

ROLE OF PROBITY & ACCOUNTABILITY IN GOOD GOVERNANCE

1. I am deeply honoured and privileged to be invited to deliver this Annual Lecture in memory of Dr. Harekrushna Mahtab, popularly known as Utkal Keshari. Dr. Mahtab was a veteran freedom fighter who dedicated his life to the cause of country's freedom. He was drawn to the National Liberation Movement at a young age of 22 and participated in the Salt Satyagraha Movement, Non-Cooperation Movement and the Quit India Movement. Dr. Mahtab was imprisoned several times and made immense sacrifices, but this did not dampen his spirits. He continued his struggle against the British Raj and became one of the most prominent leaders of the Indian Independence Movement. He was indeed a true patriot.

Dr. Mahtab participated in the Harijan Movement in 1934. As a humanist and social revolutionary he set an example before others by practicing what he championed. He opened his ancestral temple to Harijans for the first time in Orissa. His commitment to equality and human values will continue to inspire generations to come.

Dr. Mahtab became the premier of Orissa in 1946 before becoming the Union Minister of Commerce and Industry in 1950. He was appointed Governor for

undivided Bombay from 1955-56. He returned to become the Chief Minister of Orissa from 1956-61. Elected to the Lok Sabha in 1962, he was also the Deputy Leader of the Congress Parliamentary Party. He was elected to Orissa Legislative Assembly in 1967, 1971 and 1974. Dr. Mahtab was one of the architects of modern Orissa and a statesman par excellence. He was a true son of the soil who worked tirelessly to uplift the conditions of the people by introducing several welfare programmes and establishing industrial units. His efforts went a long way to assist construction of the Hirakund Dam, the new capital at Bhubaneswar and the amalgamation of the princely states with Orissa.

Dr. Mahtab had a multi-dimensional personality and made significant contribution in the literary field. He was the founder of the Prajatantra Prachar Samiti and started the weekly magazine Prajatantra in 1923 at Balasore. He was the Chief Editor of 'Jhankar', an Oriya Monthly, and patronised 'Meena Bazar' a children's journal. He received the Kendriya Sahitya Akademi Award in 1983 for his book "Gaon Majlis". Dr. Mahtab was a true genius and his immortal work has made him a household name in Odisha and continues to inspire people.

It is indeed my privilege to have been invited to deliver this Memorial Lecture in memory of such a respectable and iconic figure of Odisha.

2. I have been assigned the topic , “Role of Probity and Accountability in Good Governance”. A very relevant subject. The entire nation is debating on these issues. I propose to tackle the subject in three parts:

First we will address the historical perspective of these factors and the background leading to why and how good governance has become so critical to India today.

We shall then attempt an analysis, a diagnosis of the situation as it obtains today and how it affects public life, economic growth and a stable democracy.

In the third point I will attempt to place a few propositions before you as to how, you and I, can and need to make a difference in the years ahead of this nation.

Background

3. The commencement of the present millennium for India was very exciting and rewarding. It helped to provide comfort within the country and also globally that the vibrant Indian democracy was capable of delivering near to double digit growth. We have successfully overcome the stressful situations

preceding the 1991 reforms, consolidated on the initiatives taken post the unfolding of the reform agenda and indeed withstood the shock in which the so called Asian Tigers nearly folded up. The country even managed to survive the initial setbacks of the financial meltdown which commenced with the toxic assets originating from the USA. However, since practically all major developed and emerging economies are now globally networked through trade and financial institutions' operations, the subsequent economic impacts created difficulties for India.

More importantly, the latter part of the first decade of this millennium which saw global unrest among citizens of many developed countries, also witnessed a very severe churning in civil society in India. Whilst the unrest and impatience displayed by the major elements in civil society within the country may have had a large number of factors aggregating for an outburst of public dissent, the spontaneous outpourings on the streets by young boys and girls posed a very challenging situation to the administration. It has been the considered view point of a large number of political analysts that the manner in which the administration handled the situation exposed the weakness of the system and its insensitivity to public sentiment.

4. 2012 will go down in the history of the Indian democracy as a defining year: a year in which the citizen came centre stage to debunk the myth of the silent majority. This certainly portends a maturing of Indian democratic forces. How much the political class and administration has realized this factor and is willing to come to terms with it, is too early to predict. It is clear that citizens seek a dialogue - a dialogue in which they can participate in governance and will be calling the government to account. This is indeed the old order changing, yielding place to the new. The era of a new discerning and very demanding class of citizen, has come to stay.

The citizen calling the government to account and seeking transparency in policy formulation is the emergence of the voice which hitherto was considered to be that of the silent majority. This voice is now seeking to develop a new moral and ethical frame work which would be put in position to guide the citizenry and its elected representatives in future.

5. There are very distinct signs of the Urban Indian middle class mobilising themselves politically. There are also signs of a tenacious assertion in this mobilisation. This mobilisation is debunking the conventional wisdom of the white collar, urban citizenry unwilling to take to the streets to pursue its cause.

This class of people had confined themselves to living room discussions, TV

debates and may be, college politics. They took pride in not going to vote, looked down at caste and regional politics and hence were never sought out by political parties. But this disparate group is aggregating. It is uniting for a cause. It seems to feel its strength. What stirred them?

May be, corruption at every government office; a birth certificate, a drivers licence, a hospital bed, a gas connection.

May be it is Jessica Lal, DGP Rathore or Manu Sharma. May be, it is the realisation that they can no longer tolerate being denied basic amenities such as drinking water, power and security.

May be it is a TV clip of a state minister telling officials that it is okay to steal a bit but one should not loot.

The last strain on this camel's back certainly was the unfolding of human barbarity at its worst, on the night of December 16 in New Delhi.

All indications of such a movement point to the fact that it cannot be wished away. It is not a flash in the pan and has all ingredients of being a long term phenomenon.

Diagnosis

6. To understand why I am making such an assertion we need to do a clinical, objective and incisive analysis of the scenario obtaining today. I say this

because, as the Indian democracy ages, India grows younger viz., the median age of its population would still be 25 which is about 15 years younger than that of the United States of America. This young population has grown up in a Flat World. In a world to which India is totally plugged in. They are a Gen Next who are networked across political and geographical frontiers. They have grown with a respect for all democratic institutions and with pride that the vibrant democracy that we practice has delivered double digit growth. They also read and hear statements as made by President Barack Obama that democracy involves accountability and accountability can only come by transparency. It is such an aware, informed and demanding youth who will keep holding government to account in all its actions. It was this cross section of the urban middle class who seems to have awakened and see a major role for themselves in building this Nation.

7. You will all appreciate that this churning in the urban educated middle class has taken the administration by surprise. They were neither prepared nor attuned to such an awakening. They cannot conceive spontaneous crowds collecting. They are only accustomed to paid crowds in political rallies. The scant regard for this class that it always displayed, is now proving to be an

incorrect appreciation of a reading of the pulse of the people. And hence the misguided response which further deteriorated the situation.

8. This urban middle class has grown up to respect the system, institutions and rule of law. The political establishment seemed to subvert these and hence the total disharmony between a people and the government they voted unto themselves. The need for able governance has never been so strongly felt as in the present day world. While the developed countries have to deal with the aftermath of the economic slow-down, the developing countries have to struggle to ward off economic downturn, create employment opportunities and meet the growing aspirations of a demanding populace. Only efficient and effective governance can meet these challenges. It is increasingly becoming evident that efficiency and effectiveness in governance are not sustainable without probity, transparency and accountability.

9. Good governance is not the sole responsibility of government alone. It is a requirement in the corporate sector too. It also transcends into civil societies, non-governmental organizations and citizen's groups. However, since government collects moneys from the public and spends on behalf of the public, such spending does place an element of higher accountability on government. Such accountability requires that the actions and decisions taken

by public officials are transparent and capable of withstanding public scrutiny. Such accountability in government decisions and actions ensure that government initiatives meet their stated objective and are indeed responsive to the needs of the people that they are seeking to benefit. History speaks of such accountability, being a cornerstone of virtually all definitions of democracy and good governance, since times immemorial.

10. If we look at our experience in the last two decades since the opening of the economy from 1990s, the need for greater probity, transparency and accountability in governance gains added significance. While we have performed well in almost all the sectors in the economy since liberalization and we could withstand the global economic slowdown, we did fail to achieve the true potential of the liberalization reforms.

11. The conventional wisdom of good governance is premised on the basic tenet that democratically elected governments will conduct public affairs with probity and accountability. However, recent actions of government, which have come in the public domain, indicate that elements of ethics and integrity seem to be lacking. This has triggered the feeling among the vast majority of urban citizenry that it is time when the conventional architecture along which governments are expected to function, needs to be tempered such that there

is an element of participation by the informed public. The supremacy of the elected political executive in a parliamentary democracy cannot be denied. The administrative bureaucracy is meant to advise and facilitate policy parameters enunciated by the political executive, which is commonly understood to be the Council of Ministers. However, whilst the political executive is superior to civil and uniformed bureaucracy, they owe their allegiance to the ultimate stakeholder on whose behalf they act. Hence, my proposition before you is that public oversight of government policy is essential. Also, as has been demonstrated by subsequent governments through the 73rd, 74th Amendments, Right to Information Act and implementation of flagship programmes through Gram Panchayats, participative governance has come to stay. If the benefits of economic growth are to be made inclusive and sustainable, the involvement and oversighting by the public to ensure transparency of decision making and accountability for actions will have to be ensured.

12. It is in this context that the Constitution makers had devised the mandate of the CAG and the Indian Audit and Accounts Department. Our role is not merely to audit the expenditure of government. Our mandate is not merely to prepare Audit Reports and place them in Parliament. Our mandate is to hold

the Government financially accountable to the Legislature. We can thus not don the role of cheer leaders. Our professional specialization is to point out sub-optimality in policy formulation, lacunae in policy implementation and to provide constructive suggestions for overcoming inadequacies. Since in times to come, governance will have to become participative and a discerning young citizenry will seek a voice in administration and policy formulation, it becomes incumbent upon audit to sensitize public opinion on its findings in the course of audit. We have thus engaged in social audit where we engage with NGOs, citizen groups and representatives of the local informed public to get that last mile outreach. Whilst this gives us a better insight in scheme implementation, it provides the local citizens a credible voice in their Legislative Assembly. We have also taken steps to disseminate our major audit findings in schemes implemented in the social sector through small pamphlets otherwise known as “noddy books”. This helps educate the media, citizens groups and even college students about our findings and our attempts to upgrade governance.

13. The most oft repeated statements by public officials over a large number of misdemeanors which have been reported are, that the law would be allowed to take its course. It is unfortunate that this is exactly what does not happen and there are any numbers of impediments in the law taking its

course, within a limited time span. History speaks of enlightened kings and vibrant democracies being successful and popular only because the rule of law was allowed to prevail. This is a very fundamental requirement if we have to make the government of the people, by the people and for the people.

Road Ahead

14. Accountability is the obligation, of those holding power, to take responsibility for their behavior and actions. It becomes even more important an issue when management of public funds is involved. The government spends a huge amount of money in creating infrastructure, providing services and running various schemes for the welfare of its people. A large chunk of the government's money comes from tax which is compulsorily collected from its citizens. The government is, therefore, obligated to work in the interest of its citizens and deliver accountable governance. It is answerable to public for its policies, decisions and performance. The action of the Government has to be fair, equitable, transparent and accountable.

15. I place the proposition before you that good governance can come only when it is premised on probity and transparency. We have to reintroduce a culture of morality and ethics. Accountability can come only when all decision

makers and those acting on behalf of government are made aware that they sit in glass houses and all their actions are open to oversight. We have remarkable instances wherein lack of probity, both in the government and the corporate sector, though detected, could not be brought to the logical conclusion due to failure of administration and protracted litigation. There have been any numbers of cases of corrupt officials and confirmed acts of misdemeanor which have not been brought to the logical conclusion due to procedural delays. There are any number of instances of habitual offenders having been caught red handed, undergoing protracted litigation which does not deter such offenders. A remarkable case in point is that of the aftermath of the Satyam scandal coming to light. Despite the Chairman of the company confessing that the company's accounts have been falsified, the case continues to drag in different courts and as of January 2013, the High Court had stayed the trial before the designated CBI Court for four weeks. The main accused continues to be on bail as CBI failed to file the charge sheet even after 33 months of the Chairman being arrested. A contra distinct from this case is the swift trial and sentencing of the operator of the Ponzi scheme which is considered to be largest fraud in US history where Madoff, the brain behind the scheme was arrested in December 2008 and pleaded guilty to 11 federal

felonies. In June 2009 he was sentenced to 150 years in prison. Such swift action would obviously be a deterrent to any such misadventures in future.

16. Let us acknowledge that the country is at the inflexion point. If the heightened outrage of the citizenry and the urban middle class is moulded in a positive manner, it would translate into a tremendous synergy between government and its people. The second arm of this inflexion point, which the country can ill afford, is an insensitive and polarized government which turns a deaf ear to the outpouring of public opinions. It is the responsibility of people like us to be leaders of public opinion and help modulate policy formulations such that they incorporate the felt needs of the public. We need to recognize that democracy is meant to empower the people and not emasculate them. Thus people should not feel a sense of betrayal. Empowerment will be felt only when the rule of law is allowed to prevail. The founding fathers of the Constitution have created institutions to protect the rule of law. These institutions must be given freedom and space to play their role.

17. A new code of morality and ethics will not only have to be put in place but oversighted by Citizens groups. This is not new. We have the Jan Sunwai programme in Rajasthan architected by Smt. Aruna Roy. Ethical behavior

will have to be ingrained in public functionaries. The spirit will have to be a 'government servant' and not "official" as in representative of the Raj.

18. The activating of RTI, Whistle blower and Lokayuktas will have to be made permanent. The basic quality of accountability will have to be ingrained in every government functionary. Article 311 protection for officials and a five year tenure for elected representatives is not for immunity but merely to provide protection from uncertainty or insecurity. The political executive, bureaucracy and lower judiciary cannot assume that they are immune to accountability.

19. In a parliamentary democracy the elected executive is supreme. Officials are meant to advise and then implement policy laid down by the Legislature/Council of Ministers. The bureaucracy will have to think big, be bold and be loyal to the Constitution and not any individual. They are meant to be professionals; a steel fibre in a frame which knits a structure together. They have to keep the nation in focus and not hold on to their 'kursi'. The Indian bureaucracy has all the muscles – at times these turn to fat and get lodged in the wrong places!

20. Elected representatives are agents of the will of the people. They do not need to be advised to reform. They can put in place measures of self reform.

No Election Commission or other agency can restrict muscle or money power in elections. The participants in this exercise only can. This is the need of the hour and since we have any number of instances of the long arm of the law catching up albeit after the gap of years, yet it does. The writing on the wall is clear. If we have to make Indian democracy truly of the people, by the people and for the people, make economic growth inclusive, indeed see India emerge as an economic superpower, the elected representative will have to take the lead.

21. In conclusion, I would like to state that economic prosperity for Indians is not an option – it is a necessity. Economic empowerment and thereby emerging a superpower can be possible if growth is founded on good governance. Such growth is sustainable only if it is premised on an ethical code of governance. When the story of India is written, it should be written that governance was the solution and not the problem wherein the State was the facilitator and not the predator. These edicts in our governance structure have to be an essential ingredient as too much is at stake and for too many people.