commission.

From the above provisions of the law, it is very clear and unambiguous that it is only the political party that is estopped from holding or possessing any fund outside the country and this does not in any guise apply to the candidate of the political party. The intention of the framers of the constitution is glaring in this respect; if they had intended that the candidate should be prohibited from holding or possessing funds outside the country the constitutional provision in this respect would not have omitted the candidate and Section 85 of Electoral Act 2022 further compliments the constitutional provision by prescribing punishment for its breach without more.

It is important to note at this juncture the position of the law where the words used in a statute are clear, straightforward, and unambiguous, they should be accorded their grammatical, plain, ordinary, and natural meaning. The cardinal principle of interpretation of a statute is that where the words used in a statute are clear and unambiguous the Courts should give them their ordinary natural and literal meaning in order to establish the intention of the lawmaker. It is only where the ordinary or literal meaning of the clear and unambiguous words fails to bring out the intention of the lawmaker or leads to an absurdity that resort is had to constructive interpretation.

Flowing from the above, it is compelling to rely simply on the plain, clear, and grammatical meaning of the above provisions of law to hold the firm position, having carefully considered the sections of law reproduced above, that the Constitution and the Electoral Act clearly and specifically prohibits a political party from holding or possessing any funds or other assets outside Nigeria and from retaining any funds or assets remitted or sent to it from outside Nigeria. It is incontrovertible that the candidate is not a political party

which sections 225(3)(a) and (b) of the 1999 Constitution of the Federal Republic of Nigeria and Section 85 of Electoral Act 2022 refer but a candidate to which the laws do not contemplate in this regard. It is therefore assertive to state that donations made to a candidate or his Campaign Organization in support of his or her Campaign cannot be said to be made to a Political Party as contemplated by law.

Furthermore, it is directive to guard against mistaking or confusing a Candidate to a political party registered under Nigerian law. Donating to Candidates or their Campaign Teams are not prohibited by law and are therefore not illegal and unconstitutional irrespective of whether the donation was made in Nigeria or in the diaspora. This is because the express mention of one thing is the exclusion of the others, what is not included in a statute is not to be read into it. In *A.G. Ondo State V. A.G. Ekiti State (2001) LPELR-622 (SC)*, the Supreme Court dealt with the issue of exclusion of things not expressly stated in enactment and had expatiated inter alia thus:

“... This is in accord with the accepted principle of interpretation expressed in the Latin maxim *expressio unius est exclusio alterius* or *expressum facit cessare taciturnum*. The two related principles mean firstly that “to state, a thing expressly ends the possibility that something inconsistent with it is implied.” Secondly, “to express one thing is impliedly to exclude another” which is an aspect of the latter. This principle of construction is applied where a statutory proposition might have covered a number of matters but in fact mentions only some of them. Unless those mentioned are mentioned only as examples, or *ex abundantia cautela*, or for some other sufficient reason, the rest are taken to be excluded from the proposition.” Per *GEORGEWILL, J.C.A in AMCON v. Canvass Farms (Nig) Ltd & ors (Pp. 25-26 paras. D) (2021) LPELR-54651(CA)*

It is instructive to emphasize that, while Section 88 (2) of the Electoral Act, 2022 provides that the maximum election expenses to be incurred by a candidate at a presidential election shall not exceed N5,000,000,000.00; there is no such limitation placed on the amount of donation a Presidential Candidate or his Campaign Group can receive or how much election expenses a Presidential Campaign or Support Groups can incur. However, Section 88(8) of Electoral Act 2022 placed limitation that no individual or other entity shall donate to a candidate more than N50,000,000.00.

Political parties’ income often comes from donations, public finance and membership fees. Each of these three categories is usually of a different magnitude and thus requires a different fundraising approach, internal controls and reporting requirements. For instance, attracting private donations requires a combination of fundraising capacities, whereas membership contributions are more connected to building a broad-based grass-roots organization with which citizens are willing to engage; public finance does not require fundraising. Controlling each of these types of fundraising requires different approaches. Public funding is normally easy to monitor, as it tends to arrive in bulk payments from the state. With membership contributions, the risk of money going astray rather than ending up in the party coffers needs to be controlled. The internal control challenge is, however, the greatest regarding medium-sized and large donations. Apart from the risk of the outright theft of such funds, party members may be tempted to withhold such donations from the party accountants in order to

support their own political campaigns, or to hide prohibited donations (Bangura, 2012) ^[2].

Funding is a critical issue for political parties across Africa, including those in Nigeria. The expenses associated with democracy, such as establishing offices, acquiring equipment, hiring staff, organizing campaigns, conducting congresses and conventions, and covering litigation fees, necessitate substantial financial resources. To address this challenge, Section 228 of the 1999 Constitution mandates the government to provide grants to registered political parties. These grants are allocated annually, with 10 percent shared equally among all registered parties and the remaining 90 percent distributed based on each party's representation in the national assembly (senate and house of representatives). Additionally, Section 90 of the 2006 Electoral Act outlines regulations regarding party finances, requiring the national assembly to approve grants for disbursement to all political parties contesting elections. Moreover, Section 92-3 of the same Act permits parties to source funds from private individuals.

The sources of funding for the People's Democratic Party (PDP) are clearly defined in its Constitution, particularly in Article 18, sections 18.1(a-f) and 18.2. These include subscription fees, proceeds from investments, subventions and donations, gifts and grants by individuals or groups of individuals as authorized by law, loans approved by the national executive committee, and other lawful receipts. The annual subscription fee is set at 200 naira, and elected public officers at various levels, as well as board chairmen at the federal level, are levied a percentage of their basic annual salary. Other sources of funding for the party include subventions and donations from individuals and friends with patronage from the party at all levels of government. Donations are also received in the form of sponsorship for candidates in elections. Sales of nomination forms contribute significantly to the PDP's funding, especially considering its capability to present candidates for all electable public offices across all levels of government. Fundraising events organized by the National Chairman, such as annual and presidential campaign fundraising dinners, are also important sources of funding for the party. However, these events are conducted discreetly, with attendance strictly by special invitation and under tight security.

Despite constitutional provisions and regulations, political parties in Nigeria often employ dubious tactics in their candidate selection and nomination processes. The conventions, primaries, and congresses are sometimes mere pretexts to celebrate the appointment of anointed candidates. Financial donors, or "godfathers," often exert control over party activities and manipulate selection processes, leading to factionalism and conflicts within parties. This phenomenon of godfatherism poses a significant challenge to democracy and organizational development within political parties in Nigeria. It has led to the personalization of parties, embezzlement of public resources, and manipulation of electoral processes. The influence of godfathers in determining party nominations and outcomes further exacerbates issues of internal democracy and transparency within political parties. (Eme, 2008; Ikejiani-Clark, 2008 ^[18]; International IDEA, 2006; Ngige, 2008 ^[23]; Ibeanu, 2008) ^[15].

2. Aspirants funding of elections

The personal financial contribution of a candidate differs from their fundraising capacity, which is often linked to their likelihood of success. Although party leaders typically have minimal involvement in party financing, numerous candidates, particularly at the local level, fund their own campaigns. This practice highlights the individualized nature of politics and the limited institutional strength of political parties. When candidates finance their own campaigns, it diminishes the influence of the party in decision-making, even after the candidate assumes office (Ohman, 2011).

3. Individual/private donations

Membership contributions are an attractive form of party finance because they are donated on a voluntary basis and, notwithstanding material incentives which may underlie an individual's motivation to join a party or clientelist services which are offered to party membership, they do not imply a direct pay-for-service relationship. Membership contributions are not accompanied by direct demands for influence on programming decisions or access to party-related functions. From a normative point of view, membership fees are therefore the most unproblematic form of party financing. Parties with a large number of members, and relying for the greater part on fee-paying members, must pay heed to a greater number of citizens than more elitist parties, which may be privileging the policy preferences of the party's economic sponsors over those of others. Parties with a close connection to their grass roots through their fee-paying members are in a better position to ensure that their leaders are closer to representing the broader interest of the people at large rather than the narrow interests of large contributors. Membership contributions guarantee a certain degree of influence of party members on official party politics without allowing single financially privileged persons or groups too much influence.

4. Foreign funding/logistics

Various attempts have been made around the world to manage political finance, with varying degrees of success. While some countries have grappled with how to control money in politics for centuries, in most places this issue has only come to the attention of legislators during the last few decades. The International IDEA Database on Political Finance (Political Finance Database) shows that all of the 180 countries included use at least some form of regulation of the role of money in politics,³ such as bans on donations from certain sources, limits on spending and provisions for public funding. Regulations of this kind are now an integral part of political transitions: barely six months after declaring its independence, South Sudan passed a Political Party Law with various political finance provisions, while new legislation in this field was approved by the Libyan National Transitional Council less than five months after the overthrow of the Gaddafi regime.⁴

The goal of such regulations is to prevent certain types of behaviour while creating transparency in how money is raised and spent. Regulations are also needed to provide for the effective enforcement of rules and to sanction those who violate them. No set of rules will work the same way in two different countries or regions. (International IDEA, 2006)

Table 1: Levels of political finance regulation per country, by region

Level of regulation in each country ⁶	Africa	Americas	Asia	Eastern, Central & South-eastern Europe and Central Asia	Western Europe	Anglophone	Global
Low	22%	11%	55%	0%	38%	17%	22%
Medium	53%	28%	5%	28%	33%	33%	38%
High	24%	61%	40%	72%	29%	50%	40%

Note: The percentages refer to the proportion of positive answers in a region to the 26 yes/no questions in the International IDEA Political Finance Database.

Limitations to Laws and Regulations of Electoral Funding in Nigeria

The issue of election is a critical part of every democracy and Nigeria’s experience is not an exception. At the same time, funding is equally an important component activity such as elections. It is therefore expected to be considered as a very serious exercise and its regulation for the purpose of fairness among political parties involved in the competitive election is also part of the exercise. The strengthening of the regulatory institution to be able to not only make the rules but also see to its adherence is as important as the activity itself. Laws governing elections are as important as the election proper. The Nigeria case of laws on the electoral act document. All the beautiful laws have not been enforced and as a result a level playing field has not been ensured, thereby jeopardizing the goals of democracy.

Ujo (2014) ^[28], also corroborated this by stating that the Independence National Electoral Commission is the institution with the responsibility of enforcing electoral laws in Nigeria; but from available evidence. INEC has not done a good job with respect to coordinating and check making the activities of political parties with regard to funding.

Economic policy guiding electoral conduct (2022-2023) currency redesign and cash swap policy.

Money is an indispensable factor in electoral politics. The nexus between the two is a very powerful one which has a great impact in democracy. The connections between election expenses and credible, free and fair election are so crucial that to ignore election expenses is to sanction expensive and corrupt electoral democracy. This wisdom informs the establishment of legal and institutional frameworks for regulating election expenses during polls in Nigeria.

According to Ige (2022). The twin-track policy of naira redesign and new limits on cash withdrawal from banks were meant to drive the global best practice of cashless society where cash currency is not used for financial transactions; instead, all transactions are electronics using debit or credit cards

The then Governor of the Central Bank of Nigeria Godwin Emefiele stated that the apex bank is committed to making Nigeria 100 percent cashless.

However, the timing was faulted as many claimed it was an election induced policy. While many envisage it was meant to curb electioneering expenses and vote buying, others

noted it was purely an economics policy and decision devoid of any political inclination electoral competition is highly complex and controversial issue. It concerns not merely the right of people to stand for election and the ability of political parties to nominate candidates and campaign legally but also broader factors that affect partly performance such as their sources of funding.

In conclusion, the outcomes of the election process reflect very little on the economic policy commonly referred to as cash swap policy and currency redesign. The outcome was not acceptable to almost all the losing parties but arguably the impact of vote buying was hardly mitigated as it forms part of the basis for litigation at the tribunals and courts across the land.

This section presents answers to the research question raised in the study.

Firstly, the question revolves around the relationship between electioneering and election financing. Democratic election is very central to the survival of a country, particularly so where such a country is just emerging from military dictatorship.

The state in Nigeria not only funds the activities of electoral bodies but also those of political parties until recently that funding political parties was jettisoned. According to Ujo (2014) ^[28], the electoral act as amended empowers the electoral umpire to play a role in the control and regulations of the finances of political parties and individuals. However, uncontrolled expenditure in elections has over the years tended to favour ruling parties which by virtue of being the party in power are in a better position to influence the structure of patronage and which as a result have been the main beneficiary of corporate and individual donations that are made from within the country. This has made it difficult for many opposition parties to benefit from the same sources with the result that meaningful electoral competition has been impaired over the years.

The question whether relationship exists between election process and election financing at party level remains obvious. Reason the constitution of Nigeria in 1999 as amended and the electoral act of 2022 as amended has enshrined the laws governing political parties and electoral financing. One of such provision insist that the political party is required to submit to the Independent National Electoral Commission (INEC) and publish a statement of its asset and liabilities. They are also required to submit to

INEC a detailed annual statement of its expenditure. Also, the electoral act also provides sanctions with regards to violation of these provision in the act.

The second major question is, does regulating election financing guarantee free, fair and credible elections? The 2023 general election were conducted based on the 2022 electoral act as legal framework. The act had some section dealing with political parties, The act also pays considerable attention to the danger of unregulated use of money in the electoral processes. Although, data on actual cost of election expenses during the 2023 polls were still unavailable, evidence shows that there were misuse of money during the election. This is because election expenses of political parties are not pegged the act. It shall be determined by the commission (INEC) in constitution with political parties. The only needed thing to be done is for political parties to submit an audited account to the INEC within 6months after the election.

It becomes difficult to attain credible, free and fair election since the political class knows its rare for them to spend the exact amount of money specified by the electoral act, they have provided for themselves shade or lacuna under which they can conveniently hide. The just concluded election saw money exchanging hands even at the primaries of various political parties. The traces re already there and have granted candidate during the polls to spend as much as they could afford. Therefore, it's not surprising that Nigerian politicians could hide under this section to spend more. (Zoaka and Uke 2011) ^[29]

The loophole above has caused allegation and counter allegation during electioneering campaign and election and post-election litigation of money exchanging hands to subvert the will of the electorate.

According to Okorie, (2005) ^[25], the sad reality about electoral politics in Nigeria is that each of the identified activities involved in the electoral process including Judiciary is prone to manipulation of monumental proportion. These manipulations are capable of distorting facts and hereby deny fundamental tenets of the electoral process as the expression of the popular wishes of the people.

From the foregoing, regulating the financial activities of political parties, have not sufficiently address the electoral problem impeding credible, free and fair elections in Nigeria. Also, it is worthy of note that parties and individual are yet to be prosecuted in any law court for violation of these provision in the electoral act.

And finally does the electoral act (2022) provides sufficient guidelines to check abuse for financing processes in electioneering? The electoral act as amended has some changes which make it unique. These sections have substantial provisions to regulate and put ceiling to partly financing and how to guarantee less monetised electoral politics in Nigeria. Also, the same act gave the commission the power to limit the amount of money or other assets, which an individual or group of persons can contribute to a political party shall maintain a record of all contributors and the amount contributed. The act Section 88 subsection (2), (7) provide for the various expenses limit and for all the elective positions as follows:

Presidential candidate - #500,000,000.00

Gubernatorial candidate - #100,000,000.00

Senatorial candidate - #20,000,000.00

House of representative candidate - #10,000,000.00

State house of assembly candidate - # 5,000,000.00

Chairmanship candidate - #5,000,000.00

Councillorship candidate - # 500,000.00

The act further stated that no individual or other entity shall donate more than 1,000,000,000 to any candidate (Zoaka and Uke, 2011) ^[29]

However, it has been the difficult for the electoral bodies to enforce most of these rules as enshrined above. For some of the rules such as oversee and corporate funding related issues are hardly attended to as the commission lack the capacity to check such abuses and some other times, they turn the other side when they see the offences been committed; particularly when it involves a favoured party or candidate.

Again, the electoral body have not been able to apply the rules even on local funding abuses as of electoral malpractice perpetuated in the just concluded election. This had resulted in many cancellations of votes and the tribunal of various petition election tribunal across the country. The specify the specific amount to be spent. This can be seen in section 9-12 of the electoral act. The entire amount mentioned does not include:

- a. Any deposit made by the candidate in compliance with the law
- b. Any expenditure incurred before the nomination of the date fixed for the election with respect to service rendered or materials supplied before such notification.
- c. Political party expenses in respect of the candidate standing for a particular election.

These have given unlimited room in the name of limitation on election expenses through the provision of such sub section (9a-c) under which they politician can hide to make unrestricted expenses during elections.

Why Cash Swap Policy By CBN

The Central Bank of Nigeria (CBN) has introduced a new policy on cash-based transactions which stipulates a 'cash handling charge' on daily cash withdrawals or cash deposits that exceed N500,000 for Individuals and N3,000,000 for corporate bodies. The new policy on cash-based transactions (withdrawals & deposits) in banks, aims at reducing (NOT ELIMINATING) the amount of physical cash (coins and notes) circulating in the economy, and encouraging more electronic-based transactions (payments for goods, services, transfers, etc.)

The Central Bank of Nigeria (CBN) under President Muhammadu Buhari led administration decided to redesign the naira as a statutory responsibility and a way to curb the increased circulation of counterfeit notes in the country. (Okon, 2022) ^[26] The former CBN governor, Mr. Godwin Emefiele expressed that the approval for the redesign was granted by the president of the country in fighting corruption, terrorism, kidnapping and other unlawful practices. The intention of the policy was to reduce the ability of corrupt individuals from stealing public resources or engaging in criminal activity and hiding the proceeds as digital money. The intention was to save Nigerians from scammers in the digital economy and combat corruption.

'Cash politics' in the Nigerian context loosely refers to a common practice by political parties of inducing voters, usually by offering cash or other items like food, branded souvenirs and clothing prior to an election to galvanise

support, or during an election to buy votes. With the poverty rate growing in Nigeria, it is easy to understand why this strategy has continued to gain popularity despite efforts to curtail it. Cash politics, however, is dependent on access to a consistent supply of cash for political parties to use before and during the election. It didn't take long for politicians to figure out that the cash redesign policy might impede plans for voters' inducement before the election or vote buying on election day.

The presidential candidate of one of the leading political parties – the 'All Progressive Congress (APC)' party, the current ruling party – publicly criticised the government saying that the CBN policy was targeted at him to scuttle his presidential campaign. Supporters of the party threw their weight behind his remarks and compelled the President, who is a member of the same ruling party, to backtrack on the policy. Suddenly the currency redesign policy became politically salient, drawing the attention of an electorate whose votes the parties all desired.

One of the leading opposition parties, the Peoples' Democratic Party (PDP), claimed that the currency redesign policy was in good faith and would have an equal impact on all candidates contesting the election. The PDP challenged the narrative that the ruling party would implement a policy to disproportionately favour other parties. Some Nigerians supporting the presidential candidate of the Labour Party have thrown their support behind the policy in the hope that it will reduce the chances of vote buying. Eventually, the President announced the extension of the deadline to 10th February 2023 and spared the #200 note, while confirming that the #500 & #1000 notes would be phased out of circulation as planned. (Ayodele Awi 2023) ^[1].

Conclusion

In every democracy, the electoral system is one of the basic features of good governance. The aim of electoral process is to enhance free and fair elections and if the system is not credible enough, the citizen will lose confidence and trust on the leadership. The paper has painstakingly analyzed the electoral processes in Nigeria from the colonial era through the first and second republics to the present time. But discoveries revealed that Nigerian democracy has serious setbacks resulting from ill-fated electoral system. Against the backdrop of ailing political process, this paper makes the following recommendations.

Our electoral system should be made to be corruption free. Corruption is a danger sign and corrosive virus pervading the sociopolitical and economic structure of this country. All manifestations of corruption must be fought at their bases.

The electoral process should be dignified and made more credible by allowing the electorates choose for themselves the leaders of their choice.

Also funding of party activities also remain elusive to supervise and monitor by INEC as politicians have devised various means and ways to circumvent due process and financial foreplay.

The paper also recommends that transparent leadership should be a panacea to the trouble of electoral process in Nigeria. Government and its agencies should equally be accountable, honest and responsible to the people as sure ways to check corruption and reduce electoral frauds. The independence of our electoral commission should be guaranteed through funding from the consolidated account, not from the presidency.

The appointment and screening of the chairman and the members of the commission should be the responsibility of the National Assembly as practiced in the United States of America and Britain. On the reverse, the commission should be responsible and accountable to the National Assembly.

Considering the high level of unemployment in the country, government should create job opportunities for the teeming unemployed youths so as to reduce the syndrome of thuggery and armed-robbery in our society.

Finally, ethical orientation should form the hallmark of our social and political existence. Both the leaders and the lead should cultivate the good virtues of honesty, transparency, accountability, tolerance, integrity and good name, it is believed that if these recommendations are adopted by the people and government of Nigeria, our state will be transformed into a great democracy worthy of envy by many African countries and the world at large.

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