



RAMIFICATIONS AND RESULTS OF CORRUPTION

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Abstract

Although India is the largest democracy in the world, it continues to struggle on a daily basis to fight corruption in politics at both the national and local levels. In a nation with such a rich diversity of languages, cultures, and traditions, nothing is more important to reconciling all the differences than the right to vote. However, the democratically elected government seemingly does nothing to bridge the enormous gap between the rich and the poor and to make the lives of the 300 million people living below the poverty line any better. While India has more people living in poverty than any other nation, finding a solution to these basic issues of human rights has recently taken a backseat to nuclear weapons testing and other extravagant nationalist issues on the Indian political agenda. Furthermore, the instability and corruption of the government since India won its independence in 1947 has discouraged the long-term investments that are needed to drive economic growth. Beyond the basic legal violations and high transaction costs, corruption undermines a healthy free-market system by eliminating protection of private property rights, deterring potential investors, and driving entrepreneurial energy towards redistributive activities. Solutions include reducing opportunities for rent-seeking through deregulation, simplifying procedures to reduce the discretion of civil servants, and increasing the pay of civil servants in conjunction with actively sanctioning corruption, but political will remains the most important prerequisite for an effective anti-corruption strategy. Corruption is a cause of serious concern for the people of India. Since, it is adversely affecting all aspects of their life-social, spiritual, political, economic, educational, and moral. It is spreading like tumour in all systems and administrations. .

DEFINITION OF CORRUPTION

According to Transparency international “Corruption is the abuse of entrusted power for private gain. It hurts everyone who depends on the integrity of people in a position of authority”. There is an alternative definition of corruption frequently used by the World Bank that specifies corruption as “the abuse of public office for private gain.” This definition considers the cause of corruption in public authority and its abuse, and links corruption to the state, its activities, state intervention on the market and the existence of the public sector. In other words, the use of this definition excludes the possibility of corruption in the private sector, and it focuses exclusively on corruption in the public sector.

CAUSES OF CORRUPTION IN INDIA

The major causes of corruption in India are as follows;

1. Lack of effective management and organization.
2. Lack of economic stability
3. Lack of effective leadership
4. Lack of support
5. Lack of values
6. Lack of love for country
7. Lack of proper system
8. Lack of satisfaction
9. Lack of autonomy
10. Lack of good control and vigilance
11. Lack of good remuneration
12. Lack of employment
13. Lack of seats and educational institutions

TYPES OF CORRUPTION

The following are the different types of corruption. They are;

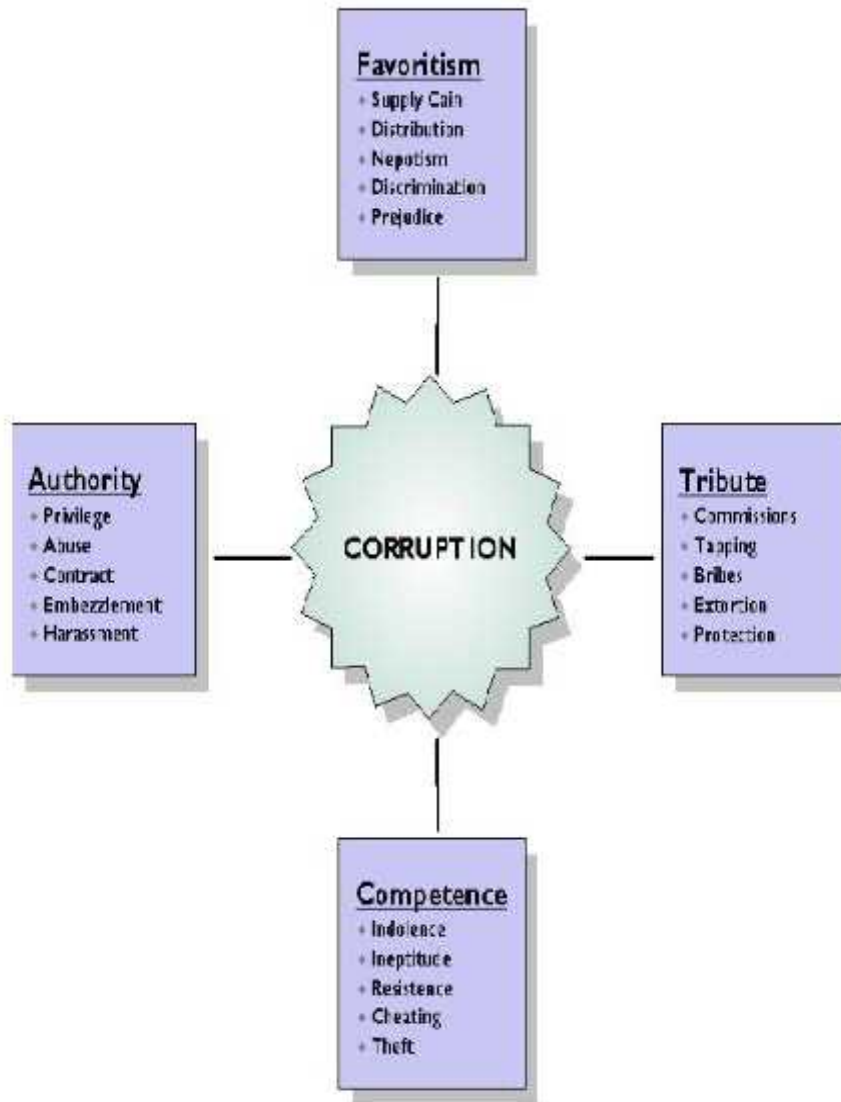
- a) Systemic corruption
- b) Sporadic (individual) corruption
- c) Political corruption
- d) Grand corruption
- e) Bureaucratic corruption



- f) Business corruption
- g) Petty corruption
- h) Legal and Moral Corruption

FORMS OF CORRUPTION

There are many different types and forms of corrupt practices. The chart 1 gives such examples:



Each type has different origins and characteristics, and therefore requires different solutions. The corrupt practices have been leading to large number of scandals in India after Independence. These scandals pinning large holes to public exchequer.

MAJOR SCAMS IN INDIA SINCE INDEPENDENCE

The following is a list of alleged scams and scandals in India since independence. These include political, financial, corporate and others. Table 1 gives the major scandals in India after independence.



. Table-1, Major Scandals in India since Indian Independence

S.No	Scandal	Year reported	Amount Loss	Location
1	Jeep scandal	1948	Rs 80 Lakhs	National
2	Antulay Trust Scam	1981	Rs 30 crores	Maharashtra
3	St. Kitts forgery Scam	1989	\$21 million	National
4	Bofors scandal	1988-89	Rs 640 million	National
5	Airbus scandal	1990	Rs 2000 Crores	National
6	Securities scam	1992	Rs 10000 Crores	National
7	Urea scam	1996	Rs 133 crores	National
8	Fodder scam	1996	Rs 950	Bihar
9	Taj Heritage Corridor	2002-03	NA	Uttar Pradesh
10	Stamp paper scam	2002	Rs 200 billion	National
11	Uttar Pradesh food grain scam	2003	Rs 35,000 c	Uttar Pradesh
12	Taj Co-operative Group Housing Scheme scam	2004	Rs 40 billion	
13	Uttar Pradesh ayurveda scam	2006	Rs 260 million	Uttar Pradesh
14	Army ration pilferage scam	2008	Rs 50 billion	National
15	Cash-For-Votes Scandal	2008	NA	National
16	Gujarat's VDSGCU Sugarcane scam	2009	Rs 187 million	Gujarat
17	2G spectrum scam	2010	Rs .176,000 Crores	National
18	Andhra Pradesh Emmar scam –	2010	Rs 25 billion	
19	Kerala investment scam	2011	Rs 10 billion	Kerala
20	Indian coal allocation scam	2012	Rs 185591.34 crores	National
21	Karnataka Wakf Board Land Scam	2012	Rs 200000 crores	Karnataka
22	Railway iron ore freight scam-	2013	Rs 17000 crores	National
23	Industrial land mortgage scam-	2014	Rs 52000 crores	Odisha

Source: www.Wikipedia.com

The Jeep scandal was first major corruption case in independent India. VK Krishna Menon, the then Indian high commissioner to Britain, ignored protocols and signed a Rs 80 lakh contract for the purchase of army jeeps with a foreign firm.

In St. Kitts forgery scam documents were forged to allege that former Prime Minister VP Singh was a beneficiary of his son Ajeya Singh's account in the First Trust Corp at St Kitts, with a deposit of \$21 million. Bofors scandal was a major corruption scandal in India in the 1980s and 1990s, initiated by Congress politicians and implicating the prime minister, Rajiv Gandhi and several others who were accused of receiving kickbacks from Bofors AB for winning a bid to supply India's 155 mm field howitzer.

In securities scam Harshad Mehta manipulated banks and the stock market, pushing shares like ACC from Rs.500 to Rs 10,000. The stacked-up claims of the brokers were a staggering Rs 10,000 crore. The Urea scam came into light after a shortage of fertiliser in 1996 was reported, a clutch of businessmen in connivance with top officials of the National Fertiliser Limited, fleeced the Government of Rs.133 crore for the import of urea, which was never delivered.



Fodder scam broke out in 1996 in the town of Chaibasa, Bihar when the animal husbandry department embezzled funds of around Rs 950 crore meant to purchase cattle fodder, medicines and animal husbandry equipment in Bihar. Taj Heritage Corridor scam is an alleged scam wherein 2002-2003, the then Chief Minister of Uttar Pradesh Mayawati and a Minister in her Government, Nasimuddin Siddiqui, were charged with corruption.

Uttar Pradesh food grain scam also dubbed as Mother of all scams took place between years 2002 and 2010. The grain worth Rs 35000 crore, meant to be distributed via PDS to the poor under several schemes like Antyodaya Anna Yojana (AAY), Jawahar Rozgar Yojana .

The cash-for-votes scandal is one in which the UPA, the majority-holding Parliamentary-party alliance led by Sonia Gandhi, allegedly bribed MPs in order to survive a confidence vote on July 22, 2008. .

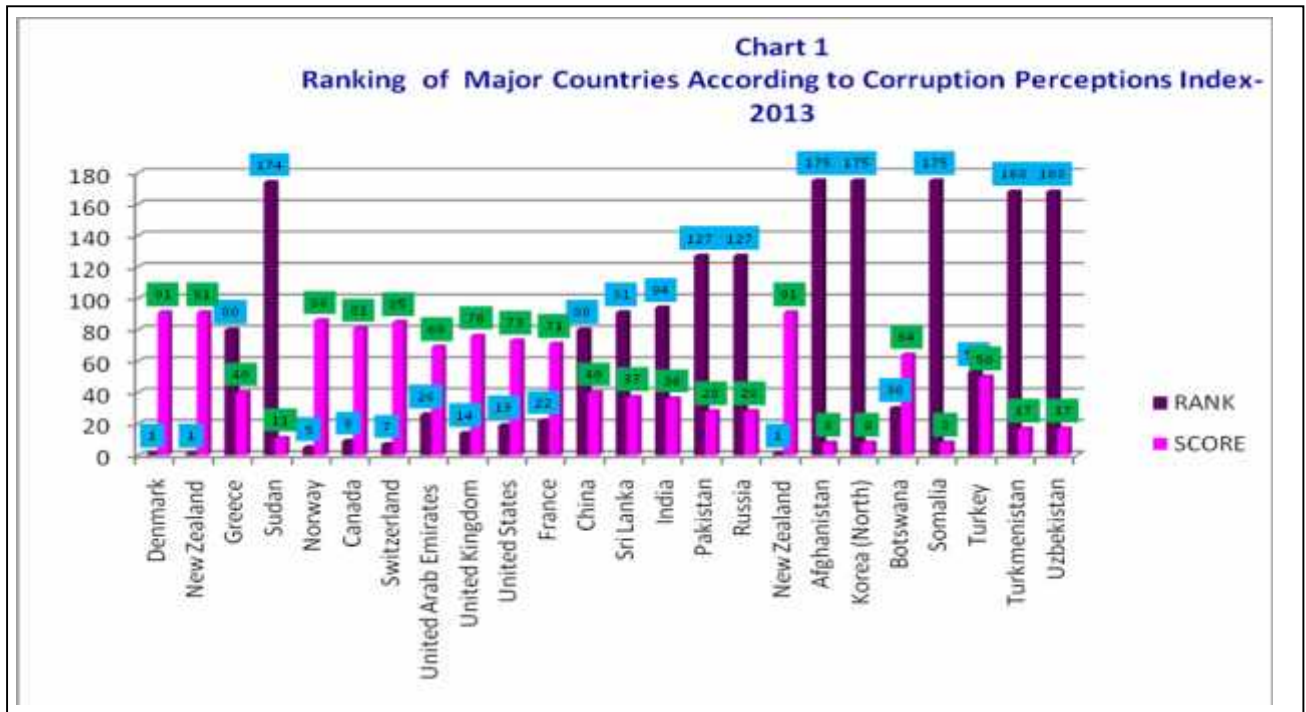
The illegal undercharging by Government officials to various telecom companies during the allocation of 2G licenses for cellphone subscriptions gave rise to the 2G spectrum scam.

In the Colgate scam the UPA Government reported a loss of Rs 185,591 crore. The CAG has accused the Centre of giving undue benefits to companies by distributing 155 coal acres in an arbitrary manner instead of auctioning to the highest bidder during 2004-2009.

CORRUPTION AT GLOBAL LEVEL

The Corruption Perceptions Index 2013 serves as a reminder that the abuse of power, secret dealings and bribery continue to ravage societies around the world,The Index scores 177 countries and territories on a scale from 0 (highly corrupt) to 100 (very clean). No country has a perfect score, and two-thirds of countries score below 50. This indicates a serious, worldwide corruption problem.

The Corruption Perceptions Index ranks countries and territories based on how corrupt their public sector is perceived to be. A country or territory’s score indicates the perceived level of public sector corruption on a scale of 0 - 100, where 0 means that a country is perceived as highly corrupt and 100 means it is perceived as very clean. A country's rank indicates its position relative to the other countries and territories included in the index. The 2013 year's index includes 177 countries and territories. The Graphical Presentation is given in Chart 1





bottom. In Americas 66 per cent countries score below 50. The top scored country is Canada and Haiti is at bottom. In Middle East and North Africa 84 per cent countries score below 50. The top scored country is United Arab Emirates and Sudan is at bottom. In Asia Pacific region 64 per cent countries score below 50. The top scored country is New Zealand and Afghanistan, Korea (North) are at bottom. In Sub-Saharan Africa 90 per cent countries score below 50. The top scored country is Botswana and Somalia is at bottom. In Eastern Europe and Central Asia 95 per cent countries score below 50. The top scored country is Turkey and Turkmenistan, Uzbekistan are at bottom.

POSITION OF INDIA

India was ranked 94th out of 177 countries in Transparency International's 2013 Corruption Perception Index (CPI) released on 5 December 2012. In 2012, India was ranked the same position. In 2011, India was ranked 95 out of 183 countries. Denmark, Switzerland and Finland topped the index with a score of 90 followed by Sweden which scored 88 points. North Korea, Afghanistan and Somalia scored a lowly 8, ranking at the bottom of the index. In fact, two-thirds of the 176 nations scored below than 50 points. India scored a low score of 36 on a scale from 0 to 100 where 0 means most corrupt and 100 signifies least corrupt. India's low score was attributed to the scams and incidents of corruption in the public sector which involved government officials, private officials and private companies.

CONSEQUENCES OF CORRUPTION

The following are the important consequences of corruption.

1. Loss of National wealth
2. Hindrance and obstruction in development
3. Backwardness
4. Poverty
5. Brain drain
6. Authority and power in wrong hands
7. Rise in terrorism and crimes
8. Rise in suicide case
9. Psychological and social disorders

The greatest loss for the people of India is national wealth. Corruption is the only obstruction in the way towards development. We cannot become a developed and self-sufficient nation until corruption is not eradicated from our country. Due to corruption, India is behind in almost every field- sports, inventions, health, medicine, research, education, economy, defence, infrastructure, technology and so on. Due to corruption, government is unable to eradicate poverty. Rich are becoming richer by snatching the rights and wealth of poor. Ineligible and incapable candidates are selected for various important positions. They pay and get selected. Due to their inefficiency, there exist many faults and weaknesses in system and management. Corrupt employers and mediators offer jobs to unskilled and incapable candidates by taking bribe. They get their share of wealth. But nation loses its valuable share. Due to lack of good opportunities in India, many creative and talented Indian are serving developed nations.

One of the reasons for rise in crimes is corruption in police administration. Police departments grant security and protection to the citizens. When this departments get engaged in corrupt activities. Then there is no control on crimes and brutal killings. Suicide cases are increasing in India by leaps and bounds. One of the major causes in several suicide cases is injustice resulting from corruption. Government announces various schemes and help packages for farmers but most of the time this financial help does not reach to the farmers due to corruption in administration. This leads to rise suicides cases among farmers. Due to corruption in judicial system and police administration. Culprits are left free and victims get punishments and injustice. Due to this injustice, many victims suffer from depression and serious psychological disorders.

CURES FOR CORRUPTION IN INDIA

Parents and teachers should inculcate moral values in children. Practice is more persuasive than preaching. The best way to inculcate values in children is not only to preach but to set an example by actual doing. Strict action should be taken against lazy and corrupt officials. Number of agencies and officials should be increased. They should be properly trained in the latest investigative skills.

If an individual is corrupt, he cannot expect those in power to be free from corruption. Hence, it is essential for every citizen to perform his duties faithfully and to the best of their abilities. Every citizen should strive hard to eradicate corruption.



All those who are granted powers and authority by people should fulfill their promises and pledge. They should strive their utmost to eradicate corruption from systems and administrations. They should give up hypocrisy.

Media has wider coverage and impact. It plays an important role in changing the life of people. It should frequently expose the cases of corruption. It should educate people against corruption on regular basis.

Government should frame strict and stringent anti-corruption laws. Severe punishments and penalties should be imposed on corrupt people.

Non-government organizations should work in coordination with people and vigilance departments for prevention of illegal activities.

They should devise and plan innovative strategies and methods against corruption. It should be made mandatory for political leaders and government officials to declare their wealth and assets.

Investigation agencies should strictly and properly check their claims and declaration. Every process of selection, dealing and appointments of different fields should be made transparent.

People should be made aware of reasons and merit for selection of candidates, contracts, tenders, etc.

Advertising and marketing agencies should educate and aware people against corruption.

Films are powerful medium of mass communication. Films have powerful influence and widespread appeal. Films can be used to create public opinion against corruption.

Every citizen of India should become patriotic in true sense. He should give priority and preference to the development of his nation. He should always remain loyal to their beautiful culture, ethics and country.

CONCLUSION

Corruption is definitely an unproductive, and sometimes even a destructive activity. If corruption is widespread, i.e. if the highest possible returns are in the area of corruption, entrepreneurs, instead of focusing on productive, wealth creating activities will focus on corruption, redistributing activities and allocating their talents to it. As a consequence, other resources will be also be allocated to redistributive activities. Innovations that are a result of entrepreneurship will be allocated to redistribution and corruption. New methods of corruption will be introduced instead of new products and new methods of production.

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