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EDITORIAL

Unintended Consequences

Avoiding the temptation to judge success of fourfold intention/objectives of demonetization to eliminate black money, root out terrorism, deal with fake currency, and plugging the channels that encourage lodging funds in tax havens which would be analyzed by development experts, and also not giving weight to temporary breach of trust by the apex bank to provide cash despite the promise, long queues, loss to daily wage-earners and their migration back home, the frustration in waiting and then disappointment at refusal, besides slow down of economic activity and suspecting all to be in possession of black money, invention of jugaad for roping in the poor to park funds in their accounts thus converting the innocent to adopt a corrupt practice, it is pertinent to assess the unintended consequences of the mega move of the government.

The foremost positive is the creation of discourse on four monsters that had been nibbling the vitals of the nation for a long time. Apart from the half-hearted legislation, this is the first time that the government has openly acknowledged, contrary to a state of denial earlier, that corruption exists in a big way and has various manifestations in the form of tax evasion, formation of shell companies, investment in realty, and accumulation of bullion, as well as keeping hoards without any creative use and its utilization on conspicuous consumption. There is a comprehensive view of the problem and the diagnosis is acceptable. The Benami Transaction Act that had been in the limbo for a long time has been incarnated afresh for a purposeful use.

As a consequence, there is acknowledgment of the need to widen the tax base by bringing the idle money

in circulation through rites of purification of money by amnesty schemes. The hoarded money has come within the banking system for utilization by those who need it for enterprise. This would raise demand for more banks all over and may lead to growth of banking sector to inculcate habit of legitimate transactions. It is also expected that the hazards of detection of undisclosed cash would make people choose the right path by paying less as tax than required under the compounding schemes of voluntary disclosures. There is every possibility of widening of tax base. Besides, government has seriously initiated revision of treaties with countries to seek information regarding deposits by Indians in their banks.

A valid debate regarding cleansing the Augean stables of electoral politics has initiated. There is a clamor for transparent funding, dealing with non-serious political parties that had never contested elections, debarring the criminals as candidates, lowering the limit of cash contributions, proper audit, and penalties for fudging of accounts. This interest is all by itself an asset. It is first time that the government seems to have accepted oddities in financial regime of political parties.

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The campaign for use of digital transactions and rise of formal economy may give a fillip to innovations and development of technologies and business. However, demonetization was a test of patience of people as they had a strong belief in 'righteous' act of government for a good cause, more so, of punishing the rich for causing financial maladies. This feeling of nemesis was necessary to appease the sense of justice of ordinary people who, besides being put to harassment, were happy at the rich 'having' it. In the bargain the private tuition teachers, the auditors, lawyers, medical practitioners and informal eateries have been alerted to behave. And the people have fallen in line. There is a lesson in civility learnt during the formation of queues, taking a turn and negation of right of privilege and status. All are equal. There is optimism in picking the grain.

Promoting UK Bribery Act in India

- **Focus Group Discussion in collaboration with National Law University (NLU):** A Focus Group Discussion on the theme of "Transnational Corruption with special reference to Prevention of Corruption Act (PCA) India & UK bribery Act" was conducted at National Law University, Dwarka, New Delhi, on October 24, 2016. The panel discussion was chaired by Shri Navneet Rajan Wasan, IPS (Retd.) Former DG, BPR&D. The other panelists were Shri P. S. Bawa, Advisor, TII, Dr. Jeet Singh Mann, NLU, and Ms. Madhu Bhalla, Vice-Chairperson, TII.
- **Training program on Tools of Good Governance, Birpara and Shisobari villages, District Alipurduar, West Bengal (25 October 2016):** Two day training program was conducted in Birpara and Shisobari villages in collaboration with Birpara Welfare Association at the ATDC Centers. The students were trained on the filing applications under Right to Information Act as well as using tool of Right to Service Act. This is for the first training in the area on both acts which citizens could use to secure their rights.
- **Focus Group Discussion in collaboration with NLSIU, Bangalore:** Another FGD on the theme of "Transnational Corruption with special reference to Prevention of Corruption Act & UK bribery Act" was conducted at National Law School University of India, Bengaluru, on November 1, 2016. It was chaired by Guest of Justice Santosh Hegde, Former Judge, Supreme Court of India. The other panelist were Shri P. S. Bawa, Advisor, TII, Shri R Venkata Rao, Vice Chancellor, NLSUI, Bengaluru, Shri V Balasubramanian, IAS (Retd.), Vice Chair, TII, Shri S. R. Hiremath, Vice Chair TII-K & Social Activist, Shri S. Balasubramanian, Vice President, Tata

Consultancy Services, Prof. Dr. T.V. Subbarao, Senior Professor of Law, NLSUI, and Shri A. K. Jain, Treasurer, TII.

- **Training on Public Procurement and Tools of Good Governance, MOIL Ltd, Nagpur:** As part of the Vigilance awareness week (October 31, 2016 to November 5, 2016) TII conducted training program on Public Procurement and Tools of Good Governance for the senior officers of MOIL, Nagpur, on November 3, 2016. The Guest of Honor for the Training program was Mr Mukund Chaudhari, Chairman cum Managing Director, MOIL Ltd. Around 40 members of staff from procurement and vigilance departments attended the program.
- **Training on Public Procurement and Tools of Good Governance, Shipping Corporation of India, Mumbai:** TII conducted training program for the senior staff of Shipping Corporation of India at the Maritime Training Institute, Mumbai, on November 8, 2016. The Guest of Honor for the Training program was Capt. B B Sinha, Director (Personnel & Administration), Shipping Corporation of India (SCI). Around 50 officers from procurement and vigilance departments attended the program.
- **Consultation on "Transnational Corruption" with IIM Shillong, Shillong:** A consultation on "Transnational Corruption" in collaboration with Indian Institute of Management (IIM), Shillong, was held at the IIM, November 18, 2016. The consultation revolved around present corporate governance norms followed by multinational companies and the changes required to curb transnational corruption. The participants questioned the effectiveness of the corporate governance mechanism, in case the tone from the top was not clear.
- **Workshop on "Curbing Corruption through Tools of Good Governance" with FICCI's North East Chapter, Guwahati:** In partnership with FICCI's North East Chapter a workshop on "Curbing Corruption through Tools of Good Governance" was conducted on November 22, 2016 in Guwahati. This was TII's maiden event in the North East. The participants consisting of senior advocates, representatives of business associations and SMEs expressed their desire that TII should conduct more such program in the region.
- **National Conference, New Delhi:** On December 9, 2016 Transparency International India hosted its 3rd National Conference on the theme of "Combating Corruption through Collective Action"

at Hotel Claridges, New Delhi. The Guest of Honor for the conference was Dr Harsh Vardhan, Union Minister for Science and Technology and Earth Sciences. Special Guests of the conference were Mr. Yashovardhan Azad and Dr Madabhushanam Sridhar Acharyulu, Information Commissioners, Central Information Commission. Ms Natalie Toms, Head, Economics, Trade Policy and Urban, British High Commission was the Distinguished Guest. The National Conference was graced by several distinguished speakers: Justice Santosh Hedge, former Judge of Supreme Court and Lokayukta Karnataka, Justice Manmohan Sarin, former Lokayukta Delhi, Dr M C Sharma, Vice Chancellor, Central Haryana University, Lt. Gen Z Shah, Vice Chancellor, Aligarh Muslim University, Mr. S R Wadhwa, former Chief Commission of Income Tax, Mr. Shiva Kumar, Chief Vigilance Officer, Bharat Electronic Limited, Mr. Rajat Vig, Partner, Deloitte, Mr. Navneet Wasan, former Special Director General, National Investigation Agency, Mr. Padamjit Singh, RTI Activist, Mr. Jagadananda, former State Information Commissioner, Mr. Sanjiv Chaturvedi, Ramon Magsaysay Awardee and Mr. Sachin Taparia, CEO, Local Circles. The national conference focused on how different stakeholders could collaborate in giving a tough fight to corruption.

- **Consultation on “Transnational Corruption” with ICFAI Business School, Dehradun:** A consultation in collaboration with ICFAI Business School on “Combating Corruption through Collective Action” was held on December 23, 2016 at The ICFAI University, Dehradun, Uttarakhand. Shri Anil Kumar Raturi, IPS, Vigilance Director, Vigilance Establishment, Uttarakhand, Dr. Pawan Kumar Aggarwal, Vice Chancellor of ICFAI University, Shri A. K. Jain from TII, and Prof. Raghvendra Sharma, ICFAI Business School were the speakers in the program. Chief Guest Shri Anil K. Raturi, said in his opening remarks that, *“Corruption begins from us. As the charity begins from home similarly corruption begins from us. It is not a quantum, but isa tendency.”*

ALAC

41 complaints were received at Delhi on anti-corruption helpline during the quarter October-December.

1. ALAC wing of TI India received complaint on Anti Corruption helpline against SHO of a Police Station and local NDMC officers regarding harassment of a petitioner for Teh Bazari. The matter was taken up with appropriate authorities and the petitioner saved form harassment.

2. Chief Secretary, Uttar Pradesh, was moved on the complaint of Paster Gladwin Masih Charan against Services Association of Seventh-Day Adventists Private Limited in the matter of religious conversion program.
3. DGP, Rajasthan, was requested to take strict action on alleged negligence of Sudha Hospital which caused patient’s death.

Engagement with the Government

Meeting with Railway Board, December 14, 2016: A discussion was held at the Rail Bhawan between Shri Sunil Mathur, Chief Vigilance Officer and departmental heads, and TII represented by Mr. P S Bawa, Advisor, Mr. Rama Nath Jha, Executive Director, Mr. Pankaj Kumar and Ms Jot Prakash Kaur, Project Directors, and Mr Brij Bhushan Singh, Program Manager. The meeting explored ways in which Railway could improve their ethical quotient. Apart from the possibility of introducing the tool of the Integrity Pact in procurements, the meeting focused on introduction of new technology to publicize information about hotlines of railways and sensitization of the public. TII extended all assistance regarding training and operation of the IP. Response is awaited.

Meeting with Punjab Vigilance Commission, December 27, 2016: Transparency International India’s representative, Ms Jot Prakash gKaur, Project Director, Integrity Pact and CSF had a brief meeting with Mr. A S Rai, Inspector General of Police, Vigilance Bureau, Punjab, to explore possibility of collaboration between TII and Punjab State Vigilance Commission to forward the good governance agenda in the State. In view of huge procurement for implementation of the Vision Punjab, a flagship project of the government to attract investment, Ms Kaur stressed upon the tool of Integrity Pact which could be incorporated in all the public procurements of goods, services, constructions, and consultancies. A possible evaluation study on the various government policies to ease investment and business opportunities in Punjab was also discussed.

Activities of State Centers

Rajasthan

- (1) A seminar on RTI Act was organized by TII-Rajasthan Chapter at SKIT, Jaipur, on 5th October, 2016 in which Mr. G.S.Hora, Chairman, TII-R, Shri J.K.Sachdeva, and Shri Alok Kulshreshtha interacted with the students and top management of SKIT. Shri I. C. Srivastava, Chairman- TII was the Chief Guest of the program.

- (2) The first Annual Lecture was delivered by Shri P.S. Bawa, former Chairman, at Prakrit Bharati Academy on October 13, 2016. The function was presided by Mr. I.C. Srivastava, Chairman, TII.
- (3) A Regional Seminar on the Theme of “Strengthening of Ethical and Moral Values in Governance” was organized by IIPA Rajasthan Regional Branch, Jaipur, on October 17, 2016. The seminar was conducted in collaboration with MDA, Jaipur, & Prakrit Bharati Academy. Justice V.S. Dave delivered the keynote address while Justice Pana Chand Jain presided over the program.
- (4) Mr. H. L. Chauhan, Member, BoM, TII, made a presentation on the theme “Strengthening of Ethical and Moral Values in Governance” on October 22, 2016 at New Delhi.
- (5) On November 3, 2016 Kalyan World School organized a debate on how to fight Corruption among rural schools of Jaipur District. Shri I C Srivastava, Chairman, TII, addressed the students. Shri Hora, Chairman TII, Rajasthan Centre, exhorted the students not to bow down to pressures in life as these led to corrupt practices.
- (6) HCM Rajasthan State Institute of Public Administration, a State government invited Shri J. K. Sachdeva, IAS, (Retd.) on December 14, 2016 for discussing the role and duties of PA under the provisions of RTI, Act. The programme was attended by around 23 senior officers from various departments including PHED, Irrigation, JVVNL etc.
- (7) HCM Rajasthan State Institute of Public Administration, invited Shri Alok Kulshreshtha, retired Senior Executive of Nationalized Bank, member of TII, on December 15, 2016 for discussion on various aspects of the RTI Act. The programme was attended by 23 senior officers from various departments including PHED, Irrigation, JVVNL etc.
- (8) On December 17, 2016 Shri I.C. Srivastava, Chairman, TII, addressed students and faculty at Rajasthan University Law College in a seminar on

Reforms in Judiciary presided by Shri P. C. Jain Judge Rajasthan High Court (Retd.). The seminar was attended by around 45 participants.

- (9) On December 28, 2016, State Institute of Health and Family Planning invited Shri JK Sachdeva to discuss salient features of RTI Act. Around 25 doctors of various hospitals and dispensaries who attended were highly appreciative of the programme as most of the doctors were unaware of the provisions of the Act.

Uttar Pradesh

On 20th November 2016 the U.P. Chapter organized a seminar on the theme of “Law and Order, Governance & Peoples Options”. The seminar was conducted at Regional Science City, Aliganj Lucknow. Justice (Retd.) Kamleshwar Nath, Justice (Retd) S.C. Verma, Shri Prakash Singh, Former D.G.P.(Padma Shri), Shri D.C. Verma, Shri Sharat Pradhan, Senior Journalist, and Dr R.K. Saxena expressed their views.

Supreme Court decision

While reversing the decision of the High Court and upholding that of the trial court thus convicting AIADMK general secretary VK Sasikala, the Supreme Court on 14 February 2017 observed: ‘Corruption is a vice of insatiable avarice for self-aggrandizement by the unscrupulous, taking unfair advantage of their power and authority, and those in public office also, in breach of the institutional norms, mostly backed by a minatory loyalists. Both corrupt and the corrupter are indictable and answerable to the society and the country as a whole’. It further said that corruption by public representatives was not only a breach of oath of office, ‘it is infringement of the community’s confidence shown in them and betrayal of the promise of allegiance to the Constitution’. It is an anathema to the values in the preamble and an onslaught upon the constitutional morality. In order to deal with the problem ‘every citizen has to be a participant in this sacrosanct mission, if we aspire for a stable, just and ideal society ...’.

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