

EDITORIAL - CORRUPTION

Abstract

Corruption not only hinders development and investment in third world countries but has become so firmly entrenched that even the highly educated lack the will or power to protest. This editorial suggests a way out.

The definition of corruption is simple enough – *the abuse of public office for private gain*. Its eradication, however, is a very different matter. There are few countries in the world where it doesn't exist and some – Indonesia, Kenya, Angola, Madagascar, Paraguay, Nigeria, Bangla Desh, India – where it pervades every corner of public life.

Corruption is one of the most serious consequences of poor governance. A country with widespread corruption invariably has low investment rates, poor economic growth and limited human development. The public will find their access to the most basic social services severely restricted and the government will find the cost of delivering these services inordinately high. Corruption has no positive effects. It hits the poor hardest, it makes a mockery of financial systems and it actively works against the legitimacy of the state. Poverty, development, growth and investment – all suffer at the hands of corruption.

In the Journal of Economic Literature, September 1997, Bardhan wrote an essay on "Corruption and Development" in which he showed that even as little as one standard deviation improvement in the corruption index was enough to cause an improvement in the rate of investment of around 3% of GDP.

Thus corruption cannot be ignored or swept under the carpet. Its effects are extremely damaging, far-reaching and all pervasive. For third world countries, struggling to emerge from crippling debt and bitter poverty, the struggle is doomed unless and until the ugly issue of corruption is confronted and effectively addressed.

For India, the world's largest democracy, it is a painful irony that despite a good foundation of democratic institutions, she has a score of only 2.7 out of 10 and in 2002 was ranked 71st out of 102 countries for corruption. Since then, her ranking has kept falling.

Corruption Perception Index and India's Rank

Year	No. of countries	Rank
1995	41	35
1996	54	46
1997	52	45
1998	85	66
1999	99	72
2000	90	69
2001	91	71
2002	102	71
2003	133	83
2004	145	90
2005	158	88

Source: Corruption Perception Index, Transparency International, Berlin

A survey conducted by Transparency International cites India as far worse than China and refers to her as a country where bribery and corruption are among the worst in the world.

In a developing country, resources are always scarce and demand greater than supply. The recipients of public services are mostly the poor, illiterate, ignorant and weak. Thus it is the ordinary man who suffers most from misgovernment and corruption. Yet in India, even the highly educated lack the power to protest. There is no accountability or transparency among public servants and outdated systems like the licence-permit-quota-inspector system continue to prosper even in the face of liberalization and globalization. The overabundance of laws and statutes and discretionary powers only provides further breeding ground for bribery and corruption.

SOURCE OF CORRUPTION

In a country with some 19.5 million public servants, a plethora of outdated and

outmoded laws and a conspicuous lack of accountability, it is not difficult for these public servants to use their powers to control the remaining 1,000 million citizens. Within the public service system, a rigid, old-fashioned hierarchy means that in actual fact, 90% of these employees are only Class 3 and 4. Thus less than 2 million officers control the fate of 1,000 million. As officers, they earn high salaries enriched by numerous perks and privileges but nevertheless, their greatest desire is for further riches. It makes no difference how educated they are; they have no respect for democratic values and no grasp of public morality. They will do anything for money. The 17.5 million minor public servants who work under them are exploited as middlemen or left to indulge in petty corruption themselves.

ERADICATION

Corruption is not something that a government on its own can eradicate. In any case, political leaders simply use it as a quick, easy way to win votes, making catchy slogans and shallow promises when it suits their political interests. Prime ministers from the late Gulzari Lal Nanda to Atal Bihari Vajpayee declared a war on corruption but achieved absolutely nothing. Is there anyone, then, who can take on this huge task?

If the population at large and civil society institutions in particular continue to be indifferent, helpless and resigned in the face of corruption, then the answer is no. The first prerequisite is for the public and its institutions to be motivated to fight. The second is to scrap or rationalize all obsolete and outdated laws, something the government alone cannot do since such laws currently serve to keep the status quo. A genuinely committed judiciary working with civil society institutions can take on this task.

India is a land of tremendous contrasts, not least in the way she cherishes such values as sacrifice and spirituality, points proudly to their prominent place in her past and boasts of her rich cultural heritage and the honesty and purity that were an essential part of it. But in the 21st century, such values remain very much in the past and India has become

an embarrassing by word for dishonesty, hypocrisy and money grabbing. What has happened to those old values? Is there some covert destruction of these values going on undetected?

We need a true diagnosis of the root causes of the erosion of these values and this is something our academics must do. Only then is there any hope of an eventual lasting solution. At present the public perception is that corruption is a way of life, unavoidable, something you have to endure; that you cannot survive in India without indulging in corruption in one form or the other. People are so used to this life of corruption that they have lost all interest in doing anything about it. We cannot look to businesses, industrial houses or management education for help for their entire *raison d'être* is profit. Nor can money solve the problem. Only exceptional individuals can make a difference.

In Sweden and Norway, it was sociologists who cleaned up corruption in their countries. In the USA, individual police officers and bureaucrats made sacrifices to streamline and rationalize the system. In China, a cultural revolution changed the people and transformed the entire country. But India is a law unto herself. Perhaps a little parable can illustrate this.

Perturbed by annual CPI rankings, many prime ministers and presidents of corrupt countries approached God for help in eliminating corruption. God's response was that it might not happen in their lifetime. It was a shock to them and they all wept bitterly on God's shoulder.

The Indian prime minister also sought God's help and advice so that he too could eliminate corruption from India. God's response was "NOT IN MY LIFETIME" and then God commenced to shed bitter tears.

In India, the root cause is education. Think of a child. He cannot make decisions because he does not have sufficient knowledge to base them on. The faculties of the mind develop as one gathers information and gains deeper knowledge. The key factor in this process is supposed to be the school but our schools are subverting the process. They confuse values. They do not provide

any systematic knowledge, just an undigested lump of information, much of it outdated and irrelevant. Moreover, teachers commonly fritter their time away, arriving late or absenting themselves for days at a time, doing little or no teaching in the class but coercing students into paying for tuition, showing no love or care for their pupils, using corporal punishment, not to teach badly behaved pupils a lesson but to punish those who cannot answer questions in class or get the answer wrong.

How can the faculties of the mind develop in such an environment? And when these faculties do not develop and a good value system is not established, only crude, basic desires and urges remain. A young man in India today is just a bundle of these feelings and emotions. He is not a rational, thinking human being. Moreover, the whole education system suffers such shortcomings, right up to post-graduate level. Highly educated Indians lack decision-making skills, courage, enterprise, initiative and discretion. They have no conscience. They would far rather get a secure job and good wage without working for it than take pride in a job well done. They become machines but not even functioning ones, just idle machines. They are strongly motivated to join the chain of corruption; the temptation of making more unearned money always wins.

So people in general, ordinary men and women, are unable to protest against blatant injustice and corruption and expecting them to do so is totally unrealistic.

Hence we come to those few exceptional individuals who have a genuine desire and a firm commitment to change the situation. Such individuals are unlikely to be found among religious leaders for they seldom have the elimination of corruption on their agenda. Indeed, they sometimes preach an attitude of resignation and tolerance. Exceptional people are mostly those who are somehow moved voluntarily to make a contribution for the good of society. They may be few and far between but they can be found in all walks of life – the police, the bureaucracy, even in politics.

We need such like-minded people to come together to form a network and then work together to start an aggressive campaign to oust corruption. Slowly, others who respect and admire their fearlessness will gravitate towards them and their numbers will grow. There are already some examples of such individuals. Vineet Narain worked tirelessly in the Hawala scandal and though he was eventually defeated by life threats to him and his family, he grew greatly in stature in the course of his work and made history in the way he exposed the dishonesty of people in the highest positions. Another exceptional individual, Anna Hazare, has proved beyond doubt that even one ordinary person can achieve a great deal and make a small but perceptible dent in corruption. And there are many more – Kiran Bedi, T N Seshan and Justice P B Sawant, to mention just a few. These are the ones who have made themselves known. There are many more who fight on unnoticed.

A number of anti-corruption groups already exist. Perhaps they could harness the Internet for the fight against corruption. Armed with the Right to Information Act and anti-corruption laws, they could set up a website where examples of successful campaigns could encourage others.

Changing the current education system, no matter how badly this needs to be done, is not likely or even feasible, certainly not in the short term. But outstanding individuals can inspire many others and that, at least, would be a start.

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