Fighting against Corruption

Why in news?

Recently Odisha government declared that all public servants are mandatorily required to file their property returns with the Lok Ayukta.

What is the existing mechanism to fight corruption?

- In India, politico-bureaucratic nexus is the cause for systematic corruption & the preventive aspect of it is often neglected.
- Lokpal and Lok Ayuktas Act, 2013 which fights against corruption is existing for more than half a decade.
- But its implementation is uneven and the deadline to file the property declarations is constantly deferred.
- Initially it was set at September 15, 2014, but later this date was extended for six times.

What causes corruption?

- Information asymmetry is the primary culprit behind illegal wealth acquired by bureaucrats and political functionaries.
- Now Odisha government stated that all political and bureaucratic functionaries have to publicly declare their assets at the end of every year.
- This baseline data-base of assets provides significant insights into the asset ownership pattern of officials at different positions.
- It also creates transparency between the citizens and those in power at every level, reduces information asymmetry.
- Moreover lack of accountability is another cause for corruption.

How accountability can be promoted?

- According to Robert Klitgaard, systemic corruption is due to monopoly (M), discretion (D), accountability (A) which can be denoted in formula as C = M + D - A.
- But people's participation (P) is also critical in preventing, detecting and reducing corruption in the system.
- Hence this formula can be rearranged as C = M + D – A – P.
- Odisha declaration can enhance people's participation and more the people's participation; less is the likelihood of corruption.

- People’s participation can also be increased if more information about assets of public officials is published regularly.
- The Odisha government has adopted technology and online transactions to reduce discretion.
- In the last one year alone, state government has either dismissed, removed or compulsorily retired 100’s of non cooperative government servants.

What more can be done?

- Though this declaration is a good preventive step but this cannot alone deter the corrupt.
- Currently monitoring practices rely only on inspections, raids, intelligence reports which has to be a institutional approach in identifying targets of those inspections.
- Randomised audits using technology and artificial intelligence without any human bias in the selection of auditee can be another logical step.
- The anti-corruption exercise should promote and safeguard whistle-blowers & the existing **Whistle Blower Protection Act, 2014** needs to be operationalised.
- Hence Odisha Lok Ayukta should nurture a safe environment for whistle-blowers by maintaining their anonymity.
- It can also notify a separate framework for protection of whistle-blowers.
- Those who enjoy power may try to find ways to escape through family or proxies and they should be subjected to the **Prohibition of Benami Property Transactions Act, 1988**.

What are the takeaways from this?

- According to the UN estimates, developing countries lose approximately $1.26 trillion every year due to corruption, bribery, theft and tax evasion.
- Moreover, government can lose the trust of citizens if the officials and the political masters are not held accountable for wrongdoing.
- Hence public disclosure of information about the officials’ assets, protecting whistle-blowers and certainty of punishment can create conducive environment for clean and efficient governance.

Source: Business Line



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