

COMMENT

'Black & White'

Problem of corruption and black money is global. And power and corruption of the Ministers in India has grown such that in the Voluntary Disclosure Scheme announced by the Vajpayee Government the maximum amount disclosed, was just Rs 274 crore by a politician from Andhra Pradesh. It was established in the Bofors case that grease money had been paid. The alleged culprits, however, were let off on grounds that there was no solid evidence. The hawala case implicated many politicians. Again they were let off on grounds of lack of evidence. The Reddy brothers in Karnataka bled the government and small businessmen alike. A Chief Minister of UP would have a notification issued raising sales tax on a particular commodity. The notification was withdrawn promptly within a few days as soon as grease money was paid. The officials simply cannot take action against black money in the economy because that would imply acting against their politician bosses.

It's simply ludicrous to expect much from the White Paper on Black Money placed by Finance Minister Pranab Mukherjee on the table of the Parliament the other day. The Finance Minister has not said a single word regarding the role of politicians in generation of black money. Fundamental problem is that when the Ministers are themselves deeply involved in generation and circulation of black money, then who will put a stop to this? It is like expecting the thief to put a stop to thefts. Instead of focusing on the main cause of complicity of Ministers, the Finance Minister has highlighted the petty corruption by ordinary people. And the solutions proposed are entirely cosmetic. It is said, for example, that use of debit cards should be encouraged. It fails to dawn on the Finance Minister that a person buying goods with black money will have the wisdom not to charge it to his bank account. In any event, debit cards are used by ordinary people for ordinary transactions. Another solution suggested is to deduct TDS on property registration. Indeed, this may help bring some of the benami deals into the open. But the major problem is that of undervaluation. Deduction of TDS will not track the huge amount of money making the rounds in the property markets.

The real objective of the White Paper is to distract attention of the people from the deep seated corruption among the politicians. The Finance Minister is focusing on the purchases of few thousands of rupees that are made by the common man in cash. He has nothing to say about the few thousands of crores of rupees of black money that is generated by the politicians by milking the Public Sector Undertakings and government contracts, issuing notifications that are designed to bring black money to the Ministers; and making policies that provide special benefits to specific business houses.

The Finance Minister has said that the Lokpal Bill should be passed expeditiously. But the problem, however, is that passage of the Bill may not bring about a qualitative change in governance. Reason is that the Lokpal will be appointed by the Government. Other Constitutional authorities like the Chief Justice of Supreme Court of India, Director of Central Bureau of Investigation, Chief Vigilance Commissioner and Comptroller and Auditor General of India are similarly appointed by the Government. These authorities are supposed to be as independent of the government as the proposed Lokpal. Yet they are more often than not acting as organs of the government. Reason is that the persons appointed to these offices are selected by the same government which they are expected to check.

Solution to this problem is to take the appointment of these Constitutional authorities out of the hands of the government. The President of India may be elected directly by the entire electorate of India like in the United States. The Chief Justice of India and Comptroller and Auditor General of India can be appointed by a Committee of heads of Bar Council of India, Confederation of Indian Industry, Medical Council of India, Institute of Chartered Accountants of India, etc. Such a process of appointments will place truly independent persons in these key positions. They will be able to take action against corrupt Ministers. That may help clean the rot from the top to bottom. □□□ *[contributed]*