

Policy Paper

The State's Contribution in Financing Political Parties in Jordan

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Introduction

Historical Background

One of the greatest political paradoxes in Jordan is that political parties originally started with the establishment of the Trans-Jordan Emirate in 1921 and the Arab Independence Party. This party was led by Rasheed Tle'a, who later went on to become the first Prime Minister of Jordan.

During the fifties, after adopting the 1952 constitution that stated in its 16th article that Jordanians had the right to establish peaceful political parties and associations¹, the kingdom enjoyed a high level of political party activity, especially from "ideological" parties.

Political parties were, however, banned in 1958 and weren't allowed again until 1989 following the protests in April of that year, which have become known as the "Habbet Neesan" or "the People's Outburst". The long period of the ban had negative effects on political parties, both concerning their organizational structures and stunting the momentum started thirty years earlier. As a result, a general state of apathy towards political parties followed. SamerKhir Ahmad states: "It was clear; since the transitions of 1989, that included the return of political democratic life, and cancelling the martial law that was imposed over the country since 1967; that the political powers that once represented strong and effective opposition, became nearly without any influence, after the big retreat of its presence"².

Jordan represents a unique paradigm in the formation of political parties for several reasons: political parties are not seen as left-wing, right-wing, or center, but instead coordination can be seen between opposition parties including Islamists, Arab nationalists, and leftist parties. Conversely a separate division can be observed and described as national, middle, or loyalist parties.

Consequently, Jordan has a paradoxical political environment. For example, Islamists, who traditionally represent the conservative right-wing stream, ally with nationalistic and leftist parties. It should be noted that neither opposition nor loyalist parties have made it to power in Jordan, nor have they ever formed a government or a parliamentary majority.

Another complexity is the relation between Jordanian political parties and non-Jordanian organizations. This relation takes three forms: intellectual, organizational, and financial. Whilst intellectual and organizational relations are clear, the financial

¹ The constitution of the Hashemite Kingdom of Jordan, 1952.

² "Politics and its authority over contemporary Jordanian national culture"; SamerKhir Ahmad, 2008.

relationship cannot always be clearly identified because it is illegal and thus denied by political parties. However in practice it is widely known to exist and this financial relationship will be the basis for this policy paper.

The arrival of the Arab Spring to Jordan in early 2011 changed the political party map within the country. Many civil groups appeared and began participating directly and indirectly in political action and subsequently transforming themselves from protest groups into more organized entities, with some even evolving into political parties.

The Arab Spring in countries like Egypt, Tunisia and Syria played a major role in repositioning Jordanian political parties. For example, the success of the Islamists in the Egyptian and Tunisian elections provided Islamists in Jordan with extra momentum and a feeling that their political clout had increased. Whilst at the same time the Arab Spring in Syria led to a clear division among nationalistic and leftist parties.

Despite the momentum of the Arab Spring, political parties have been unable to develop internally in Jordan as they have been unable to attract more members or supporters and most parties haven't developed organizational frameworks in response to the recent changes. The relationship between the authorities and political parties has also failed to improve because officials, especially in parliament, continue to use aggressive language toward political parties.

Legal Background

The Jordanian constitution clearly states in article 16, section 2 the right of Jordanians to establish political parties. Section 3 of the same article clarifies that this should be organized by law. Since 1954 there have been five laws for organizing the work of political parties as follows:

- The Law of Organizing Political Parties, 1954;
- Political Parties Law, 1955;
- Political Parties Law, 1992;
- Political Parties Law, 2007; and
- Political Parties Law, 2012.

The issue of financing was first mentioned in the 1992 law, where article 20 states: "The Party shall provide the Minister with a copy of its budget for each year during the first quarter and a declaration of its financial means and sources and financial position. The Minister or whomever he authorizes has the right to examine the Party's

accounts and to audit its financial records.”³ Even here, therefore, the law does not include any indication of the state’s financing of political parties.

However the Political Parties law of 2007 specifically mentions the state’s financing of political parties; in article 19 it states: “an item in the general budget of the state is allocated to financing political parties from the chest’s funds according to basis and conditions”⁴. A year later, “*The system of contributing in financing political parties for the year 2008*” was created to determine the granting or denial of financing, and the means and mechanisms of spending.

In 2012, a new Political Parties Law was issued. Article 28 of this law stated that “an item in the general budget of the state is to be allocated for contributing in the support of political parties from the chest funds, and the amounts, conditions, and expenditure procedures are to be specified according to a system that will be issued for this purpose”⁵.

Following on from this “*The system of contributing in financing political parties*”, article 3, stated that a lump sum of fifty thousand Jordanian Dinars would be given as an annual contribution for each existing, licensed political party. The details of the purpose of expenditure of this money were detailed in article 4, as follows:

- renting the party’s headquarters;
- operational costs;
- salaries for employees of the party; and
- any other expenditure directly related to achieving the party’s objectives and purposes mentioned in the party’s statute.

The Main Issue:

Certainly money plays an important role in politics regardless of the political system. From firmly established democratic countries, to those going through transition phases; money will always be a central concern. A party’s ability to raise money plays a big role in determining the result of elections in most democratic countries. As a result of this, financing political parties is a controversial issue that raises a lot of questions.

³ Political parties law of 1992 (official translation).

⁴ Political parties law of 2007.

⁵ Political parties law of 2012.

Financial support from the state for political parties is normal in many firmly established democracies such as the United States, Germany, France and the UK. A study issued in 2005 by the International Institute for Democracy and Electoral Assistance (IDEA) indicated that there are political party support systems in sixty-five countries.

In the UK, an amount of money is allocated to political parties that have at least a two seat representation. In the case of Canada and Germany, the support is allocated per vote the party receives in the parliamentary elections as long as the party is represented in the parliament. In the United States, amounts of money are allocated to support political parties in the presidential elections, as is the case in France where the state provides direct support for political parties.

In Jordan, we cannot separate the issue of financing political parties from the weaknesses in political efficiency and organizational structures, as the two issues overlap. For example, the inability of political parties to mobilize members and supporters greatly contributes to their inability to raise the money required for their management. This relationship is double-sided as the weakness of parties' financial resources conversely limits their ability to practice political activities and engage in elections.

Whilst the situation in Jordan is similar to other countries in terms of the state's contribution to financing political parties, the issue remains controversial between supporters and resisters of the system. Both sides have justifiable reasons, but the accepted truth is that political parties in Jordan remain unable to obtain sufficient income and resources. Although some parties have members who are financially able to support their parties, such support isn't a fixed or stable and relies on an agreement between such members and their parties. The lack of sufficient financial resources remains a problem facing almost all Jordanian political parties, with very few exceptions.

Any controversy about the principle of state financial contribution to political parties was settled by the Political Parties law of 2012. However, the controversy then moved from the principle to the mechanism of applying it; a mechanism which has faced substantial criticism in the past.

As mentioned in the "historical background" of this paper, the system of contributing to the financing of political parties in 2008 defined the state's financial contribution as a fixed amount, based simply on a party's registration, without considering a party's size, political efficiency or activity. Under this legislation, all Jordanian political parties are treated equally. Some analysts therefore see the system as supporting small and inactive political parties and that "it formed a prize for small parties, and a main

element for its existence, and by that it helped in providing a good environment for the existence of small political parties that are similar in objectives and starting points, and contributed to keeping the multiparty situation in complete paralysis”⁶.

In addition, the changes didn’t motivate political parties to develop their political performance or organizational structures because the financing process wasn’t based on any standards that encouraged development. In other words, since parties were guaranteed to get their share of financing, they remained un-motivated.

Objectives of the Paper

This paper aims to provide options and recommendations to help decision makers form the state’s system for financing political parties in order to achieve the following:

- provide suitable financial support for each political party;
- use financing as a motivator for developing political parties in Jordan;
- empower political parties to raise their political efficiency;
- motivate political parties to develop their organizational structures; and
- motivate political parties to participate in political life at local and national levels.

The Options

First Option: Fixed Annual Financing

The first option is similar to that which has been implemented through the current system since 2008, where a fixed annual amount of fifty thousand Jordanian Dinars is allocated annually to licensed political parties. However, this option should be refined by dividing the fixed amount into parts and linking the receipt of each part to a clear criteria or standard.

Positives:

- Ease of implementation; no complicated calculations required because the amount of funding will have been previously identified.
- Fixed financing provides a regular and reliable minimum amount of funding, so it is easier for the political party to design their annual financial plans.

⁶ “Parties financing system”; article by Dr. Osama Tlelan; Alrai newspaper, 4-4-2012.

- It will become a motivator for political parties to develop their activities and organizational structures by connecting the financing to predefined standards.

Negatives:

- The system provides absolute equality between political parties without taking into consideration differences in activity, efficiency, political participation, and size.
- When connecting the financing to defined standards, the party might settle for achieving the minimum requirement in order to obtain the funds.
- Fixed and guaranteed financing might be considered too generous for inactive political parties.

Second Option: Financing Related to Parties' Representation in Elected Councils

This is a traditional option in countries where political parties form the base of political and electoral processes. Here financing is connected to the party's representation in all elected bodies including municipal councils, regional councils and parliament, through the allocation of a fixed amount of support per seat.

Positives:

- Motivation for political parties to actively participate in all elections, at both the local and national levels.
- Support will go to parties with an actual electoral base and are therefore active parties that are able to convince people of their political positions and programs.
- Classifies political parties according to their performance and results in elections.

Negatives:

- This system requires the existence of laws and electoral systems that allows political parties to have representation in elected bodies that, as yet, doesn't apply to Jordan at either parliamentary or municipal levels or elections. This means that the existence of political parties in elected bodies will be limited and this will reflect in the financing.
- Such a system might increase the differences between the big well-organized political parties and the newly established or smaller ones and consequently reduce the development of political parties which is greatly required in Jordan.

- This system doesn't take into consideration the number of votes each political party receives in the elections, especially when the party doesn't achieve the minimum votes requested for representation. It only rewards winning political parties.

Third Option: Financing Related to the Party's Political Efficiency

The base of this system is the party's active participation in political life and its activity on the ground. It is not related to electoral success. Standards may be designed to determine the party's political efficiency, including having locations in all governorates, participating in different elections, the existence of a media platform and interaction in all political developments.

Positives:

- Motivates parties to actively participate in political life regardless of elections results.
- Motivates political parties to communicate with all elements of political life and avoid isolation.
- Funding is distributed proportionately to activity.

Negatives:

- The difficulty in determining standards of political efficiency and the reliance on the mentality of those who decide it.
- The nonexistence of a clear definition of political efficiency and the difficulty of measuring it.
- Equality between political parties just for participation in elections, regardless of the results they achieve or votes they receive.

Fourth Option: Financing Related to the Organization of the Party

This system directly connects contributions to financing political parties with their internal organizational structure by setting clear standards such as the existence of youth and women in the party's leadership, establishing a minimum number of members in the political party, or stipulating that the party should have members from all governorates. Even more complicated conditions can also be applied, such as connecting financing to the flexibility and democracy of the party's organizational structure.

Positives:

- Motivates political parties' to develop its organization in a way that achieves wider representation goals within political parties, for example concerning gender balance and giving more opportunities for youth involvement.
- Contributes to making political parties more democratic and limits the control of certain groups over the party.

Negatives:

- Does not take the party's intellectual and programmatic principles into consideration.
- Interferes in political parties' internal issues.
- Does not connect the financing to the party's political efficiency and its representation in elected bodies.

What is requested?

In order to be able to determine the most appropriate system for the state's financing of political parties, a group of factors must be taken into consideration to ensure it is consistent with the desired objectives, the Jordanian political environment, and the state's capabilities under the suffocating economic crisis the country currently faces.

The system should be transparent, have clear standards, be applicable on the ground, not subject to the mentality of the executive authority, and be just and objective. The system should not be able to be used in a negative way by political parties or the executive authority, nor should it be used to affect the independence of political parties in any way. Finally it must be able to achieve the following objectives:

- contribute to providing a fixed income source for political parties which assists them in covering part of their expenditure and allows for early financial planning;
- motivate political parties to actively participate in political life through qualitative and quantitative development of their political activities, especially in participation of different elections;
- motivate political parties to develop their organizational structures to become more flexible, democratic, and representative, especially in relation to women and youth representation in the party and in its leadership;

- reward political parties that are active on the ground enhancing their existence whilst motivating less active parties, or excluding them from support in cases where they don't develop their performance; and
- provide a financial alternative for political parties that do not put pressure on parties in return for financing.

A Suggested System

Taking into consideration all that has been discussed in this paper, a suggested system is presented to assist decision makers during the design of the state's financing mechanism for political parties. The suggested system is as follows:

First: fixed funding. Allocate a fixed, annual amount of fifteen thousand Jordanian Dinars for each licensed political party. This support will assist political parties to cover a part of its operational costs including rent and salaries, and enable them to undertake annual financial planning. However, this support is to be stopped after five years.

Second: women and youth. Allocate a fixed annual amount of ten thousand Jordanian Dinars to each political party that has at least 35% women in its leadership council and an additional five thousand Jordanian Dinars to each party that has at least 30% youth (35 years or younger) in its leadership council.

Third: participation. Allocate the amount of thirty thousand Jordanian Dinars to each political party that participates in the parliamentary or municipal elections, provided that there are at least twenty participating party candidates, whether in the lists, as individuals, or both. This support is to be suspended for two consecutive elections if no candidates of the party win seats. Support can then be resumed after winning two consecutive elections.

Fourth: municipal elections. Allocate the amount of 150 Fils for each vote a party's candidates receive who didn't win a seat at the municipal elections, and 300 Fils for each vote a winning candidate receives. In the case no candidates win in two consecutive elections, the support is suspended for the two following consecutive elections, after which the support is resumed. For example, the support is provided in the first and second elections, and if no candidates win in these two elections, then the support is suspended in the third and fourth elections, but is resumed in the fifth and sixth elections, and so on.

Fifth: parliamentary elections. Allocate the amount of 250 Fils for each vote the party's candidates receive, who didn't win a seat in the parliamentary elections, and

500 Fils for each vote a winning candidate receives. In the case no candidates of the party wins in two consecutive elections, the support will be suspended for two consecutive elections, after which it is resumed.

Sixth: size. Allocate the amount of five thousand Jordanian Dinars yearly for each political party that have twice the number of members required to license the party (according to the Political Parties law).

Seventh: coverage. Allocate five thousand Jordanian Dinars yearly to each political party that has offices in four governorates or more.

Eighth: accessibility. Allocate the amount of one thousand Jordanian Dinars yearly to each political party that has a continuously updated website.

Ninth: transparency. Each political party has to present annual financial data that clearly documents and clarifies in detail the expenditure of funds it receives from the state.

About the Author

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About FES Amman

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