



## **Stop the Use of Governmental and Municipal Resources and Infrastructure in Political Campaigns!**

### **Our main proposals:**

- **All state and local government-level communication during campaign period must be banned**
- **Restrictions should apply to the legislative, and municipal elections, as well as referenda**
- **Increased oversight of the central and local government spending should be applied during campaign period**
- **The State Audit Office must oversee the spending of public bodies with more intensity during the reference period – with particular regard to the control of legality of budget spending**
- **The powers of SAO should be expanded so that it can exercise its tasks of oversight not only retroactively but on a regular basis during the campaign period**

It is not only the room for maneuver of parties that needs a major overhaul with regards to campaign financing. The public bodies that are partially run on state budget and governed by public law, the government agencies, as well as the ministries and local governments are also familiar actors of the election campaigns. Their intensive communication methods can greatly contribute to the success of the incumbent power's reelection campaign.

The participation of public bodies in political campaigns is a well-known problem for young democrats across Europe. In several places initiatives have been taken to prevent the “outsourced campaign” from creating an “uneven” playing field

between the competing parties. In Slovenia, the Act on Elections and Referendum does not allow any central or local government institution or any body governed by public law to make its infrastructure available to political parties. While there is no specific legal provision prohibiting such actions, it is a common practice for politicians in the cabinet to take unpaid leave of absence during the election campaign and not make use of their access to streaming media that they are automatically entitled to as members of the government. Portugal has a more formal, institutionalized approach, which could serve as a guideline for Hungary. According to the relevant provisions, central and local government institutions, as well as bodies governed by public law, state-run companies, and the concessionaires of public services are forbidden to carry out any direct or indirect activities that could put any candidate at a disadvantage or at an advantage.

### **Information or Propaganda?**

It is important to emphasize that the performance of a democratically elected government, local governments and the European Union – partially financed from Hungarian taxpayers' money as well – calls for a constant communication for the benefit of the society and the publicizing of the results by using marketing tools. All this can contribute to an improved degree of transparency as constituents normally do not directly follow-up on the election promises, or get any information regarding the strategic decisions of the government if it was not through the above described manner. Regular communication with the citizens is an option for the parties, but it is a fundamental duty of the elected government, as well as the state and public service bodies.

This duty, however, in absence of adequate legal provisions, may lead to abuses of power. The political force in government may use the central and/ or local government institution infrastructures in their re-election campaigns. The parties

in power at a local government level may abuse their positions for two reasons: a strategic marketing and a choice management factor may be at play. On one hand the messages hidden under the names and logos the central or local government institutions may send a subliminal message to the under-informed voters by making them believe that the incumbent is also the “official” candidate, supported by its institution and its abilities proven by objective results. On the other hand, parties may outsource their campaign spending, thus making their account irrelevant for the SAO exercising its right of oversight. The campaign spending of parties may reach the current limit of HUF 400 million in one single city alone, making the weight of outsourced expenditures all the more important.

The current legal framework that constitutes the relevant Hungarian legal environment has all the loopholes that allow for the above mentioned abuses of power. The electoral law only forbids central and local government institutions to make their infrastructure available for political parties; active participation in the campaign is not restricted. The media law does not help settling the issue either as it only forbids the seemingly neutral, “hidden advertisements” in general, but does not deal with the special status of government institutions at all.

It is time to make room for a new regulatory environment that would replace the above listed, loophole-strewn system. Public institutions’ partaking in political campaign can and should be limited from two directions. One, all institutions, deemed reasonably out of place, should be kept out of the political race. Two, by adjusting the campaign financing rules to real spending levels (by the increase of the ceiling of campaign spending) parties’ need and incentive to rely on spending outsourcing and concealing would be diminished.

## Simple and General Regulation

Bona fide self-restraint from party politics on the part of public institutions is simply not possible in the immature political culture reigning in Hungary. While the political advertisements of the governing power undoubtedly may be justified from the society's point of view occasionally, they are not easy to separate from the unnecessary political messages; hence the *ad hoc* distinction between the two would lead to endless debates between the government and the opposition.

That explains why it is wise to ban in general all forms of communication by the central and local government during the campaign period. In accordance with the new provisions to be enacted, the public institutions (partially or entirely state-run bodies) cannot be allowed to carry out any marketing or PR activities, cannot purchase any advertisement surface, neither can they organize self-promotional events. The prohibition naturally would not apply to the statutory obligation to provide information to the public, but would be applicable to every other sort of communication. The restriction would apply to both legislative and municipal elections, as well as referenda and its scope should be extended to include the following bodies:

The Parliament, the Prime Minister's Office and all related institutions, programs, all ministries that are listed in the relevant article of the Financial Regulation, as well as the programs and institutions that are listed in the relevant articles of the Financial Regulation applicable to the above listed institutions. Furthermore: the National Development Agency, The National Infrastructure Development Authority, the regional development councils, local and regional municipalities as well as the institutions and programs listed in their budgets.

In order to reduce or exclude the central and government bodies' partaking in political campaigns, it is necessary to have a heightened degree of oversight of their spending during the campaign. Hitherto the SAO had the authority to act in cases of irregularities by the public bodies during election campaign periods. The SAO, however, cannot provide more oversight, for its decision-making task is carried out by the delegates of various political forces.

Similarly to the campaign account, the spending of the public institutions during the period must be subject to more stringent checks by the SAO, with particular regard to the control of legality of the spending. The powers of SAO should be expanded so that it can exercise its tasks of oversight not only retroactively but on a regular basis during the campaign period. The National Election Committee could be obliged to sanction any wrongdoing not only based on complaints, but on the findings of the SAO as well.