

Addressing Political Corruption In India: Fundamental To The Process Of Democratization

Pawan KUMAR, University of Delhi, India

Abstract

The debate on the relationship between corruption and democracy involves the fundamental issue of the nature of corruption and that of democracy. Both these concepts can be understood in quite different manners. This paper tries to bring corruption into the realm of democratic theory by focusing on the nature of the problem and its effects on democracy. It begins by discussing the various ways in which theorists and thinkers have conceptualized political corruption, making it a complex phenomenon. This explores how political corruption takes root in and thrives in a democracy. The paper also highlights the importance of focusing more on the effects of corruption so that the systemic nature of the problem can be explored. The intention in this paper is not to come up with any grand theory of corruption but it only seeks to problematize the conventional and prevalent understanding of political corruption. Conventionally, corruption has been considered as a moral, individual or social problem but recent approaches to study corruption have tried to establish link between corruption and democracy by focusing on the effects of corruption on democratic institutions and processes. These different understandings have made corruption a contested field of research as it affects economic, social, and political aspects of a political system almost equally. This exercise insists the need of looking at it from institutional perspective as it is engulfed in social, economic and political fields. The paper presents its arguments by acknowledging the link between reducing corruption and broader process of democratization.

Understanding Political Corruption: Definitional Debates

Corruption has always been present in society and structures of state but the theoretical as well as the practical understanding of corruption has evolved only in the recent past. Corruption has either been understood as a structural problem of politics and economics or as a cultural and moral problem that makes the study of corruption multi-disciplinary. Notwithstanding this complex understanding of political corruption, this paper identifies lack of accountability as one of the major reasons for explaining political corruption. In a democratic setting this implies the failure of political institutions in a society. It becomes important, hence, to examine why the present institutional set up has failed to tackle political corruption in India.

The meaning, nature and definition of corruption have always been a matter of debate and have evolved over time, with classical conceptions of corruption focused mainly on the moral understandings, whereas modern conceptions conceiving it mainly in terms of specific actions of specific individuals.¹ Though corruption is

always identified as a serious threat to any society, it never received due attention from the point of view of eradicating the problem. Corruption has received serious attention only in the recent past. One of the reasons as to why corruption did not get due attention in the past is that corruption was seen as a universal and inevitable phenomenon which could not be tackled rationally. Another reason is the argument put forward by the neo-liberal economists that corruption was considered as the result of proactive regulated state and its commitment to planned development. For them a socially corrupt act is only a result of scarcity conditions created by the state which can be tackled by addressing this issue of state's role in economic management. Another set of argument is given by the "revisionists" who believe that some form of corruption may prove to be helpful in governance and development.² Thus, there

¹ Michael Johnston, "The Definitions Debates: Old Conflicts in New Guises", in Arvind Kumar Jain (Ed.), *The Political Economy Of Corruption*, London, Routledge, 2001, p. 11.

² The "revisionists" challenge the assumption that corruption has only negative effects and argue that it can perform some positive functions as well. At least three groups of writers can be identified who are the proponents of this view. First set of writers are inspired by the structural-functional school who believe that corruption serves positive functions, especially the function of social integration. Robert K. Merton's study falls in this group. (see his *Social Theory and Social Structure*, New York, Free Press, 1957, pp. 72-82) Another set of writers conceive corruption as a regulatory mechanism for the informal allocation of scarce licenses and services and can be

can be different ways to explain the causes and consequences of corruption. There is Marxian perspective that conceives corruption as a system of general social principle and relation in a community which can be explained in terms of the interest of the dominant class, there is sociological perspective that considers corruption context specific with different societies experiencing different forms and degrees of corruption, there is techno-bureaucratic perspective which sees corruption as a result of over-regulated state and there is political perspective that tries to draw a distinction between bureaucratic corruption and political corruption and calls for the inclusion of the struggle against corruption in the political agenda. Bureaucratic corruption in this view involves those acts of

related to the market-centered definitions of corruption. V. O. Key, for example, argues that corruption helps in regulating and controlling practices like prostitution and gambling because they are illegal and cannot be controlled through legitimate political means. Third group of writers are institutionalists, identified with public-interest definition of corruption, who view corruption as a better alternative for fulfilling demands during the periods of political degeneration and decay of institutions. Samuel Huntington argues that in periods of political degeneration, the possible alternatives for making demands upon the system are corruption and violence, the former being the better alternative as it poses lesser threat than the latter alternative. (see "Modernization and Corruption" in his *Political Order in Changing Societies*, New Heaven, Yale University Press, 1968, pp. 59-71.)

bureaucrats in which they accept bribes for illegal acts or for "speedy works" to meet their personal needs or greed. In political corruption, apart from the above acts, politicians try to seek legitimacy for their corrupt behavior as something that is an integral part of political competition and hence challenges the very essence of the political process.³ So corruption, viewed from this perspective, is damaging to the democratic institutions.

Trying to understand corruption in a democracy, Mark E. Warren points out that the topic of corruption has been absent from democratic theory and the reason behind this is that there have been missing links between concepts of corruption and democracy. Warren argues that corruption is a form of harmful exclusion of those who have a claim to inclusion and hence involves an unjustifiable disempowerment.⁴ Warren is trying to provide, what he calls a democratic conception of corruption and believes that corruption in a democracy usually indicates a deficit of democracy, breaking the link

³ Devendra Raj Pandey, "Governance and Political Corruption: A Perspective on Prospects of Regional Cooperation in South Asia", in K. K. Bhargava and Sridhar K. Khatri (Ed.), *South Asia 2010: Challenges and Opportunities*, Delhi, Konark Publisher, 2001.

⁴ Mark E. Warren, "What Does Corruption Mean in a Democracy?", *American Journal of Political Science*, Vol. 48, No. 2, Apr. 2004, pp. 328-343.

between people and the state and reducing the domain of public action by adversely affecting peoples' power to influence the collective decision-making process. He argues, "corruption in this way diminishes the horizons of collective actions and in so doing shrinks the domain of democracy. Corruption undermines democratic capacities of association within civil society by generalizing suspicion and eroding trust and reciprocity."⁵ The conceptual link between corruption and democracy can be identified if corruption is seen as "a form of duplicitous and harmful exclusion of those who have a claim to inclusion in collective decision and actions."⁶

It has become a general practice that the politicians try to deflect criticisms on account of widespread corruption by arguing that corruption is not systemic but is accidental and try to socialize people in such a way that they start viewing corruption as a problem of just a few officials or leaders rather than a systemic problem. Thus, "one plausible failure of the political market-place arises if the minimal relevant knowledge about corruption is not available."⁷ People are not able to assess the effects of

corruption properly and focus is generally on the individuals who perform the corrupt acts, which problematizes the general understanding of the nature of political corruption. In the cases of political corruption, attention is not given to the victims of the corrupt act i.e. those who get affected by the corrupt action and the focus is generally on those who perform the act and hence corruption is not seen as anti-people or anti-human, it is seen only as a violation of abstract principles.⁸ Corruption sustains because people relate it to just few leaders or officers and do not consider it systemic and people believe that by getting the corrupt out of the office the task is completed, which is a false belief from which people need to come out.

The different perspectives on political corruption makes it a complex phenomenon, which can be understood in different ways and help in understanding the causes and consequences of corruption from different stand points, making the task of defining corruption even more difficult and complex. Political corruption has got a complex nature and cannot be defined through a single statement. However, it may be understood in terms of the actors involved and also in terms of the purpose of the corrupt behavior, which involves private

⁵ Ibid., p. 329.

⁶ Ibid., p. 329.

⁷ Oskar Kurer, "Why do Voters Support Corrupt Politicians?", in Arvind Kumar Jain (Ed.), *The Political Economy Of Corruption*, London, Routledge, 2001, p. 79.

⁸ Ratnakar Tripathy, "Corruption as Privilege and Violence", *Lokayan Bulletin*, Vol. 12.5, March-April, 1996, pp. 5-10.

or group enrichment or power preservation. Often these two forms are connected and sometimes political corruption involves both the processes, i.e. on the one hand there is accumulation of wealth and on the other hand there is misuse of public money for political purposes. When the public officials misuse their power to extract from private sector, government revenues and from economy in general, political corruption takes the form of *accumulation*. Such processes of accumulation are called extraction, embezzlement, rent-seeking, plunder, kleptocracy ('rule by thieves'), as the case may be. On the other hand, when the extracted resources are used for political purposes like power preservation, it takes the form of *favouratism* and *patronage politics* which may include distribution of these resources to build loyalty and political support that may involve buying votes and other benefits through *favours* in different forms. Political corruption can be distinguished from administrative or bureaucratic corruption as it is witnessed at the highest level of political system. In a report on corruption research it is argued that "the distinction between political and bureaucratic corruption is rather ambiguous. It depends on the Weberian separation of politics from administration, which has proved difficult to implement in most poor countries and hence is difficult to observe. The distinction is nevertheless important in

analytical terms."⁹ Bureaucratic corruption takes place at the implementation side of politics, whereas political corruption usually takes place at the formulation end of politics, where policies regarding distribution of nation's wealth are made. What can be more damaging is when these two work together to perpetuate each other.

Any attempt to understand political corruption must confront the task of defining the concept. Varieties of definitions have been employed to explain corruption but none of them explains it in a holistic manner. Contemporary social science definitions of corruption can be categorized within three strands explaining corruption by relating it to either public office, or to demand supply and exchange concepts of economic theory, or to the concept of public interest. These are called the public-office centered definitions, the market-centered definitions, and the public-interest centered definitions respectively.

The public-office centered definitions define corruption as any deviation from normal duties of a public role because of private regarding gains. J. S. Nye's definition of corruption well illustrates the public-office definition which is as follows:

⁹ J. C. Andvig (et al.), *Research on Corruption: A Policy Oriented Survey*, Commissioned by NORAD, Final Report, December, 2000, p. 19.

Corruption is behavior which deviates from the formal duties of a public role because of private regarding (personal, close family, private clique) pecuniary or status gains; or violates rules against the exercise of certain types of private regarding influence. This includes such behavior as bribery (use of reward to pervert the judgment of a person in a position of trust); nepotism (bestowal of patronage by reason of ascriptive relationship rather than merit); and misappropriation (illegal appropriation of public resources for private-regarding uses).¹⁰

The market-centered definitions consider a corrupt public official is the one who regards his/her public office as a business, trying to maximize the income and is reflected in Robert Tilman's definition of corruption who states that:

Corruption involves a shift from a mandatory pricing model to a free-market model. The centralized allocative mechanism, which is the ideal of modern bureaucracy, may break down in the face of serious disequilibrium between supply and demand. Clients may decide that it is worthwhile to risk the known sanctions and pay the higher costs in order to be assured of receiving the

desired benefits. When this happens bureaucracy ceases to be patterned after the mandatory market and takes on characteristics of the free market.¹¹

In the same vein Van Klaveren goes on to state that "a corrupt public servant regards his public office as a business, the income of which he will seek to maximize. The office then becomes a "maximizing unit". The size of his income depends upon the market situation and his talents for finding the point of maximal gain on the public's demand curve."¹² Some theorists have argued that market-centered definition cannot be used to define corruption. Mark Philp argues that though the market-centered definition may be one way of understanding corruption, it is certainly not a way of defining it. According to Philp "what defines an act as corrupt is not that it is income maximizing, but that it is income maximizing in a context where prior conceptions of public office and the principles for its conduct define it as such."¹³ He is of the opinion that all the cases of income maximizing need not be corrupt and hence to consider any interest or income-maximizing act as corrupt, it requires construction of public office and the public

¹¹ Ibid.

¹² Ibid.

¹³ Mark Philp, "Defining Political Corruption", in Paul Heywood (Ed.), *Political Corruption*, U.K., Blackwell Publisher, 1997, p. 28.

¹⁰ Cf. Arnold J. Heidenheimer (Ed.), *Political Corruption*, New Jersey, Transaction Books, 1970, p. 5.

interest which are based on certain norms and values, which provide certain normative constraints on income maximizing.

The public-interest centered definition conceives corruption as violations of common interest for special advantage. The public interest-centered definition is exemplified by Carl Friedrich who argues:

The pattern of corruption can be said to exist whenever a power holder who is charged with doing certain things, i.e., who is a responsible functionary or office holder, is by monetary or other rewards not legally provided for, induced to take actions which favour whoever provides the rewards and thereby does damage to the public and its interests.¹⁴

These different understandings of corruption have made political corruption a complex phenomenon. A careful examination of the above definitions would reveal that public office and public interest are intimately connected. The open character of politics demands the politicians to be guided by public interest. Politicians are not simply to fulfill promises made to electorate rather politics is also about the projection of conceptions of public interest. The idea, therefore, should not be to strive for formulating one line definition of political

corruption, as it requires identifying proper conception of the public interest.

Thus, these definitions are vague until certain norms are identified to distinguish between corrupt and non-corrupt acts. Any normative judgment about political corruption requires a point of view and a standard of “goodness” and the definition of political corruption should be based on certain conception of non-corrupt politics, which requires identification of proper standards to distinguish between corrupt and non-corrupt acts.¹⁵ In a democracy usually these standards are democratic principles and values which form the basis to identify politically corrupt acts.

How does Corruption Thrives in a Democracy?

It is now clear that corruption in a democracy undermines democratic structures as well as democratic values. Focus on effects of corruption in a

¹⁴ Heidenheimer, op. cit, p. 6.

¹⁵ Some theorists have argued that the market-centered definition of corruption seems to bypass this requirement of norm setting as market does not give importance to any norm since it is based on the principle of self-interest and profit. However, there are other theorists who argue that even market functions on certain rules applicable to the actors and there are certain characteristics that distinguish a “black market” from a “free market”. (for a detailed account of this debate see Heidenheimer, 1970, op. cit.)

democracy helps in better conceptualization of the concept and in understanding the fact that there is a kind of inverse relationship between corruption and democracy which means that as corruption increases democracy is undermined and as democracy is strengthened opportunities of corruption are minimized.¹⁶ Daniel Treisman is of the opinion that countries with freedom of press, vigorous civic associations, can have greater ability to expose corruption.¹⁷ But the question that emerges now is how corruption sustains in a democracy? India, which is one of the largest democracies in the world, is grappled with the problem of corruption which forces us to think whether there are some structural faults in the functioning of democracy that helps corruption to survive. This section is devoted to investigate this aspect from the Indian perspective and examine whether India provides some special context as a breeding ground of corruption.

¹⁶ There are theorists who have contrasting opinion to this viewpoint and argue that the negative correlation between corruption and democracy is not very strong and is only statistical correlation. (see Martin Paldam, "The Big Pattern Of Corruption: Economics, Culture and The Seesaw Dynamics", *Working Paper*, No. 1999-11, Department of Economics, University of Aarhus, 1999.)

¹⁷ Daniel Triesman, "The Causes of Corruption: A Cross National Study", *Journal of Public Economics*, Vol. 76, 2000, pp. 399-457.

Corruption in India can be attributed to the social situations that make corruption more likely. In India the governments in most of the cases acquired control over the disposal of posts and privileges and they had to face the electorates, mostly poor, who could be easily influenced by material incentives. India lacks well-developed structures for expressing and combining important political interests. The effect of this lack of interest structures is that political demands that originate outside the elite class have minimal influence on legislation, which is one of the reasons behind little or no influence of the public on the 'output' of the government. Demands of the people or groups reach the political system only at the implementation stage and not before the laws are passed. The influence before the passage of legislation is called 'pressure group politics' and the influence at the enforcement stage often involves 'corruption'. For example, agitation of peasant groups through their union for reduction in land tax is different than making an illegal monetary contribution to the concerned officer for avoiding their land taxes. The latter influences the outcome of government policy. In this sense corruption is not just a reflection of the failure of the formal political system to meet the demands of important sectors; it is also representative of the efforts of individuals and groups to mould the political system according to their

wishes.¹⁸ People who feel that their interests are ignored by the formal political system often take up the informal ways to influence which is corruption.

Electoral competition is one area in a political system that widens the arena of political influence. Since people's vote makes a difference in the affairs of those who seek power and manage the state, the power-holders and power-seekers adopt different methods to influence the voters. In this sense the control over votes has proved ineffective in ensuring accountability of the political leaders. The major political resource today is control over coercive force and not control over votes. Thus it is not always true that people vote because they want to replace the corrupt leader as there can be several other reasons why people vote in a democracy. Sometimes people vote because

of the material incentives it supplies. The ordinary voters desire immediate material rewards and therefore they vote for those who can give them maximum favour. When voters think that their best interests are not being served by the political system, they may support a corrupt politician who serves their interest rather than an honest politician who represents others as well. Such assumptions rest on the belief that voters are well aware about the nature of corruption as well as its effects, which is not true in reality because voters are ignorant about the effects of corruption and hence they are not able to assess the effects of corruption correctly which makes them falsely believe that corruption serves their material interest.

With this understanding, democracy becomes a set procedures and institutions where people elect their representatives, whose accountability is ensured only periodically. Participation, within this understanding, is restricted to the exercise of franchise by citizens of a country. Thus, in a representative democracy like India, election becomes the only opportunity that people have to hold their leaders accountable. Hasan Suroor is critical of limited participation of people that is restricted to the voting process and draws attention to the fact that the belief of voters that elections empower them is actually a false belief. In most of the third-world countries, where vast majority of population is

¹⁸ Jeffrey Witsoe while examining the ways in which politics of caste empowerment altered the ways in which the state was popularly imagined, came up with the finding that many people began to perceive state institutions as inherently corrupt sources of political patronage and that, having long served to perpetuate upper-caste dominance, could now be used in the same way by a new class of political leaders to empower lower-caste groups. Within this context, corruption was tolerated, sometimes even celebrated, as a means to lower-caste empowerment. (Jeffrey Witsoe, "Corruption as Power: Caste the Political Imagination of the Post-colonial State", *American Ethnologist*, Vol. 38, No. 1, 2011, pp. 73–85.)

excluded from decision making process, the ballot-box is the only means through which they can have their voices heard. He points out that despite the poor record of governance the very idea of electing government gives the voters a sense of power, which is actually illusory.¹⁹

Robert Dahl gave a lot of importance to participation and believed that citizens must have adequate and equal opportunity to express their preferences for the final outcome. He argues that denying any citizen the opportunity for effective participation means that their preferences are not considered because either they are unknown or incorrectly perceived. However, if their preferences are not taken into account, it means that the principle of equal consideration of interests is compromised. With this, it appears that ‘effective participation’ also takes into account the fact that the reason for lack of participation may be because of some form of control.²⁰ Dahl is of the opinion that ownership and control “contribute to the creation of great differences among citizens in wealth, income, status, skills, information...[and] differences like these help in turn to generate

significant inequalities among citizens in their capacities and opportunities for participating as political equals in governing the state.”²¹ Thus, it may be argued that some form of large scale redistribution of resources is needed for ‘effective participation’. For Dahl, if a person has sufficient resources and will, he or she can actualize the equal opportunity granted to him or her. Consequently it may be argued that the procedures that ensure equal opportunity to participate depend upon the substantive equalization of resources.

It is, however, important here to consider that merely ensuring equal distribution of resources cannot be enough to ensure participation and there can be various other factors that may affect ‘effective participation’ of the people. Proceduralists cite election data to explain participation because of which they tend to slip into the “fallacy of electoralism”.²² Their analyses overlook the socio-economic inequalities, which make formal participation difficult to be effective. It overlooks the fact that there can be different barriers to political participation like caste, patriarchy, and so on. The free exercise of franchise may be curtailed “when people do not have the power of independent decision making;

¹⁹ Hasan Suroor, “Looking Beyond Ballot-box Democracy”, *The Hindu*, Wednesday, August 22, 2007.

²⁰ Neve Gordon, “Dahl’s Procedural Democracy: A Foucauldian Critique”, *Democratization*, Vol. 8, No. 4, pp. 23-40, p. 26.

²¹ Cf. Ibid.

²² “Introduction”, in Niraja Gopal Jayal (Ed.), *Democracy in India*, New Delhi, Oxford University Press, 2001, p. 3.

when they have inadequate access to relevant information; when they are helpless in holding their representatives accountable; and, above all, when their franchise fails to yield a responsive administration.”²³ The basic condition for effective political participation is something more than merely providing equal political rights and it cannot be ensured by just providing equal resources to people. The study by Neve Gordon brings out two main difficulties in the procedural model. Firstly, he argues that the mechanisms that suppress freedom, undermine plurality and fosters inequality, can, in fact function within a ‘perfect’ procedural democracy and hence equality can be undermined within a procedural model. Secondly, he is of the opinion that a ‘perfect’ procedural democracy cannot be divorced from existing power relations operating in a society that may greatly hinder people’s participation.²⁴

In India, in particular, the obstacles to such meaningful participation are numerous, and certainly these are not just the result of unequal distribution of resources but also result from unequal power relations operating in the society. Democracy in India is characterized by constitutional government with free and fair election, legislative assemblies and so on,

which may draw one to the conclusion that India is a true democracy. This assumption rests on the procedural view of democracy which views democracy purely as a set of institutions. But to conceive Indian democracy in its true sense, there is need to look at it from the glass of equality and see whether people are truly equal or not, whether citizens are actively engaged politically and have an equal voice in choosing their representatives and holding them accountable. On this account, Indian democracy has to cover a long distance which makes it necessary to understand it in substantive sense. Equality, being the foundational principle of democracy, was incorporated in the Constitution of India in the form of equality before the law and equal protection of the law. However, it is also a stark reality that equality before the law is severely compromised for those who are unable to approach the courts for violation of their rights. It is also true that though civil liberties and personal freedoms are formally recognized, in actual practice there are severe violations of these rights. “Despite the fact that elections have been regularly held, and have for the most part been free and fair, it is on the twin dimensions of accountability and responsiveness that democracy in India, judged even on limited procedural criteria,

²³ Ibid., p. 4.

²⁴ Gordon, op. cit.

has proved inadequate.”²⁵ Though it is true that voters have voted out corrupt or inefficient regimes, the structures of governance have always been inaccessible to the ordinary people.²⁶

This, however, should not mean that procedural democracy is not required or is rejected out rightly. The above debate is presented only to highlight the fact that procedural democracy is necessary but not sufficient for making democracy meaningful. “The project of democracy is not accomplished by merely securing legal and political equality, it may be severely compromised by inequalities of wealth, power and social status, which deny many from having a truly equal opportunity to influence governmental decisions.”²⁷ Therefore, it may be argued that democracy should not be confined to the sphere of state and government. It should also be seen as the principle governing collective life in the society. It may, however, be argued that

²⁵ Ibid., p. 36.

²⁶ It is in this context that some scholars have highlighted the role of intermediary institutions in ensuring accountable government in a representative democracy and argue that to have popular control over government in representative democracy the intermediary institutions play a vital role in facilitating transparency and accountability. (see Marian Sawer, “The Democratic Audit of Australia: Populism vs Citizen Rights”, *Paper presented at 20th IPSA World Congress*, July, 2006.)

²⁷ Ibid.

to give so much emphasis on the substantive nature of democracy and to judge democracy on the substantive criteria is nothing but utopian, as no existing democracy would pass such a test. Every society whether rich or poor has some kind of injustice. But it is important to realize that the issues of inequalities and injustices of any kind need to be addressed in any democratic theory.

Within this conceptual framework it is important to understand that political corruption is more a problem of substantive democratization. Prevalence of political corruption despite the presence of various anti-corruption institutions and different constitutional safeguards clearly demonstrates that there is some problem in the functioning of democracy which is manifested in the form of lack of effective participation of people in political processes. It is because of lack of participation that people are not able to hold their representatives accountable, which ultimately leads to political corruption.²⁸ In this sense, it becomes important to assess Indian democracy on the basis of some clear principles that may help in conceptualizing

²⁸ It is important here to consider that lack of participation is not the only reason for political corruption rather the paper tries to argue that one of the effective ways to effectively address political corruption is by ensuring participation of people.

the link between reducing corruption and the process of democratization.

Popular Approaches to Tackle Political Corruption: A Comparative Perspective

Reasons for the existence of corruption are many and so are the ways suggested for tackling it. Ades and Di Tella propose three possible approaches to reduce corruption. First, is a “layer’s” approach which talks about strengthening laws and their proper enforcement. Layer’s approach increases the cost and risks associated with corruption, as it focuses on punishment of the corrupt. Second, is a “businessman’s” approach which is in favour of giving proper incentives to public officials which would reduce their temptation to engage in corrupt activities. One way of providing such incentive is to provide higher wages. A businessman’s approach would reduce the incentives of corruption as the motivation for engaging in corrupt act is reduced by providing different kinds of incentives to the public officials. Third, is an “economist’s” approach that advocates increasing competition so that opportunities for exploitation in different transactions can be minimised. Economist’s approach would reduce opportunities for corruption, as competition reduces the chances of abuse of power.²⁹ It is important to study some cases

of successes and failures in the anti-corruption reform process. The following sections provide an account of different approaches employed in different parts of the world to address corruption. It presents a comparative study of why certain reforms were successful in a specific country and why some countries could not successfully fight corruption which will help in providing a wider perspective to examine why democratic institutions fail to tackle political corruption in India.

The Power-Sharing Approach

Some theorists consider the idea of power-sharing as one of the effective ways to check abuse of power, as they see mutual surveillance as a counterbalance to political decay, such as bribery and corruption. Robert Dahl preferred to call the power-sharing democracy as “Madisonian democracy” as it was Madison who warned that if power is concentrated there is always a risk of its abuse and hence concentration of power must be avoided. He did not accept regular election and internal checks like conscience, attitudes and personality of individuals, as sufficient to provide necessary checks on the abuse of power, rather he insisted on external checks, through dispersion of power into different hands.

²⁹ A. Ades, and R. Di Tella, “The New Economics of Corruption: A Survey and

Some New Results”, *Political Studies*, Vol. 45 (Special Issue), 1997, pp. 496-515.

Arendt Lijphart advocated power-sharing model by bringing in the idea of “consensus democracy” to avoid abuse of power. Different mechanisms that he thought would be instrumental in arriving at “consensus democracy” are “grand coalition”, “decentralisation”, “minority veto”, and “proportional representation.” It means that if everyone has a share in governmental power, there is delegation of power, minorities have a veto regarding issues concerning them and losers too have representation, the risk of abuse of power would be greatly minimised. He believed that if all are able to take part in government through their chosen representatives, then they would be able to ensure that no injustices are done to them. When different parties will be represented in the parliament and no party has a majority, they will form coalition to make the government and in this situation minorities will also have a say in the government. Lijphart firmly claims that the proportional method would counteract political corruption and hence considers proportional representation as the most fundamental institutional value. Though there is also a view that in a majoritarian democracy, the opposition in minority provides necessary check on the abuse of power and with regular elections people have the opportunity to throw out the corrupt and it is the best way to ensure accountability, Lijphart is critical to this

view, as for him, regular election is not an effective way to fight corruption, at least not as effective as would be in a case of “consensus democracy” having mutual oversight. According to him, abuse of power and corruption are less prevalent in consensus democracy than in majoritarian democracy. However, Lijphart’s consensus democracy model does not seem to provide any mechanism for ensuring accountability because if everyone will have a say in decision making process then it is not clear who should be held responsible for the decisions. It seems that for Lijphart what is more important is that the government should reflect popular opinion and whether people hold their leaders accountable or not is not important for him.

Though theorists have considered power-sharing as an effective method to check abuse of power, empirical evidence suggest just the opposite. One such case where the power-sharing model failed is the case of Italy where both proportional and majoritarian systems were tested and proved to be ineffective in tackling political corruption. Italy practiced proportionalism with a firm belief that dispersing power into many hands reduces the risk of abuse of power which proved to be wrong, as in early 1990s far-reaching corruption came to light in the Italian politics. As a response to this crisis the Italians made transition to majoritarian democracy hoping that this would clean up

the politics but that too proved to be ineffective. In such a situation it becomes interesting to explain political corruption in Italy because it was precisely to check such abuse of power that the principles of proportionalism and power sharing were incorporated into the constitution.

The framers of the Italian Constitution had thought that by incorporating power-sharing they could guarantee a just and fair reflection of the popular will which was soon proved wrong by the developments that followed. Even if the largest party could not achieve majority, it could secure power through negotiations with other parties. In this situation there was hardly any option for alternative government, as there was no fear of losing office. The leaders of the parties became the masters of the country and the negotiations took place within this "elite cartel" that decided the course of action and in this way the decisions taken were not the expression of popular will. Governments were short lived but the same politicians returned to power on different posts. Gradually the negotiation process started involving bribes and benefits and corruption became widespread. Both voters and organisations could be bought with money or political benefits, the courts, police, and social insurance system were politicised, cooperation with organised crime deepened

and the mafia became a political power factor.³⁰

In February 1992, Mario Chiesa, a Socialist politician, was arrested for taking bribes for offering contracts to several companies in exchange of political support and money. This scandal gradually grew big and became the biggest scandal in the political history of modern Italy which resulted in the fall of the First Republic and the end of consensus democracy.³¹ In a referendum in 1993 more than 80 per cent of voters wanted a change to majority

³⁰ Leif Lewin, *Democratic Accountability: Why Choice in Politics is both Possible and Necessary*, London, Harvard University Press, 2007, p. 105.

³¹ The investigation was carried out under Antonio Di Pietro, a Milan Magistrate, and was called "Operation Clean Hands". Operation clean hands succeeded because of Di Pietro's minute preparations. Di Pietro used computer technology to trace bank transactions, which helped him to identify the link between politicians, Mafia and common crime. Those arrested were kept in San Vittore prison in Milan which had brutal, unhealthy and unsanitary conditions. Those who were under suspicion were told that they would remain in prison unless they confess. Those who were released due to lack of evidence, would immediately be arrested again until confession came. The politicians regularly tried to convince that political cooperation requires giving and taking. They argued that negotiations and coalition building cannot be done for free and "clean hands" was unrealistic. However, a reform movement had started with the aim of cleaning the politics from roots, that is, to change the electoral system.

elections. Thus, the Second Republic with a majoritarian system came into being. However, democracy under the Second Republic too was fragile and it was too marked by the tradition of corruption and authoritarian tendencies.

Italy's case suggests that proportional representation is no guarantee for a clean government. The belief that if all had a share in power and kept watch over each other, politics could become cleaner, was proved wrong. The change into a majoritarian democracy too did not bring about any significant improvement. The abuse of power was part of both majoritarian and proportional system.³²

The Single-Agency Approach

Corruption occurs when there are sufficient incentives and opportunities to engage in corrupt acts and there is also very less probability of being caught and punished. So for some theorists effort should be to reduce or eliminate the incentives and opportunities and increase the risk of being caught and punished so that corruption could be controlled. In this regard government should

try to make corruption a “high risk and low reward” activity³³, which can be possible, as some theorists argue, if a single-agency is created to look into the matters of corruption, which is operationally independent and able to function without fear or favour. It is often argued that in certain cases there can be political interference as it could be dictated from above regarding the cases it is going to investigate and also establishing an anti-corruption agency with extensive legal powers in the absence of effective oversight procedures is questioned on the ground that such an agency can add another layer of (ineffective) bureaucracy to the law enforcement sector, divert resources from existing organisations, function as a ‘shield’ to satisfy donors and public opinion, and even operate as a political police force. Countering such criticisms, supporters of single-agency approach argue that in order to overcome such difficulties and maintain public trust, the independence of such an agency needs to be enshrined in national legislation or the constitution, and it should be a criminal offence to interfere with its operational independence. In reality, such

³² Italy's case is important to consider because it is an example to prove that such changes in Indian democracy cannot be effective in tackling political corruption. It suggests that unless accountability of the leaders is ensured, political corruption is likely to re-emerge, as representatives themselves may not turn out to be an effective check on corrupt use of power, as they themselves tend to benefit from it.

³³ Su Jing, “Corruption by Design? A Comparative Study of Singapore, Hong Kong and mainland China”, *Discussion Papers*, Crawford School of Economics and Government, Australian National University, 2007, <http://www.crawford.anu.edu.au/>, accessed on 5th August, 2011, p. 11.

anti corruption agencies require the support of other structures to do their job properly. According to M. Manion, properly-designed and timely interventions by government could successfully reduce corruption and improve credibility of the government and in order to shift the equilibrium from “widespread corruption” to “clean government” there is need to have proper design of government intervention.³⁴ She studies this transformation in the case of Singapore and Hong Kong, on the one hand, and mainland China on the other, where the former is an example of successful transformation and the latter gives an account of the difficulty in bringing out anti-corruption reforms. Manion draws upon three fundamental differences in the approach of anti-corruption reforms in Singapore and Hong Kong and that of mainland China. Firstly, Singapore and Hong Kong granted independent and absolute authority to an independent anti-corruption agency, while in mainland China multiple agencies were granted partial and often overlapping authority. Secondly, in Singapore and Hong Kong corruption is addressed at multiple levels attacking corruption in all forms and in all places, while in mainland China corruption was addressed in a piecemeal manner. Thirdly,

³⁴ M. Manion, *Corruption by Design: Building Clean Government in Mainland China and Hong Kong*, Massachusetts, Harvard University Press, 2004.

the difference lies in different constitutional design that has an important influence on constraints on power. Thus, according to Manion anti-corruption efforts can be studied by focussing on three things — anti-corruption agency, anti-corruption strategy, and the context that puts constraints on power.

Anti-Corruption Agency

Anti-corruption agencies are responsible to enforce anti-corruption legislations. In a situation where there is widespread corruption with corrupt enforcers and there is scarcity of enforcement resources, there emerges various obstacles in the path of anti-corruption reform and an independent agency can play a vital role in these circumstances. According to Manion, the ICAC (Independent Commission Against Corruption) in Hong Kong succeeded in overcoming these obstacles which enabled Hong Kong to make the “equilibrium shift” from widespread corruption to clean government. She further mentions that the key components of agency design that enabled ICAC in controlling corruption was its independence, its draconian power and adequate financial resources. All these three components were instrumental in efficient enforcement. The ICAC is independent in terms of structure, staffing, finances and power.³⁵ Similarly in Singapore the POCA

³⁵ ICAC is directly responsible to the Governor (the Chief Executive after

(Prevention of Corruption Act) was strengthened and more powers were given to the officers of CPIB (Corruption Practices Investigation Bureau) which greatly helped in the anti-corruption reform process. Manion compares this with Mainland China and points out that Mainland China does not have any independent anti-corruption agency. The agencies that are functioning have overlapping jurisdictions and unclear division of labour which often leads to routine delay in transforming cases for criminal investigation and consequently people develop the believe that their government does not have the ability and credibility to control corruption. Thus, the basic difference in the anti-corruption agencies in Hong Kong and Singapore taken together and Mainland China lies in their level of independence and effectiveness.

The democracy assessment of Philippines has a similar story to tell about corruption in Philippines. Philippines had a long history of widespread corruption, and after the restoration of democracy in 1986, a number of laws and policies were enacted to prevent and curtail corruption. The 1987

1997 take over) and can practically design anti-corruption policies. The Commissioner is appointed by the Chief Executive and has a fixed term in the office. His staffs are recruited separately from the Civil Service and the Police. Officials are not transferred to other departments.

Constitution came up with a number of bodies to ensure integrity and accountability such as the *Office of the Ombudsman* was created to protect graft and corruption; *Sandiganbayan*, a special court was created for senior officials for cases involving graft and corrupt practices; the *Civil Service Commission*, and the *Commission on Audit* were also institutionalised. Despite these laws and policies the problem persists, as the democracy assessment of Philippines demonstrates, because of weak enforcement. The report of the democracy assessment of Philippines came up with many findings to show various causes of persistence of corruption. These findings revealed that the range of responsibilities and functions are so wide that they often overlap and the environment of Philippines too does not encourage integrity. The report further revealed that annual declarations of assets by public servants are just formalities and in actual practice the properties, income and assets are never disclosed. It went on to state that the nature of anti-corruption laws is dual, whereby high ranking officials are seldom investigated or convicted, which makes the enforcement of anti-corruption laws almost impossible. The report also highlighted the fact that election in Philippines is the main economic activity for political players and it is used as a means to create and consolidate core constituencies. It was further pointed out that political parties

do not provide strong internal checks and there is absence of external control on spending, which make elections quite expensive activities and hence the high cost of election together with other contributing factors build up a perfect context for corruption to flourish, as because of expensive campaign process the elected officers are forced to focus primarily on the recovery of this expense. The study revealed that the *Commission on Election* is ill prepared to police campaign overspending and other corrupt and illegal actions and there was an impressive gap between electoral laws and reality.³⁶ Thus, the experience of Mainland China and Philippines exemplify the failure of anti-corruption agencies in dealing with corruption, which exposes the fact that merely creating anti-corruption institutions cannot be an answer for corruption and hence brings out the need for an in-depth analysis of the problem.

Anti-Corruption Strategy

A public servant while acting as an economic agent calculates the costs and benefits of engaging in corrupt activities. Therefore, for a successful government intervention it is important that these interventions are aimed at reducing the corruption payoffs as well as the incentives to engage in corrupt activities. Hong Kong came up with a three-pronged

strategy to tackle corruption which involved enforcement, prevention and education. Enforcement is to increase the probability of being caught and being punished; prevention reduces the opportunities for corruption; and education is to increase the moral cost of corruption. The purpose, in this sense, is to strike at the root causes of corruption. Singapore's anti-corruption strategy focuses on both the incentives and opportunities for corruption, which has been possible by strengthening enforcement through POCA and CPIB. The prevention work taken up by various departments also forms part of the strategy. The incentives of corruption are taken care by increasing the salaries and working conditions. Thus, both Singapore and Hong Kong emphasised on enforcement, to increase the cost of corruption and on prevention, to reduce the opportunities for corruption and at the same time they also emphasised on reducing the incentives of corruption.

Constraints on Power

It is important to realise that small-scale government interventions won't be of much help unless there are some proper and systemic constraints on power. For anti-corruption reforms to succeed it is important that government's commitment is respected by people and this is possible only within a specific context with shared understanding of government's responsibility, which is possible through a

³⁶ Lim Millard (et. al), *Philippines Democracy Assessment: Minimising Corruption*, Manila, Ateneo University Press, 2007.

constitutional design that provides constraints to all kinds of power operating within a political system. According to Manion, one of the basic differences between Hong Kong and Mainland China lies in their different constitutional designs. Countries that uphold rule of law would be able to put constraints on corrupt actions more effectively, which was evident in the case of Hong Kong and Singapore, than in countries having ambiguous laws and where legal authority is politicised, as was seen in the case of Philippines. In such cases rule of law cannot become a meaningful constraint on the abuse of power.

Thus, both Singapore and Hong Kong initiated a comprehensive anti-corruption strategy which aimed at reducing both the opportunities and incentives for corruption.³⁷ The anti-corruption efforts comprised of specific and non-specific

measures.³⁸ The specific measures involved activities carried out under the anti-corruption agencies and the non-specific measures involved administrative measures taken by various government agencies which included, in the case of Singapore, disciplinary proceedings by Public Service Commission, scrutiny of government expenditure by the Auditor General and so on.³⁹

The “Big-Bang” Approach

Often remedies suggested to tackle corruption is thought to be a well set mechanism and it is believed that once it is operationalized an incremental process of change is put into a path, where with every step the society is taken away from corruption and with some ‘initial steps’ or minor institutional changes the society is put into this “path” and it is taken out of the grip of corruption. According to World Bank, for example, the implementation of anti-corruption policies requires an important entry point for anti corruption efforts. In one of the reports it is stated that “it is critical to begin at a point where the goals are feasible and tangible results can be realized within a time frame that builds support for further reforms. Small gains can

³⁷ The case of Singapore and Hong Kong show how corruption can be tackled from above. But these countries cannot be taken as examples because neither of these countries was a democracy and it functioned in the hands of autocratic leaders and it would throw an impression that democracy cannot become a tool to fight corruption. The reason for their inclusion in this research is that the intention is to study the anti-corruption approach rather than the context in which it was operationalised. Therefore, the focus is primarily on studying the technicalities of the approaches applied in both these countries and see if they can be effective in a democracy like India.

³⁸ A. T. R. Rahman, “Legal and Administrative Measures Against Bureaucratic Corruption in Asia”, in L. V. Carino (Ed.), *Bureaucratic Corruption in Asia: Causes, Consequences and Controls*, Quezon City, JMC Press, 1986, p. 147.

³⁹ *Ibid.*, p. 151.

provide essential levers to sway public and official opinion.”⁴⁰ Within this approach small and minor changes are expected to bring big changes in the political system. The proponents of the “big-bang” approach are critical of this point of view and are of the opinion that corruption cannot be tackled through minor or small changes. Bo Rothstein, for example, is critical of the approaches that insisted for minor institutional changes and believes that there is no magical key or institutional device for fighting systemic corruption. He is of the opinion that small changes are likely to aggravate the problem and what is required is a “big bang” change. The problem with corruption, Rothstein argues, is that it seems to be very “sticky”, which means that once a system gets corrupted it becomes very difficult to take it out from the grip of corruption and “once corruption becomes systemic and the existence of widespread corrupt practices becomes “common knowledge”, we seem to have a case of an extremely robust inefficient equilibrium.”⁴¹ Corruption is a “sticky” problem, Rothstein

points out, because there is no good reason for corrupt to move out of the “game” because those who are at the bottom of the corrupt system believe that even if they, as individuals, start behaving honestly, nothing will change as long as most of their colleagues do not change their behaviour⁴² and in such situations collective action for the common good is impossible to establish as long as people try to maximize their expected utility. The implication of such an approach is that it develops an understanding that a corrupt system cannot be changed from below.⁴³

Despite regular efforts to fight corruption, the success rate is very low and one of the reasons is that while leaders do have the necessary means for launching successful policies against corruption, they usually have no incentives to do so as they are often the ones who stand to gain most from rents in a corrupt system.⁴⁴ Another reason for the difficulty in bringing about the change is that corruption has become a “standard way of life” and therefore “for the average citizen, it seems that corruption has

⁴⁰ World Bank, "Anti-Corruption in Transition: A Contribution to the Policy Debate." Washington D. C., The World Bank, 2000, p. 75.

⁴¹ Bo Rothstein, “ Anti-Corruption – A Big Bang Theory”, *Paper presented at the Conference on Corruption and Democracy organized by the Centre for the Study of Democratic Institutions*, Vancouver, University of British Columbia, June 8-9, 2007, p. 5.

⁴² Gunnar Myrdal has made a similar point. (Gunnar Myrdal, *Asian Drama: An Inquiry into the Poverty of Nations*, New York, Pantheon, 1968, p. 409)

⁴³ Bo Rothstein, *Social Traps and the Problem of Trust*, Cambridge, Cambridge University Press, 2005.

⁴⁴ Michael Johnston, *Syndromes of Corruption: Wealth, Power, and Democracy*, Cambridge, Cambridge Univ. Press, 2005.

broken down all barriers and dictates of the rules of life. That is not very different from saying that they interpret life in terms of corruption”⁴⁵ and when life is viewed in terms of corruption, it takes the form of deeply entrenched belief system. According to Rothstein, it is not easy to change such belief systems and hence in order to change such deeply held systems of beliefs, something “big” and “non-incremental” is necessary.

Rothstein is critical of those approaches that focus merely on the structural changes and on reducing the incentives of corruption. A society that is committed to tackle corruption must have to take up at least two important questions at the outset. First, what types of structural reforms are necessary in order to reduce corruption? Second, which types of processes will be successful to operationalize such reforms? Most research on corruption has mainly focused on the first, structural question suggesting to create new or to change existing institutions, while ignoring the second one about the change of processes. William Easterly, for example, has suggested two measures to tackle corruption. “First, set up quality institutions...Second, establish policies that eliminate incentives for corruption”.⁴⁶ Examining the effect of

different types of political institutions on the degree of corruption in 38 African countries, Alence in his *Political Institutions and Developmental Governance in Sub-Saharan Africa* concluded that a combination of electoral competition and institutional checks and balances on executive power has a negative effect on the frequency of corruption. In other words, the study suggests that the ideas and the practices of liberal democracy work counter to corruption.⁴⁷ Sandholtz and Koetzle have shown in their study that the presence of liberal democratic institutions minimizes the chances of corruption. They are of the opinion that formal democratic structures facilitate citizen oversight and control, and in a culture characterized by democratic values, it is against normal behaviour to act corrupt.⁴⁸ According to Rothstein, such examples of anti-corruption strategies suggest that the problem of corruption can be solved by merely “fixing the incentives”⁴⁹ and when the institutions are created such that fear is greater than greed, corruption can be controlled. However, Rothstein is of the opinion that creating such institution is itself a collective action problem and it won't be solved unless a society ceases to be dominated by corrupt agents. He argues that explaining corruption and providing solutions to it on the basis of

⁴⁵ UNDP, *Human Development Report 2002 - Bosnia and Herzegovina*, New York, United Nation Development Program, 2002.

⁴⁶ Cf. Rothstein, *op. cit.*, 2007, p. 10.

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid., p.11.

some universal values and institutions such as transparency, democracy, independent judicial anti-corruption agencies or “good governance” is not enough because in societies where these institutions function effectively accountability will automatically be facilitated and problem arises only when there are systematically corrupt institutions. “In the search for universal theories on causes and solutions concerning corruption, many researchers do not recognize the inbuilt inertia (or path-dependency) of corrupt institutional systems”.⁵⁰ Rothstein further argues that if new institutions have to be created then the question of agency becomes central and the approach that advocates for structural changes often ignores the kind of agents that are present and what strategies they use. He insists that for a successful reform process research must start from identifying the roles and interests of agents and broadened his idea by arguing that the research must begin by identifying the groups that are expected to oppose the reform and how such opposition can be dealt with and identifying those who can support the change and finding out the way they can be involved in the struggle against corruption.⁵¹

⁵⁰ Ibid., p. 12.

⁵¹ It seems that Rothstein is concerned about creating a support base for the struggle against corruption by identifying the interests of the agents i.e. whether they support the change or not.

Thus, a number of conditions are required to ensure that anti-corruption reforms in any context are effective, sustainable and not easily subverted. These conditions need to be backed by having the necessary data to inform policy and strategy; comprehensive legal and institutional safeguards to prevent corruption and protect public interest; and, the most difficult to secure, the necessary political leadership and will to tackle corruption credibly and put in place long-term reforms. It is clear that to be effective, national anti-corruption/integrity systems require more than a single agency approach and they need to be supported by an institutional matrix of legal and oversight systems to ensure effective prosecution of offenders. A partnership approach, including active engagement by civil society and the media, is also important. Above all, the reforms need to be implemented by ethical leaders who scrupulously observe rule of law.

The solutions suggested to tackle political corruption vary considerably as the perception of the problem and its causes differ. Even when there is some agreement over the nature and cause of the problem, the solutions suggested from different

However, he does not make it clear what kinds of changes he is talking about? The question of supporting or not supporting the change comes up only when there is some consensus on what the change is and hence this too can become a collective action problem.

quarters might vary. This happens because, as Raymond W. Pong argues, the debates about causality usually take place at a theoretical level while the solutions that are suggested are mostly outcome-oriented.⁵²

Politics of Anti-Corruption Campaigns in India

The big scams that have come to light since independence are enough to prove that corruption is deeply embedded in the Indian political system and that anti-corruption measures taken so far have not been enough to curb corruption. These scams often triggered off anti-corruption campaigns. The anti-corruption campaigns in India have been essentially political phenomena as they serve as an instrument for the political leaders to strengthen their position and undermine that of the opposition.⁵³ Gillespie and Okruhlik call this “corruption cleanups”.⁵⁴ While various anti-corruption agencies are engaged in their anti-corruption efforts, some of the Indian political leaders

and governments believe that launching anti-corruption campaigns or ‘clean-up drives’ at regular intervals may be politically advantageous for them. In 1989, the National Front alliance led by V. P. Singh, defeated the Congress (I) government almost solely on the issue of corruption by waging a nation-wide campaign against the Congress government. The Bofors case⁵⁵ was highlighted to such an extent that the National Front went on to state in its election manifesto titled ‘Root Out Corruption, Save Nation,’ that “Bofors, corruption and Rajiv Gandhi are synonymous.”⁵⁶ Even during the 1991 elections, the leader of the opposition Bhartiya Janata Party (BJP), A. B. Vajpayee, criticised the election manifesto of Congress (I) for not adopting a public stand on the issue of corruption and accused the Congress (I) government for nursing a corrupt system.

What is important to mention here is that the pre-election period provides ideal conditions for the political leaders to launch such campaign and can be termed as “pre-election cleanups”.⁵⁷ Similarly there can be other ideal political contexts in which

⁵² Raymond W. Pong, “Social Problems as a Conflict Process”, in James Holstein and Gale Miller (Ed.), *Perspectives on Social Problems: A Research Annual*, Vol. 1, Greenwich, CT: JAI Press, 1989, pp. 59-76.

⁵³ Vinod Pavarala, *Interpreting Corruption: Elite Perspective in India*, New Delhi, Sage, 1996, p. 196.

⁵⁴ Kate Gillespie and Gwenn Okruhlik, “The Political Dimensions of Corruption Cleanups: A Framework for Analysis”, *Comparative Politics*, Vol. 24, No. 1 (October), 1991, pp. 77-95.

⁵⁵ Bofors was a Swedish arms company with which illegal defense deals were allegedly made by some of the top leaders of the Congress (I) government.

⁵⁶ National Front, “Lok Sabha Elections: Manifesto”, 1989, pp. 1-2.

⁵⁷ Pavarala, op. cit, pp. 199-200.

politicians initiate anti-corruption campaigns like incumbent, post-succession and post-election periods.⁵⁸ In an incumbent context, those who hold power do not try to discredit the previous government but try to enhance their own legitimacy. The incumbent cleanups are also common in India which was evident when in 1990 the Chief Minister of Orissa, Biju Patnaik, expressed his helplessness in running the administration because of widespread corruption and went on to make a call to the general public to beat up corrupt officials and make them accountable. Though this step was widely criticized, the campaign started by Patnaik was intended to stir up public support for his government and present him as an anti-corruption crusader.⁵⁹ The post-succession cleanups refer to the steps taken by the government that take forward the campaign of earlier government so that a perception of continuity is ensured among the public. In India, however, a slightly modified version can be seen as post-succession cleanups

have not necessarily been a continuation of the previous regime. In 1985, for example, when Rajiv Gandhi succeeded Indira Gandhi as Prime Minister of India, he was projected as the leader of a new generation with the image of 'Mr. Clean.' Thus, in this case the cleanup campaign did not start when the succession occurred, rather, it started after Rajiv Gandhi came to power and was used to build a popular mandate around the issue of controlling corruption.⁶⁰ During the post-election cleanups the government tries to fulfil its campaign promises and create conducive conditions for its re-election. Such cleanups may be used by government to discredit the previous government. What is to be noted in all these cleanup campaigns is that they are meant to serve private political interests. Gillespie and Okruhlik argue that these cleanups are "a tool by which elites attempt to fulfil that most basic of political instincts, self-preservation."⁶¹ Thus, efforts by the political elite against corruption are usually used to highlight the problem merely for political gains associated with it without any intention of making the system free of corruption. In this context, different measures that are suggested to tackle political corruption often originate outside the political class.

⁵⁸ Gillespie and Okruhlik on the basis of a survey of 25 Middle Eastern and North African countries delineated five political contexts in which politicians initiate anti-corruption campaigns: post-coup, post-revolution, incumbent, post-succession, and post-election. (Gillespie and Okruhlik, op. cit) The post-coup and post-revolution contexts are not relevant for India.

⁵⁹ "Call to "beat up" Corrupt Officials: Biju's Appeal Catching on", *The Indian Express*, 20th December, 1990, p. 11.

⁶⁰ Pavarala, op. cit, p. 199.

⁶¹ Gillespie and Okruhlik, op. cit, p. 92.

Effectiveness of Anti-Corruption Institutions: A Critical Appraisal

There are theorists who have raised doubt over the effectiveness of the governmental agencies and also citizen group campaign in controlling corruption. Among others, Carino and Guzman point out in their study of corruption in Philippines that instead of presidential investigating offices, purges, agency cleanups, and citizen campaigns, a multi-pronged strategy involving procedural changes, reducing discretionary powers of officials, increasing transparency, effective monitoring system, salary reform is required to address the problem effectively.⁶² Robin Theobald, in the context of developing countries, discusses anti-corruption efforts in terms of purges and campaigns, legal-administrative measures, de-politicization, moral re-armament, accountability, and privatization.⁶³ Purges and campaigns are meant to discredit political opponents and gain support for the current regime. Legal and administrative measures involve setting up of specialized bodies to fight corruption like that of ICAC (Independent Commission Against Corruption) in Hong Kong and Lok

Ayukta or the proposed Lok Pal in India. De-politicization refers to various activities undertaken by the government to eliminate or restrict competitive politics arguing that political pressures created on the administration causes corruption. Moral re-armament means a kind of ethical or moral revolution like that of the Cultural Revolution in China intended to bring about far reaching changes in attitudes and morals. Ensuring accountability through proper checks on abuse of power can be effective in fighting corruption. Reliance on privatization for fighting corruption basically derives from the belief that corruption results from over regulated state and if state control over economy is reduced corruption would not follow. Apart from this, the power-sharing approach and the big-bang approach, discussed in this study, also present useful methods for understanding anti-corruption efforts in a holistic manner. Some of these approaches have been adopted either partially or fully in India but have produced limited results. The problem with anti-corruption efforts in India lies not much in the institutions created to tackle it but in the way this issue is approached. This ineffectiveness is due to lack of sufficient research on the subject. Political corruption is under-theorised, especially in India, which has led to partial or distorted understanding of the problem. This has also created a gap in theoretical and empirical study of the

⁶² L. V. Carino and R. P. De Guzman, "Negative Bureaucratic Behaviour in the Philippines: The Final Report of the IDRC Philippine Team", *Philippine Journal of Public Administration*, Vol. 23, No. 3-4 (July-October), 1979, pp. 350-385.

⁶³ Robin Theobald, *Corruption, Development and Underdevelopment*, Durham, Duke University Press, 1990.

problem and there is need to conquer this divide. It is important to see how connections can be drawn between theoretical and empirical study of corruption, lack of which has adversely affected systematic studies on corruption in India. New anti-corruption institutions are created and new reforms are introduced without doing proper research on the subject, which results in the introduction of inefficient institutions and reforms. Existing indices of corruption too do not guide effective anti-corruption strategy. There is a dearth of effective anti-corruption strategy, without which no reform can work. In order to come up with effective anti-corruption reform process there is a need to draw connections between theory and empirical research, as both form important parts of the research on corruption. This becomes even more difficult in the case of corruption because of its hidden nature. In this context the paper brings out the need of democratic audit as a tool to bridge the gap between the theoretical and practical understandings of political corruption and emphasises on conducting proper research, probing causal relations, using efficient techniques and starting off processes of debates and awareness to enhance effective people's participation, which is crucial for carving out an institutional mechanism of accountability best suited to tackle political corruption.

In the Indian context recent debates on constituting an independent institution, Lok Pal⁶⁴, to fight corruption clearly spells out the gap between theoretical and empirical understanding of corruption in India. Various studies have shown the ineffectiveness of a similar body, Lok Ayukta, constituted in some of the Indian states. In a study of anti-corruption efforts in the state of Andhra Pradesh, Vinod Pavarala asserts that the Lok Ayukta constituted in the state as the nodal body to fight corruption, suffered with "a high degree of politicization, both instrumental and symbolic."⁶⁵ Though the Lok Ayukta undertook investigations against some ministers, they had only symbolic consequences. Pavarala has shown in his study that the effect of Lok Ayukta in controlling corruption was minimal.⁶⁶ Studying the history of Indian political system in terms of the approaches discussed in this paper, it can be found that there are

⁶⁴ The Santhanam Committee in 1964 had recommended that a permanent government body is important to be constituted to deal with the problem of corruption. In 1966 the Administrative Reforms Commission recommended the establishment of a Lok Pal at the central level and Lok Ayuktas at the state level. A Lok Pal bill was introduced in the Parliament in 1968 and since then it has been introduced several times but has failed to become a reality.

⁶⁵ Pavarala, op. cit, p. 190.

⁶⁶ Ibid., p. 188.

serious flaws in the anti-corruption approach adopted by the Indian government. Though institutions have been created to tackle corruption they often have overlapping jurisdiction and cannot function independently. The power sharing model in terms of decentralization and coalition politics too has not been effective in checking abuse of power by political leaders. Recently one of the solutions for addressing corruption in India that received popular acceptance was the constitution of the Lok Pal, which is similar to the single-agency approach applied in Hong Kong and Singapore. But there is a need to examine whether such institutional changes or the creation of a strong anti-corruption agency can become an effective tool to fight corruption in India. The Lok Pal is backed with an expectation to overcome the deficiencies of existing institutional setting, which is often charged with either inefficiency or lack of autonomy or both, to look into the matter of corruption. The huge support that the Lok Pal gathers is mostly because of the fact that the state or the system has not been efficient enough in punishing the corrupt especially in high profile cases and it is expected that the Lok Pal would bring in efficiency and effectiveness as it would be an autonomous body.

It is, however, important to realise the fact that any institutional design cannot

work effectively and efficiently by just bringing them into existence. It is equally important that it gets integrated into the domain of civil society. The popular support for Lok Pal lacks a sound conceptual base and is actually unstructured. It is important to understand that a successful fight against corruption is not in place not because there is any dearth of anti-corruption laws but because there is lack of political will. A successful fight against corruption requires a critical probe into the link between the political institutions and corruption and there is need to acknowledge the link between reducing corruption and the broader process of democratization. Though the Lok Pal Bill is a welcome initiative for the future of Indian democracy, in the sense that the government and civil society has come together on an issue that requires urgent attention, it has lost its democratic fervour in whatever that followed thereafter. Questions have been raised on the constitution of the drafting committee of the bill. It has been alleged that the “team Anna” does not represent civil society and the government representatives in the drafting committee do not represent diverse opinions in the Parliament. Even questions have been raised on the democratic nature of the method of protest and agitation adopted by the “team Anna” to push their demands. Most importantly, questions have been raised directly on the democratic nature

of the Jan Lok Pal⁶⁷ and it has been argued that the Jan Lok Pal would be a kind of “super-institution” that will undermine the existing judiciary system whose accountability cannot be ensured. It is further argued that since it engulfs all existing anti-corruption agencies and brings within itself overriding powers, it becomes unsuitable for a functioning democracy like India. The purpose of the Lok Pal should be to improve governance and empower citizen but it is argued that such purposes would remain unfulfilled through the present Lok Pal, as there is centralization of power.

In contrast to the above viewpoint regarding the authoritative nature of Lok Pal, there is another way to look at it which is demonstrated by those who have drafted the Jan Lok Pal Bill, who argue that the Jan Lok Pal has powers to only investigate and start the prosecution and it has no judicial powers, as the judgment will be given by the ordinary courts. For them the proposed bill is intended to just keep the Lok Pal away from political pressures. The question of accountability of the Lok Pal is addressed by arguing that whatever order is passed can be reviewed in higher courts and the members of the Lok Pal will be answerable to the

Supreme Court and can be removed by a five-member bench of Supreme Court on charges of misconduct. In response to the sceptic’s idea of Lok Pal’s inability to undertake such extensive responsibilities, the supporters of the Jan Lok Pal draw attention to the integrative nature of corruption and argue that since the matters relating to corruption are often interrelated and even several other matters are actually results of corruption, it would be pointless to have a separate institution to deal with different aspects of corruption. They have also focused upon the structural arrangement instituted in Lok Pal which will provide a systemic process to deal with the grievances of the people and these grievances will go through this structure and the Lok Pal will be restricted to administrative and supervisory control over this structure. The bottom line of the supporters of the Jan Lok Pal Bill is that leaving everything on the elected representatives is not democracy in the real sense of terms; true democracy exists when people take part in decision making and decisions reflect their true interests. In other words people should take decisions themselves.

The discussion over having a new institution like Lok Pal led to the debate considering two things — whether there is actually a need of a new law to tackle corruption or the existing laws are sufficient and a new law is not required. The popular

⁶⁷ The “team Anna”, that strongly advocated for constituting a Lok Pal, drafted a Lok Pal Bill and presented it to the government of India for consideration which was christened — “The Jan Lok Pal Bill”.

perception, as well as according to the government, there is a need of a new law but at the same time it is also important to consider that if a new law on establishing a body to tackle corruption is required, is there any point in having a new law with old deficiencies? If the institution of Lok Pal is created, it has to have something more than the existing institutions responsible for tackling corruption because creating a new institution with old deficiencies won't be of much help. If the Lok Pal is not empowered enough to prosecute the guilty then it will again develop the feeling of immunity among the corrupt, as it will again be the old legal process that does not give the desired results. The discussion so far raises few questions in this regard — will the Lok Pal be able to perform the huge responsibilities? Will it not again fall into the web of institutions and would gradually start facing the same problems that other institutions face? Will it actually serve the larger goal of preventing corruption or will it just reduce to a punishing authority? In other words, does it have the right kind of approach towards the problem of corruption? And finally, is there any other alternative to act upon?

The above discussion demonstrates that a strong anti-corruption law is important but not sufficient to tackle political corruption in India. This view is also shared by Simcha Werner who argues

that institutionalized or systemic corruption cannot be controlled effectively through legal and police measures and the objectives of anti-corruption effort should be to develop an atmosphere of reform that may be consolidated by law.⁶⁸ The present approach of the government and civil society to tackle the problem is subjective in nature, in the sense that it focuses on individuals who indulge in corrupt acts. The problem lies in the fact that corruption is seen as problem of individuals, which makes the approach to tackle corruption reactive and the solution that is generally provided is restricted to remove the official from the office and in some cases even legal punishments are given to the wrong doer. Even the political class tries to socialise people in such a way that they start conceiving corruption as a problem of just few individuals and consider that justice is done when those individuals are punished or removed from the office that they hold, which is a false belief that people have. It is important to realise the fact that corruption results only when there are loopholes in the system and it is the system that provides opportunities for corruption making it a systemic problem. The popular approach overlooks the systemic nature and the effects of corruption. The present Lok Pal

⁶⁸ Simcha B. Werner, "New Dimensions in the Study of Administrative Corruption", *Public Administration Review*, March-April, 1983, p. 151.

or the Jan Lok Pal is also based on the same flawed approach which focuses only on punishment of the corrupt and this approach is followed by the government, civil society and people, which actually highlights the fact that the way the nature of corruption is understood is problematic. Corruption, within this understanding, is seen as a problem of just few leaders or officials and not as anti-people or anti-human which is one of the reasons for sustenance of corruption.

It is important to understand that corruption takes away the rights of the people as citizen of the nation. Corruption puts at stake the basic rights of life, liberty, equality and dignity, which constitute the basic human rights of people and hence it also becomes important to consider corruption as violation of human rights. Considering corruption as a violation of human rights can positively work towards empowering the people and would add impetus to the on-going struggle against corruption in India. High levels of corruption in any society disable the state from fulfilling its duties to respect, protect and fulfill the human rights of its citizen. Corruption undermines the ability of states to comply with its human rights obligations because it erodes the capacity and confidence of a state to deliver services to the public. Corruption not only depletes the resources available for public spending it

also weakens government's ability to deliver on various other services like health, education and welfare services.⁶⁹ In such a situation economically and politically disadvantaged suffer from the consequences of corruption as they are largely depended on public goods. Various scandals and scams that have been exposed show that even when government actually spends money on social programs to benefit the poor, the possibility of such projects being hijacked by well to do Indians is very high. A human rights perspective enables the policy makers to understand the impacts of the anti-corruption policies from the point of view of the disadvantaged. Though corruption affects all those who experience it, its impact on the disadvantaged is worst. For the groups like minorities, indigenous people, migrant workers, disabled people, refugees, prisoners and poor, corruption reinforces their exclusion and discrimination. It also happens that because of their vulnerability they become easy victims of corruption.⁷⁰

With such consequences of corruption there can be no two opinions to the fact that its existence in a democracy makes a state less democratic. However,

⁶⁹ James T. Gathii, *Defining the Relationship between Human Rights and Corruption*, 2010, <http://ssrn.com/>, accessed on 11/09/2011

⁷⁰ *Corruption and Human Rights: Making Connections*, International Council on Human Rights Policy, Switzerland, Versoix, 2009.

whether there is a negative correlation between corruption and democracy is something on which theorists have different opinions. Some recent studies of Transparency International and Freedom House on the effect of regime type on levels of corruption, revealed that there is a negative relationship between democratization and corruption but this correlation is not very strong as this is a statistical relationship and not necessarily a causal one.⁷¹ Paldam too believes that direct effect of democratization on corruption is spurious. In his study he found that corruption would generally decrease with increasing levels of democracy, but this covariance depends upon the level of democracy or upon the stage of democratic transition. In the similar vein, through a cross national study on corruption, Daniel Treisman came up with the hypothesis that democratic countries with freedom of press and vigorous civil society can have greater ability to expose corruption and thus will have lower levels of corruption, as freedom of press and association help in monitoring public officials and exposing abuse of power. Interestingly the study found that the relationship between democracy and corruption can be established not by just looking at the present condition of a

country's political system or by just looking at the fact that a country is democratic in the present time. How corrupt a country is, can be decided only by looking at whether or not it has been democratic for decades. He is of the opinion that countries with long duration of democracy had some impact on reducing corruption.⁷² In the recent past with growing social movements and non-party political process, Indian democracy is being challenged and is also being redefined. The established structures of governance are being questioned and there is a growing demand for bringing about basic structural changes in the Indian political system. While there is wide consensus on the nature, causes and consequences on issues like poverty, hunger, and other social and political problems, there is no such consensus on the issue of corruption, which weakens any struggle against corruption, and hence demands concerning the anti-corruption reform that originate outside the state structures have very little influence on the policy makers. The recent anti-corruption movement led by Anna Hazare was a rare effort in the history of social movements in India since independence that spurred countrywide struggle against corruption. This movement can be seen as a positive effort in terms of raising awareness

⁷¹ Inge Amundsen, "Political corruption: An Introduction to the Issues", *Working Paper*, Bergen, Chr. Michelsen Institute, 1999.

⁷² Daniel Treisman, "The Causes of Corruption: A Cross National Study", *Journal of Public Economics*, Vol. 76, 2000, pp. 399-457.

among people regarding widespread corruption in the functioning of government, which was lacking till now. It is important to understand that without such consciousness raising, efforts to tackle corruption will have minimal effect.

Democratic Audit as a Conceptual Toolkit

In order to come up with effective anti-corruption reform process there is a need to draw connections between theory and empirical research, as both form important parts of the research on corruption. This becomes even more difficult in the case of corruption because of its hidden nature. This paper tries to bring the issue of corruption within the realm of democratic theory and emphasises that true democracy is when people have effective control over the decision making process. However, in a representative democracy like India decisions are taken by the representatives chosen by the people and hence for people democracy is realised when they are able to exercise control over these representatives and hold them accountable. In this context the need of fresh assessment of democracy is proposed. Democratic audit is proposed as a tool to study and understand political corruption in India which can be instrumental to bridge the gap between the theoretical and practical understandings of political corruption.

Democratic audit is all about conducting proper research, probing causal relations, using efficient techniques and starting off processes of debates and awareness to enhance effective people's participation, which is crucial for carving out an institutional mechanism of accountability best suited to tackle political corruption.

The research comes up with the need for the desirability of *democratic audit* or assessment of Indian democracy and contends that a well designed democracy assessment has the potential of finding out where reform is most needed and where exactly the loopholes are. It is argued that assessing democracy is a prerequisite for bringing about any effective changes in the working of democracy.

Recent research on corruption has proved that existence of corruption transcends all political systems and ideologies and causes of corruption cannot be associated with the level of development or the ideological systems that govern a nation. This paper questions the popular explanations for existence of corruption and argues that the basic problem with such explanations is that they assume that corruption can be studied as a 'phenomenon' overlooking the underlying complex 'processes' of corruption. The paper attempts to highlight the systemic nature of corruption by arguing that the

problem lies in the system itself and that corruption occurs because there are loopholes in the system. There is lack of a comprehensive strategy against corruption which is because of partial or inadequate research on the subject. Democratic audit, as a conceptual toolkit, can contribute towards raising awareness about the problem. It is important to understand that the purpose of democratic audit is not to set out precise proposals or blueprints for change and the purpose of the audit is restricted to consciousness raising, influencing public debate, agenda setting for reform and program evaluation. Apart from opening up new questions and considerations to be debated at practical level, the purpose of this paper is also to recommend a fresh direction for undertaking any anti-corruption policy and research.