

The poison of corruption has dripped deep into the Indian body politic's bloodstream on Manmohan Singh's watch

A SILENT ACCOMPLICE

From the land of ultimate paradoxes comes the latest governance puzzle. In an opinion poll published in *The Hindu* on August 9, 2011, people held the Singh government to be corrupt by a 60:15 margin, and, a 44:17 margin believe that the government wants to protect those with black money stashed abroad.

Is it better to have a prime minister who is slightly corrupt himself, but keeps the avarice of his Cabinet ministers under limited check? Or one whose personal probity is unassailable, but the corruption grasp of Cabinet colleagues is as long as their reach?

Manmohan Singh has been AWOL, a silent accomplice to ministers looting the nation he leads while the task of governing is outsourced to civil society activists and "godmen." He has not been personally enriched by the multiple corruptions rocking the country, but the worst occurred on his watch as prime minister. His curious defence—like India's famous three monkeys, he neither sees, hears, nor speaks evil—is increasingly threadbare. He is himself clean, he declares, but bound by the constraints of coalition politics in curbing the corruption of ministers less scrupulous in observing the boundary between public power and private gain.

WikiLeaks cables reveal that the US Embassy was informed that, in July 2008, Singh's government bought votes for \$2.5 million each to survive a non-confidence motion on the India-US civil nuclear deal. The government's jaw-dropping response was that the current parliament cannot intrude into the affairs of the last parliament.

The rapidly multiplying mega scandals include the internationally damaging 2010 Commonwealth Games boon-

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doggie; a \$40-billion telecom scandal in the allocation of the valuable mobile telephone (2G) spectrum at throwaway prices; a high-profile real estate scam in Mumbai that ensnared top generals, politicians, and bureaucrats; and a man whose wealth and assets grew impressively while his father-in-law was the chief justice of India. Telephone intercepts of a media lobbyist revealed a dispiriting nexus of respected journalists and iconic business people involved in dubious deals to get favoured candidates into choice Cabinet posts in, presumably, a profit-for-everyone chain.

CORRUPTION: MORE THAN A STATE OF MIND

Singh was directly implicated in the appointment of the country's top anti-corruption watchdog. A career bureau-

crat was chosen to be the chief vigilance commissioner. Despite protestations by the opposition leader about the impropriety of appointing someone facing corruption charges to the sensitive post, Singh and Home Minister P. Chidambaram forced the choice through robustly and defended their actions without shame or embarrassment until the Supreme Court stepped in and vacated the appointment, citing the need for institutional integrity.

The pursuit of corruption has become a cross-party state of mind and habit: the BJP-led state government of Karnataka is the most recent instance of public larceny on a grand scale.

In the past, corruption largely involved public procurement, as in the Bofors howitzers scandal that helped to topple Rajiv Gandhi in the 1980s. Today's scandals mostly involve the public-private interface, suggesting that they are instances of crony capitalism in a liberalizing economy where ministers have misused discretionary powers to amass wealth for themselves and cronies.

ADDING UP THE FIGURES

On the eve of the 2009 general election, media reports put estimates of illicit assets (gained, for example, through corruption, bribery, criminal activities, and tax evasion) held overseas by Indians at \$1.4 trillion. In a report published in November 2010, Global Financial Integrity revised the estimate downward to \$462 billion. This means that 72 percent of money in India's underground economy (itself worth half the country's \$1.5 trillion GDP) leaves the country. The annual capital flight is worth almost 17 percent of GDP.

On January 19, 2011, India's Supreme Court called this "pure and simple theft"

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and “plunder of the nation” that deprived India of developmental funds. The finance minister responded with well-worn clichés of joining a global crusade against the menace of black money. The government has been conspicuously sluggish in following the money trail.

PLUNDERING AND OTHER ACTS OF CRIMINALITY

Less spectacular but more ubiquitous are daily tales of pilot’s licences, medical degrees, and mining permits being bought and sold on a routine basis. The overall impression is that society has lost its moral moorings, greed is good, everything is a commodity, and a market-clearing price exists for any object, laws and regulations notwithstanding.

According to National Crime Records Bureau statistics, in 2008 there were 29,783 people facing corruption. Trials were completed for 2,985, of whom 977 were convicted: just 3 percent of those facing trials. Investor confidence is shrinking and foreign direct investment has fallen.

To the relief of the citizens, under an activist new chief justice, the Supreme Court has stepped in to supervise the cleansing of corruption, whose poison has dripped deep into the Indian body politic’s bloodstream. Several former cabinet ministers are in jail. However, these are stopgap, band-aid measures. Strong leadership from the top is necessary for a systemic solution.

Unfortunately, Singh is no leader. He has never won elected office, being a member of the upper house of Parliament (itself a deviation from norms of parliamentary government). His instinctive technocratic timidity has been mistaken for political humility.

A leader would have flown to Mumbai to rally the nation when, in November 2008, the city was under siege for four days from foreign terrorists. The touring English cricket team rushed home hastily but, in an act of solidarity, returned to India to resume the interrupted series. Singh again missed the opportunity to

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emulate Nelson Mandela’s memorable feat during the Rugby world cup final in 1995 when he inspired the Springboks to a famous championship win with a pre-match pep talk. It is not possible even to imagine Singh in the role of Norway’s Prime Minister Jens Stoltenberg, who gave an impressive and calming speech after the July 22, 2011, Oslo-Utsoya twin tragedy.

POWER TRIAGED

It appears that Singh is in office, but party leader Sonia Gandhi, on one flank, and the Supreme Court, on the other, wield power. A strong judiciary is usurping the powers of government courtesy of a weak prime minister, perhaps the most ineffectual ever. While this may be beneficial in the short term in curbing corruption, it runs the risk of damaging the proper balance between the different branches of government.

How does one generate political will to cleanse the country’s political system of corruption when the main drivers of the black economy are the political leaders? The government’s tardiness is not unconnected to the fact that the top elite—politicians, bureaucrats, businesspersons, doctors, lawyers, and judges—are complicit in the enterprise. In the words of the lavish international advertis-

ing slogan, “Incredible India” indeed: India has an unmatched capacity to look prosperity directly in the face, turn its back, and walk resolutely in the opposite direction.

Corrupt politicians have colluded with unscrupulous business persons to abuse the state’s control of natural resources, infrastructure contracts, and eminent domain to enrich one another by dispossessing the poor and tribal people who are protected by the Constitution. This defining challenge of contemporary India can be met only by paying as much attention to the reform and renewal of public institutions as to economic liberalization.


INSTITUTIONAL REFORM: THE GREAT UNKNOWN

To believe that the Singh government will revitalize public institutions and return probity to public life is to expect a wolf to institute a sheep-protection norm. Rather, the two potential sources of robust corrective action are the growing, globally plugged-in middle class and the increasingly self-confident, globally aware youth. Both cohorts measure India’s governance against global benchmarks, find it gravely deficient, and, assisted by a pesky media, are clamouring noisily for change they can believe in.

Occasionally, Singh has made cringe-inducing sycophantic statements toward Sonia and Rahul Gandhi, unbecoming of the prime minister of the world’s biggest democracy. There is some speculation in the Indian media that Singh may be interested in being the next president. The ceremonial role of head of state might suit him better than the executive head of government. He should both assert his authority and carry out “root canal” surgery to clean out corruption. Otherwise, he should heed Oliver Cromwell’s call to the Rump Parliament on April 20, 1653: “You have sat too long for any good you have been doing lately. Depart and let us have done with you. In the name of God, go!”

There is also an important role for Western governments: follow the money. They have made it easy for the world's dictators and corrupt to steal

their nation's wealth. Western governments should use their tough regulators and superior surveillance capacity to monitor their own banks and take

shady banks and executives to court for parking ill-gotten gains in violation of anti-corruption laws and conventions. 

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some success in creating opportunities for members of disadvantaged groups. However, studies have shown that forms of discrimination and disadvantage (including, for example, labour market discrimination) persist, suggesting that quotas may not offer the complete solution to the problem of inequality.

Quotas themselves have not always been able to preclude the creation of elites among such groups. The benefits of quotas have a tendency to be reproduced across generations, so that a few members of these groups are better placed to build on the privileges afforded to earlier generations, sometimes at the cost of those who have never had similar opportunities. With some groups, this has led to demands for the exclusion of the euphemistically named “creamy layer”—those who either hold positions or earn incomes that should render them ineligible for the quotas.

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On the whole, India's affirmative action policies have successfully advanced the project of social inclusion in a diverse democracy, as disadvantaged groups now have a greater presence in legislatures, the bureaucracy, and universities, though admittedly less in industry and the media. They have also been effective instruments of managing diversity and therefore containing

its potential for social conflict. While social conflict has been kept at bay, however, social fragmentation has not, with less than optimal implications for forging solidarity among citizens. This is, of course, a common concern with redistributive policies that undermine civilities; affirmative action policies tend to be similarly divisive as they generate a politics of resentment. The task of reconstructing a social democracy in India is likely to be encumbered by the lack of social solidarity and the mutuality and fraternal sentiments that should underpin it. 

Note

This article is adapted from an article written for the Foresight Brazil reader called “Charting New Directions: Brazil's Role in a Multipolar World” (March 2011).

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York University has one of the largest concentrations of Canadian specialists in the world. In recognition of this fact, the Robarts Centre for Canadian Studies was established in 1984 with support from the private sector and matching grants from the Secretary of State and the Province of Ontario. It was named in memory of the Honourable John P. Robarts (1917–1982), seventeenth Premier of Ontario (1961–1971) and seventh Chancellor of York University (1977–1982).

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