

Does the Integrity pact form an effective tool against corruption in the country?

Comment.

According to Transparency International's Corruption Perception Index of India is 42/100 and ranks 80/180. This put us in a very bad category for industries from outside for investment.

Integrity Pact(IP), its Impact

IP is a signed agreement between contracting govt. agencies & private companies to abstain from bribery and ensure accountability via monitor (a 3rd party)

Sanctions
against
IP breach

- loss of contract
- forfeiture of bid
- liquidated damages
- Blacklisting

Benefits
of
IP

- clean operation
- enhanced access to info
- increase in transparency
- confidence & trust in govt. decisionmakers
- less litigation & more bidder competing for contract

Ineffectiveness of IP

IP is for an utopian world. In this world, material values are given importance than to ethical values.

Issues in IP

- Personal ethics is a private behaviour which is impossible to detect and find the bribery.
- In bribery Conducive environmental where detection is near zero and punishment is near nil, IP is beyond ineffective.
- Case study of Agusta Westland where Italian firm bribed to get contracts.
- Public tenders are handled without ethical values leads to corruption which in turn leads to erosion of public resources.

To fight Corruption

Amended Prevention of Corruption Act, 1988
has provisions

- Penalizes supply side of contract (sec. 9)
- Improvement of facial official (sec. 10)

2nd ARC recommendation: In Collusive-bribery, bribery-givers should be punishment double that of no other cases of bribery.