

# Accountability in Public Service

N. Vittal IAS (Retd.) \*



**FORUM**  
OF FREE ENTERPRISE

## Introduction

These are depressing times for most Indians - not because the country has been drifting in her economic growth performance (stubbornly high inflation is doubtless an important concern), but because of a spate of scams, scandals, charges and counter charges of corruption cutting across the entire spectrum and structure of our political and governance system.

During the past two decades of economic reforms, India has been progressively gaining in her grand stature of maturing modern economy even in the global community with her brilliant professionals and enterprising entrepreneurs establishing footprints on the hitherto under explored foreign soils. But unfortunately, the imploding events of the last over six months in our governance system is rapidly undermining the confidence of all stakeholders of this country. Just the following development will suffice to unveil the prevailing sense of despondency:

A small group of fourteen like-minded prominent citizens in the open letter to leaders observed that "in the last few months, the country has witnessed eruption of a number of egregious events, thanks to active media eagerly tracking malfeasance. ... What we are deeply worried about is not to allow India's huge growth potential and poverty alleviation challenges to be diluted or digressed from, and which would be a great loss, especially to the poor and dispossessed." Further, it makes a case for some urgent governmental interventions (illustratively, for effective and fully empowered Lok Ayuktas and early introduction of the Lok Pal Bill) and calls upon the government for "dealing determinedly with GOVERNANCE and aggressively against CORRUPTION", and indeed, offering to lend its hand to achieve positive change. (Excerpted from full letter published in Business India, January 17, 2011).

*"Free Enterprise was born with man and shall survive as long as man survives".*

**- A. D. Shroff**  
Founder-President  
Forum of Free Enterprise

The Forum has right since its inception in 1956, while consistently promoting and protecting the cause of free enterprise and private sector in India, has always stood by the imperatives of high standards of justice, integrity and probity in public life. Our founding fathers were very careful and categorical about their belief in the essential elements of democracy in the Indian way of life. Hence, in the Forum's Manifesto, they cautioned, among other things, about dangers to our basic democratic character by concentrating "power and patronage in a few hands". Equally importantly, they insisted that various stakeholders of private enterprise, including organised bodies like Chambers of Commerce and Trade Associations, need to adopt the Code of Conduct, which was unveiled by the Forum way back in 1957. The thrust has always been on the very core of "high standards of integrity which are dictated by social purpose".

Delivering the Ninth A. D. Shroff Memorial Lecture in Bombay on 28th October 1974 on the "Role of the Judiciary in Parliamentary Democracy", Mr. Justice M.C. Chagla (Retd.) observed that "It is mere truism to say that if the Judiciary is to be the custodian of the rights of the citizens, it must inspire the confidence of the public. It must be independent and impartial. It must not call any one its master nor should any one be allowed to call it its servant. It must assign to the waste paper basket any directions it may receive even from the President or the Prime Minister. ...."

He further went on to state "our judiciary down the years has enjoyed a reputation second to none in the Judicial world. We have produced Judges of great eminence, of great learning, of great humanity, who have enriched the pages of Law Reports. Their independence and impartiality has never been doubted or suspect. ....". But at the same time, he cautioned how the

Judicial administration of the country would be undermined if certain motivated intrusions from the government creep in and the signs of those had already started becoming visible by then.

Mr. Chagla further added "The second important matter which requires an immediate amendment of the Constitution is to place the Judge in the same position as the Auditor-General. The latter cannot hold any office under the Government or under the Government of any State after retirement. This is a salutary provision to ensure the utmost impartiality and integrity in an office of high responsibility. Does a Judge hold an office which is less responsible and which calls for less independence or impartiality? It is sad to see the number of Judges who pay Court to Ministers to get appointed to some Tribunal after retirement and it is sadder to see how many tribunals are manned by **ex-Judges**. The consequences of this policy of Government have been highly prejudicial to the fair name of the Judiciary. Short time before retirement, every Judgement of a Judge, however honest, becomes suspect".

As a part of this whole process of cultivating public opinion, the Forum is, indeed, privileged to publish this booklet on "Accountability in Public Service" authored by one of the contemporary great thinkers and former eminent civil servant, Mr. N. Vittal, who held several key positions in the Central Government, including as the Central Vigilance Commissioner from 1998 to 2002.

Given his enormous scholarship, knowledge and ground level experience in public administration in different ministries of the Central Government, we believe that this booklet will be extremely valuable to our avid readers and in shaping the discourse on the current issues of corruption in a more dispassionate framework. Undoubtedly, as elaborated in one of his excellent articles there has to be a "principle of zero

tolerance" while dealing with corruption that breeds contempt for the law and governance system. Surely, this article itself derived inspiration from the then Prime Minister's address to the nation on October 16, 1999.

After diagnosing the problems areas, he makes several significant suggestions and states that "instead of depending only on the government ... .. we can visualise alternative agencies like non-government organisations, the private sector or better still public-private partnership for evolving new models for providing public services". He also invites our attention to what Prof Pradip Khandwalla has offered in his book "Transforming Governance through New Public Management". He concludes his article on an optimistic note and gives us a sense of comfort that "the quality of integrity in public life will improve in our country. Incidentally, the accountability in public service will also improve."

We at the Forum have always been optimistic about the future of our country. We have seen that our relentless pursuit for well over three decades towards the goal of economic liberalisation eventually had borne fruits in the midst of economic crisis of 1991. We hope the spate of dreadful developments of the recent months will serve as a wake up call for our political leaders, and that all the saner voices and advice cited above and in this booklet will come to prevail in the year of our Lord 2011 - two decades after the economic crisis changed the economic landscape of India!

**Sunil Bhandare**  
Editor

## **ACCOUNTABILITY IN PUBLIC SERVICE**

by

**N. Vittal IAS (Retd.)\***

The expression 'public service' can be interpreted broadly as any activity which contributes to providing services to a large number of people or a large number of citizens. The term service itself can be further looked at from two angles. The first is, rendering services, which meet the (non-physical) needs of the citizens like health, education and security. The second relates to providing the goods needed by the citizens and thus meeting their physical needs like food through the public distribution system. In both the type of public services, availability and accessibility are important. Ensuring that the citizens who are the consumers of the public service get

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*\* The author was Central Vigilance Commissioner, Govt. of India, from 3rd September 1998 till 2nd September 2002. Earlier he was Secretary to the Govt. of India, Department of Electronics (now named as Ministry of Information Technology) and Chairman, Telecom Commission and Secretary to the Department of Telecommunication. The text had originally appeared in serially "Freedom First" (November and December 2010 and January 2011 issues) and is reproduced here with kind permission from the author and also the Editor of "Freedom First".*

proper satisfaction, is a *sin qua non* for rating the quality of service. The term public service can also be interpreted to include the act of governance of which leads us to the issue of public administration.

Accountability means responsibility. In fact, accountability is literally the soul of public service. If providing goods or services is the input of public services, meeting the needs or aspirations of citizens is the output. The dynamics of public service in the ultimate analysis depends a lot on two factors. The first element is the input and the second essential element is the sense of accountability or commitment. If the same idea has to be expressed in the form of equation, 'O' output in terms of quality or level of satisfaction of the people or citizens, is equal to 'I' input multiplied by 'A' accountability.

$$I \times A = O$$

Output will depend upon what are the parameters that are measured, when it comes to public service in the context of governance in terms of providing goods and services to the citizens. The quality of output can cover a wide range of factors. So far as commercial activities are concerned, parameters have been evolved for measuring customer satisfaction. In fact, quality itself can be defined as fulfilling the promises underlying any services. When the concept about the quality evolved in to the concept of total quality management, this concept of satisfaction was further enhanced to cover delighting the customer and providing a pleasant surprise to him/her. So far as businesses are concerned, Mahatma Gandhi emphasised the fundamental significance of the customers by pointing out that he/she is the very essence of business. Business thrives because of the customer. Peter

Drucker distilled quintessence of business as finding a customer and retaining him. While in the case of business, the concept of satisfying the customer and exceeding his/her expectations for delighting him/her with pleasant surprises may appear very pragmatic, when it comes to public governance however, a similar concept has been only slow in evolving.

The relationship between the state and the people depends a lot on the nature and ideology of the state. It used to be said that in U.K. the people are subjects. In France, they are citizens. In the U.S. they are tax payers. What is said of U.S. is true of practically all countries. In democratic states, the respect for the individual and his dignity are the key. The approach to human rights is more sensitive. On the other hand, in totalitarian regimes, the citizen is treated as a cog in the wheel and an instrument for fulfilling the objective of the state. In the Indian context, therefore, in any discussion of public service and accountability in public service, it is necessary to bear in mind the basic spirit of democracy which is rooted in the dignity of the individual and the need for ensuring that respect for the individual is maintained and an environment is shaped where and by which his full potential can be realised. After all, every individual has some talent. Ideally in a democratic liberal set up, the environment in terms of organisations, systems and procedures, rules and regulations must be such that the individual is able to rise to his full potential.

We may now examine the left hand side of the equation  
 $I \times A = O$

The inputs would be of two types. These are, to borrow the terminology of information technology, software and

hardware. The software of the inputs for providing any public service depends primarily upon the people who provide the services and run the organisations providing them. The human element is the most significant input, so far as public service is concerned. Software part of the inputs would also include aspects of organisational culture, the attitudes and the training of people providing the public services. The hardware aspect of the inputs would cover the organisational structure, rules and regulations as well as the systems and procedures for selection of people to run the organisation and their training, the shaping of their attitude and nurturing the values for the organisation.

We then come to the second element on the left side of the equation  $I \times A = O$ .

Accountability, as mentioned earlier, constitutes the soul of effectiveness and quality of public service. Accountability means responsibility. In the ultimate analysis, accountability should and can be fixed and focused only on individual human beings. Fixing responsibility on organisations can be a manner of speaking. An organisation is after all an artificial person and an impersonal entity. Fixing accountability on organisations does not really make the practice of accountability meaningful. In any analysis of accountability in public service, we must never forget the fact that accountability is on the individuals. It is when we focus on the individual human element that we will be able to fix accountability and in case of failure rectify the system. In fact, if there is a single element that is responsible for the prevailing poor quality of governance in our country or the quality of services in any sector, we find invariably, it is the lack of sense of accountability. There are a number of reasons why this situation has emerged over the years.

## Reasons for erosion of accountability of **accountability-** Parkinson's Law

At this stage it is worthwhile to list the factors that generally contribute to erosion of accountability and difficulty in fixing responsibility when the public services fail. So far as government or the state is concerned, one main cause of lack of accountability has long been known. This is the impact of what is called the Parkinson's law. Years ago, soon after second world war, Professor Northcote Parkinson discovered that the size of the British Navy in fact became much larger after the Second World War than during at the height of the war. He identified that work expanded to fill time available. It is this counter intuitive fact, which drives the continuous expansion of the number of people in government organisations. The psychological reason for increase in the number of public servants or the bureaucracy is manifold. A general assumption could be that this is due to the increase in the quantity of service to be provided, Parkinson's law shows that even when there is no ostensible reason by way of increasing load of work, the bureaucracy has a tendency to expand, because work expands to fill time available. Nature abhors vacuum and perhaps, this is true of every other area also. That is why, the British Navy expanded after the end of the War.

The very expansion in the number of public servants lays the foundation for lack of accountability. Accountability is easy and clear, if as mentioned earlier, it is focused on the individual and the task to be performed is clearly defined. However, when the task remains the same and what was being done by one person is to be done by three or even more people, then the immediate victim is the goal clarity. When there is lack of clarity about the objective or the goals or the functions

to be performed, then accountability to that extent gets diluted. It may be possible to overcome this problem by clearly defining the functions. But by the very nature of the function, new demands and new situations may arise. It is not possible to anticipate all developments and cover them and have a rule for every situation. No wonder "work to rule" becomes an instrument of labour action to press demands on par with striking work or refusing to do work.

This highlights the fundamental paradox about fixing responsibility and brings us to another aspect. In the ultimate analysis the sense of responsibility has to be nurtured and it has to come from within the individuals. Perhaps the universally known excellent example for accountability is the mother. A young girl, once she becomes a mother, suddenly develops a spirit of accountability for the new born. She becomes a caring, protecting and multitasking mother. This innate capacity to feel responsible for the output or results and protecting the object of care is at the soul of spirit of accountability. This is true for every activity, be it providing a service, meeting the customer's demand or meeting an emergency situation or whatever. Rules and procedures are needed for running organisations but by the very nature, the rules and procedures can also come in the way of performing a function effectively.

The letter of the rules and procedure and their spirit have to be clearly understood. Unfortunately, in large organisations especially government organisations, the focus ultimately turns out to be on the letter of the law rather than the spirit of the law. Organisations like the Comptroller and Auditor General are focused on the letter of the law and ultimately the emphasis seems to be on doing a thing rightly than doing right things.

In fact, for getting better results when situations are changing especially in areas of public service, doing the right thing even by breaking the law may be necessary. As has been rightly mentioned, one can never make an omelette without breaking eggs. Many a times, I have found that rules and procedures are eggs which have to be broken when there is a greater demand of making the needs of implementing the projects. And this is where a sincere public servant faces a dilemma about doing the right thing while at the same time not doing it rightly. In order to overcome the hesitation and the problems that may arise in the case of post audit, the best strategy to adopt is to record in real time, the reasons why a particular course of action was adopted in the context of the rules, which may not entirely permit it. Recording such detailed speaking notes is the best solution for being accountable and at the same time, not becoming a unintended victim of audit procedures, which in our system is very common.

### **Poor System for Reward and Punishment**

Another major reason for the lack of accountability is the system of rewards and punishment in a system. Most of the governmental systems emphasise the written rules and procedures and as mentioned earlier, situations when an effectively performing public servant has to go beyond the letter of the law, faces the danger of becoming a victim. This may lead to situations where a person who doesn't take a decision or delays a decision and as a result causes greater harm to public service may make a better progress in his individual career than a public servant who takes an initiative that has to break the law once in a while. In order to nurture a sense of accountability, therefore, systems have to be put in place. The rewards and punishments must be directly related

to performance and taking initiative instead of blind conformity or ineffective mechanical approach to providing the services. The government is expected to be a model employer and keeping this in mind, the Indian Constitution provides a double guarantee to the permanent civil servants under Article 311 of the Constitution. Article 311 ensures that no one once employed can be removed from service unless the following conditions are satisfied:

Article 311. Dismissal, removal or reduction in rank of persons employed in civil capacities under the Union or a State.-

(1) No person who is a member of a civil service of the Union or an all-India service or a civil service of a State or holds a civil post under the Union or a State shall be dismissed or removed by an authority subordinate to that by which he was appointed.

(2) No such person as aforesaid shall be dismissed or removed or reduced in rank except after an inquiry in which he has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges.

(3) Provided that where it is proposed after such inquiry, to impose upon him any such penalty, such penalty may be imposed on the basis of the evidence adduced during such inquiry and it shall not be necessary to give such person any opportunity of making representation on the penalty proposed:

Provided further that this clause shall not apply

(a) where a person is dismissed or removed or reduced in rank on the ground of conduct which has led to his conviction on a criminal charge; or

(b) where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to be recorded by that authority in writing, it is not reasonably practicable to hold such inquiry; or

(c) where the President or the Governor, as the case may be, is satisfied that in the interest of the security of the State it is not expedient to hold such inquiry.

(3) If, in respect of any such person as aforesaid, a question arises whether it is reasonably practicable to hold such inquiry as is referred to in clause (2), the decision thereon of the authority empowered to dismiss or remove such person or to reduce him in rank shall be final.

This sense of security may be justified to ensure that the public servant takes the initiative to meet situations as may arise in the performing of the public service, but what has happened is that once a person becomes a government servant, it becomes practically impossible to fire him. As a result, the greatest measure of punishing poor performance or lack of responsibility or lack accountability gets blunted. In fact, it has been suggested that in order to improve performance, Article 311 has to be modified or withdrawn and replaced by a rolling contract system so that at any given point of time, the relationship between the public servant and the state is a contractual one and in terms of the contract, depending on the performance.

### **Weakness of Annual Confidential Reports system**

One method of rating the performance of public servants is through annual performance reports. We have a system of annual confidential reports. Under this system, while feedback



on good performance is not given, adverse remarks are communicated. Thanks to the impact of Article 311, regarding the protection given to the government servant, the reality is that any reporting officer who gives honest adverse remarks in the ACR is more often placed in an awkward situation. Many reporting officers therefore choose the path of least resistance. There is an inflation in the rating of performance. The situation has become ridiculous. For a government servant in India, 'good' means average or even poor!

Another complicating factor is that many government servants belonging to the reserved or backward class, many a time, advance the fact of their caste and accuse the reporting officer of prejudice to defend their case against adverse remarks. In Andhra Pradesh, when Mr. Chandrababu Naidu was the Chief Minister, an attempt was made to make this rating of performance as objective as possible, but the impact is not known. It may not be possible to quantify all public service precisely.

### **Lack of transparency**

Another major factor for lack of accountability is lack of transparency. In the corporate sector, the recent debates about the need for corporate governance has brought into sharp focus the fact that if a business enterprise has to be run under the principles of good corporate governance, three factors are important. First, there should be transparency. Transparency is the best guarantee to ensure that no malpractices take place. Because, greater the transparency, greater the accountability so far as decision-making is concerned. One common complaint about governmental systems has been the lack of transparency. Rules and

procedures are not transparent and the decision making process is not clear and as a result, the citizen does not get the information that he needs nor can be sure that he has been treated in a just manner. In this context, the enactment of the Right to Information Act 2005 has been a great blessing and an important step forward in the Indian government system for ensuring accountability of public service. Recent review of the experience under the Right to Information Act 2005 highlights the teething problems of introducing a transparent system of governance and decision making in an administration set up by the British colonial system where secrecy reined supreme. There was an Official Secret Act but no Right to Information Act. As experience in corporate governance principles shows that transparency helps in fixing accountability and fixing accountability is the first step in ensuring a fair rewards and punishment system so far as delivery of public service is concerned. If this is done in a very meaningful effective manner, it will ultimately lead to the greater satisfaction of the public.

### **Corruption**

Perhaps, the most significant factor that comes in the way of accountability in public service is corruption. Corruption has been defined by the World Bank as use of public office for private gain. The concern universally over corruption in public services gathered momentum towards the end of the 1990s and the adoption of a UN Convention on Fighting Corruption in 2003 marks an important step forward. In the context of the public governance system, the focus on fighting corruption ranks very high because corruption has been a universal experience. Transparency International, the Berlin based NGO, has been publishing annually, the Corruption

Perception Index. The direct correlation between reduction in corruption and greater accountability in public service is obvious. The measures to fight corruption, therefore, can be considered as measures that improve accountability in public service. For tackling corruption, one can adopt the same strategy as has been adopted for tackling any disease. If the cause of any disease is known, then corrective measures can be initiated to ensure that the causes are tackled and to that extent corruption will be reduced and greater accountability introduced. In the Indian context, so far as the bureaucracy is concerned, corruption is due to the following reasons:

Lack of transparency arising out of unclear rules and procedures and nurtured by a culture of secrecy under the ambit of the Official Secrets Act; red tape arising out of complicated procedures leading to encouragement of corruption by way of speed money. It is true that the procedures which cause delay and have often been described as red tape, were there to ensure uniformity of decision making in all cases of a similar nature. Laid down to ensure procedures were the same for cases of a similar nature. The idea was to ensure that justice was not only done but was seen to be done. Unfortunately as happens in many human situations, the path to hell is paved with good intentions; a poor reward and punishment system; the universal human tendency of **groupism** or brotherhood. Thick as thieves is a very common expression. Nobody talks about 'thick as honest people'. It is the tribalism of the corrupt and the brotherhood amongst them that gives them strength within the organisation.

Each of these four reasons can be effectively tackled and in so far as developing alternatives are concerned, I would

suggest that the standard basic principles of industrial engineering consisting of the following options be followed to explore every situation in so far as improving procedures are concerned:

- Elimination
- Combination
- e-sequencing
- Substitution
- Modification

This exercise can be extensively used to bring better transparency and reduce to a great extent the scope for corruption. Equally important in fighting corruption is the availability of information technology. We have seen in this country the tremendous impact of information technology in improving Railway Passenger Reservation system. This is benefiting crores of people everyday. E-governance using information technology in various governmental organisations' systems and procedures is also another option that can be considered for reducing corruption and improving accountability in public service. Nevertheless, one cannot forget that no machine can be cleverer than the human mind. As Dr. Radhakrishnan pointed out the mind that invented the atom bomb is more powerful than the atom bomb itself. Experience in Andhra Pradesh, for example, in the computerisation of the land record system shows that while the registration system could be simplified and the procedure speeded up, human intervention in putting data can be a source of corruption!

### **New public management**

Above approaches for fighting corruption and bringing of

transparency and accountability in public service, all visualise working within the given system. In recent times, especially after the experience of Margaret Thatcher and John Major both British Prime Ministers, the concept of new public governance has been becoming increasingly popular. The concept of the theory of public choice is also being discussed as an option for providing public service. Instead of depending only on the government as an agency to provide public service, we can visualise alternative agencies like non-government organisations, the private sector or better still public-private partnership for evolving new models for providing public services.

Professor Pradip Khandwalla, former director of IIM, Ahmedabad, and a highly respected intellectual has come out with a thought provoking book *'Transforming Governance through New Public Management'*, published by the Ahmedabad Management Association. He begins with a highly perceptive comment:

"When there is poor governance, people tend to blame politicians and administrators. But the root causes of poor governance may lie in the design of the democratic-administrative form adopted by a country rather than in the character of the people governing the nation.

"If the design is inappropriate, the wrong kinds of people will keep on exercising authority, and the wrong kinds of conduct will be perpetuated. Unless the design is rectified, governance will tend to remain poor and even worsen.

The alternative is not dictatorship but a democracy purged of its disease-inducing genes."

He then proceeds systematically to prescribe how our

democracy can be purged of disease inducing genes-through New Public Management (NPM).

"NPM originated in the US and Britain,... What started out as an effort to bring into governance private sector efficiency and accountability for performance, has now become a much more participatory, stakeholder centric, humane, professionalist and innovationist paradigm of governance that has, on the whole delivered good results across the globe."

Professor Khandwalla suggests that the Prime Minister (PM) and the Chief Minister (CM) must be elected by the legislature for a fixed term of five years. This is the first radical change.

It will free the CM/PM from the day-to-day pressures of political volatility and empower him to implement policies of public interest.

The PM/CM so elected, can induct talented people from different fields to become ministers and run the various ministries and departments.

It is not necessary that, as at present, the ministers have to be legislators. This is the second radical suggestion...that the great advantage of this change is that all talent available in the nation can be harnessed by the CM/PM. The legislators can devote their full energies to the legislative function. Farical instances like our national budget being passed in a jiffy by the Lok Sabha will not happen.

The third suggestion relates to the electoral system. We now have the British system of the candidate first past the post becoming the winner, even though he may not have

secured the majority of the votes polled. Professor Khandwallah suggests that this must be replaced by a system where the winner has to get the majority of the votes polled.

This means, that if in an election the winning candidate does not get 50% +1 votes of the total votes polled, there should be a run-off between the top two candidates to be held soon after the election to decide the winner.

So, as far as the administrative system is concerned, Professor Khandwalla recommends the Margaret Thatcher model of extensive agencification.

This means setting up executive agencies under professional managers who are domain experts, each with a stakeholders' board to transfer out to such semi-autonomous bodies some two-thirds of departmental functions and transform all undertakings and bodies into executive agencies.

But who will implement these ideas?

Let us hope that the Indian intelligentsia will initiate a wide ranging debate and make NPM possible one day in India. NPM has a brief in element of accountability for public services.

### **Competition in Public Service**

Competition can be one method of improving public services. Whether competition to the government police services can be provided is worth examining. The dramatic improvement in telecom services when the monopoly of the Department of Telecom was introduced from 1994 is an excellent example of the potential for improving public services.

### **Conclusion**

At the age of 72, I am still optimistic. My optimism is

not based on what Alan Greenspan would say as irrational exuberance. I am optimistic that the quality of integrity in public life will improve in our country. Incidentally, the accountability in public service will also improve.

These are the reasons:

1. To begin with, we have to recognise that we are a democracy and we are a society in which there is a very high degree of freedom of expression. We have an alert media, both electronic and print. This environment gives an opportunity for countervailing forces to develop and corrective action to be taken. Engineers talk of self-correcting or servo mechanisms which, based on the feedback, correct themselves.

2. At least three examples readily come to mind. Perhaps, the greatest threat to democracy as we have seen since 1947 was when in 1975 Indira Gandhi imposed emergency. But within two years the system corrected itself and it will be very difficult for any future prime minister of our country to impose emergency. One of the consequences of that emergency was an amendment to the Constitution insofar as imposition of President's Rule in States are concerned. Before the emergency in 1977, the Congress was a dominant party, and, at the drop of a hat, President's Rule and Article 356 could be imposed on States when the Congress government at the Centre felt uncomfortable. This is no longer possible. Imposition of President's Rule therefore, has become rare. The correction in the form of a constitutional amendment for gross abuse of the powers is an experience we have.

3. At a lesser level, when organisations have failed to check malpractices, judicial intervention has forced corrections. Again, three examples can be thought of: The Hawala Scam leading to the Vineet Narain case and the famous judgement of Justice Verma in the Supreme Court of December 1997. This led to the CVC becoming a statutory body with powers over the supervision of the CBI and the Enforcement Directorate, two key agencies of the government dealing with corruption and black money.

4. Changes in systems and procedures have been made to correct gross misuse in our country as a result of the democratic pressures of our politics. Just recall the amendment to the Constitution after the Emergency experience to prevent future possibility of a similar exercise and the restrictions introduced in imposing President's rule under article 356 of the Constitution following the Bommai judgement. One recent example is the recent Spectrum scam so far as the auction of 2G Spectrum is concerned. This in turn led to an open debate about the auction to be conducted for 3G and the net result is there for everybody to see. Not only was the 3G Spectrum transparent but it was done in such a way that, against the budget of Rs.35000 crores, the government of India is going to receive more than Rs.60000 crores as the result of the excellent response to the 3G auction.

5. In this case, the growth of technology has created situations which have gone a long way to reduce corruption. The information technology applications by the Railways to the passenger reservation system has given relief to crores of Indian passengers everyday from having to face corruption while booking their tickets. An extension of this technology

explosion combined with the liberalisation policies of the government has seen the incredible telecom revolution in the country where, from a teledensity of 1 in the year 1990 when the National Telecom Policy was announced, we have reached more than 53 by 2010. The telecom sector's growth has introduced the basic principle that where there is competition, monopoly fails and not only the customer gets better services, corruption also is reduced to the minimum. This will happen in every sector where government introduces competition, under the overall policy of economic liberalisation.

6. The success of social activists and NGOs is another reason for rational optimism about the future of our country. Two Professors from the IIM, Ahmedabad, used the well known tool of the Public Interest Litigation and thanks to the 2004 judgement of the Supreme Court based on their petition, today we know every candidate standing for election has to declare his/her criminal record, wealth and educational qualification.

The above analysis on accountability in public service, ultimately leads us to fundamental points. Ultimately, the level of accountability in any service depends on three factors. First and the most important is the individual in the organisation. As mentioned earlier, it is by proper selection and training of people who come and occupy public services that we will be able to nurture a culture of accountability.

Equally important in this context would be the development of codes of conduct. For thousands of years, the Hippocratic oath for doctors stood the test of time. "Above all, do no harm". Introducing an element of awareness about ethics in professional courses as has been done for example in Tamil Nadu in Engineering courses, is a step in the right direction.

After all, accountability is essentially an ethical issue and injecting an element of ethical thought in education as also in HR programs after recruitment in an organisation will go a long way in nurturing a leitmotif of accountability which goes beyond mere rules and regulations and builds a culture where the quality of public service improves greatly.

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*The views expressed in this booklet are not necessarily those of the Forum of Free Enterprise.*

## **SHAILESH KAPADIA**

(24-12-1949 – 19-10-1988)

Late Mr. Shailesh Kapadia, FCA, was a Chartered Accountant by profession and was a partner of **M/s G.M. Kapadia & Co.** and **M/s Kapadia Associates**, Chartered Accountants, Mumbai.

Shailesh qualified as a Chartered Accountant in **1974** after completing his Articles with **M/s Dalal & Shah** and **M/s G.M. Kapadia & Co.**, Chartered Accountants, Mumbai. Shailesh had done his schooling at Scindia School, Gwalior and he graduated in Commerce from the Sydenham College of Commerce & Economics, Mumbai in 1970.

Shailesh enjoyed the confidence of clients, colleagues and friends. He had a charming personality and was able to achieve almost every task allotted to him. In his short but dynamic professional career, spanning over fourteen years, Shailesh held important positions in various professional and public institutions. His leadership qualities came to the fore when he was the President of the Bombay Chartered Accountants' Society in the year 1982-83. During his tenure he successfully organized the Third Regional Conference at Mumbai. He was member, Institute of Fiscal Studies, U.K.; member of the Law Committee and Vice-chairman of the Direct Taxation Committee, Indian Merchants' Chamber. He was also a Director of several public companies in India and Trustee of various public Charitable Trusts.

He regularly contributed papers on diverse subjects of professional interest at refresher courses, seminars and conferences organised by professional bodies.

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*"People must come to accept private  
enterprise not as a necessary evil, but  
as an affirmative good".*

**- Eugene Black**  
*Former President,  
World Bank*

# FORUM

## of Free Enterprise

The Forum of Free Enterprise is a non-political and non-partisan organisation started in 1956, to educate public opinion in India on free enterprise and its close relationship with the democratic way of life. The Forum seeks to stimulate public thinking on vital economic problems through booklets, meetings, and other means as befit a democratic society.

In recent years the Forum has also been focusing on the youth with a view to developing good and well-informed citizenship. A number of youth activities including essay and elocution contests and leadership training camps are organised every year towards this goal.

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