

Corruption Free India

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India is one of the most suffering nations in the world plagued by corruption. As per the Transparency International report 2012 India ranked 94th, dropped 11 places in one year. According to a Swiss Banking Association Report (2006), "India has more black money than the rest of the world combined together." The black money in India, in some reports, estimated to be 40 percent of the country's gross domestic product (GDP). Taxes on this count could turn the fiscal deficit into a surplus and provide adequate resources for the social and physical infrastructure.

Problem of corruption is even deeper than the above mentioned figures. It adversely affects human life, deprives people of their fundamental rights and makes life miserable for majority of the population. It is affecting the economic, social growth of the country by creating a negative environment for hard working people and wrongly allocating scarce resources (including human) to counter-productive people and to counter-productive works, away from the developmental need of the Nation.

Though corruption seems to be an obvious word, for an effective cure, one needs to understand various forms of corruption having different sources, basis, motivation, beneficiaries & victims. Sometimes the bribe-giver may be a victim, & sometimes the bribe-giver may be a beneficiary and the victim is remote & indirect. Sometimes the motive of indulging in corruption may be to serve individual interest (e.g. in public sector), and sometimes it may be an organisational gain (e.g. in corporate sector). Sometimes beneficiary is driven by too high ambition, sometimes by compulsion. Accordingly the reaction of victim, motivation to fight against corruption etc. is affected, which in turn, affects the law enforcement. Therefore solution of the problem should also address the multiple-dimensions involved in it.

In addition, there is another form of corruption termed as "Quiet Corruption" by the World Bank. Recently there was a news that in the first 6 month of the year 2012, no FDI proposal was cleared, which impacted

overall investment & economic growth. Recently there was also a news that in the first half of the financial year 2011-12, a large part of the government budget was not spent because bureaucracy was avoiding taking decisions, which affected overall economic growth, and related consequences. It's obvious that those who don't work have zero contribution in Growth & productivity; Additionally, being a bottleneck in the production process, they are more counter-productive. Large proportions of people, almost unproductive or counter-productive, act as bottleneck to the system and drain off the economic resources and also create hindrances in smooth functioning of the system. Their non-working makes corruption acceptable to employees, which is very harmful.

There are many other dimensions of motivation behind the corrupt activities. This includes value system of the nation, availability and effectiveness of Law as a deterrent against different forms of corruption, multiplicity of agencies dealing with corruption with limited roles. Our administrative structure is helping corruption, especially corruption in Politics. At the top level, there is authority & discretion but almost no fixed responsibility, e.g. transfer & posting is one of the big source of corruption which is in the hands of people holding authorities such as the Politicians. Transfer/Posting being a routine work and discretionary in nature, it is difficult to control corruption at this point, even though it is considered as 'Gangotri' of all corruption. High importance to 'performance measurement' but the scope of high discretion in performance evaluation enhances the flow of corruption from top to bottom.

Thus a comprehensive view of corruption is needed, taking a narrow view will limit the effectiveness of anti-corruption efforts and may result in a bigger problem. Theoretically, a system is called secure if net expected gain (expected gain less expected loss) is negative. Therefore, as a solution to make country corruption free these five aspects should be seriously taken care of. The system designed should have focus on minimising the variables on left hand side & maximising right hand

Probability of getting success if crime done X Benefit if successful	$<$	Probability of getting caught X Probability of getting punishment if caught X Amount of loss/punishment if got punishment
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side variables, with no oversight on any variable.

Solution accordingly will require:

1. **Administrative Reform:** A corruption free nation means administrative mechanism is performing at its best. Corruption mainly means the corruption in bureaucracy and its related chain effect. The lack of motivation & compulsion to perform duty at ones best and misuse of power to serve personnel interest give birth to corruption everywhere. Administrative reform, like citizen charters, should ensure to make duty compelling, through ensuring punishment for failure in duty, properly defining role & responsibility, setting performance norms & targets, reducing discretion, providing self-monitoring & transparent system etc. In order to achieve this recruitment, training and posting of sufficient number of qualified people should be done.
2. **Legal Reform:** The balance of the above equation or net expected gain would largely depend on the Legal system. This is most important for ensuring the non-deviation in motivation from duty. In a country, which is so infamous for corruption, the track record of punishing people is pathetic, making corruption a rewarding tool. Legal system need to be made more independent, strict, effective & active, such as Lokpal Bill, increasing victims participation, for quickly detecting any deviation, ensuring immediate trial of the culprits, speedy justice in trials, and strict punishment to the culprit so that they can never get benefit of their sins. For this also we need to increase

the number of courts as per the workload, and also recruiting, training and posting sufficient number of qualified people as needed. No action can be a better substitute of high probability of punishment and faster execution.

3. **Socio-cultural Change:** We need to understand the limitation of law. A law will be as effective as its people are. Therefore, the investment in our value system, education, social awareness etc. needs to be increased. People should also be educated to make themselves free from the greed of consuming product & services of dishonest businesses considering long term loss. The commitment to honesty and hard work should be made by everyone. A cooperative commitment against corruption should be developed.

A comprehensive and result oriented strategy including punishment for wrong, incentive for right, accompanied by socio-cultural reform will only meet the desired objective. Ultimate objective of "corruption free India" is to make a country of hard-working people and thus no tolerance for quiet-corruption. A continuous and comprehensive review of our legal & administrative system to check its effectiveness against above mentioned five variables is required.

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