

## **We Will Win the War against Corruption**

I represent the growing non-partisan people's movement, Lok Satta. Our primary goals are governance reforms and elimination of corruption. Over the past four years Lok Satta has emerged as a leading civil society initiative against corruption with a membership well over 100,000, and a broad support base of about 20% of the population of Andhra Pradesh. We achieved significant successes in our fight against corruption and are now engaged in building alliances across the country for electoral reforms and fight against corruption. I will make a few observations in the light of our experience.

Mark Twain once said, "Everyone talks about the weather, but no one does anything about it". Corruption has become one such topic of conversation, with few in the establishment or outside really doing something to curb it. Therefore I whole heartedly welcome the CVC's initiatives to mobilize public opinion and to combat corruption through professional, practical, systemic initiatives and procedural improvements. As Mr. Vithal has pointed out, the fight against corruption is too important to be left to a few formal institutions or politicians. The people at large have enormous stakes in clean public life and corruption-free services, and this initiative of the CVC to launch a broad front against corruption is welcome and long overdue. Experience all over the world showed that determined initiatives with public support can and will succeed in curbing corruption and cleansing the system effectively.

As many scholars like Robert Wade have pointed out, most corruption at the citizens' level is extortionary, and people have often no choice when faced with the dilemma of having to lose much more in the form of lost money, time and opportunity, not to speak of anxiety, harassment and humiliation if they did not comply with demands for bribes. The only silver lining is, everyone, including those in positions of influence is a victim and no one seems to be exempt

from these extortionary demands. We seem to have achieved the ideal of socialism through equal treatment of all citizens in terms of extortionary corruption! With the advent of economic liberalization and delicensing of most industry, the nature of corruption is now undergoing a major transformation. The one-time grand corruption on large private projects – notably in power and other infrastructure sectors – has now become quite common. An even more dangerous trend is the shift of corruption from licensing and permits to more dangerous and pernicious areas of sovereign functions of state like policing. The increasing nexus between hardened criminals, rogue policemen and corrupt politicians is one such example. It is clear that the state's gradual withdrawal from economic activity does not automatically eliminate corruption. Many more practical and institutional initiatives are needed to successfully curb corruption.

It is in this context that civil society's role is critical. Enlightened public opinion and informed and collective citizen assertion are the very basis of any successful fight against corruption. Lok Satta's own experience shows citizens' initiatives can make a significant and lasting impact. To give an illustration, Lok Satta has largely succeeded in eliminating short delivery of petroleum products in all 1500 petrol stations of Andhra Pradesh. All it took was mobilizing public opinion and insisting on delivery of petrol into precalibrated measuring jars so that the consumer can compare the meter reading with the actual quantity delivered. Once we launched this effort in October 1998, the legal metrology department of the State was compelled to send its officials all round the State and set right all the meters within a fortnight. Once in a while our activists insist on delivery of petrol in the cans and this simple technique has made short delivery a thing of the past, and the benefit to consumers is of the order of Rs 1 crore a day! Similar, but less spectacular successes have been achieved in curbing corruption in implementation of building regularization scheme, issue of driving licenses and several other public services. In all areas, the basic technique is informed and collective citizen assertion on a sustained basis. We are now in the process of training 100,000 active citizens in the techniques of collective assertion against corruption and maladministration.

We have also found that if uniform and objective criteria are evolved and public is mobilized we can actually make a dent in criminalization of politics. Lok Satta's by now well-known Election Watch movement in 1999 screened the candidates' record and released a list of 45 candidates of

major parties with criminal record. The parties and candidates were forced on the defensive. Their only complaint was that there were another 20-25 candidates whose names were not included in the list by us! They were right. Our response was effective and to the point. We offered to include many more names if parties provided accurate and verifiable information establishing criminal record of those candidates. This screening of candidates electrified the State and attracted national attention. The result was a significant arresting of criminalization of politics though the process has not been reversed. While established politicians with criminal record continue to be nominated by parties, new criminals seeking elective office have been kept out. This is not enough, and a lot more needs to be done in the form of change of law, but this experience shows how much can be accomplished with meticulous, determined and credible initiatives with public participation.

Let me now identify areas of collective action by all of us. This initiative of the CVC is a good opportunity to create a broad front against corruption with concerted action from state and civil society. There are, in my opinion, three broad areas of action. The first is active citizen assertion to curb corruption. But effective citizen action requires certain tools. Let me illustrate by a few examples. Lok Satta and Manushi brought to the attention of the CVC the plight of vegetable vendors and rikshaw pullers in Delhi city and the astronomical corruption in the national capital in this one sector, amounting to over Rs 500 crores annually. Over 5 lakh poor, self-employed persons eking out a precarious livelihood are being harassed, victimised and dehumanised by regular extortion and brutal treatment. In such cases, collective assertion and mobilizing public opinion are necessary, but not sufficient. The continuing license raj in respect of these petty trades and services should be dismantled forthwith. Any traffic regulation should be not through quotes and licenses but through zoning regulations of movement and parking. The CVC acted quickly to move the Delhi administration, and we hope the Delhi government will respond and dismantle this pernicious license raj hurting these poor citizens. In Andhra Pradesh in 1973 the Hackney Carriages Act was repealed thus removing licensing requirements of bicycles and rikshwas, and liberating lakhs of ordinary citizens from the depredations of petty officials and policemen. We can think of similar steps all over the country. The motor vehicle registration, for instance can be done by the dealers at the time of sale instead of forcing citizens to go to the Transport Department and pay hefty bribes.

There are an estimated 300,000 voluntary organizations in India. If they seek or obtain foreign donations, they should by law, be registered with Union Ministry of Home Affairs under the Foreign Contribution Regulation Act (FCRA). The sad fact is that money is extorted for FCRA registration in almost all cases, and those who refuse to pay bribes are denied registration and harassed. Simplifying procedures by which within 60 days the registration shall be issued, or clear and cogent reasons are given for denial would reduce corruption. Better still, FCRA, which has become a source of extortion and corruption should be repealed. Other, more effective and less extortionary forms of curbing anti-national activities should be found. There is no evidence that FCRA has really achieved its objective, while it certainly has provided the officials a source of unending unearned income!

Apart from these and other deregulation efforts, citizens need effective tools for collective action. Right to information on all matters of governance with very few specific, limited exceptions in the interest of national security etc., should be enshrined in law. Article 19 of the Constitution and several Supreme Court judgements recognize right to information as a fundamental right. We need to codify this right by law, and evolve fair and objective procedures for its enforcement. The recent draft legislation of Government of India leaves much to be desired. There are too many vague exemptions; no penalties are provided for non-compliance, and there is no independent appeal mechanism. A sensible, citizen-friendly law needs to be quickly enacted and strictly enforced. For some years now, Citizen's Charters are being released by various departments. A true Citizen's Charter should fix responsibility on individual public servants, specify performance standards, and provide compensation to citizens for delays. No Citizen's Charter conforms to these standards. As a result, these charters are full of shibboleths and pious intentions without any impact on corruption or quality of services. Under Lok Satta's pressure, Govt of Andhra Pradesh has recently released a Citizen's Charter in respect of certain municipal services, and probably for the first time in India a compensation of Rs 50 a day for delay in services is provided for, and this amount is to be recovered from the public servants responsible for delay. We need such effective charters for all public services with compensation and clear penalties for non-performance. Similarly Wards Committees need to be constituted in accordance with the letter and spirit of Article 243-S of the Constitution, and these Committees serving small areas of about

25000–50000 population should be empowered to collect municipal taxes and provide basic services. Such local accountability will reduce corruption. Wherever stake-holders of public services can be clearly identified, they should be legally empowered to take responsibility for those services. These and many other simple, practical steps will promote transparency and accountability and give citizens the required tools for effective action against corruption.

The second broad area of action is in respect of tightening the anti-corruption laws and creating independent and effective agencies to curb corruption. The 161<sup>st</sup> report of the Law Commission made valuable recommendations in respect of the Vigilance Commission and CBI. The Supreme Court in Jain Hawala Case gave specific directives and suggestions. Sadly, the Union government is still to act. And we understand that the ‘Single Directive’, by which prior permission of the government is required to investigate charges against officials of the rank of Joint Secretary and above are sought to be restored by law. We need independent, honest and fearless agencies to fight corruption. The Law Commission recommendations should be accepted and a law should be enacted. The CVC and Vigilance commissions in States, which have been created by executive orders in 1964 in the wake of Santanam Committee report should be given statutory status and given freedom to act. Lok Pal Bill has now been pending for over three decades, and even where Lok Ayuktas exist in States, they have no effective role. We need to create strong anti-corruption agencies modelled after Hong Kong’s successful Independent Anti-Corruption Commission until 1997. Penalties for corruption should be made far more stringent as proposed by the Law Commission in its 166<sup>th</sup> report. Anti-corruption and crime investigation must be insulated from partisan political control. Without such fair, impartial, independent and strong agencies, there will be no real success in increasing the risks of corruption and minimising the rewards.

Finally, we should all recognize that the roots of corruption lie in the exorbitantly high, illegitimate and illegal election expenditure. Lok Satta estimates that about Rs 7000 crores is spent in a block of five years for the Parliament and State Assembly elections. In most constituencies, the actual election expenditure is several times the ceiling prescribed by law. Much of this expenditure is not only illegal, but is also illegitimate, and is incurred to buy votes, bribe officials and hire hoodlums. This unaccounted expenditure necessitates a ten fold return to the political class, which in turn results in a hundred fold extortion by the bureaucracy, leading to

Rs 700,000 crore corruption in five years. The citizens pay a much heavier price on account of anxiety and uncertainty. If we wish to curb corruption, we should together launch a movement for electoral and political funding reform. Lok Satta is now building alliances across the country for a people's movement for democratic reforms. Electoral funding reform should be the centre-piece of our strategy to fight corruption.

The time for action is now. The national mood is ripe. People are disgusted with endless corruption and are restive. The business class, which was earlier happily paying bribes to get favours in return for monopoly and assured profits is now realizing that corruption in a competitive world kills industry. The recent unprecedented agitation of small industrial entrepreneurs in Andhra Pradesh led by Lok Satta against the extortion of Central Excise officials is a sign of increasing resistance to corruption. Politicians are increasingly recognising that the present chain of corruption is unsustainable. The recent pronouncements of various parties, and the Congress Party's initiative to promote transparent funding indicate that parties are alert and sensitive to people's moods. Even this initiative of CVC to create a broad alliance against corruption would have been unthinkable only a few years' ago. Many nations went through phases of high corruption. They eliminated corruption through systematic, effective, practical steps. We Indians are no more venal and corrupt than the rest of the world. We only created conditions in which honesty is not adequately rewarded, and is in fact discouraged. Corruption is not only left unpunished, but is rewarded consistently and extravagantly. We need to alter this state of dangerous equilibrium feeding the cycle of corruption. The people are ready for fundamental changes. What we need are practical steps to empower citizens and make public servants accountable. People are ready to act. What we need are tools for informed citizen assertion. I am confident all of us here and elsewhere have the vision, will and courage to take those practical and enduring steps required to launch an all-out struggle against corruption. There is no room for cynicism or despair. The task is big, but achievable. As Margaret Mead said "Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever did". In this war we will surely succeed. But what we need is fewer words and more tangible action.

Thank you