A Study on the Economic Rights of the People and Corruption in India

Dr. P. Arunachalam
Professor, Head (2004-07), Department of Applied Economics,
Cochin University of Science and Technology, Kochi-22.
arunachalam14@yahoo.co.uk

Introduction
Prof. Irma Glicman Adelman, an Irish Economist working in California University at Berkely, in her research work on ‘Development Over Two Centuries’, which is published in the Journal of Evolutionary Economics, 1995, has identified and concluded that India, along with China, would be one of the largest economies in this 21st Century. She has stated that the period 1700-1820 is the period of Netherlands (Holland), the period 1820-1890 is the period of England, the period 1890-2000 is the period of America and this 21st Century is the century of China and India. World Bank has also identified that India would be a one of the leading players of this century after China and USA (third largest economy). India ($ 1.5 trillion) will challenge the Global Economic Order in the next 15 years. India will overtake Italian economy ($ 2.18 trillion) in 2015, England economy ($ 2.29 trillion) in 2020, Japan economy ($5.45 trillion) in 2025 and USA economy ($14.77 trillion) in 2050 (China with $5.88 trillion already overtook Japan economy in 2010 and will overtake USA economy in 2027). India has the following advantages compared with other economies. India is 4th largest GDP in the world in terms of Purchasing Power. India is third fastest growing economy in the world after China and Vietnam. Service sector contributes around 57 per cent of GDP. The share of agriculture is around 17 per cent and Manufacture is 16 per cent in 2005-06. This is a character of a developed country. Expected GDP growth rate is 10 per cent shortly (It has come down from 9.2 per cent in 2006-07 to 6.2 per cent during 2008-09 due to recession). India has $209 billion as Foreign Exchange Reserve as on today. India had just $1 billion as Foreign Exchange Reserve when it opened its economy in the year 1991.

India ranks 13th among the richest countries in the world, she has the highest number of representatives among the countries in the top 20 list of world's richest persons, India among global top 10 in industrial production according to United National Industrial Development Organization Year book on Industrial statistics 2010 (China is now the World’s second largest producer of manufactured goods). India’s high growth rates have been a matter of boastful self-congratulatory publicity for the Indian Government. The latest Human Development Report released by the UNDP in India recently serves to confront and challenge the tall claims with the rude realities of India’s sorry human development performance in the very midst of its much-touted economic success story. Undeniably,
in the very phase when the Manmohan Singh Government is boasting of high growth rates, India’s performance in terms of providing the basics required for a life of dignity continued to slide steeply. Another major issue striking the economy is corruption charges and the amount of money involved with it. India has been placed at 87th position in Transparency International's Corruption Perceptions Index 2010, in the company of Albania, Jamaica and Liberia. Countries like China (78), El Salvador (73), Rwanda (66) and Bhutan (36) fare better than us; only countries like Burkina Faso (98), Kazakhstan (105) and Pakistan (143) are worse than us.

According to Baker from 2004 to 2008, "approximately $89 billion was moved out of India through mispriced trade alone. Not only this corruption but also nearly 200 million Indians are living with hunger. About 49 per cent of our children are suffering from underweight, about 42 per cent suffering from malnutrition, 23 million children in India simply wasted or stunted, and millions of tons of foodgrains are simply wasted or destroyed due to lack of storage facilities. These are the reasons why great economists have stated that in India rates are healthier than people. Great challenges remain as the Economist journal has reported that half of 10-year-old rural children can't read at the basic level, over 60 per cent is unable to do simple division and half drop out by the age 14. Fewer than 40 percent of adolescents in India attend secondary schools. Around 1 in 10 young person’s has access to tertiary education. Mercer consulting estimates that only a quarter of graduates are "employable". India's commitment to 'provide for and ensure Universal Elementary Education for all children' up to the age of 14 has been reiterated time and again. The Kothari Commission (1964-1966), the Acharya Ramamurthy Committee (1990), the Prof Yash Pal Committee (1993), the Saikia Committee (1997) have all reiterated the need for free and compulsory universal elementary education (UEE) and quality education. In 1993, the Supreme Court clearly declared education a fundamental right. To make any real impact on children’s lives, the country needs to spend at least 10 per cent of GDP on school education and health. Currently, the spending on schooling is 1.28 per cent (the total government outlay is 3.3 per cent) of GDP.

Nothing is easier than to recognise a poor person when you see him or her. Yet the task of identifying and counting the poor seems to elude the country's best experts. Take for instance the "headcount" of rural poverty — the proportion of the rural population below the poverty line. At least four alternative figures are available: 28 per cent from the Planning Commission, 50 per cent from the N.C. Saxena Committee report, 42 per cent from the Tendulkar Committee report, and 80 per cent or so from the National Commission for Enterprises in the Unorganised Sector (NCEUS) (Jean Drèze,2010). The 2005 ICP updates PPP rates last calculated in 1993 to produce an international poverty line of $ 1.25 a day. According to this, the proportion of the world's population living in poverty has fallen by approximately one percent a year since 1990. At this rate, it is unlikely that the developing world outside China will reach the MDG poverty goal. In this context, the article estimates India’s poverty according to both the $ 1.25 a day international poverty line and India’s national poverty
line of $1.00 a day (at 2005 PPP) to find that: 42 percent of the population were living below $1.25 in 2005 (24 percent below $1.00) as compared to 60 percent twenty-five years ago (42 percent below $1.00) the number of people living below $1.25 rose from 421 to 456 million during 1981-2005 the number of people living in the 25 cent interval between $1.00 and $1.25 rose from 124 million to 189 million during 1981-2005 India’s overall rate of poverty reduction during 1981-2005 according to both poverty lines was lower than the average for the developing world. When we look at the amount of money earmarked for infrastructural development (only 7.8 per cent of GDP, expected to be 14 per cent), health sector development (only 1 per cent of GDP, expected to be 3 per cent, America spends nearly 16 per cent of GDP), agriculture -research and development (0.67 per cent of GDP, expected to be 3 per cent), due to lack of world class higher educational institutions nearly 5 lakh Indian students going abroad for higher education taking nearly $12 billion as fees, travel cost and other expenditures. If we have enough money India could provide all these facilities for the common people. But we don’t have enough money for the same. So budget allocation is very less for these sectors. When these essential sectors are suffering for want of money one side the amount of money involved in corruption is increasing year after year. If we brought the black money kept outside India by corrupt means and other corrupt amount within India we could provide world class facilities within India itself. All levels of education in India, from primary to higher education, are overseen by the Ministry of Human Resource Development, Department of Higher Education, India and Department of School Education and Literacy, and heavily subsidized by the Indian government.

**Human Rights on Food:**
The World Food Summit held in 1999 has accepted in principle the right to food. The UN committee on Economic, Social and Cultural Rights of its General Comment 12 talks about the right to adequate food. But in India nearly 200 million populations are living with hunger.

**Human Rights on Education:**
Recently Government of India brought an Act on Free and Compulsory Education. If India intended to provide education to all 220 million school going children it had to spend nearly 10 per cent of its GDP on education. But actually 3.5 per cent earmarked for the same. But only 12.5 percent of our children were getting the opportunity to enter into college level. The right to education is denied to nearly 87.5 per cent of our children.

We are not able to provide justice to people by denying food, education and infrastructural development needed for our people due to lack of budget. At the same time we come across very huge amount of money involved in each corruption case. If the total amount of money involved in corruption is properly utilized we could provide sufficient quantity of food to our people and better educational facilities to our children.

In this research paper an attempt has been made to analyze the economic impact of ever increasing corruption on Indian economy.

**What is corruption?**
Corruption is derived from the Latin verb rumpere, to break. According to this approach, corruption is where the law is clearly broken. This requires that all laws must be precisely stated, leaving no doubts about their meaning and no discretion to the
A Study on the Economic Rights of the People and Corruption in India

public officials. A legal interpretation of corruption provides a clearly demarcated boundary between what is a corrupt activity and what is not. ‘If an official’s act is prohibited by laws established by the government, it is corrupt; if it is not prohibited, it is not corrupt even if it is abusive or unethical’.

The word corruption means the destruction, ruining or the spoiling of a society or a nation. A corrupt society stops valuing integrity, virtue or moral principles. It changes for the worse. Such a society begins to decay and sets itself on the road to self-destruction. Corruption is an age-old phenomena. Selfishness and greed are the two main causes of corruption. Political corruption is the abuse of their powers by state officials for their unlawful private gain. Lack of integrity or honesty—especially susceptibility to bribery

Corruption is the abuse of public power for private gain. Corruption comes under many different guises: bribery, misappropriations of public goods, nepotism (favoring family members for jobs and contracts), and influencing the formulation of laws or regulations for private gain are common examples of wrongdoing. Between $1 trillion and $1.6 trillion dollars are lost globally each year to illegal activities, according to World Bank estimates. Corruption decreases the amount of wealth in a country and lowers the standard of living. Corruption affects you even if you don't come into direct contact with it. For example, corruption:

Discourages businesses from operating in a corrupt setting, reducing the overall wealth in a country. Reduces the amount of money the government has available to pay workers and buy supplies, such as books, medicine and computers. Distorts the way the government uses its money, lowering the quality of the services it provides: schools, health clinics, roads, sewer systems, police. Allows those with money or connections to bend the law or government rules in their favor. Undermines everyone's trust in government.

When countries tackle corruption they increase their national incomes by as much as four times in the long term. Business can grow as much as 3% faster, and child mortality can fall as much as 75%.

**Major reasons for corruption are:**

- **Opportunity:** People get involved in corruption when systems don't work well and they need a way to get things done regardless of the procedure and laws.
- **Little chance of getting caught:** A lack of accountability comes when there is little transparency (for example, public officials who don't explain what they are doing, how and why), and weak enforcement (law agencies who don't impose sanctions on power holders who violate their public duties).
- **Bad incentives:** For example, a clerk not earning enough to live on, or not sure that he will have a job tomorrow, might supplement his income with bribes.
- **Certain attitudes or circumstances make average people disregard the law.** They may try to get around laws of a government they consider illegitimate. Poverty or scarcity of key goods such as medicine may also push people to live outside the law. Instead of thinking about bribing officials to obtain something that may be valuable to them personally (like having a phone line installed), people should realize that giving a bribe contributes to
corruption in their country. Instead they should work to change the circumstances and curb corruption. Fighting corruption is closely related to improving governance in a country. It’s about improving how the government is set up and managed.

Types of Corruption
There are many types of corruptions.
- Bribery: An Offer of money to influence a public official
- Nepotism: favouratism shown by a public official to relatives or close officials
- Fraud: cheating the government through deceit
- Embezzlement: Stealing money or other government properties

Administrative corruption: corruption that alters implementation of policies such as getting license even if you don’t qualify for it. And political corruption: corruption that influences the formulations of laws, regulations and polices such as revoking all licenses, and gaining the sole rights to operate the gas monopoly.

Over 1500 years ago the mighty Roman Empire disintegrated when its rulers became corrupt and selfish. Nations having a tyrannical powerful ruling elite that refuses to punish the corrupt within it, face the menace of corruption. A corrupt society is characterized by immorality and lack of fear and respect for the law. Corruption cannot be divorced from economics. Inequality of wealth, low wages and salaries are some of the economic causes of corruption. Employees often strike corrupt deals to supplement their meager incomes. A licence-permit regime or scarcity of basic commodities promotes corruption. In societies where traditional, religious, ethical teaching and standards of morality are weak, corruption often thrives. These values should be revived among their congregations and subjects and in this effort religious leaders and chiefs have an important role to play. Of late, the media has carried out a large number of stories of prophets who misuse offerings and traditional healers who abuse their patients. Corruption has prevailed in all forms of government. Various forms of corruption include extortion, graft, bribery, cronyism, nepotism, embezzlement and patronage. Corruption allows criminal activities such as money laundering, extortion and drug trafficking to thrive. Corruption in several forms prevails all over the world with bribery alone crossing one trillion US dollars annually. A state of unchecked political corruption is known as kleptocracy, which literally means “rule by thieves”. At times, bribes are given to avoid punishment. For some people, being corrupt is a way to get what they desire. In societies which ignore corruption, it becomes a way of life. People getting very low wages feel they have to demand bribes in order to lead decent lives. But they do not realize that corruption causes suffering to others.

History of corruption
A brief chronology of the scams that rocked India in 2010 shows how the nation continues to be looted, and in most cases with the connivance of people who have been elected by us. India has not yet got over the scandalous 2G spectrum deal which, to quote the CAG, cost the country Rs 1,76,645 crore. the irregular spectrum allocation took place in 2008, A. Raja, The CAG report highlighted how politics and big businesses are united in a silent conspiracy to loot India. Then there was the Adarsh Housing Society scam in which flats built...
for Kargil war heroes and army widows were appropriated by influential politicians, bureaucrats and military officers. As the Bombay High Court observed, "everybody who was supposed to clear a file has been gifted". The messy organisation of the Commonwealth Games 2010 can be added to the list.

One of the standard responses to complaints of corruption in India has been that it is a worldwide problem. While that is true, global surveys have repeatedly shown that India suffers even by comparison with most other countries. Transparency International, for instance, computes a Corruption Perception Index every year. India is ranked at a lowly 87th in the latest rankings published scoring 3.3 on a scale from 0 to 10, where 0 indicates totally corrupt and 10 corresponds to totally clean. A look at India's ranking over the years seems to suggest that there has been a random movement, with the country sometimes doing much better than in other years only to slip dramatically in a following year. But that first impression is misleading because ranks depend not only on what is happening in India, but also what is happening in other countries. Also, the coverage of the index itself changes over time. A better sense of the trend can, therefore, be gleaned by looking at the scores rather than the rank.

Kevin Watkins, an Oxford academic, who edited the UN's human development report, has stated that despite growing prosperity brought on by a sustained boom, child malnourishment in India is higher than in Ethiopia and well above the African average of 28%. "India dominates the world hunger league,". "Economists like to debate the factors behind India's spectacular take-off. Perhaps they should be asking how a country can grow so fast with such a limited impact on child hunger." "I have no hesitation in saying that I do not envy China," "I want to emulate China. I want India to become an economic power, an economic superpower." When it comes to economic growth, India is a long way ahead of Bangladesh but when it comes to child survival rates, it lags behind. Bangladesh has been cutting child deaths at a rate some 50% higher than in India". Both Bangladesh and Nepal are far poorer than India, but India has a higher child death rate than either (Kathryn Hopkins, 2008).

India, being a developing nation, struggles with challenges in its primary education. Literacy rate has increased from around 3 per cent in 1880 to around 65 per cent in 2001. Net enrollment of 6-10 years old Indians increased from 68 percent to 82 percent between 1992/93 and 1998/99. Yet great challenges remain as the Economist estimated at .612 based on 2007 data in terms of a long and healthy life, access to knowledge and a decent standard of living to its citizens. The Human Poverty Index (HPI-), focusing on the proportion of people below certain threshold levels in each of the dimensions of the HDI, is estimated at 28 per cent of Indians are living below the poverty line and placing the country in the 88th slot among 135 countries for which the index has been calculated.

India has been listed as one among 88 countries where people live with hungry. In the Global Hunger Index 2008, India occupied 66th position out of 88 countries listed by International Food Policy Research Institute, Washington, USA. It has stated that more than 200 million people in India facing hunger. According to the latest Human Development Index that was released globally on 5th October 2009 India ranks 134th out of 182 countries in the world, with the Human Development Index (HDI) estimated at .612 based on 2007 data in terms of a long and healthy life, access to knowledge and a decent standard of living to its citizens. The Human Poverty Index (HPI-), focusing on the proportion of people below certain threshold levels in each of the dimensions of the HDI, is estimated at 28 per cent of Indians are living below the poverty line and placing the country in the 88th slot among 135 countries for which the index has been calculated.

India, being a developing nation, struggles with challenges in its primary education. Literacy rate has increased from around 3 per cent in 1880 to around 65 per cent in 2001. Net enrollment of 6-10 years old Indians increased from 68 percent to 82 percent between 1992/93 and 1998/99. Yet great challenges remain as the Economist
A Study on the Economic Rights of the People and Corruption in India

journal has reported that half of 10-year-old rural children can't read at the basic level, over 60 per cent is unable to do simple division, and half drop out by the age 14. Fewer than 40 percent of adolescents in India attend secondary schools. Around 1 in 10 young person’s has access to tertiary education. Mercer consulting estimates that only a quarter of graduates are "employable". All levels of education in India, from primary to higher education, are overseen by the Ministry of Human Resource Development, Department of Higher Education, India and Department of School Education and Literacy, and heavily subsidized by the Indian government. In the 7-10 years age group an average of 2.4 per cent boys and 5.3 per cent girls are out of schools at national level. Similarly, in the 11-14 years age group, average of 5.3 per cent of boys and 6.8 per cent girls are out of schools at national level. 80% of all recognized schools at the Elementary Stage are government run or supported, making it the largest provider of education in the Country. However, because of poor quality of public education, 27% of Indian children are privately educated. India has 375 million children, more than any other country in the world. Their condition has improved in the last six decades, with child survival rates up, school dropout rates down, and several policy commitments made by the government at the national and international levels. India's commitment to provide for and ensure Universal Elementary Education for all children up to the age of 14 has been reiterated time and again. The Kothari Commission (1964-1966), the Acharya Ramamurthy Committee (1990), the Prof Yash Pal Committee (1993), the Saikia Committee (1997) have all reiterated the need for free and compulsory universal elementary education (UEE) and quality education. In 1993, the Supreme Court clearly declared education a fundamental right. In the field of education we have achieved: Increase in literacy rates from 18.33 per cent in 1951, to 65 per cent in 2001. Decrease in dropout rates from 62.7 per cent in 1977-78, to 39.37 per cent in 1995-96. Increase in enrolment at primary school from 19.2 million in 1950-51, to 109.8 million in 1995-96. Increase in primary schools from 209,671 in 1950-51, to 590,421 in 1995-96. And yet Only 65 per cent of children reach Grade 5. It is estimated that between 40-60 per cent of children in the 6-14 age group are out of school, About 40 per cent of children drop out of school before they reach Class V, Fifty-four per cent of children drop out of school before they complete their elementary education. Of them, 51 per cent are boys and 59 per cent girls. Enrolment rate at the primary level is 88 per cent: 98 per cent for boys and 81 per cent for girls. The enrolment rate at the middle level drops to 59 per cent -- 67 per cent for girls and 50 per cent for boys. As far back as 1962, the Kothari Commission had recommended a minimum of 6 per cent of the GNP as allocation for education. Four decades later, our allocation for education is a mere 3.5 per cent. Twelve per cent of primary schools have only one teacher, 58 per cent had only two rooms, 60 per cent had leaking roofs, and only 25 per cent of teachers were found teaching (Enakshi Ganguly Thukral, Bharti Ali, Saloni Mathur,). It is a lesson in misplaced enthusiasm. While the Centre has been busy tom-tomming its efforts to send more children to school, enrolment in primary classes across the country has, in actuality, dropped since 2007. Between 2008-09 and 2009-10, enrolment in
A Study on the Economic Rights of the People and Corruption in India

classes I to IV in Indian schools dropped by over 2.6 million. The biggest setback was witnessed in Uttar Pradesh, where admissions plummeted by over a million in the last two years, according to the latest data released by the ministry of human resource development.

Comparative literacy data

<table>
<thead>
<tr>
<th>Country</th>
<th>Adult Literacy Rate</th>
<th>Youth Literacy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>93.3% (2007)</td>
<td>98.9% (2004)</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>90.8 (2007)</td>
<td>98.0</td>
</tr>
<tr>
<td>Burma</td>
<td>89.9% (2007)</td>
<td>94.4% (2004)</td>
</tr>
<tr>
<td>Iran</td>
<td>82.4% (2007)</td>
<td>95% (2002)</td>
</tr>
<tr>
<td>World Average</td>
<td>84% (1998)</td>
<td>88% (2001)</td>
</tr>
<tr>
<td>India</td>
<td>74.04% (2011)</td>
<td>82% (2001)</td>
</tr>
<tr>
<td>Nepal</td>
<td>56.5 (2007)</td>
<td>62.7</td>
</tr>
<tr>
<td>Pakistan</td>
<td>62.2 (2007)</td>
<td>73.9</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>53.5 (2007)</td>
<td>74</td>
</tr>
</tbody>
</table>

Source: wikipedia.org

How is it that the People’s Republic of China, an extremely backward society at the time of Liberation has been able to achieve 92 per cent literacy and 100 per cent attendance in its primary schools within a 30-year opening of her economy? Nearer home, how is it that Sri Lanka, alone of the major nations of the South Asian region, has been able to get its act together in educational policy, achieving cent per cent primary school attendance and a creditable 97 per cent literacy rate?

Data from a Demographic and Health Survey (DHS) show in 2000, 76 percent of all children of primary school age (6-10 years) were in school. By 2006, this value had increased to 83 percent (see Table 1). However, close to 17 percent of all children of primary school age continue to be out of school.

Table 1: Children of Primary School age in School (percent), India 2000 and 2006

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2006</th>
<th>Change 2000 to 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>79.2</td>
<td>85.2</td>
<td>5.9</td>
</tr>
<tr>
<td>Female</td>
<td>72.3</td>
<td>81.4</td>
<td>9.1</td>
</tr>
<tr>
<td>Urban</td>
<td>82.5</td>
<td>88.5</td>
<td>5.9</td>
</tr>
<tr>
<td>Rural</td>
<td>73.8</td>
<td>81.5</td>
<td>7.7</td>
</tr>
<tr>
<td>Poorest 20%</td>
<td>66.1</td>
<td>69.4</td>
<td>3.2</td>
</tr>
<tr>
<td>Second 20%</td>
<td>69.2</td>
<td>81.2</td>
<td>12.1</td>
</tr>
<tr>
<td>Middle 20%</td>
<td>78.8</td>
<td>87.5</td>
<td>8.7</td>
</tr>
<tr>
<td>Fourth 20%</td>
<td>82.1</td>
<td>92.2</td>
<td>10.1</td>
</tr>
<tr>
<td>Richest 20%</td>
<td>89.1</td>
<td>95.7</td>
<td>6.6</td>
</tr>
<tr>
<td>Total</td>
<td>75.9</td>
<td>83.3</td>
<td>7.5</td>
</tr>
</tbody>
</table>
Data sources: India Multiple Indicator Cluster Survey (MICS) 2000, India DHS 2005-06. As a result of the increase in primary school attendance, the number of children out of school fell by almost one third from 30 million in 2000 to 21 million in 2006 (Friedrich Huebler, 2007) (see Table 2).

**Table 2: Children of primary school age out of school (million), India 2000 and 2006**

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2006</th>
<th>Change 2000 to 2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>13.0</td>
<td>9.5</td>
<td>-3.5</td>
</tr>
<tr>
<td>Female</td>
<td>16.4</td>
<td>11.2</td>
<td>-5.2</td>
</tr>
<tr>
<td>Urban</td>
<td>5.0</td>
<td>3.7</td>
<td>-1.3</td>
</tr>
<tr>
<td>Rural</td>
<td>24.5</td>
<td>17.0</td>
<td>-7.5</td>
</tr>
<tr>
<td>Poorest 20%</td>
<td>9.4</td>
<td>9.8</td>
<td>0.5</td>
</tr>
<tr>
<td>Second 20%</td>
<td>8.5</td>
<td>5.3</td>
<td>-3.2</td>
</tr>
<tr>
<td>Middle 20%</td>
<td>5.2</td>
<td>3.1</td>
<td>-2.1</td>
</tr>
<tr>
<td>Fourth 20%</td>
<td>4.3</td>
<td>1.7</td>
<td>-2.6</td>
</tr>
<tr>
<td>Richest 20%</td>
<td>2.0</td>
<td>0.8</td>
<td>-1.3</td>
</tr>
<tr>
<td>Total</td>
<td>29.5</td>
<td>20.7</td>
<td>-8.7</td>
</tr>
</tbody>
</table>

There is no doubt that the average drop-out rate in primary classes suggests a consistent decline; but the same is still too high to attain the status of universal retention at the primary level of education. Universalisation comprises four components: 1. universal access, 2. universal enrolment, 3. universal retention and 4. universal quality of education. The flagship Sarva Shiksha Abhiyan (SSA) programme of the Government of India launched in 2001 in this direction has also this objective of universal retention by 2010. The drop-out rate indicates an average rate of 9.96 percent in primary grades. In many states, drop-out rate in Grade I is noticed to be alarmingly high. The very few exceptions, however, are visible in states like Tamil Nadu, where retention rate is 100%; it is more than 95 per cent in Kerala as well. Around 69,353 schools in the country have enrolment less than 25, out of which 94% are located in rural areas. One in three primary schools have enrolment less than 50. The enrolment of students in classes I to VIII in 2005-06
A Study on the Economic Rights of the People and Corruption in India

was 168.29 million, an increase of 12.28 million from the previous year (School report cards.in).

The number of out-of-school (OOS) children in the 6-14 age group has come down dramatically from 1.34 crore in 2005 to 80.4 lakh in 2009. In percentage terms, 4.22% of the total children in this age group are not going to school as per the latest figures. The first survey of 2005 had showed that 6.94% children in this age group were OOS. Survey by Social Research Institute of Indian Market Research Bureau of OOS children in the country. The survey, done for HRD ministry, corroborates the prestigious private survey by Pratham. In early 2009, Pratham had put OOS children at 4.3%. The big news is Bihar's success story and Rajasthan and UP's poor performance. The north-south divide is also clear. Kerala, Karnataka, Andhra Pradesh and Tamil Nadu have OOS children ranging between just 0.38% in Kerala to 1.4% in AP (Akshaya Mukul, 2009).

According to Ashok K Chauhan (2010) “Primary education seems to be the focal point of Budget 2010-2011. The planned allocation for school education has been increased by 16% from Rs 26,800 crore in 2009-10 to Rs 31,036 crore in 2010-11 and states will have access to Rs 3,675 crore for elementary education under the 13th Finance Commission grants.

According to our Finance Minister Shri. Pranab Mukherjee, “the allocation has been increased to the education sector by the government as it gears up to apply the Right To Education Act from the next monthl. The aim implementing the Right to Education Act is to make accessible the primary education for all children in India. The sum allocated for education was Rs 26,800 crore in the previous year and this year it has been increased to Rs 34,711 crore as stated above.

Even with the huge allocation to elementary education, children’s share of education remains only 3.2 per cent. “The Right of Children to Free and Compulsory Education Act, 2009 creates a framework for legal entitlements for all children in the age group of 6 to 14 years to education of good quality, based on principles of equity and non-discrimination. “In recent years, Sarva Shiksha Abhiyan (SSA) has made significant contribution in improving enrolment and infrastructure for elementary education. About 98 per cent of habitations are now covered by primary schools.

The Indian government lays emphasis to primary education up to the age of fourteen years (referred to as Elementary Education in India). The Indian government has also banned child labour in order to ensure that the children do not enter unsafe working conditions. However, both free education and the ban on child labor are difficult to enforce due to economic disparity and social conditions. About 80 of all recognized schools at the Elementary Stage are government run or supported, making it the largest provider of education in the Country. However, due to shortage of resources and lack of political will, this system suffers from massive gaps including 1. High pupil teacher ratios, 2. Shortage of infrastructure and 3. Poor level of teacher training. Education has also been made free for children up to the age of 14 or class VIII under the Children’s Right to Free and Compulsory Education Act 2009.

According to Human Resource Development (HRD) Minister Kapil Sibal “Sixteen years after the idea was first mooted, the Right of Children to Free and Compulsory Education Act, 2009 has finally been notified. Article 21-A, as inserted by the Constitution (Eighty-Sixth Amendment)
Act, 2002, provides for free and compulsory education of all children in the age group of six to fourteen years as a Fundamental Right. This bill is just not about taking children to school. This is a bill that speaks about quality education; it speaks about the physical infrastructure, teacher-pupil ratio, qualification of teachers."

Public expenditure on education has actually declined from around 3.23 percent of GDP in 2000-2001 to 2.88 percent at present. As a proportion of total government expenditure, it has declined from around 11.1 % in 2000-2001 to around 9.98 % at present. The share of Private schools in total schools providing elementary education is on increase. It has increased from 13 percent in 2004 to 19 percent in 2008. Share of elementary education in total allocations for education as a whole had increased from a mere 41 percent in 2000-01 to 71 percent in 2007-08. Then it declined drastically to 59 percent in 2008-09 RE and 48 percent in 2009-10 BE (Siba Sankar Mohanty, 2009).

September 8th of every year is observed as International Literacy Day. India has put its Literacy Mission high on agenda with the government initiating a number of measures including the adoption of the Right of Children to Free and Compulsory Education, to achieve higher literacy rate in the country. As per UNESCO’S Education for All Global Monitoring Report 2006, the number of illiterates in the population aged 15 plus was estimated to be 771 million in the world, out of which 267 million are in India. The Centre has taken several steps to improve the literacy scenario in the country. They include renewed focus on low literacy areas with special emphasis on female, Scheduled Caste, Scheduled Tribes and minorities, enhanced budget allocation for adult education and significant enhancement in access and quality of elementary education to reduce the influx into the pool of adult illiterate population. The Government has adopted a multi-pronged approach for improving the enrolment of children at primary level and their retention. The Gross Enrolment Ratio (The ratio of primary school enrollment to the number of primary school-aged children (usually children 6-11) at the primary level was 111.24 in 2006-07 and the drop out rate for that level has decreased from 31.5 per cent in 2003-04 to 25.43 per cent in 2006-07. The National Programme of Sarva Shiksha Abhiyan (SSA), aimed at achieving Universal Elementary Education, launched in 2001, provides for, among other things, opening of new schools, strengthening of school infrastructure, inclusive education for children with special needs. The Government has allocated Rs.71,000 crore as its share during the 11th Plan. The Sarva Shiksha Abhiyan programme is supported by the National Programme of Mid Day Meal scheme in schools. At the secondary level, various schemes like Rashtriya Madhyamik Shiksha Abhiyan (RMSA), Information and Communication Technology (ICT) in secondary schools, scholarship for girls have been started. The Gross Enrolment Ratio (GER) in higher educations is estimated to be about 12.4 per cent as compared to estimated world average of 26 per cent. In order to achieve the targeted GER of an additional five per cent by the end of 11th Plan, a substantial increase in plan allocation has been made for the expansion of higher education, by way of setting up of institutions such as Central Universities in uncovered states. The Government also plans to increase the GER to 21 per cent by the end of 12th Five Year Plan period. The GER of Scheduled Tribe students has increased from 86.06 per cent in 2003-04 to 109.48 per cent at the
elementary level and the dropout rate has reduced in the same period from 70.05 per cent to 62.54 per cent (V. Mohan Rao, 2009). India needs to increase its spending on education to 6% of its GDP which has been reiterated year after year by every government since independence. The Economic Survey 2007-08 also refers to this elusive goal of allocating six per cent of the GDP to education.

There is no comment on the quantum of school dropouts, learning outcomes and low enrolment rates for higher education. Efforts should be on increasing retention and improving quality in schools as the next goal for the SSA, as well as efforts to universalise secondary education and increase higher education options. The key interventions should be aimed at strengthening of schools and improving the quality of education through improvement in school infrastructure, recruitment of additional teachers, annual school grants, regular training of teachers, regular academic support to teachers etc. The extension of Mid-day Meal Scheme to all children up to upper primary level is an ambitious project, the program needs to be strengthened in its operational supervision. Also the quantity and quality of the supplement needs to be further improved to fill the nutrient gap. It is also important that with the rapid growth of the Indian economy, coupled with the need to improve quality of life and reduced poverty, skill development is essential in schools. "It's essential that a student at the end of the secondary education acquires a level of knowledge and skills." Highlighting the need for launching a world class skill development programme in mission mode, the budget seeks to establish a non-profit corporation with Rs. 1,000 crore as initial equity.

The world’s most developed economies, such as the US, the UK and France allocate 6-7 per cent of their national budgets on public education and health. India by contrast, allocates just 3 per cent for education. When we made education a Constitutional right, at par with the right to life, it hardly befitted the spirit of the Constitution to take such a minimalist approach to child rights. The 2009-2010 Budget ratifies the minimalist approach, by not increasing the Sarva Shiksha Abhiyan allocation (it remains, as in the previous year, at Rs 13,100 crore). To make any real impact on children’s lives, the country needs to spend at least 10 per cent of GDP on school education and health. Currently, the spending on schooling is 1.28 per cent (the total government outlay is 3.3 per cent) of GDP. Instead of investing public resources, we, as a country, are opening up a core sector to private players—a move that goes against both the short- and long-term interests of children (Puja Marwaha, 2009).

**Definition of poverty:**

In India, the first official definition of poverty was given in 1962. This pegged the rural poverty line at a monthly family income of Rs. 100 and the urban one at Rs. 125. In 1971, V.M. Dandekar and Nilkanth Rath used a different measure to estimate poverty. They used an average calorie norm of 2250 calories per capita per day for both rural and urban areas as a criterion to define the poverty line. The current poverty line was fixed in 1979, when a Planning Commission talk force defined the poverty line as the per capita expenditure level at which the average per capita calorie intake was 2400 and 2100 calories for rural and urban areas respectively. Different levels of calorie intake were fixed for rural and urban areas taking into consideration the fact that the calorie requirement in rural areas, where
more people were engaged in manual labour, was more than in urban areas.

Nothing is easier than to recognise a poor person when you see him or her. Yet the task of identifying and counting the poor seems to elude the country's best experts. Take for instance the “headcount” of rural poverty — the proportion of the rural population below the poverty line. At least four alternative figures are available: 28 per cent from the Planning Commission, 50 per cent from the N.C. Saxena Committee report, 42 per cent from the Tendulkar Committee report, and 80 per cent or so from the National Commission for Enterprises in the Unorganised Sector (NCEUS) (Jean Drèze, 2010).

The National Sample Survey Organization (NSSO) has used Monthly Per capita Consumption Expenditure (MPCE) to estimate what proportion of the population is poor. The MPCE Survey of NSSO divided the entire population into 11 expenditure classes. The calorie content of consumption baskets of each of these 11 MPCE classes was calculated. Then the money equivalent for the minimum calorie norm was worked out and it was found that in 1973-74 the average amount of money needed to fulfill the basic calorie norm was Rs. 45.09 per capital for urban and Rs. 56.64 per capital for rural families. But the actual poverty lines would vary from state to state. The planning commission has been estimating the BPL population from MPE surveys conducted every five years. While the poverty line is defined in per capita terms, families and not individuals are identified as poor. The present poverty line based on the NSSOs 61st round survey done in 2004-05 is Rs. 356.30 capita for rural families and Rs. 538.60 per capita for urban families. In 2004-05, 28.3 per cent of rural and 27.5 per cent of urban families were estimated to be living below these poverty lines in India. The Planning Commission of India uses its own criteria and has estimated that 27.5% of the population was living below the poverty line in 2004–2005, down from 51.3% in 1977–1978, and 36% in 1993-1994.

According to the new World Bank's estimates on poverty based on 2005 data, India has 456 million people, 41.6% of its population, living below the new international poverty line of $1.25 (PPP) per day. The World Bank further estimates that 33% of the global poor now reside in India.

**Poverty Reduction Trends**

South Asia is home to the largest number of poor in the world, and India accounts for the largest percentage of the region’s share. The long-term performance of the Indian economy with respect to poverty reduction has been mixed, with poverty actually increasing in the first two decades after India became independent in 1947. However, there has been a sustained reduction in poverty since the 1970s.

The proportion of India's population below the poverty line has fluctuated widely in the past, but the overall trend has been downward. However, there have been roughly three periods of trends in income poverty.

**1950 to mid-1970s:** Income poverty reduction shows no discernible trend. In 1951, 47% of India's rural population was below the poverty line. The proportion went up to 64% in 1954-55; it came down to 45% in 1960-61 but in 1977-78, it went up again to 51%.

**Mid-1970s to 1990:** Income poverty declined significantly between the mid-1970s and the end of the 1980s. The decline was more pronounced between 1977-78 and 1986-87, with rural income poverty declining from 51% to 39%. It went down further to 34% by 1989-90. Urban income
poverty went down from 41% in 1977-78 to 34% in 1986-87, and further to 33% in 1989-90.

**After 1991:** This post-economic reform period evidenced both setbacks and progress. Rural income poverty increased from 34% in 1989-90 to 43% in 1992 and then fell to 37% in 1993-94. Urban income poverty went up from 33.4% in 1989-90 to 33.7% in 1992 and declined to 32% in 1993-94. Also, NSS data for 1994-95 to 1998 show little or no poverty reduction, so that the evidence till 1999-2000 was that poverty, particularly rural poverty, had increased post-reform. However, the official estimate of poverty for 1999-2000 was 26.1%, a dramatic decline that led to much debate and analysis. This was because for this year the NSS had adopted a new survey methodology that led to both higher estimated mean consumption and also an estimated distribution that was more equal than in past NSS surveys. The latest NSS survey for 2004-05 is fully comparable to the surveys before 1999-2000 and shows poverty at 28.3% in rural areas, 25.7% in urban areas and 27.5% for the country as a whole, using Uniform Recall Period Consumption. The corresponding figures using the Mixed Recall Period Consumption method was 21.8%, 21.7% and 21.8% respectively. Thus, poverty has declined after 1998, although it is still being debated whether there was any significant poverty reduction between 1989-90 and 1999-00. The latest NSS survey was so designed as to also give estimates roughly, but not fully, comparable to the 1999-2000 survey. These suggest that most of the decline in rural poverty over the period during 1993-94 to 2004-05 actually occurred after 1999-2000.

In summary, the official poverty rates recorded by NSS are:

<table>
<thead>
<tr>
<th>Year</th>
<th>Round</th>
<th>Poverty Rate (%)</th>
<th>Poverty Reduction per year (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977-78</td>
<td>32</td>
<td>51.3</td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td>38</td>
<td>44.5</td>
<td>1.3</td>
</tr>
<tr>
<td>1987-88</td>
<td>43</td>
<td>38.9</td>
<td>1.2</td>
</tr>
<tr>
<td>1993-94</td>
<td>50</td>
<td>36.0</td>
<td>0.5</td>
</tr>
<tr>
<td>1999-00</td>
<td>55</td>
<td>26.9</td>
<td>7.4</td>
</tr>
<tr>
<td>2004-05</td>
<td>61</td>
<td>27.5</td>
<td>0.8</td>
</tr>
</tbody>
</table>

Source: [http://en.wikipedia.org/wiki/Poverty_in_India](http://en.wikipedia.org/wiki/Poverty_in_India)

India remains the epicenter of poverty, both within South Asia and in the world, with as many as 259 million people below the national poverty line. In terms of the international poverty line of USD 1 per day (measured at 1993 purchasing power parity exchange rates), there are 358 million poor in India. If instead we use the norm of USD 2 per day, almost 80 percent of India’s vast population is below poverty line, (World Bank (2003))

In 2005, one in three of the people in the world who consumed less than $ 1.25 a day (at 2005 purchasing power parity) lived in India – more than any other country. They accounted for about 40 per cent of India’s population. Twenty-five years earlier, 60 per cent of India’s population lived below the same real line. While this is clear progress, India’s long-term pace of poverty reduction by this measure is no more than average for the developing world, excluding China. Of the various measures devised to measure the incidence, depth and severity of poverty, the index most often quoted is the “head-count index”. Unfortunately, changes in the methodology adopted by the NSS Expenditure Surveys prior to 1972-73 make...
estimates of the head-count index during the earlier years non-comparable.

However, allowing for this inadequacy, it appears that the following broad conclusions can be arrived at: first, that the incidence of poverty declined between the mid-1950s and early 1960s; second, that starting with the bad harvests of the mid-1960s we see a sharp rise in the incidence of poverty which touched a post-Independence peak by the late 1960s; third, that starting then and especially after 1975, India had witnessed a significant decline in poverty incidence till 1989-90; and finally, that the years of stabilization and structural adjustment have witnessed an initial sharp rise in poverty till 1992 and a subsequent decline in 1993-94, but that the 1993-94 figure appears higher than in 1989-90, pointing to a reversal of the earlier declining trend. An agricultural worker in Salegaon village, Orissa. Barring Kerala and West Bengal, no State in India has implemented radical land reform.

The literature examining the determinants of these poverty trends has identified three factors: first, agricultural output growth, leading to a rise in agricultural value added per head of the rural population and contributing to an increase in wages; second, price movements, especially movements in the price of food, which determine the value of the inflation-adjusted earnings of the poor; finally, government expenditure, which by directly and indirectly expanding non-agricultural employment, provides an impetus to a rise in money wages. While all three factors played a role in explaining the rise or decline in poverty incidence during different time periods, the relative significance of each and their directional effect varied across time. It has been argued that the decline in poverty incidence during the 1950s was due more to the stability of food prices (ensured in large part with PL 480 imports) and the rise in government expenditure. Inflation and a cutback in government expenditure after the mid-1960s contributed to the subsequent rise in poverty. However, the decline in poverty incidence after the mid-1970s appears to be attributable more to agricultural output growth and increases in state expenditure.

There is broad agreement on these trends and their determinants among economists in India today. However, disagreement increases as the focus of attention shifts to the years of economic reform. The disagreement on trends in poverty is based on the data set chosen. The most quoted estimates of poverty in India are based on data yielded by the "extensive" Household Consumer Expenditure Surveys, which since 1972-73 have been conducted once every five years. The two most recent surveys relate to 1987-88 and 1993-94. However, since 1986-87, the Government has revived an earlier practice of conducting consumer expenditure surveys on a more regular basis, with such surveys being available annually since 1988-89. The difference between these 'annual' surveys and the 'quinquennial' surveys is that the former are characterised by much smaller sample sizes. A smaller sample implies that the certainty with which the poverty ratio can be precisely identified tends to be lower purely because the range within which the actual poverty ratio can be estimated to lie tends to be larger than that for estimates based on bigger samples. Nonetheless, these estimates are of considerable value.

Disregarding this statistical truth, the Government, supported by sections of the media, has been claiming that the so-called 'thin' samples which the National Sample Survey Organisation (NSSO) surveys at substantial cost in the years between its
larger quinquennial exercises should now be completely disregarded. The reason for this insistence is not hard to decipher. Using those annual surveys, economists have found that the poverty ratio had risen quite sharply during the early years of liberalisation. For example, even World Bank economists have indicated in a recent study (India: Achievements and Challenges in Reducing Poverty, World Bank, May 27, 1997) that based on the Planning Commission's poverty line (Rs. 49.09 and Rs. 56.64 at 1973-74 prices in rural and urban areas respectively), the poverty ratio which declined from 39.23 per cent in rural India and 36.60 per cent in urban India in 1987-88 to 36.43 and 32.76 per cent respectively in 1990-91, subsequently rose to 37.42 and 33.23 per cent in 1991 and 43.47 per cent and 33.73 per cent in 1992.

The massive increase in rural India suggests that even allowing for the greater variance associated with thin samples, poverty did increase in the early reform years. Further, even though the incidence of poverty fell in 1993-94 to 36.66 and 30.51 per cent, the figure for rural India is still higher than in 1990-91 (36.43 per cent) and 1989-90 (34.30 per cent). Not happy with that trend, the Government has decided to disregard the thin samples.

If we do include the thin samples in the analysis, the main conclusions that follow are: First, the rural poverty ratio at the all-India level, and in most States, fell sharply between 1973-74 and 1986-87 with subsequent years showing no clear trend in either direction. Thus if the liberalisation of the economy is dated back to the mid-1980s, the entire period since then is characterized by a slowdown in the pace of poverty reduction. Second, there was a marked increase in rural poverty in 1992 as compared with either 1989-90 or 1990-91.

This was true of almost every State except Kerala where poverty fell continuously. At the all-India level, the number of poor increased by over 60 million between 1990-91 and 1992, or in the first 18 months of the reform period. Third, there was an appreciable moderation in poverty between 1992 and 1993-94 in both absolute and proportionate terms. Nonetheless, as compared with 1989-90, the rural poverty ratio was higher (36.7 as compared with 34.3 per cent) in 1993-94.

The 2005 ICP updates PPP rates last calculated in 1993 to produce an international poverty line of $1.25 a day. According to this, the proportion of the world's population living in poverty has fallen by approximately one percent a year since 1990. At this rate, it is unlikely that the developing world outside China will reach the MDG poverty goal. In this context, the article estimates India’s poverty according to both the $1.25 a day international poverty line and India’s national poverty line of $1.00 a day (at 2005 PPP) to find that: 42 percent of the population were living below $1.25 in 2005 (24 percent below $1.00) as compared to 60 percent twenty-five years ago (42 percent below $1.00) the number of people living below $1.25 rose from 421 to 456 million during 1981-2005 the number of people living in the 25 cent interval between $1.00 and $1.25 rose from 124 million to 189 million during 1981-2005 India’s overall rate of poverty reduction during 1981-2005 according to both poverty lines was lower than the average for the developing world. India’s share of poverty in the developing world outside China fell by just one percent since 1981 India’s trend rate of poverty reduction during 1981-2005 according to both poverty lines is not sufficient to
achieve MDG1 – particularly in the context of rising food and fuel prices.

Biased estimates of poverty have been corrected by a clever idea, says Kaushik Basu, Economic Advisor to Prime Minister (Professor of Economics at Cornell University). There is an old story of Stalin visiting a school in Moscow and asking the clever kid, Boris, "Who killed Julius Caesar?" Boris burst out crying, "Not me sir". A furious Stalin met the teacher and asked him to explain. The teacher, trembling, said, "Sir, I have now looked into the matter and can confirm that, incredible though it may seem, Boris did not kill Julius Caesar."

An exasperated Stalin called on the headmaster. But the headmaster's response was the same. Boris had not done it. And this continued — the same question being asked of different authorities and the same answer. Finally, Stalin sent for the KGB chief and asked him to look into the matter. The following day, the chief returned to say, "Sir, the KGB has solved the problem. The boy has confessed." Has India’s poverty as measured by the percentage of people living below the poverty line, gone down during the 1990s?

Baldev Raj Nayar, emeritus professor of political science at McGill University, counters critics who suggest that globalization has increased instability or poverty. By opening the door to multinational firms, India strengthened and diversified the country’s economy. He admits that poverty is still a fact of life in India and that most benefits of globalization have gone to the top 20 percent of the population. India's macroeconomic performance from 1991 has in many respects been remarkable. Since the early 1990s, India has been among the fastest growing economies in the world, inflation has been relatively well contained, and the balance of payments has been maintained at comfortable levels. India's economic strength during the early and mid-1990s can be ascribed to the broad-ranging fiscal and structural reforms undertaken following the 1991 balance of payments crisis. These included reforms to the tax system, substantial cuts in the deficit of the consolidated public sector, liberalization and deregulation in the industrial sector, trade and tariff reforms, and measures to recapitalize and strengthen the supervision of banks and other financial intermediaries.

Despite the gains in the area of poverty reduction since Independence —the poverty rate has fallen by over 20 percentage points since the 1950s and 1960s —roughly 35 percent of the population still remains below the poverty line. Moreover, poverty statistics during the 1990s generally stagnated or, in some cases, worsened, and per capita income in India still lags well behind that in other fast-growing Asian economies. Notably, rural poverty rates have tended to increase and the regional distribution of income has become more stratified. This has reflected both weak fiscal disciplines, constraining public development spending, and slowing structural reform, concentrating growth in the less-regulated services sector, which have left little scope for income gains for lower-skilled agricultural and industrial workers.

In key indicators used to calculate the human poverty index, India registers declining performance. The Human Poverty Index (HPI) has seen a steep decline from 62nd place among 155 countries in the last HDR. Confirming the findings of the National Commission for Enterprises in the Unorganized Sector (NCEUS) report headed by Arjun Sengupta, the HDR 2009 tells us that 41.6% of India’s population earns below $ 1.25 a day, and 75.6% earns below
A Study on the Economic Rights of the People and Corruption in India

$2 a day – a very different picture of poverty than that painted by the official estimate of 28.6% below the National Poverty Line. In the gender development index (GDI), India ranks 114 out of 155 countries, a staggering 46% of the country’s children under 5 years of age are underweight. On this count, the “mighty” India (alongside Yemen and Timor Leste) ranks second only to Bangladesh at 48% - behind even the countries like Afghanistan (39%) and Niger (44%) which are otherwise at the bottom of the HDI ladder.

Dr. NC Saxena, Commissioner appointed by the Supreme Court, has stated that half the country’s population of 1.15 billion is below the poverty line, which he apparently defines as a monthly per capita income of Rs 700 in rural areas and Rs 1,000 in urban areas. While a Planning Commission estimate puts the number of below poverty line (BPL) families at 62.5 million, state governments estimate that this number is closer to 107 million. Some experts feel that availing the public with more number of BPL ration cards help the state-level politicians to win elections through populist means. The World Bank’s figure for the percentage of population below the poverty line in India is 42 per cent, based on 2005 data. The World Development Report 2008-Agriculture for Development, which has been brought out by the World Bank mentions that India presently faces the problem of depleting ground water level that makes agriculture unsustainable and poses risk to environment (Food Security Bill, 2009).

A number of emerging economies have encountered nutrition challenges similar to those currently facing India. For example, China reduced child undernutrition by more than half (from 25 per cent to 8 per cent) between 1990 and 2002; Brazil reduced child undernutrition by 60 per cent (from 18 per cent to 7 per cent) from 1975 to 1989; Thailand reduced child undernutrition by half (from 50 per cent to 25 per cent) in less than a decade (1982-1986); and Viet Nam reduced child undernutrition by 40 per cent (from 45 per cent to 27 per cent) between 1990 and 2006. Four lessons can be learned from these countries’ experiences: 1) Leadership at the highest level to ensure that priority is given to child nutrition outcomes across sectors and states, with large investments in nutrition interventions and successful poverty alleviation strategies. 2) Targeted nutrition interventions to prevent mild and moderate undernutrition and treat severe undernutrition as part of a continuum of care for children, particularly among the most vulnerable children: the youngest, the poorest, and the socially-excluded; 3) Reliance on community-based primary health care to ensure high coverage through community-based frontline workers; 4) Strong supervision, monitoring, evaluation, and knowledge management to provide the evidence base for timely and effective policy, programme and budgetary action. (Karin Hulshof, 2009)

In ‘Incredible India’, which sports a growth in GDP of 8 to 9 per cent, what is incredible is that it ranks 66th in a list of 88 countries on the World Hunger Index; almost 50 per cent of its children suffer from malnourishment and 75 per cent of its women from anaemia. Foodgrain-availability in rural India has fallen to 152 kg per capita, 23 kg less than in the 1990s, creating large-scale food insecurity in India’s villages. The poorest 30 per cent of Indian households eat less than 1,700 kilo calories per day, per person, well below the international minimum standard of 2,100 kilo calories per day, even if they spend 70 per cent of their income on food. These are
A Study on the Economic Rights of the People and Corruption in India

some of the findings of United Nations Special Rapporteur on the Right to Food submitted to the United Nations Human Rights Council in Geneva on September 22 by Jean Ziegler on “The Extent of Chronic Hunger and Malnutrition in India”. He stated that falling agricultural wages, increasing landlessness and rising food prices have severely undermined the right to food in rural India. Per capita foodgrain consumption in India declined from 476 grams per day in 1990 to only 418 grams per day in 2001. Aggregate caloric consumption per capita declined from just over 2,200 calories per day in 1987-88 to about 2,150 in 1999-2000, according to National Sample Survey data. Nutritional deficiencies remain huge - at least half the children in India (and possibly more in Pakistan) are born with protein deficiency. Anaemia and iron deficiency are also widespread and continue to be severe problems. Ironically, cultivators are suffering from the increase in food insecurity just as much as or even more than other groups. This is probably the most significant cause of the continued prevalence of widespread malnourishment. The macroeconomic causes of livelihood insecurity arise primarily from the effects of deregulating the market and reducing State expenditure-processes that have marked the last decade-and-a-half across South Asia. Land reforms and more equal property distribution remains the key to solving the structural problem of hunger. The more transient or temporary instances of hunger must also be dealt with through macroeconomic policies that firmly commit the government to a much greater degree of involvement, investment and regulation (Jayati Ghoshhttp,2006).
Food-for-education programme: To achieve cent per cent literacy, the food security need can be productively linked to increased enrolment in schools. With the phasing out of PDS, food coupons may be issued to poor people depending on their entitlement. Modified food-for-work scheme/ direct subsidies: With rationalization of input subsidies and MSP, the Central Government will be left with sufficient funds, which may be given as grants to each State depending on the number of poor. The State government will in turn distribute the grants to the village bodies, which can decide on the list of essential infrastructure, work the village needs and allow every needy villager to contribute through his labour and get paid in food coupons and cash. Community grain storage banks: The FCI can be gradually dismantled and procurement decentralised through the creation of foodgrain banks in each block/ village of the district, from which people may get subsidized foodgrains against food coupons. The food coupons can be numbered serially to avoid frauds. The grain storage facilities can be created within two years under the existing rural development schemes and the initial lot of grains can come from the existing FCI stocks. If culturally acceptable, the possibility of relatively cheap coarse grains, like bajara and ragi and nutritional grains like millets and pulses meeting the nutritional needs of the people can also be explored. This will not only enlarge the food basket but also prevent such locally adapted grains from becoming extinct. The community can be authorised to manage the food banks. This decentralised management will improve the delivery of entitlements, reduce handling and transport costs and eliminate corruption, thereby bringing down the issue price substantially. To enforce efficiency in grain banks operation, people can also be given an option to obtain foodgrains against food coupons from the
open market, if the rates in the grain banks are higher, quality is poor or services are deficient. A fund can be set up to reimburse the food retailers for the presented coupons. This competition will lead to constant improvement and lower prices. It must also be mandatory to maintain a small buffer stock at the State level, to deal with exigencies. Eradicate extreme poverty and hunger. Target: Halve between 1990 and 2015, the proportion of people whose income is less than $1 a day. If all food produced worldwide were distributed equally, every person would be able to consume 2,760 calories a day (hunger defined as consuming less than 1,960 calories). India is home to the largest number of hungry people, 233 million, whereas Sub Saharan Africa has 183 million, China 119 million. The largest reductions have been in China.

**Maternal Health**

In 2000, more than half a million women died in childbirth or from pregnancy-related complications. Ninety-nine percent of these deaths, many of them preventable, occur in developing countries. Infections, severe blood loss and unsafe abortions account for the majority of deaths. Goal 5 calls for reducing the rate of maternal mortality by 75% by 2015. To achieve this Goal, more investment in and better management of health systems is needed to improve the quality and coverage of service delivery. Additionally, governments must work with local communities to provide improved prenatal and postnatal care for the poor. Universal access to reproductive health care—including family planning, care during pregnancy and after childbirth, and emergency obstetric care—will save women’s lives and the lives of their children. Major Issues related to Maternal Health are:

- The maternal mortality rate (MMR) remains high at 540 per 100,000 live births (1998/99)
- Reductions in MMR could be achieved by improving the quality of health service facilities and encouraging their greater utilization. Only 42.3% of deliveries are attended by a health professional, and two-thirds of all deliveries (66.4%) occur at home. The proportion of home deliveries is particularly high in rural areas (75.3%) where over three-quarters of the population live.
- Interventions to tackle maternal mortality should focus on the capacity of health facilities to respond to obstetric emergencies as well as on reducing the time it takes to get the appropriate level of care. Increasing the number and proximity of adequately equipped facilities is critical. Reducing high levels of severe anaemia in women will also contribute significantly.

The People’s Republic of China (PRC) has a rather low maternal mortality rate of 45 but over 300 women die in childbirth per 100,000 live births in Bangladesh, India, Indonesia, and Pakistan. There is fairly strong evidence that maternal mortality ratios are reduced when a trained health worker is present. **WHO has stated that maternal mortality is high due to a lack of political will and administrative and managerial failures rather than absence of expertise.** India has the largest number of births per year (27 million) in the world. With its high maternal mortality of about 300-500 per 100,000 births, about 75,000 to 150,000 women die every year in India after giving birth. “This is about 20 percent of the global burden. Hence India’s progress
in reducing maternal deaths is crucial to the global achievement of Millennium Development Goal 5,” Dileep Mavalankar, Kranti Vora and M. Prakasamma have stated that the central government’s flagship National Rural Health Mission, which aims to provide quality healthcare to the rural populace, for not making any difference in villages. “We feel strongly that without a clear strategic focus on skilled birth attendants, emergency obstetric care (EmOC) and referral services, India will not be able to reduce maternal mortality rapidly.” For politicians, health is a low priority, they noted. “Government expenditure on health has been a mere 0.9 percent of GDP. No political party has maternal health on its priority agenda.” “Lack of qualified midwives is a major human resource constraint for providing locally accessible skilled delivery care for rural women. India ignored the development of a midwifery cadre, which has led to persistent dependence on traditional birth attendants for deliveries and a high maternal mortality rate,. India has only three technical officers for maternal health at the national level. Almost no state in India has a maternal health director, the WHO report said.‖ This explains why maternal health strategies are not implemented effectively, and maternal deaths and pregnancy outcomes are not monitored. Lack of management capacity in the health system has led to poor quality services and slow progress.”

Every year, about 78,000 mothers die in childbirth and from complications of pregnancy in India, according to the United Nations Children's Fund (UNICEF). The figures illustrate how poor women in rural India have largely been left behind by India’s economic boom which has lifted millions of people out of poverty. India's maternal mortality rate stands at 450 per 100,000 live births, against 540 in 1998-1999. The figures are way behind India's Millennium Development Goals which call for a reduction to 109 by 2015, according to UNICEF. By comparison, fellow Asian giant China's maternal mortality rate has dropped to below 50. According to UNICEF's 2009 State of the World's Children report, which was released in January, India's fight to lower maternal mortality rates is failing due to growing social inequalities and shortages in primary healthcare facilities. Millions of births are not attended by doctors, nurses or trained midwives.

Health and wellness are prime concerns of the Government of India. A healthy citizen contributes to make a healthy nation. Over the years, the government has introduced various health programmes and policies to better the standard of life of its citizens. This has resulted in the life expectancy of males and females at birth increasing to 64 and 66 years respectively. Also, the infant mortality rate (less than five death rate) has fallen to 53 per thousand births in 2008. The government has also been able to control and cure illnesses such as tuberculosis, malaria, pneumonia and water borne diseases to a certain extent. Government aided schemes and programmes are run by the Central Government for the health and welfare of the citizens. The people of the country are one of its most valuable resources. These programmes are aimed at increasing the standard of health of the people and decreasing the incidence of disease and death due to illness. The government aided schemes include immunization drives, special steps to deal with epidemics, programmes for elimination of dangerous diseases, and numerous education and training programmes. According to the Indian Constitution, the subject of ‘Health’ comes under the purview
of State governments. This means that the State Governments are responsible for maintaining and bettering the health of the people who live under its jurisdiction. The main policy, framework and support is enumerated by the Centre while the States devise their own models of accomplishing the Central Government's health related goals.

The major objectives of the National Rural Health Mission are:

- Decrease the infant mortality rate and maternal mortality rate
- Provide access to public health services for every citizen
- Prevent and control communicable and non-communicable diseases
- Control population as well as ensure gender and demographic balance
- Encourage a healthy lifestyle and alternative systems of medicine through Ayush.

According to the Economic Survey even though the health sector in India has displayed a vast improvement, there is still a deficit of about 28000 health sectors. According to the survey, 34% of the existing health infrastructure is in rented buildings. The other major problems faced in the health sectors of the rural regions include poor maintenance as well as high level of absenteeism of the manpower. Currently 171,687 health centres and the number of dispensaries and hospitals is 33,855 are present in India. While there are 1.5 million nurses in the country, the doctors in the modern system of medicine are just 84,852.

Poverty has also been falling far more slowly in India than in other high-growth developing countries, such as Vietnam and Brazil. Watkins believes that part of the problem is that the benefits of growth have been "highly skewed". "While wealth has been flooding into urban areas and middle-class suburbs, it has been trickling down in small doses to rural areas, poor states in the north of the country, rural labourers and low-caste groups, Watkins has stated that India's children did not receive the basic medication they so badly need such as immunisation, drugs for treating childhood diarrhoea and nutritional supplements. "Fewer than half of India's children are fully immunised and the share has barely changed in a decade," Gender inequalities are also still rife in India, with boys getting access to food and medicine before girls, according to Watkins. "Being born a girl carries high risks: it raises the chance of premature death between the ages of one and four by about one-third," (Kathryn Hopkins, 2008)

Some states in India, including Orissa, Rajasthan and Bihar, have child and maternal mortality rates that are among the worst in the world. The reason behind the figures can be substantiated from the fact that villagers have to travel for days in boats or auto-rickshaws to reach medical help. “They are close to sub-Saharan Africa, “The government health officials in Orissa blamed ancient customs and practices in the villages, such as starving babies at birth and giving them cold baths, for the poor mortality rates (Thaindian.com).

<table>
<thead>
<tr>
<th>Maternal Mortality Ratios in Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lanka</td>
</tr>
<tr>
<td>---------</td>
</tr>
<tr>
<td>30</td>
</tr>
</tbody>
</table>

A Study on the Economic Rights of the People and Corruption in India
A Study on the Economic Rights of the People and Corruption in India

3. (ii) Within India, the inter-state differentials are a matter of concern.

<table>
<thead>
<tr>
<th>Inter-State Differences within India in Maternal Mortality Ratios</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kerala</td>
</tr>
<tr>
<td>30</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Infant Mortality Rates in Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sri Lanka</td>
</tr>
<tr>
<td>18</td>
</tr>
</tbody>
</table>


**Child Mortality Rate:**
The United Nations has stated that India needs to reduce child mortality rates. A new report by the U.N. Children's Fund or UNICEF, has found that one-fifth of the worldwide deaths of children under the age of five occur in the populous South Asian country. The UNICEF report stated that India accounted for more than two million of the 9.7 million children who died in the world before their fifth birthday last year. Child mortality rates in India - as in the rest of the world - have declined over the last 15 years. But in India this has happened slowly, at an average rate of two-and-a-half percent a year. India must do more to reduce child mortality. The U.N. has identified malnutrition as a major challenge in India, and says it is the underlying cause of death among fifty percent of the children who die. UNICEF has found that malnutrition levels in India are "unacceptably high." "Far too many children in India are being born with a very low birth weight, and the infant feeding practices in the first two years of life are sub optimal," "Children are not always being breastfed in an adequate way, and children are not being provided with adequate foods." The U.N. has found that India also has the largest pool of children who have never been immunized - about 9.5 million. These children are more vulnerable to diseases such as measles and diphtheria. Pneumonia and diarrhea are other big killers. The U.N. reports some success stories. The number of children attending primary school in India is on the rise - about 84 percent of girls and boys between six and 10 are now going to school. More children have access to improved sanitation. India - a country of over a billion people - is today one of the youngest countries in the world. Nearly one third of its population is under 15 years of age. Economists and developers have repeatedly stressed that India needs to provide far greater access to improved healthcare and education for this young population (UN, 2007). Poverty is the biggest threat to children’s lives and the main reason why babies are dying at an alarming rate every day, most of the respondents of a global survey contend. However, poor countries such as Bangladesh and Nepal have debunked this as myth by
drastically reducing their child mortality rate over the last few years. Globally nine million children under the age of five die every year. **In India, 400,000 babies die within the first 24 hours of their lives every year - the highest anywhere in the world.** While India itself has made insufficient progress in achieving the Millennium Development Goal of reducing child mortality by two-thirds by 2015, Bangladesh has made remarkable progress in the same domain. By increasing the coverage of immunisation, especially neonatal tetanus protection, provision of vitamin A supplements and oral rehydration therapy and family planning, Bangladesh is on track for MDG. a child mortality rate of 151 in 1990, Bangladesh brought it down to 61 in 2007. Its MDG on this front for 2015 is to reduce its child mortality rate to 50. India, however, has only managed to bring down the **child mortality rate for children under the age of five from 117 to 72 over a period of 17 years.** Its MDG goal is 38 (blog.taragana.com).

The MDG goal is to reduce the infant mortality rate (IMR) and under-five mortality (U5MR) by two-thirds by 2015. At the present time, India is off-track to achieving the IMR as well as the U5MR targets. The IMR for India was estimated to be 58/1,000 live births in 2006*, though this masks disparities between rural and urban areas (64 and 40, respectively); between boys and girls (56 and 61, respectively); and states (ranging from 76 in Madhya Pradesh to 14 in Kerala). Unicef says 40% of under-five deaths take place in just three countries - Nigeria, India and DR Congo. The report singled out Malawi and Eritrea as success stories. Montek Singh Ahluwalia, Deputy Planning Commission Member has stated that There are amble evidence of a dysfunctional non-performing of public health system... the system varies across the country. In some parts of the country it functions very well. I think on an average it does not function well. According to India’s third National Family Health Survey (NFHS-3) of 2005-06, 20 per cent of Indian children under five-years-old are wasted due to acute undernutrition and 48 per cent are stunted due to chronic undernutrition. Seventy per cent of children between six months and 59 months are anaemic. Despite a booming economy, nutrition deprivation among India’s children remains widespread. In absolute numbers, an average 25 million children are wasted and 61 million are stunted. The state of child undernutrition in India is — first and foremost — a major threat to the survival, growth, and development and of great importance for India as a global player. Prime Minister Manmohan Singh has referred to undernutrition as ‘a matter of national shame.’ A number of emerging economies have encountered nutrition challenges similar to those currently facing India. For example, China reduced child undernutrition by more than half (from 25 per cent to 8 per cent) between 1990 and 2002; Brazil reduced child undernutrition by 60 per cent (from 18 per cent to 7 per cent) from 1975 to 1989; Thailand reduced child undernutrition by half (from 50 per cent to 25 per cent) in less than a decade (1982-1986); and Viet Nam reduced child undernutrition by 40 per cent (from 45 per cent to 27 per cent) between 1990 and 2006. Four lessons can be learned from these countries’ experiences: 1) Leadership at the highest level to ensure that priority is given to child nutrition outcomes across sectors and states, with large investments in nutrition interventions and successful poverty alleviation strategies. 2) Targeted nutrition interventions to prevent mild and...
moderate undernutrition and treat severe undernutrition as part of a continuum of care for children, particularly among the most vulnerable children: the youngest, the poorest, and the socially-excluded; 3) Reliance on community-based primary health care to ensure high coverage through community-based frontline workers; 4) Strong supervision, monitoring, evaluation, and knowledge management to provide the evidence base for timely and effective policy, programme and budgetary action. (Karin Hulshof, 2009).

C. Chandramouli, the Registrar General of India (RGI) and Census Commissioner, Releasing the latest statistics of the Sample Registration System (SRS), has stated that India has impressively brought down its maternal and infant mortality rates, indicating that it was close to achieving the millennium development goals (MDGs) set by the United Nations though the total fertility rate (TFR) has remained stationary after showing a decline during the past few years.

The maternal mortality ratio (MMR) – number of women dying due to maternal causes per 1, 00, 000 live births – has come down to 212 (2007-09) from 254 in 2004-06. The MDG target for India is to bring down maternal deaths to 109 by 2015. Similarly, the infant mortality rate (IMR) – the number of infant deaths per 1,000 live births – has registered a 3 point decline at 50 from 53 in 2008, thought every 6th death in the country pertains to an infant. Sadly enough, the mortality rate of girls is higher than boys indicating a “worrisome trend” for the government. The under 5 mortality rate (U5MR), denoting the number of children (0-4 years) who die before reaching an age of five years, has declined by 5 points over 2008 to touch 64 in 2009 as against 69 in 2008. However, the average number of children born to a woman during her entire reproductive period or the total fertility rate (TFR) remained stationary at 2.6 during 2008 to 2009.

C. Chandramouli has stated that the progress of India on this front is vital for overall reduction in the world as every fifth woman dying due to reproductive causes is an Indian. The 17 per cent decline in the MMR has been most significant in Empowered Action group of States and Assam from 375 to 308, indicating a fall of 18 per cent. Among the Southern States, the decline has been from 149 to 127 (15 per cent) and in the other States from 174 to 149 (14 per cent). “It is worth noting that the number of States that have achieved the MDG target in 2007-09 has gone up to 3 as compared to 1 in 2004-06. Kerala, with a figure at 81, was the sole State earlier which has now been joined by Tamil Nadu at 97 and Maharashtra at 104. Andhra Pradesh, West Bengal, Gujarat and Haryana are in closer proximity to achieving the target,” Mr Chandramouli said. The maximum infant mortality rate has been reported from Madhya Pradesh (67) against the national average of 50, while Kerala, again, is among the earliest to achieve the MDG target of 28, well ahead of the set date. Kerala's IMR is 12 with Tamil Nadu just at 28. While Delhi is at 33, Maharashtra at 31 and West Bengal at 33 are within the reaching distance.

The TFR for the country remained constant at 2.6 during 2008-09 with Bihar reporting the highest TFR at 3.9 while Kerala and Tamil Nadu continued its outstanding performance with the lowest rate at 1.7. The TFR level of 2.1 has been attained by nine States and Union Territories with Andhra Pradesh at 1.9, Karnataka (2.0), Kerala (1.7), Maharashtra (1.9), Punjab (1.9), Tamil Nadu (1.7) and West Bengal (1.9). At present, on average, a rural woman, (having a TFR of
2.9) at the national level, would have about one child more than an urban one (having a TFR of 2.0). A uniform decline of about 5 points is seen in male and female under 5 maternal rate with the maximum reported from Madhya Pradesh (89) and the minimum in Kerala (14). As of now Kerala, Tamil Nadu (33), Maharashtra (36), Delhi (37) and West Bengal (40) have achieved the MDG target of 42 by 2015.

It is a no brainer that Corruption In India is at its rampant best. There is not one section of the society that is spared from it. Corruption in the form of bribery takes the cake and given that it begins at the grass root level makes it even more difficult to monitor and control. The Corruption and Bribery Report published at trak.in earlier, gives a detailed breakdown of the scale of the bribes and the reasons why bribes are given. The striking though well known findings of the report points out that close to half the bribes are requested by the Government Officials both at the state and national level. The same government personnel who are entrusted with the development of the nation are filling their own pockets. No wonder then the nation’s politicians are the most corrupt lot. However, it was only for the petty money minded officials filling their own pockets, the enormity of the bribery might be restricted to a certain level. What if corruption takes the shape of a billion dollar behemoth. According to Management Guru C.K.Prahalad, the cost of corruption to the country might as well exceed Rs. 250,000 crores.

Political and bureaucratic corruptions in India are major concerns. A 2005 study conducted by Transparency International in India found that more than 45% of Indians had first-hand experience of paying bribes or influence peddling to get jobs done in public offices successfully. Transparency International estimates that truckers pay US$5 billion in bribes annually. In 2010 India was ranked 87th out of 178 countries in Transparency International’s corruption (Wikipedia)

The year 2011 has proved to be a watershed in the public tolerance of political corruption in India, with widespread Public protests and movements led by social activist against corruption and for the return of illegal wealth stashed by politicians and businessmen in foreign banks over the six decades since independence.

India tops the list for black money in the entire world with almost US$1456 billion in Swiss banks (approximately USD 1.4 trillion) in the form of black money. According to the data provided by the Swiss Banking Association Report (2006), India has more black money than the rest of the world combined. To put things in perspective, Indian-owned Swiss bank account assets are worth 13 times the country’s national debt.

“The recent scams involving unimaginably big amounts of money, such as the 2G spectrum scam, are well known. It is estimated that more than trillion dollars are stashed away in foreign havens, while 80% of Indians earn less than 2$ per day and every second child is malnourished. It seems as if only the honest people are poor in India and want to get rid of their poverty by education, emigration to cities, and immigration. It seems as if India is a rich country filled with poor people. “As on March 31, 2010, unutilised committed external assistance was of the order of Rs.1,05,339 crore.” (Wikipedia)

Infosys Technologies Chairman Emeritus N R Narayan Murthy reduction in corruption leads to faster economic growth of a country and this could have been the case in India also if graft had been curbed. "If we could
have reduced the corruption in the country, we could have clocked a GDP growth of anywhere between 8.5 to 10 per cent. Economists have explained and established that corruption is likely to reduce the GDP growth rate of a country by anywhere between 0.5 per cent to 1.5 per cent. Washington-based think-tank Global Financial Integrity recently released a report that India has lost a staggering USD 462 billion in illicit financial flows abroad due to tax evasion, crime and corruption since Independence. "Combating corruption at this stage is very significant. For the first time in last 300 years India has received some recognition from the world, raising hopes that we could alleviate poverty." The corruption in country should be reduced to accelerate inclusive growth. He said there were two categories of corruption in India - wholesale and retail.

According to Amartya Sen, “India needs to spend more on basic health care and education if economic growth is to benefit all members of society. Higher public spending must also be part of Prime Minister Manmohan Singh’s efforts to restore public confidence following a corruption scandal involving the sale of mobile-phone licenses. “The reform process has not stopped, it has halted and it will start again if the government survives. “It will also have to make the growth much more inclusive. Education and health-care expansion are the biggest part of that because an illiterate laborer with very indifferent health is not in a great position to seize the opportunities that globalized economic relations provide today.” India’s democratic agenda is increasingly concerned with narrower issues such as corruption and inflation. “There isn’t enough voice in India about the totally urgent need for expansion of basic education and basic healthcare, particularly basic health care, much further than has happened. The increasing exposure of corruption in the economy, which had been present for a long time, would have caught whichever government had been in power. “So the first priority is to ride out the present crisis, to generate confidence in his government. “Economies of countries such as India, China and Brazil won’t be much affected by the sovereign debt crisis because of their focus on economic growth (Peter Woodfiled, 2011).

The consequences of corruption for social and economic development are bad. Corruption hinders economic growth and deters investment. The impact of development assistance is reduced and natural resources are overexploited causing further harm to a country’s environmental assets. Resources are diverted from sectors such as education and health to less important sectors or personal enrichment. The rule of law is eroded and the people no longer respect or trust the state. A few people manage to get rich at the expense of society as a whole, while the poor suffer terribly. In the long run unchecked corruption pushes more and more people into poverty which often destabilizes a society.

The effects of corruption in India include poor social sector performance and failing infrastructure. Corruption discourages the investments needed for economic progress. According to KPMG in India high-level corruption and scams are now threatening to derail the country’s credibility and its economic boom.

It has bad effects on foreign investors. Social effects, initiative and ambition shrivel evaporation of respect for authority Anger and resentment build Grievance leading to movements. In India found that more than 15% of Indians had first-hand experience of
Corruption Perceptions Index (CPI): This index orders the ordering the countries of the world according to “the degree to which corruption is perceived to exist among public officials and politicians”. A higher score means less (perceived) corruption. The results show seven out of every ten countries (and nine out of every ten developing countries) with an index of less than 5 points out of 10. India stands 87th among 180 countries in CPI. Average rating for India since last three year is between 3.3 to 3.4 which is far behind than the top ranking countries at CPI of 9.3

The judiciary, the law enforcement agencies and the education sector have an important role to play to fight corruption by changing the prevailing laws, punishments and the education system. Societies can fight corruption by letting the state know that they have had enough of it. The authorities move very quickly when the press or the television highlights instances of corruption. Education spreads political and social awareness and these are some factors that help curb the menace of corruption.

India has to take two simple steps and we will transform our nation. The first is to introduce complete transparency in government and in all its actions other than national security. Nothing but public exposure ensures accountability. Corruption breeds in dark corners. The second is to have enforcement of the law without fear or favour. Prosecute and punish the guilty regardless of their standing. This means law enforcement agencies have to stop being the handmaidens of those in power. Power not only corrupts. It also protects the corrupt.

How Proposed “Jan Lokpal Bill” can help improving CPI ranking: Controlling the corruption will lead to gainin the numeric points in CPI. Following steps will come into existence when this bill is passed

1) Anti-corruption institution called “Lokpal” by central government will be established and will be supported by state institutions called “Lokayukta.”
2) Janlokpal bill will ensure free, fair and time bound investigation against corrupt person/organization. Investigations in each case will have to be completed in one year. Trials will be completed in the following year, meaning the total process will take place within two years.
3) It will be completely independent entity like CEC

References

1. Enakshi Ganguly Thukral, Bharti Ali, Saloni Mathur Children : Background & Perspective infochangeindia.org/.../Children/.../Children-Background-Perspective.html –
2. Friedrich Huebler (2007), International Education Statistics: India has 21 million children, Tuesday, November 13 ...India has 21 million children out of school huebler.blogspot.com/.../india-has-21-million-children-out-of.html –
3. India Progressing Towards Universal Elementary Education:: Where goes missing 40% efficiency? May-2007, schoolreportcards.in/Media/m52.html –
7. Sushma (2009), Education Budget 2008-09, Viewpoint , Berlia President, Apeejay Sta Group & Vice President, Apeejay Education Society, New Delhi, Delhi, March 6, 2008 /India PRwire/ -- Summary
8. www.indiaprwire.com/.../education/2008030
11. Jean Drèze,(2010), Poverty estimates vs food entitlements, Tuesday, March 2, newage.communistparty.in/.../poverty-estimates-vs-food-entitlements.html - 19 hours ago
18. www.unicef.org/india/media_3766.htm
22. blog.taragana.com (2009), India’s neighbours debunk myths on reducing child mortality, October 5th, blog.taragana.com/.../indias-neighbours-debunk-myths-on-reducing-child-mortality-12977
23. www.unicef.org/india/overview_3705.htm
A Study on the Economic Rights of the People and Corruption in India
44. Introduction to Corruption
info.worldbank.org/etools/docs/library/35970/mod03.pdf –
45. Aroon Purie, editorial, 2010, india
today,
http://indiatoday.intoday.in/site/story/from-the-editor-in-chief-aroon-purie/1/125133.html
port-The-Anti-Corruption-Revolution-of-India-2011/185777968122444?sk=info
47. Corruption Perceptions Index (CPI)
and Jan Lokpal Bill-The relevance in
Indian ProspectiveAPRIL 9, 2011
52.
India: A Billion Dollar Industry, on January
16, 2010
16/corruption-in-india-a-billion-dollar-
industry/
50. Graft Undermines GDP Growth:
Narayan Murthy
259
51. Peter Woodfiled (2011) India
Needs More Health, Education Spending for
Inclusive Growth, Sen Says
19/india-needs-more-health-education-
spending-for-inclusive-growth-sen-says.html