TURKISH ACADEMIC RESEARCH REVIEW

Assessing the Relationship between Political Financing and Policy Bias in B40 Welfare Policies during COVID-19

COVID-19 Sürecinde B40 Refah Politikalarında Siyasi Finansman ve Politika Yanlılığı Arasındaki İlişkinin Değerlendirilmesi

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Öz

Bu kavramsal çalışma, COVID-19 salgınının ortasında Malezya Kuala Lumpur'daki B40 (40'ın altı, ilk grup olan T20-Top %20 ve ikinci kategori M40-Orta %40'a kıyasla en düşük hane geliri elde eden toplam nüfusun %40'ıdır) kümesine yönelik refah politikalarının uygulanmasında siyasi finansman ve politika önyargısı arasındaki karmaşık ilişkiyi incelemektedir. B40 kümesi, toplu konutlarda (belirli hane geliri kategorilerine sahip yoksul vatandaşlar için devlete ait ağır sübvansiyonlu yerleşim alanları) ikamet eden nüfusun ekonomik açıdan en savunmasız kesimini oluşturmaktadır. Bu çalışma, siyasi finansmanın refah politikalarının oluşturulmasını ve uygulanmasını nasıl etkilediğini ve potansiyel olarak kaynak tahsisinde ve destek sağlanmasında yanlılığa yol açtığını ortaya çıkarmayı amaçlamaktadır. Mevcut akademik literatürün kapsamlı bir incelemesi ve ilgili vaka çalışmalarının analizi yoluyla, bu makale siyasi finansmanın refah politikalarına ilişkin karar alma sürecini ne ölçüde etkilediğini incelemeye girişmektedir. Analiz, politika yapıcılara mali destek sağlayan siyasi kuruluşların çıkarlarını destekleyebilecek politika formülasyonundaki potansiyel önyargıları belirlemeye odaklanmaktadır. Çalışma ayrıca, bu tür yanlılıkların küresel COVID-19 krizi sırasında B40 kümesine kaynakların adil dağıtımı üzerindeki etkilerini de araştırmaktadır. Bu makalede kullanılan kavramsal çerçeve, politik ekonomi, yolsuzluk ve kamu politikası teorilerinden yararlanmaktadır. Makale, mevcut literatürü inceleyerek, B40 kümesi için refah politikaları alanında siyasi finansman ve politika önyargısı arasındaki dinamiklere dair incelikli bir kavrayış sunmayı amaçlamaktadır. Nihai bulgular, özellikle küresel kriz dönemlerinde, siyasi finansmanın refah politikalarının oluşturulması ve yürütülmesi üzerindeki etkisine ilişkin teorik anlayışı zenginleştirmeye hazırdır. Bu çalışma, siyasi finansmandan kaynaklanan politika önyargılarını tespit ederek, şeffaf ve hesap verebilir karar alma süreçlerinin zorunluluğuna ilişkin eleştirel tartışmalar başlatmayı amaçlamaktadır. Bu tür tartışmalar, COVID-19 salgınının ortasında Kuala Lumpur'daki B40 kümesi için refah politikalarının adil ve etkili bir şekilde uygulanmasını sağlamak için hayati önem taşımaktadır. Dolayısıyla bu çalışma, sosyal yardım politikalarının oluşturulması ve uygulanmasında adalet, hakkaniyet ve sosyal adalet ilkelerinin gözetilmesi için gelişmiş yönetişim mekanizmaları ve kurumsal reformlara yönelik bir çağrı niteliği taşımaktadır. Bu çalışma, savunmasız nüfuslara yönelik refah politikaları bağlamında siyasi finansman ve politika önyargısı arasındaki bağlantıya ışık tutarak mevcut literatüre katkıda bulunmaktadır. Siyasi etkinin refah politikası sonuçları üzerindeki olumsuz etkilerini azaltmak için yönetişim ve karar alma süreçlerindeki sistemik kusurların ele alınmasının önemini vurgulamaktadır. Ayrıca, bu çalışmanın bulguları politika yapıcılar, savunuculuk grupları, sivil toplum örgütleri ve refah politikası gündemlerini şekillendiren ve reform girişimlerini savunan diğer paydaşlar için pratik sonuçlar doğurmaktadır. Sonuç olarak bu çalışma, refah politikalarının oluşturulması ve uygulanmasında şeffaflık, hesap verebilirlik ve dürüstlüğün teşvik edilmesi için ortak bir çaba gösterilmesi çağrısında bulunmaktadır. Politika yapıcılar, etik yönetişim ve demokratik katılım kültürünü teşvik ederek, refah programlarının toplumun en kırılgan üyelerinin çıkarlarına hizmet etmesini ve eşitlikçi ve sürdürülebilir kalkınma sonuçlarına katkıda bulunmasını sağlayabilir.

Anahtar Kelimeler: Siyasi Finansman, COVID-19, Refah Politikası, Politika Yanlılığı, Hesap Verebilirlik

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Abstract
This conceptual paper delves into the intricate relationship between political financing and policy bias in the implementation of welfare policies for the B40 (Below 40 is the 40% of the total population that earns the lowest tier of household income compared to the first group of T20-Top 20% and second category M40-Middle 40%) cluster in Kuala Lumpur Malaysia amidst the COVID-19 pandemic. The B40 cluster comprises the most economically vulnerable segment of the population residing in public housing (the heavily subsidized government-owned residential areas for underprivileged citizens with certain household income categories). This study aims to unravel how political financing influences the formulation and execution of welfare policies, potentially leading to bias in resource allocation and support provision. Through an exhaustive review of existing scholarly literature and analysis of pertinent case studies, this paper embarks on examining the degree to which political financing impacts the decision-making process concerning welfare policies. The analysis focuses on identifying potential biases in policy formulation that may favor the interests of political entities providing financial backing to policymakers. Furthermore, the study also explores the implications of such biases on the equitable distribution of resources to the B40 cluster during the global COVID-19 crisis. The conceptual framework employed in this paper draws from theories of political economy, corruption, and public policy. By dissecting the extant body of literature, the paper aims to offer a nuanced comprehension of the dynamics between political financing and policy bias in the realm of welfare policies for the B40 cluster. The eventual findings are poised to enrich the theoretical understanding of the influence exerted by political financing on the formulation and execution of welfare policies, particularly during periods of global crisis. By identifying policy biases stemming from political financing, this study aspires to catalyze critical discussions on the imperative of transparent and accountable decision-making processes. Such deliberations are vital to ensuring the fair and effective implementation of welfare policies for the B40 cluster in Kuala Lumpur amidst the COVID-19 pandemic. This paper thus serves as a clarion call for enhanced governance mechanisms and institutional reforms to uphold the principles of fairness, equity, and social justice in welfare policy formulation and implementation. This study contributes to the existing literature by shedding light on the nexus between political financing and policy bias in the context of welfare policies for vulnerable populations. It underscores the importance of addressing systemic flaws in governance and decision-making processes to mitigate the adverse effects of political influence on welfare policy outcomes. Moreover, the findings of this study have practical implications for policymakers, advocacy groups, civil society organizations and other stakeholders involved in shaping welfare policy agendas and advocating for reform initiatives. In conclusion, this paper calls for a concerted effort to promote transparency, accountability, and integrity in the formulation and implementation of welfare policies. By fostering a culture of ethical governance and democratic participation, policymakers can ensure that welfare programs serve the interests of the most vulnerable members of society and contribute to equitable and sustainable development outcomes.

Keywords: Political Financing, COVID-19, Welfare Policy, Policy Bias, Accountability

Introduction

The allocation of resources and implementation of welfare policies are critical components of any government's response to a crisis. However, the influence of political financing on these policies raises concerns about potential biases in resource allocation. Political financing, defined as financial contributions made to political parties or candidates, has the potential to shape policy decisions in favor of those providing the funding (Persson & Tabellini, 2002). As such, it becomes crucial to explore the relationship between political financing and policy bias in the context of welfare policies for the B40 cluster during the COVID-19 pandemic. The COVID-19 pandemic has exacerbated existing inequalities, amplifying the vulnerability of marginalized populations, including the B40 cluster. As governments navigate the complex landscape of policy-making during a crisis, it is important to examine whether political financing influences the formulation and implementation of welfare policies for the B40 cluster, potentially leading to bias in resource allocation and support provision. Understanding this relationship is essential for ensuring equitable distribution of resources and effective policy implementation during times of crisis (Chang & Golden, 2007).

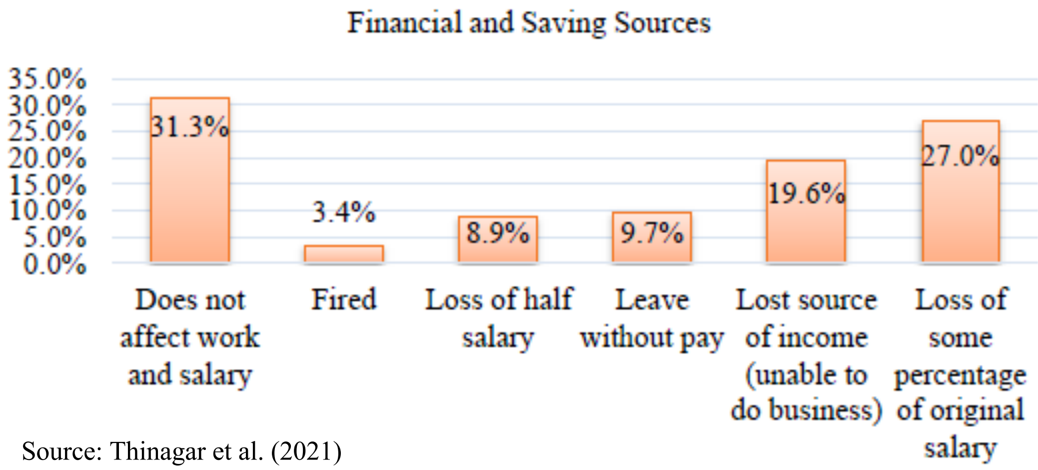
Studies have highlighted the potential risks of policy bias resulting from political financing. Scholars argue that when political actors receive financial support from certain interest groups, they may be inclined to prioritize the interests of those funders, leading to biased policy outcomes (Bonica, 2019). In the case of welfare policies for the B40 cluster, policy bias may manifest as differential resource allocation, preferential treatment, or exclusion from necessary support during the COVID-19 pandemic. Examining this relationship will contribute to a better understanding of the influence of political financing on policy decisions and their impact on marginalized communities. Political financing plays a critical role in shaping policy outcomes, particularly in developing countries where transparency and accountability mechanisms may be weak. This paper is a conceptual study focused on synthesizing existing literature to explore the theoretical relationship between political financing and policy bias. By analyzing the existing body of work on political financing, corruption, and welfare policies, this study aims to develop a conceptual framework that elucidates how these factors intersect, particularly in the context of B40 welfare policies during the COVID-19 pandemic. This conceptual approach will contribute to the theoretical understanding of the political economy, corruption, and public policy, while also providing insights for policymakers on ensuring fair and effective welfare policies for vulnerable populations

COVID-19's Economic Challenges

The grand opus of the People's Manifesto, entitled "Building the Nation, Fulfilling Hope," emerged amidst the tumultuous era before the relentless onslaught of the COVID-19 pandemic. It laid bare the dire need for sweeping changes, a fervent plea to rescue Malaysia from the clutches of mismanagement that plagued the previous government. And so, it became the clarion call that propelled the Pakatan Harapan ("PH") government to a resounding triumph in the 14th General Election, a moment that resonated with historic significance. But alas, as the tempestuous storm of COVID-19 unleashed its wrath upon the nation, a new coalition government, known as Perikatan Nasional ("PN"), took center stage. It brandished a series of COVID Relief Packages, their allure intertwined with claims of virtue and populism. The curtain rose on an era dominated by these policies, casting a captivating spell on the fabric of public policy during the turbulent era of COVID-19.

Yet, beneath the glimmering surface of these policies lies a captivating enigma, one that beckons the keen scrutiny of political scientists hailing from the esteemed cluster of Governance and Integrity. They unravel the intricate threads of this intriguing tapestry, seeking to decipher the true essence and implications of these policies. Their eyes pierce through the veils of rhetoric and grandiose promises, unearthing the underlying motives and impacts that shape the course of the nation's destiny. In the crucible of analysis, this captivating convergence of the People's Manifesto and the COVID Relief Packages unfurls as a beguiling chapter in Malaysia's political landscape. It is a tale that evokes anticipation, as the luminaries of political science delve into the depths of governance, integrity, and the enigmatic interplay between virtuous claims and populist maneuvers. Within this crucible, the nation awaits, yearning for insights that transcend the ordinary, as the scrutiny of these policies paints a vivid portrait of power, aspirations, and the ever-present quest for a brighter tomorrow.

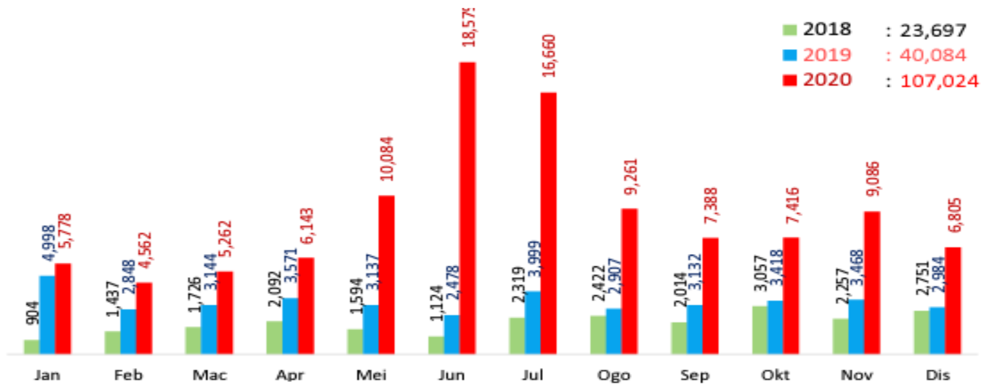
In the relentless grip of the global COVID-19 pandemic, countless individuals worldwide have borne the brunt of its unforgiving impact, facing economic, social, and political upheaval. Within the borders of Malaysia, the tale is no different. From the onset of the Movement Control Order (MCO) until the present day, it is painfully evident that the pandemic has not only ravaged businesses but has also cast its shadow upon the lives of those classified within the B40, M40, and T20 groups, entangling them in its economic web of despair. The study by Thinagar, Munawwarah Roslan, Ismail, & Chamhuri (2021) in Figure 1 below give best picture of this situation on the impact of MCO towards financial and saving process.



Source: Thinagar et al. (2021)

Figure 1: Impact of the implementation of MCO on financial and savings resources

As economic indicators such as inflation rates, unemployment figures, household incomes and expenditures, and insolvency ratios lay bare, the plight of these individuals becomes glaringly apparent. They find themselves caught in the crosshairs of the pandemic's economic onslaught, struggling to navigate the storm that has disrupted their financial stability and shattered their dreams. Therefore, figure 2 below shows our view of the unemployment rate during the MCO as reported by (Employment Information and Analysis Services (EIAS), 2020).



Sources: Interim Report 2020

Figure 2: Monthly Loss of Employment in Malaysia, 2018 – 2020

In response to the cascading crisis, the incumbent government has endeavored to mitigate the domino effect, unleashing a slew of initiatives designed to alleviate the burden endured by the nation. Programs such as Bantuan Prihatin Nasional (BPN) and Selangor Prihatin were conceived, formulated, and executed, aiming to alleviate the heavy economic burdens shouldered by the public. While these initiatives have proven to be a lifeline for many, critics contend that they fall short, deeming them inadequate and ineffective in addressing the widespread hardship. Although lauded for their generosity, these policies have found themselves under scrutiny, labeled as social welfare measures due to their objective of safeguarding those in dire need. Despite their noble intentions, dissenting voices argue that the scale of the crisis demands a more comprehensive and efficient approach to ensure that no one slips through the cracks of the support system. As the battle against the pandemic wages on, the discourse surrounding these policies continues to evolve. While they may have provided temporary relief, the urgency to find sustainable, long-term solutions persists. As Malaysians grapple with the socio-economic fallout of COVID-19, the need for bold and transformative measures becomes increasingly evident, shining a spotlight on the delicate balance between safeguarding individuals in need and charting a path towards a resilient and prosperous future.

B40 Cluster in Malaysia

The B40 community in Malaysia represents the bottom 40% of households based on income distribution, with a median household income of approximately RM 3,000 per month. This demographic faces numerous financial challenges, including the struggle to meet essential needs such as housing, food and education. These households often have difficulty obtaining adequate housing, accessing quality health care and providing educational opportunities for their children. The B40 cluster encompasses some of Malaysia's most pressing socio-economic issues, and understanding their situation is important for policymakers and social scientists.

The B40 community consists of urban and rural residents, each with their own challenges. Urban B40 households struggle with the high cost of living, including soaring rents and other expenses associated with city life (Fortune.My, 2021). In contrast, rural B40 communities face limited access to essential services such as healthcare, education and infrastructure, which are essential to improve their quality of life and economic prospects (Shahar et al., 2019). The split highlights the struggle for the B40 group as they weather economic pressures in different environments. Economic transitions, especially those caused by the COVID-19 pandemic, have had a disproportionate impact on the B40 group. The pandemic led to widespread job losses and reduced incomes, exacerbating existing financial insecurity and leaving many B40 households without jobs or stable incomes (Abdullah & Marzukhi, 2022). This highlights the fragility of their economic status and emphasizes the need for targeted support and intervention to help these families recover from this unprecedented challenge.

In response, the Malaysian government has implemented various support programs aimed at easing the burden faced by the B40 group (Baharudin et al., 2021; Jamaludin, Mohamad, et al., 2021; Kadir et al., 2023). These initiatives include financial assistance, housing assistance, and educational support, designed to provide immediate relief and long-term opportunities for growth. In addition, organizations such as the PETRONAS Foundation are actively involved in improving the living standards of B40 families (Mohd & Azrak, 2021), through sustainable livelihood programs, emphasizing the importance of corporate responsibility in addressing the socio-economic gap. Despite the many challenges, there are promising opportunities to uplift the B40 community. By focusing on education, skills development and job creation, Malaysia can empower these individuals, enabling them to break free from the cycle of poverty and reduce income inequality. Investing in these areas can help foster a more equitable society where the B40 group can thrive and contribute meaningfully to the country's economic and social fabric, changing their circumstances and building a brighter future for themselves and future generations.

Therefore, addressing the needs of the B40 community is not only a matter of socio-economic concern but also a critical issue in the realm of political financing. The ways in which political campaigns are funded, and how political priorities are set, can significantly impact the effectiveness of policies aimed at alleviating poverty and supporting low-income households. Political financing plays a crucial role in determining which issues receive attention and how resources are allocated to address them. Political financing affects how socio-economic issues, such as those faced by the B40 community, are addressed by policymakers. Ensuring equitable representation, diverse funding sources, and transparency in political financing can help ensure that the needs of marginalized communities are effectively met and that socio-economic disparities are addressed.

Concepts of Political Financing, Money Politics and Political Money

Financial inclusion often leads to increased household debt, a phenomenon that can be examined through the lens of money politics. Political influence on the financial system is particularly pronounced in poor countries, where limited control over monetary policy is often due to dependence on foreign currencies, such as the US dollar (Green, 2023). Political financing, commonly referred to as "political finance," encompasses the raising and utilization of funds by political parties and candidates during elections and campaigns (Khan, 2017). It plays a vital role in electoral processes worldwide, making it challenging to differentiate between campaign expenses and routine party costs (Norris, 2011). The scope of political financing extends beyond campaign-related expenditures. It also includes fundraising for various party activities such as office maintenance, policy research, political polls, education initiatives, advertising campaigns to promote party policies, and voter mobilization efforts during elections (Katz & Mair, 1995). Therefore, it encompasses the entire financial process of acquiring resources and expenditures by party members and political organizations during the competitive political landscape (Mizuno & Doerfel, 2015).

Consequently, political financing not only encompasses the funds obtained and expenses incurred during election campaigns but also includes outlays incurred outside of the election period. These expenses may include office maintenance, political education programs, policy research, and the registration of voters (Kumar, 2017). Additionally, it encompasses costs associated with securing opportunities and media space for political messaging and communication (Friedrichsen & Solbu, 2019). Meaning that, political financing encompasses the fundraising and spending processes of political parties and candidates during political competition. It encompasses not only the acquisition and allocation of funds during election campaigns but also expenses incurred outside of campaign periods, including party maintenance, education initiatives, research activities, and media engagement.

In the realm of political funding mechanisms, the International Institute for Democracy and Electoral Assistance (International IDEA) in 2014 presented a captivating framework, revealing four pivotal elements that demand our attention (International IDEA, 2014). These elements form the pillars upon which the intricate dance of political finance unfolds, each holding profound implications for the delicate balance of power. Firstly, the prohibition and limitation of fund contributions emerge as a formidable force, casting its shadow upon the realm of political finance. It serves as a guardian, standing resolute against the potential encroachment of undue influence and the distortion of democratic processes (International IDEA, 2014). Like a sentinel in the night, it safeguards the sanctity of elections, shielding them from the perilous grip of unchecked financial sway.

Secondly, public financing emerges as a radiant beacon, casting its illuminating glow upon the path of political finance. It encompasses both direct and indirect forms, breathing life into the aspirations of democratic governance (International IDEA, 2014). Through its embrace, it seeks to level the playing field, empowering diverse voices to resonate and echo through the corridors of power. Thirdly, spending rules for parties and candidates emerge as steadfast guardians of fairness and integrity. Like vigilant gatekeepers, they wield their authority to regulate the flow of resources, ensuring that the dance of democracy remains harmonious and untainted (International IDEA, 2014). With their guidance, the extravagance of excess and the spectre of unfair advantage are held at bay. Finally, yet importantly, the realm of financial reporting emerges as a realm of transparency and accountability. It unfurls its mandate, demanding the disclosure of amounts and donors, like a clarion call for honesty and openness (International IDEA, 2014). Through this act of revelation, the shadows of secrecy are dispelled, and the essence of democracy is laid bare for all to see. In the symphony of political finance, these four key elements intertwine, shaping the landscape upon which power is contested and wielded. They form the tapestry that weaves together the delicate threads of democratic governance, each contributing to the vibrant mosaic that defines our political landscape.

According to prominent scholar Gomez (1994), the politics of money revolves around the utilization of finance and material benefits to wield significant political influence. The primary objective of financial and material involvement in politics is to amass influence, constituting the practice of money in politics. Gomez further contends that money politics encompasses activities such as political interference in the business and trade sectors to acquire funds for managing political programs. In the Malaysian context, the implementation of the New Economic Policy (NEP) saw individuals associated with the ruling government entering or interfering in local businesses, resulting in instances of corporate misconduct and the emergence of business entities tied to politicians. This, in turn, led business owners to act as donors during elections and party contests. Meanwhile, Shahriza, Nur Zafifa, and Irlisuhayu (2013) assert that money politics involves the acquisition of illicit funds from businesses and wealthy individuals with their own interests and agendas. They emphasize that money politics or political corruption is practiced by certain companies seeking tender awards, government contracts, or other business opportunities and is often characterized by bribery and vote-buying. Money politics encompasses various approaches, including direct remuneration offered to voters during elections or campaign periods, as well as long-term support sought from party members through continuous and exclusive financial or material benefits, including promises of contracts and tenders. Many scholars shared same viewpoint about money politics that often referred to as political corruption, involves the use of financial resources to influence political outcomes (Doherty et al., 2023; Jones, 2022; Massoglia, 2023).

Similarly, Khairiah, Chan, and Paramjit (2013) share a similar perspective, affirming that money politics aims to secure election campaign financing through unlawful means. The sources of these funds extend beyond business entities to individuals seeking retribution from the beneficiaries. Once financial assistance is obtained, the funds are utilized to bribe voters during election campaigns, swaying them in favour of the offering party. It is a well-known fact that significant funding can enable a political party to dominate elections by incentivizing registered voters in targeted constituencies. This approach proves particularly powerful in socioeconomically disadvantaged areas, where individuals are more susceptible to immediate rewards such as cash payouts and essential infrastructure provisions that fulfil their survival needs. Furthermore, bring out other scholars thought, as Jamaie (2015) unveils the politics of money as a malevolent exercise of power and financial leverage, strategically deployed to secure the allegiance of those legitimately entitled to participate in the electoral process. Yet, Muhammad Agus (2005) perceives money politics as a manifestation of political corruption, where financial inducements are offered to procure votes or support, all in the pursuit of victory. Meanwhile, Carlson (2007) elucidates the politics of money as a calculated engagement in financial manipulation, both overt and covert, with the explicit aim of bribing voters to garner their steadfast support.

As a conclusion, the perspectives of various scholars shed light on the multifaceted nature of the politics of money. Jamaie (2015) highlights its malevolent nature, emphasizing the exercise of power and financial leverage to secure the loyalty of legitimate participants in the electoral process. This underscores the manipulative and potentially unethical aspects of money politics. On the other hand, Muhammad Agus (2005) views money politics as a form of political corruption, wherein financial incentives are used to sway voters or gain support, ultimately aiming for victory. This perspective underscores the detrimental effects of monetary influence on the integrity of the political system. Additionally, Carlson (2007) adds another layer to the discussion, characterizing the politics of money as a calculated engagement in financial manipulation, encompassing both overt and covert actions to bribe voters and secure their unwavering backing. These diverse viewpoints collectively highlight the complexity and negative implications associated with the politics of money, emphasizing the need for transparency, accountability, and measures to safeguard the integrity of democratic processes (Flório Lima & Bodet, 2023).

Relationship between Political Financing and Policy Bias

The relationship between political financing and policy bias is a complex and multidimensional phenomenon that warrants careful analysis. Political financing refers to the monetary resources raised and utilized by political parties and candidates during election campaigns. Policy bias, on the other hand, refers to the tendency for policy decisions to favour certain interests or groups over others. Understanding the relationship between these two factors is crucial for assessing the fairness, transparency, and integrity of policy-making processes. One way in which political financing can influence policy bias is through the influence of financial donors. Political parties and candidates often rely on financial contributions from individuals, corporations, or interest groups to fund their campaigns. In return, these donors may expect policy outcomes that align with their own interests or agendas (Bonica, 2017). This can lead to a bias in policy decisions towards the preferences of these influential donors, potentially neglecting the needs and concerns of other segments of society. This was being argued by Gilens et al. (2021), political financing often allows wealthy individuals and organizations to exert disproportionate influence over political decisions which lead to policies that favor their interests over those of the general public.

Moreover, the sheer number of financial resources available to certain political actors can shape the policy agenda. Campaign finance regulations can play crucial role in mitigating or exacerbating policy bias (Gilens et al., 2021). Candidates or parties with access to significant funds may have greater resources to shape public opinion, run extensive advertising campaigns, or mobilize support (Ansolabehere et al., 2015). This can result in a bias towards issues and policies that resonate with the interests of those who can afford to contribute financially, potentially marginalizing the concerns of underprivileged groups such as the B40 cluster. In addition, the regulatory framework governing political financing can also contribute to policy bias. Weak regulations or loopholes in campaign finance laws can create an environment where the influence of money in politics is unchecked (Peffley & Hurwitz, 2017). This can enable the flow of undisclosed or excessive contributions, leading to undue influence on policy decisions and potentially distorting the public interest.

However, it is important to note that not all political financing leads to policy bias. Many political actors act in good faith and strive to represent the diverse interests of their constituents. Furthermore, robust regulatory frameworks, transparency measures, and accountability mechanisms can help mitigate the risks of bias and undue influence. Striking a balance between adequate political financing to support democratic processes and safeguards against policy bias is a key challenge for policymakers and electoral systems. Thus, the conclusion is clear that the relationship between political financing and policy bias is complex and multifaceted. While political financing can potentially lead to policy bias by favouring the interests of influential donors or those with greater financial resources (Gilens et al., 2021), strong regulatory frameworks and transparency measures are essential for ensuring fairness and integrity in policy-making processes. Understanding and addressing this relationship is crucial for promoting inclusive and equitable policies that serve the interests of all segments of society.

In the context of assessing the intricate relationship between political financing and policy bias within B40 welfare policies amid the COVID-19 pandemic, several key concepts and relationships emerge. The channels through which political financing flows offer significant avenues for influence. Corporate donations, originating from business entities, and individual contributions, reflecting personal beliefs and affiliations, can potentially sway policy decisions in exchange for financial support. Funding from special interest groups introduces the prospect of policies aligning with specific agendas, potentially leading to bias in resource allocation. Moreover, governmental financial support and international contributions bring government priorities and external interests into the equation, respectively, influencing policy direction.

The policy bias indicators serve as vital metrics for understanding the potential impact of political financing. Allocation disparities, manifesting as differences in welfare resource distribution among distinct segments of the B40 group, could be influenced by heightened political financing levels, thereby creating uneven benefits. Access disparities may arise, reflecting variations in welfare benefit accessibility based on political affiliations or connections, potentially leading to preferential treatment for well-connected individuals or communities. The timing of policy implementation takes on significance, as policies receiving greater political financing could be prioritized for quicker enactment, possibly introducing bias in implementation speed. Evaluating policy effectiveness becomes essential to discern if political financing correlates with disparate outcomes for different B40 group segments, indicating potential policy bias. For that reason, figure 3 below give the best picture for political financing and policy bias.

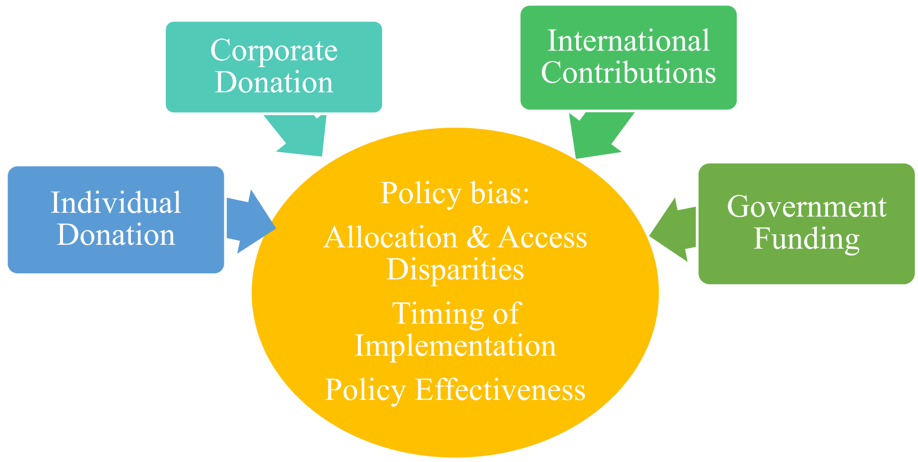


Figure 3: The framework of relationship between political financial and policy bias

Underpinning Theory: Institutional Theory

Institutional theory provides valuable insights into understanding the relationship between political financing and policy bias in B40 welfare policies during COVID-19. This theory emphasizes the influence of formal and informal rules, norms, and practices that shape political behavior and policy outcomes within a given institutional context. Evidently, institutions play a crucial role in governing the process of political financing. The rules and regulations surrounding campaign finance, such as disclosure requirements and contribution limits, establish the boundaries for financial involvement in politics (Doherty, 2021). These institutional frameworks aim to promote transparency, accountability, and fairness in political processes. Additionally, institutional theory emphasizes that political behavior is shaped by formal structures, where stringent campaign finance laws can curb the influence of money, but lax regulations may increase it (Hoefer, 2022). However, the effectiveness and enforcement of these regulations can vary across different contexts, potentially influencing the extent to which political financing may lead to policy bias.

Additionally, institutional norms and practices shape the behavior of political actors. Within the realm of political financing, certain norms may develop around the acceptability of financial contributions from various sources, including corporations, interest groups, or wealthy individuals (Poguntke & Webb, 2005). These norms can influence the decisions made by politicians and parties in shaping policies. For instance, if there is a prevailing norm that favors the interests of corporate donors, it may lead to policy bias that prioritizes their concerns over the welfare of B40 communities. Moreover, institutional factors can shape the access to and distribution of political financing. The availability of resources and opportunities for fundraising can vary depending on the institutional context. For instance, regulations regarding public funding or restrictions on private donations can influence the financial resources accessible to political actors (Beyers, 2018). This, in turn, can impact the extent to which political financing influences policy decisions. Unequal access to financial resources may result in bias towards those with greater financial influence, potentially neglecting the needs and interests of marginalized communities.

However, the enforcement mechanisms and institutional oversight surrounding political financing can significantly impact the relationship between financial influence and policy bias. Weak enforcement and loopholes in regulations may enable excessive or undisclosed contributions, allowing for greater potential for biased policy outcomes (Nownes, 2013). Conversely, strong institutional oversight and monitoring can help ensure compliance with campaign finance regulations, promoting fairness and reducing the potential for undue influence. For that reason, the institutional theory highlights the significance of formal and informal rules, norms, and practices in shaping the relationship between political financing and policy bias. The institutional frameworks governing political finance, the norms guiding financial contributions, the distribution of resources, and the enforcement mechanisms in place all play crucial roles in determining the potential for bias in B40 welfare policies during COVID-19.

Discussion

The relationship between political financing and policy bias in B40 welfare policies during COVID-19 highlights the need for careful examination and potential reforms. Based on the previous analysis, several key points emerge that merit discussion and consideration:

i) Transparency and Accountability: Enhancing transparency and accountability in political financing is crucial to mitigate the potential for policy bias. Implementing robust regulations and disclosure requirements can ensure that political parties and candidates are accountable for their sources of funding. This can help prevent undue influence and foster a level playing field for policy decision-making.

ii) Equal Access to Resources: Addressing policy bias requires ensuring equal access to resources for all political actors, regardless of their financial capabilities. Measures such as public financing can help level the playing field, reducing the influence of wealthy donors and promoting the inclusion of diverse perspectives in policy formulation.

iii) Strengthening Regulatory Frameworks: Strengthening the regulatory frameworks governing political financing is vital to prevent policy bias. This includes closing loopholes, enforcing contribution limits, and monitoring compliance with campaign finance laws. Additionally, periodic reviews and updates of these frameworks can ensure they remain effective and adaptable to evolving challenges.

iv) Promoting Citizen Participation: Encouraging citizen participation in the policy-making process can counterbalance the influence of financial interests. Engaging the B40 cluster and other marginalized groups in consultations, public hearings, and decision-making forums can ensure their concerns are taken into account, helping to reduce policy bias and foster more inclusive policies.

v) Independent Oversight and Monitoring: Establishing independent oversight bodies to monitor political financing and investigate potential cases of policy bias is essential. These bodies can provide impartial assessments of campaign finances, identify potential conflicts of interest, and ensure compliance with regulations. Their presence can bolster public trust in the integrity of the political process.

vi) Public Awareness and Education: Raising public awareness about the potential impacts of political financing on policy bias is crucial. Promoting media literacy, civic education, and public campaigns can help citizens understand the significance of fair and transparent political financing and its implications for policy outcomes. This can empower citizens to hold political actors accountable and demand more equitable policies.

Conclusion

This study has examined the relationship between political financing and policy bias in B40 welfare policies during the COVID-19 pandemic. The findings shed light on the challenges and potential avenues for improvement in the realm of political financing and its impact on policy outcomes. Transparency and accountability emerge as crucial factors in mitigating policy bias. Enhancing regulations and disclosure requirements can help promote a level playing field, ensuring that political parties and candidates are accountable for their funding sources. Equal access to resources is also essential in reducing the influence of wealthy donors and promoting inclusive policy formulation. Strengthening the regulatory frameworks governing political financing is vital. Closing loopholes, enforcing contribution limits, and monitoring compliance with campaign finance laws are key steps in preventing policy bias. Regular reviews and updates of these frameworks can ensure their effectiveness in the face of evolving challenges.

Citizen participation plays a pivotal role in countering policy bias. Engaging marginalized groups, including the B40 cluster, in decision-making processes fosters inclusivity and reduces the risk of policy neglect. Independent oversight bodies can help monitor political financing and investigate potential cases of bias, bolstering public trust and ensuring the integrity of the political process. Promoting public awareness and education about the implications of political financing on policy outcomes is essential. Empowering citizens to understand and demand fair and transparent financing practices can lead to more equitable policies that address the needs of all segments of society. Overall, indeed, by addressing issues of transparency, equal access, regulatory strength, citizen participation, independent oversight, and public awareness, policymakers can foster a more equitable and inclusive policy-making process. This study highlights the importance of reforms in political financing to mitigate policy bias, particularly in the context of B40 welfare policies during the COVID-19 pandemic. Moving forward, further research and continuous efforts are necessary to ensure the well-being and protection of all citizens through fair and unbiased policy formulation and implementation.

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