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## Corruption as an impediment to democratic development practice: corruption issues and Indian experience

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### Abstract

The paper attempts to discuss conceptual framework of corruption, its causes and its consequences on the economy. The paper discusses about how corruption is acting as an impediment to democratic development practices of our country. An attempt is also being made to discuss the places where the scams and scandals are rampant. The paper also gives an account of various scams and scandals that have taken place in India along with projects name and amounts involved in these scams. The paper also categorically mentions about curriculum design for the value based management awareness and how value inculcation can be developed in incumbents life practices to reduce corruption. The authors have also depicted the current scenario of Corruption Perception Index (CPI) of South Asian countries to specially highlight India's rank and Corruption Perception Index of India, 2017. The paper also categorically highlighted the measures adopted by the government to contain corruption over the years. This paper forwarded some suggestions as remedies to reduce corruption in India. In concluding part, the paper emphasizes the need for education, awareness towards value inculcation and use of government regulation by the citizens to eradicate corruption. Thus, from the above analysis the authors view that the level of corruption in India, though increasing from the last two decades, it is possible to control it to a greater extent if stringent mechanism is adopted by the government and by adopting a fast-track justice delivery system.

**Keywords:** Corruption, Corruption Perception Index, Scams, justice.

### Introduction

The word corruption is derived from the Latin word “corruptus,” which means “corrupted” and, in legal terms, the abuse of a trusted position in one of the branches of power (executive, legislative and judicial) or in political or other organizations with the intention of obtaining material benefit which is not legally justified for itself or for others.



Corruption is highly spread in the field of civil service, politics, business and other illegal fields. India is a famous country for its democracy but it is corruption which disturbs its democratic system. Politicians are highly responsible for all type of corruption in the country. We chose our leaders by having lots of expectations to them to lead our country in the right direction. In the starting they make us lots of promises however, just after the voting they forget all that and involve in corruption.

### **Objectives:**

The paper has been designed with its focus on Corruption issues in India. Its objectives can be summarized as follows:

1. To make an analysis of conceptual framework of Corruption.
2. To examine the causes and effects of corruption in India.
3. To find out and analyze the scams and scandals those have taken place in India from time to time.
4. To study the trend of corruption in India due to value erosion.
5. To highlight the position of India's rank in South Asia in terms of Corruption Perception Index(CPI).
6. To suggest measures to contain corruption.

### **Methodology:**

The present study "Corruption as an Impediment to Democratic Development Practice: Corruption Issues and Indian Experience" has been prepared by collecting information from various secondary sources of data. Besides, for further intensive study literatures like journals, reports, magazines and books are used to find meaningful conclusions. Information from other sources like that of internet has also been found to be beneficial in the study.

### **Concept of corruption:**

Corruption is the unethical act performed by an individual or group of people using power of position or authority to acquire personal benefits. It is a social issue which adversely affects the economy of nation. Corruption is poison which has been spread in the mind of wrong people of the society, community and country. It is the mistreatment of public resources just for getting some unfair advantage to fulfill little wish.

According to Vito Tanzi, "Corruption is the intentional non-compliance with the arm's-length aimed at deriving some advantage for oneself or for related individuals from this behaviour."

According to Transparency International, "Corruption is the abuse of entrusted power for private gain"



### **Relevance of the study:**

The present study is undertaken by emphasizing that corruption has been acting as an impediment towards the democratic development practices in our country in various ways. The government of our country is investing huge amount of money in various projects in both private and public sector which are to be benefited to the common man in general and society at large in particular. But due to rampant corruption by the public servants and Government Departments, benefits of these projects have not been reached to the society. Here lies the significance of the study.

### **Causes of corruption**

Some of the major factors that have been regarded to be responsible for corruption are as under:

(i) A defective electoral system which had led to an unholy alliance between the politicians and big businessmen. The parties raise funds for the election expenses from business houses in exchange for favors done or to be done in future for them.

(ii) Administrative delays and red-tapism is another major cause of corruption and this has led to the dishonest practice of giving speed money.

(iii) Rapid industrialization and consequent urbanization has changed our values in such a way to enhance the import force of status through possession of money.

(iv) The emergence of a class of white-collar criminals indulging in tax evasion, under-invoicing, over-invoicing of export and import, sub-standard performance of contracts, hoarding, profiteering and black-marketing etc. have afforded unprecedented opportunities for corruption to public servants.

(v) In an economy of expending money circulation, moral and ethical values have considerably slackened resulting again in corruption.

(vi) Misplaced sympathy for corruption, public servants is another factor for encouraging corruption.

(vii) It is also said that existing anti-corruption law agencies are totally inadequate to prevent higher-level corruption.

(viii) Social obligation towards the members of one's family, the customary practice of giving dowry for a daughter's marriage and the hankering for social status have been responsible for corruption to a certain extent.



### Causes of corruption as per world bank report:

1. Ambiguous laws and regulations.
2. Opportunity to abuse power.
3. Relatively low per capita income.
4. Poor enforcement of property rights and the rule of law.
5. Closed economic and political systems.
6. Historical and cultural factors.

### Consequences of corruption

Corruption as an impediment to the democratic development practice has the following severe consequences:

- A. Corruption undermines economic development:**Corruption reduces economic growth by reducing incentives for productive investment, both by domestic residents and by foreigners. Corruption can also slow economic growth by lowering the quality of public infrastructure and services, as funds intended for these public goods are diverted to private pockets.
- B. Corruption undermines political stability and government legitimacy:** As corruption in the provision of public goods and services becomes common knowledge, it can fuel distrust of government among the public and the result can be an erosion of political stability.
- C. Corruption undermines the social fabric itself:** In the extreme, corruption can make the majority of citizens feel alienated from their government and the electoral process, endangering democracy itself.
- D. Corruption jeopardizes the allocation of resources to sectors crucial for development:** Where corruption is endemic and widespread, the government may develop a preference for allocating resources to those sectors where transparency cannot be ensured at the cost of the development of the crucial sectors.
- E. Corruption encourages and perpetuates other illegal activities:** A political environment that has become conducive to corruption strengthens the demand for illegal goods and services. Countries with high levels of corruption can become targets for crime networks.

### Recent scenario of scams in india

In India, we are observing that the scams and scandals are taking place very frequently which has vitiated the whole image of our country so far value erosion is concerned. Moreover, there are many major and minor scams which had taken place in our country are listed below in Table No. 1:



**Table No. 1**  
Recent Scenario of Scams in India

SL. NO.	Project Name	Amount (in Rs.)
1.	Harshad Mehta Stock Market Scam	3,500 Crores (1000 Crores)
2.	Sugar Scam	650 Crores
3.	Bofors Scam	65 Crores
4.	Hawala Scam	65 Crores
5.	Housing Scam	18 Crores
6.	M.P. Trading	32 Crores
7.	Fertilizer Scam	133 Crores
8.	Medicine Equipment Scam	5,000 Crores
9.	Telecom Case	1,200 Crores
10.	News Print Case	20 Crores
11.	Indian Bank Scam	1,336 Crores
12.	Fodder Scam(Bihar)	1,000 Crores
13.	Land Scam (Bihar)	400 Crores
14.	Bitumin Scam (Bihar)	100 Crores
15.	Medicine Scam(Bihar)	100 Crores
16.	Forest Scam(Meghalaya)	300 Crores
17.	Ayurveda scam (UP)	32 Crores
18.	Dhoti Scam(Tamilnadu)	11 Crores
19.	Coal Scam(Tamilnadu)	750 Crores
20.	Forest Reserve Scam ( Meghalaya)	75 Crores
21.	Wakf Scam(West Bengal)	1,600 Crores
22.	Dental College Scam (Karnataka)	50 Lakhs
23.	Veterinary(LOC) Scam(Assam)	500 Crores
24.	Abdul KarimTelgi Fake Stamp Paper Scam (Maharastra)	35,000 Crores
25.	2G Spectrum Scam	1,76,000 Crores
26.	Coal Gate Scam	1,70,000 Crores
27.	KarbiAnglong Dist. Autonomous Council Scam	1,000 Crores
28.	Sharada Chit Fund Scam, Kolkata,2015	10,000 Crores
29.	Adarsh Housing Society Scam in Mumbai,2011	4.70 Crores
30.	Mining Scam in Karnataka	2,500 Crores
31.	The Commonwealth Games Scam, New Delhi, 2010	2,342 Crores



32.	Vyapam Scam Madhya Pradesh, 2015,	1,40,000 Crores
33.	Commonwealth Games Scam,2010	70,000 Crores
34.	Satyam Scam, 2009	14,000 Crores
35.	Delhi Power Scam,2016	8,000 Crores
36.	NSE Co- Location Scam	50,000 Crores
37.	PNB Scam	13,600 Crores
38.	AbhishekVerma Arms Deals Scandal (Defense Sector)	80,000 Crores
39.	Indian Coal Allocation Scam	1,85,591 Crores

**Source: Internet and various websites.**

From the above table we have seen that the magnitude of scam and scandal in our country is in increasing trend and which exposed very dangerous picture in the growth and development of the country, in one hand and depriving the mass people to enjoy the benefit to be delivered by the government projects, on the other. However, there may be many more which we never come face to face. According to one estimate if this money involved in scams has been spent for infrastructure then Indian infrastructure would have been equivalent to the one of the developed countries.

**Corruption perception index, 2017 in South Asian countries:**

According to the 2005 corruption perception index CPI India rank 81 out of 156 countries. The least corrupt was Finland and the most corrupt country Bangladesh and China figured at rank 78. The fate of people in these scams and that of the organizations involved need no mention here. The cost of neglecting values development surfaces through these scandals and hostiles public reactions. The trend is simply indicative of illegal shortcuts, corruption, rat race and so on. India's position of CPI ranking among South Asian Countries can be seen from the following Table:

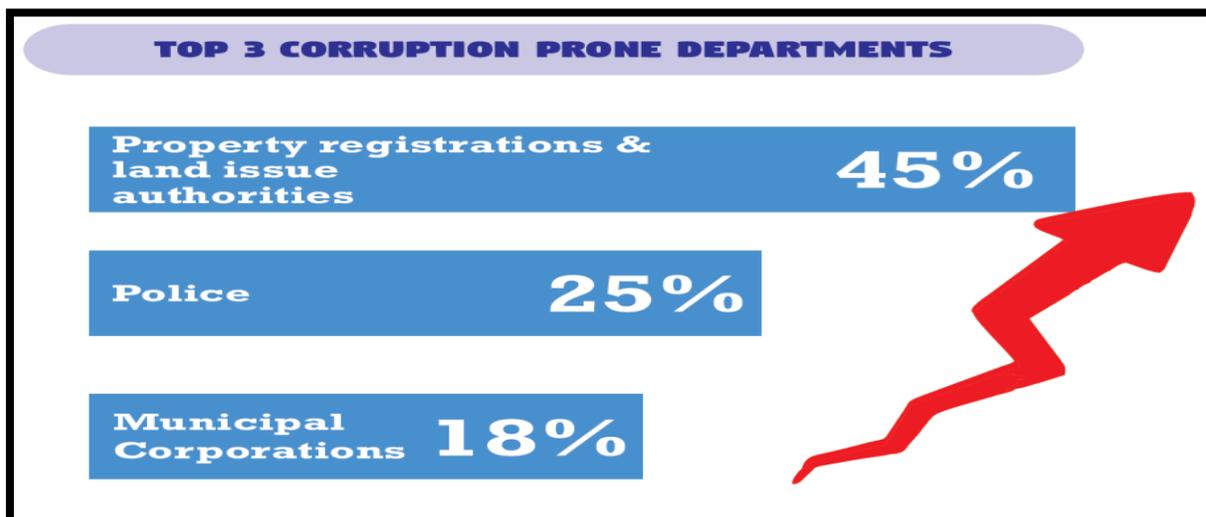
**Table No.2  
Corruption Perception Index, 2017 in South Asian Countries**

Country Rank	Country/Territory	CPI Score 2017
26	Bhutan	67
77	China	77
81	<b>India</b>	40
91	Sri Lanka	38
117	Pakistan	32
122	Nepal	31
143	Bangladesh	28

**Source: [www.transparencyinternational.org](http://www.transparencyinternational.org)**

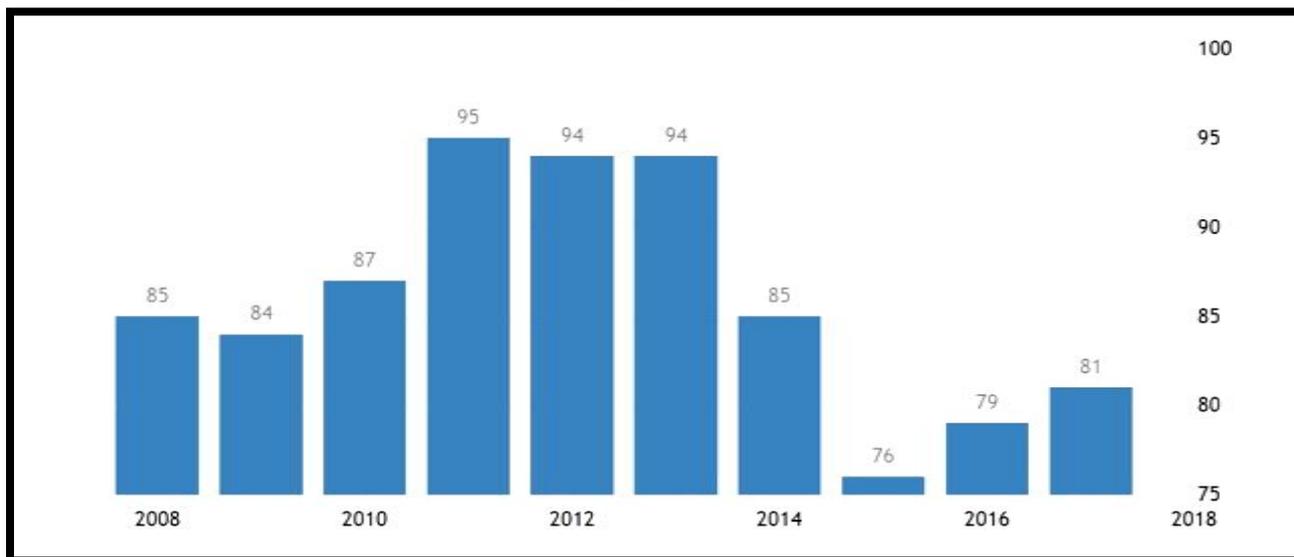


From the above table we have seen that India ranked at 81 and CPI is 40 which is still very high in terms of corruption is a matter of serious concern for our country. Thus, the above table reveals that even after making stringent policy by the govt. the CPI rank of India in South Asian Countries has not been satisfactory.



INDIA'S CPI RANKING FROM 2008 TO 2017

Diagram





The above diagram reveals that India's CPI ranking is the worst in 2011-2013 and it marginally improved in 2015 but now it is again deteriorating.

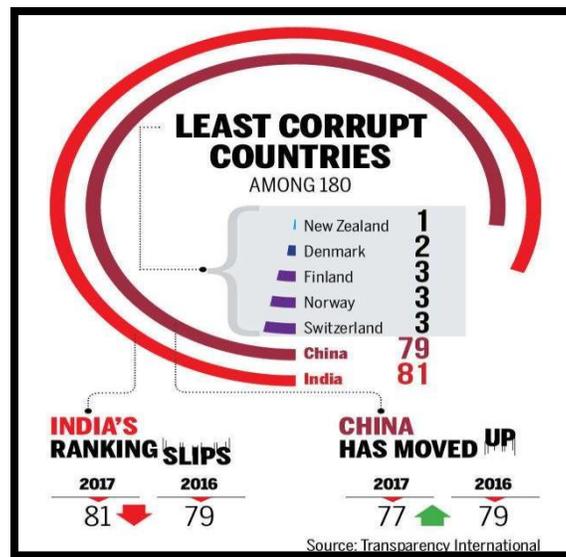
**SOURCE: Transparency International**

#### 5 places where corruption exists:

Corruption is highly spread in the field of civil service, politics, business and other illegal fields. However, following are the important places where corruption exists to the maximum extent:

1. Lekhpal (lekhavibhag) (concerned with Land Dispute).
2. Medical Sector (Doctors in public hospitals not found in scheduled timings cause trouble to common man)
3. Revenue Department (Tax evasion).
4. Police Department (Duty not performed honestly if performed 60-70% corruption.....)
5. Department of judiciary ('Justice delayed is justice denied').

#### Least corrupt countries and India's position



From the above data we can say that India's ranking compared to China is moving down in terms of CPI rank.



### **Role of graet indians' in value inculcation to reduce corruption:**

Value based education as change agent through value transmitter (the teacher/trainer) who is not only analyzer but also an exemplar. Gandhiji, Swami Vivekananda, J.R.D Tata, Anna Hazare are historic examples of value-based lives, the true transmitters of values for delivering teaching to "Say No to Corruption".

Forgetting elevation from God, in life of incumbent/individual let us note a famous proverb the summary of which is "Start the day with God, fill the day with God and end the day with God, this is the way to God." If this is inculcated by the individuals or government servants in their mind value will inculcate in them and thereby they will not go for corruption.

### **Measures taken by government to control corruption in india!**

1. Indian banknote demonetization, 2016.
2. Aadhaar (Targeted Delivery of Financial and other Subsidies, benefits and services) Act, 2016
3. Benami Transactions (Prohibition) Act, 1988
4. Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015
5. Central Vigilance Commission
6. Citizen's Charter and Grievance Redressal Bill 2011
7. The Lokpal and Lokayuktas Act, 2013
8. Prevention of Corruption Act, 1988
9. State Enforcement Director
10. Prevention of Money Laundering Act, 2002
11. Social audit
12. Whistle Blowers Protection Act, 2011
13. Digitization of Land Record
14. The central government has set up the following four departments as anti-corruption measures:
  - a. Administrative Vigilance Division (AVD) in the Department of Personnel and Training.
  - b. Central Bureau of Investigation (CBI),
  - c. Domestic Vigilance Units in the Ministries/ Departments/Public Undertakings/Nationalised Banks, and
  - d. Central Vigilance Commission (CVC). Some suggestions given by the former Chief Vigilance Commissioner for effectively tackling corruption are worth consideration.

### **15 ways young people can fight corruption**

For those who are interested in tackling corruption, but don't know where to start, here are 15 great ideas for them:



1. Follow the Money.
2. Count Supplies.
3. Citizen Report Cards.
4. Tech Solutions.
5. Comics and Cartoons.
6. Theatre and Drama.
7. Board Games.
8. Sports.
9. Youth Groups.
10. Integrity Camps.
11. Zero Bribes.
12. Protests.
13. Petitions.
14. Election Pledges.
15. Crowd Sourcing Election Monitoring.

**Suggestions to overcome corruptions:**

Following solutions can be adopted as remedies to contain scam corruption:

1. The first tool is 'education'. With the help of education we can reduce corruption. According to a report by Transparency International, the least corrupt state is Kerala, the reason being that Kerala's literacy rate is highest in India.
2. Empowering people with information they need about their entitlements, rights and remedy is the first step. Government has taken some halting steps in this direction, but needs to do more.
3. A more balanced and transparent contract between citizens and service provider is the next step.
4. Government has to allocate more resources and install more robust systems if this remedy is to work. Putting in place effective grievance redress mechanism, using new technologies where appropriate is the third requirement.
5. All government and service providers must periodically gather systematic feedback from citizens on their services and programs and use the findings to continuously improve their quality and reduce corruption.
6. Influential citizens may make their voice heard, so that those who pay bribes cannot get what they need from government.
7. There should be swift and severe penalties for those found guilty of corruption. A strong LOK PAL institution could make a difference in this direction to fulfill expectations.
8. Taking stringent laws to unearth the black money from Swiss Bank and penalty to be imposed strongly for the tax evaders.



9. Significant public financing of election, limits on the electorate expenditure and its disclosure and audit are example of preventive action that can help control corruption. RTI Act in this context can be made more vibrant.
10. Value based holistic management education should be arranged in all educational institutions to inculcate values in the minds of each and every students who will be in-charge of administration and management of private and public commercial undertaking of our country for the future generation.
11. The role of media must be emphasized and media must act as a watchdog to check corruption.
12. Denying the election ticket to political leaders who are found guilty of corruption.
13. We can reduce corruption by increasing direct contact between government and the governed. E-governance could help a lot towards this direction. In a conference on, "Effects of Good Governance and Human Rights "organised by National Human Right Commission, A. P. J. Abdul Kalam gave an example of the Delhi metro rail system and online railway reservation as good governance and said that all the lower courts should follow the example of the Supreme Court and High Court and make judgements available online.
14. Honesty and accountability in profession should be ensured.

**Conclusion:**

Corruption is rampant in India. It is like a Cancer that is eating away the innards of the country. Government employees are some of the most corrupt people in India who are acting as an agent of impediment towards democratic practices, in one hand and stumbling block to economic development of the nation, on the other. The paper suggested about value based management education for the employees of private and public sector organizations to reduce corruption. Issues related to corruptions and scams as analyzed in the paper has depicted the scenario of India's deteriorating position and rank over the years. The suggestions offered in the paper will help in removing the demoralizing elements like corruption, exploitation, double dealings, shady behaviour etc. from among the politicians, government servants and businessman. Scam and scandal driven Indian organization can get relief if various Government organizations rightly design and implement their plans and policies incorporating transparent laws and regulations. Moreover, 'Justice Delivery System' for punishing the offenders is very slow and which should come under fast track 'justice delivery system.' We need to study the ideals of Gandhiji, Swami Vivekananda and Anna Hazare and apply these to the way of doing service in Private and Government undertakings to make our country a corruption free one and put our country in the map of the countries of the world with the rank of least corruption and also to make our country a better place in the world.

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#### **About the author**

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