

Public accountability: The modern face of international economics

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Abstract

Public accountability, rule of law, ethics, good governance and battle against corruption go hand in hand. Black money, narcotics, trafficking and money laundering are like spiders web. Crusades by United Nations, Interpol, national governments, patriotic nationalist leaders, whistleblowers, etc and even by have failed to get the desired result. There are, indeed, miles to go. The tragedy is global. The big question is: what money is black? Indeed, there is no answer; it is like the zero sum game. Assets obtained through intellectual property rights are certainly not black.. Democracies all over world are in crises. International economies, too. At present, India is a hot destination for medical tourism and sex tourism. Medical terrorism vis-à-vis medical corruption is at its peak, undetected and profits earned thereby is used for illegal arms trade in name of ethnicity, religion, caste, communalism, etc. Public interest litigations of the Supreme Court of India have played a seminal role in battling corruption. The United Nations Convention against Corruption, 1997, as ratified by Government of India and public interest litigations of Indian Supreme Court are steps in right direction, indeed, a heroic task. The world is a global village today. There is no alternative to R & D in all spheres of life, public or private, in the long battle against transnational corruption.

Introduction

Public accountability is the latest buzzword in the emerging sphere of international economics in a changing neo-liberal global order where the call of time demands that the bush should be cut and the rose retained as civilisation marches ahead from one level to another higher level so that the deficits of the present can be overcome and a new dawn can set in with technological advantages. However, as one old British short story captions 'Technology for mankind,' it should be remembered with a note of caution that in a developing nation like India, long under colonial shackles, it is a distant dream and an illusory realised more in theory than in practice. As the immortal Bengali poet late Shakti Chattopadhyay says:

"These are not the best of times
These are not the worst of times."

Indeed, it is so today. International economics vis-à-vis a new global economic architecture characterising neither capitalism nor socialism but on the road towards social security net and sustainable development is the order of the day. State intervention should neither be orthodox maximum as in past nor be minimum as during the triumph of laissez faire capitalism in the 1990s, a re-run of the black days of the 1940s during the second world war but a conglomixture of both suiting both national interest as well as local conditions, in the light of a new legal international world order.

The quest for excellence is since time immemorial. Scientific temper, highly important but perhaps thrown into oblivion is an extremely important fundamental duty, as enshrined in Part IV of the Constitution of India, a Directive Principle of State Policy, as propounded by the founding fathers of the Constitution of India after long debates in the Constituent Assembly.

Gross aberrations of Indian democracy still exist due to delivered policy of the British Raj for their colonial interests. The current Sarada scam in West Bengal is a fallout of how to balance technological advancements with societal traditions dictated by illiteracy, ignorance and disease. Other notable scams nationally and globally can also be analyzed from the same perspective. United Nations documents show that terrorism is due to not only law and order problem but also due to social decay, illiteracy, lack of social reform, State sponsored terrorism, violation of human rights, abused of women and children, neglecting rights of refugees, migrant workers, minorities, dalits, etc. Gail Om伯特, Ranajit Guha, Partha Chatterjee, Ranabir Samaddar, Rajni Kothari, Myron Weiner, Samir Das, et al have done extensive on social issues relating to dalits, subaltern studies ethnicity, etc. Terrorism may be defined as: kill one, frighten thousand. Public accountability of national governments in combating major incidents like plan hijacking, left wing extremism (LWE), etc is a bid zero as the audit watch dog in India CAG has recently built snubbed by Union Finance Minister Arun Jaitley as being too slow and fakely submitting inflated lost figure. It should be noted that CAG is a Constitutional body and Arun Jaitley is a political personality, a political executive and not a permanent executive and he has no Constitutional right to attack the CAG for he has taken his worth as Union Finance Minister in the name of Constitution of India.

As the legendary Judge of the Supreme Court of India VR Krishna Iyer noted in one of his judgments way back in 1980 that "...the economics of law is the essence of labour jurisprudence. As a half hungry rickshaw puller idolises himself his Amitabh Bachhan with Rekha in Silsila in 1981, giving a boost to the cosmetic industry, the transnational corporation hatched a policy in secret in early 1990s to grant the miss universe crown to Susmita Sen in the mid 1990s to give extreme fillip to the cosmetic industry in India, which can grow at an exponential set of $e=mc^2$ formula. As P Chidemberam observed one of his union budget, the hindi film industry should be characterist by more khushi and less gum, making an oblique reference to the popular hindi future film Kabhi Khushi Kabhi Gam.

International Economics is at Crossroads Today

As such questions of public accountability like ethics, transparency, bribery, corruption and the rule of law have come to the forefront. Crises give rise to new leaderships, new opinions, new ideas, new cultures and a culture of human rights that transcends geographical barriers and political affiliations. Nation States are increasingly at threat from the dictates of transnational corporations (TNCs) cutting across national boundaries and keeping their sovereignty at bay. In numerous instances the annual turnovers of these TNCs are much greater than the gross domestic product (GDP) of several third world nations. The term third world was first used by Frantz Fanon in his book entitled *The Wretched of the Earth*. Fanon was a French national. France had colony in Algeria at that time. Fanon was a military doctor in Algeria. As such he wrote the said book from his personal experiences in the then Africa.

In the opinion of Nobel Laureate Joseph Stiglitz protest movements around the world have brought to the fore the failures of the existing economic and political systems. Professor Probhat Patnaik said that John Maynard Keynes, writing in the midst of the Great Depression of the 1930s had located the fundamental defect of the market system in its incapacity to distinguish between "speculation" and "enterprise." Keynes had suggested what he called a comprehensive "Socialization" of investment, whereby the State, acting on behalf of society, always ensured a level of investment in the economy. The present era is witnessing the shadow of the Great Depression of 1929. As Paul Krugman observes:

"Unemployment in both America and Europe remains disastrously high. Leaders and institutions are increasingly discredited. And democratic values are under siege."

Neo-liberalism

Neo-liberalism with its doctrine of open borders and free markets, represents policies that are pursued by the overwhelming majority of States, either voluntarily or as imposed by the IMF and the World Bank. Globalisation is devoid of ideological or humanistic underpinnings, although as Soros maintains its free market ideology is evident. It is a contemporary sterile version of John Locke's conceptualisation of man in pursuit of his material self-interest and of Adam Smith's invisible hand that denotes the power of the market. It certainly does not have its premise in the utilitarians' belief in the greatest good for the greatest number. Thus, neoliberalism has accelerated the emergence of a new global capitalist class whose loyalty is to profits and wealth, not to any nation-state. The God of the neo-liberals is wealth and its continual accumulation. Concurrently, the "marginals" as David Apter labels those who have failed to participate in or been excluded from the development process, do not benefit from the modern global economy.

A reaction to globalisation has occurred due to an intensification of turmoil and conflict, labour strife and increased ethnic, racial and religious tension. In fact Kofi Annan, in his 1999 address to the World Economic Forum, addressed just this point. He maintained that until people build confidence in the global economy, it will be fragile and vulnerable - vulnerable to backlash from all the "isms" of our post-cold war world: protectionism, populism, nationalism, ethnic chauvinism, fanaticism and terrorism.

A Degree of Protectionism

A degree of protectionism has been incorporated in the economy of every State now, including the US. This is, indeed, in sharp contrast to the tenants of free market liberal capitalism that had seemed to triumph during the last few years. A new approach has now dawned upon the global community: Is it the end of globalisation? Indeed, the present global economic crisis is an opportunity to learn from the experiences of years of excessive State intervention and recent experience of minimum intervention. There is, thus, an urgent need to pursue a progressive growth path to tackle the triple dangers of economic, social and environmental crisis. Whenever there is a crisis the poor are its first victims. Top UN experts observe that the world's poor and disadvantaged are bearing the brunt of the suffering resulting from the current global financial crisis and ensuing economic turmoil.

The present crisis has led to job losses globally on a massive scale. India is no exception. Arthur Miller's play *Death of a Salesman*, written in the backdrop of the Great Depression of 1929, is highly relevant now. The present global economic crisis is developing into an employment crisis and could soon turn out to be a social and human crisis unless urgent action is taken. This action does not primarily mean a return to a higher growth path but protecting the vulnerable sections to ensure social inclusion and employment generation. The main theme of the Eleventh Five Year Plan (2007-2012), published by Planning Commission, Government of India, is faster and inclusive growth to bring into the social mainstream those segments of the population who have been left out of the liberalisation process.

The areas that demand urgent attention and spending are infrastructure, education, social programmes and green technology - to develop a sound financial system that are both inclusive and sustainable as Noble Laureates Paul Krugman and Joseph Stiglitz have noted, unlike the global economic policies of recent years. The present crisis has revealed that globalisation can be successful only if it improves the economic condition of the masses. UN reports suggest that the global financial crisis will make the UN's Millennium Development Goals more difficult to achieve than ever. There will be wider human development impacts,

mainly in the form of infant mortality. The free market thinkers do not like government interference because they feel that trading by government distorts markets. But in a panic situation, when there are no buyers, the government may be the only buyer in sight, unless the market is opened up to foreigners completely. At the recently held G 20 summit at London, Prime Minister Manmohan Singh expressed concern over the rise of protectionist sentiment in the industrial world. He observed that the Great Depression of 1930s was deep and prolonged because of protectionism.

Rule of Law

Rule of law is sine qua non of any democracy. Sadly, as recent United Nations Human Development Reports suggest, globally democracies all over the world are in crises. This is, indeed, a sad reality and a statistic of shame. India is no exception. Despite sincere efforts of successive national governments and bold Five Year Plans of the Planning Commission, Government of India, alarm bells have started ringing in Indian economy in all quarters and the nation is witnessing a jobless growth since the early 1990s. Scams after scams rocked the Indian economy in the 1990s vis-à-vis the third world nations unable update themselves immediately to the new international legal regime dictated first changing superior technology of the developed in quest of its thirst for global recognition and utilizing the best international brains for their own national interest. Union Health Minister Harsh Vardhan has remarked recently that no law in India can prevent brain drain of doctors of AIMS.

Corruption is a scourge upon humanity. It has been spreading at all levels of society. Closely associated with corruption is money laundering. In his recently published autobiography, Justice VR Krishna Iyer states that there never was a time in Indian history when the politics of corruption and the corruption of politics become so utterly integrated. Several notable public interest litigations have been filed in the Supreme Court of India highlighting corruption in public life, notable are Bofors, Jain Hawala, Harshat Mehta, Telgi, 2G, coal block, etc. Study shows that kickbacks are common in arms procurement deals wherein foreign powers unscrupulously implant their own main in key government positions who act as secret agents of foreign powers to collect confidential data from top secret government files such as in the Radia tapes case who acted as lobbyist of the Tatas. Perhaps, there are many more examples not only in India but globally whereby foreign powers in the guise of friends act scumptonously against national interest. There is no end to journalism, also called Pappariza in Britain. Globally today spy cameras are inserted in writing pens, spectacles of journalists, etc.

The concept of public interest litigation (PIL) does not occur in Indian legal system but has been borrowed from civil rights movement of United States, led by Martin Luther King Jr, also known as Negro Mahatma, in the 1960s by two legendary judges of the Supreme Court of India namely VR Krishna Iyer and PN Bhagwati in the post-emergency period. Leading IPS officers of the nation like Dr RK Raghavan, Ex-CBI Director; Hemant Karkare, slain ATS chief of Maharashtra, Shyamal Datta; Ex-IB Director; Dr UN Biswas, Ex-Additional Director, CBI; etc, have displayed immense gallantry and patriotism in upholding national economic sovereignty. The 1990s saw leading Supreme Court of India judges like JS Verma, MN Venkatchalaich, Kuldip Singh, BL Hansaria, etc playing a dynamic role in interpreting constitutional mandates vis-à-vis international law. Sociologically speaking, each of them were born in 1930s when India entered final stage of its battle against British imperialism.

Tackling Corruption

In order to tackle financial corruption or economic terrorism, urgent need of hour is to enhance our human development resources on war footing by massive use of modern

technologies in all sectors of governance, public or private, like IT, encryption, etc in an innovative way to suit international, national, local conditions after extensive research and without adopting any dogmatic method. A rich and educated farmer in Punjab is different from a poor and uneducated farmer in any remote area of the nation. As such policy decision of the Government of India should pay more attention to those areas of the country which are more fertile through natural conditions, hard work of local people, intellectual of property rights of the local administration judiciary, etc. The sad reality is that vested interests influence the corridors of power to influence policy decisions of the Government of India. The big question is: who will dominate; the citizens of the nations in whose name the Constitution is written or the rich and powerful who have easy accesses to the corridors of power. This is true of not only India but of all third world nations that have huge pool of natural resources and talent but are sabotaged by developed nations for their colonial or neo-colonial interests. Each nation State works for its own national interest which defies any definition and changes in tune with needs of time. Traditionally speaking, public sector was dominant in our economy as we see massive nationalization banks through constitutional amendments defying Supreme Court of India judgment in the 1960s. The world has changed a lot since then and the fundamentals of Indian economy, acting through the Governor of the Reserve Bank of India, at present led by Raghuram Rajan, who became is Governor at the age of fifty, is playing a heroic role to infuse private capital into the banking sector to boost the moribund banking sector in India. As reported recently in the Hindu, Raghuram Rajan told in a seminar in Switzerland that he does not care for the Government of India, he cares only for the people of the India. This bold statement must become the signature tune of all public servants of the nation and become the slogan of the Modi government.

The United Nations Convention against Corruption, 1997, as ratified by the Government of India, is a landmark. Efforts are on by developed nations to bypass this historic Convention through international treaties dictated by economic blocks like NAFTA, European Union, ASEAN, etc to counter economic blocks of the developing nations like SAARC, BRICS, etc to maintain their economy hegemony in a changing world economy that can be characterised with waves of an ocean, as best global economic brains battle day in and day out in quest of an eternal glory and recognition to make the world a happy and prosperous place to live in near distant future. As such international economics is a changing contour to adopt itself to changing paradigms of modern science and technology that is dictated by NASA which evolves utopian concepts of unmanned space vehicle, space tourism, etc through satellite technology constantly upgraded through R & D, often defying ethics, transparency, accountability and good governance. There is no definition of good governance but it can be characterized by mathematical symbols like alpha, beta, gamma, etc.

At present India is a hot destination of medical tourism and sex tourism for the developed West. A false medical fallacy has been spread in the internet that sex with a virgin cures HIV/AIDS. This has led to increasing high levels of rape, gang rape, sodomy, gay culture, etc calling for urgent use of Section 377, Indian Penal Code. Foreign medical journals, including the British medical journal, show that this results from perverted sexual urge and hormonal dysfunction. As such this is medical terrorism. Unethical trial of clinical drugs is to be addressed on a war footing, today, based on WHO guidelines. Questions that remain unanswered today are as to why a three year old child is raped within the school campus in Bangalore today, the silicon valley of India that has parallel only in silicon valley of United States.

Conclusion

Humanism, ethics, accountability, transparency and tolerance will be the ultimate winner. No nation, no system, no personality is purely perfect but has to undergo a constant process of adjustment and development in tune with changing times. Change with continuity is essence of development. No law, international or national can be full proof. Ethics is last signature tune of any democratic society ; it defies any definition. It is built upon self-esteem, personality, lineage, culture, etc. Ultimate aim of all ethics is Justice which, too, defies all definitions and transcends barriers of law. Writ Courts, as established by Constitution of India, under Articles 32 and 226, give ultimate power to Supreme Court of India and all High Courts, the higher judiciary to act as guardian and protector of Constitution of India so long as tears remain in every Indian eye.

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