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**GOVERNANCE CONUNDRUM: UNDERSTANDING
THE DYNAMICS OF PETTY CORRUPTION IN
BIHAR, INDIA**

Dissertation

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Contents

Dedication	5
Acknowledgement.....	6
Executive Summary	7
List of Tables.....	18
List of Figures	18
List of Abbreviations.....	19
1 Chapter One: Introduction.....	20
1.1 The Governance Conundrum	20
1.2 Need for understanding the dynamics of petty corruption	23
1.3 Rationale of the thesis	24
1.4 Objectives of the thesis.....	25
1.5 Research Questions	26
1.6 Corruption: impressions from the existing literature.....	27
1.7 Theoretical Framework	34
1.8 Methodology	35
1.9 Why Bihar?.....	39
1.10 Significance of the study	40
1.11 Thesis Layout	42
1.12 References	43
2 Chapter Two: Can pro-poor governance reforms reduce corruption for the poorest? A tale of grassroots mobilization against rent-seeking in rural Bihar	50
2.1 Introduction	50
2.2 Methodology and Data Collection.....	56
2.3 Background: caste dynamics, civil society and governance reforms in Bihar	58
2.3.1 The Plight of Musahars	60
2.3.2 Bihar: Instituting ‘Good Governance’?	62
2.4 Grassroots Mobilization and the Fight against Rent-Seeking	63
2.4.1 MVM: Mobilising the Musahars	64
2.4.2 Corruption stratagem, anti-corruption legislations and SSEVK’s struggle.....	66
2.4.3 Why ‘good governance’ reforms and mobilization of the poor may not be sufficient in reducing petty corruption?.....	72
2.5 The Challenges Ahead.....	74
2.6 Conclusions	77
2.7 References	81

3	Chapter Three: Can vigilance-focused governance reforms improve service delivery? The case of Integrated Child Development Services (ICDS) in Bihar, India	87
3.1	Introduction	87
3.2	ICDS: structure, functioning and challenges.....	91
3.3	Recent Reforms in the ICDS	95
3.4	Methodology and Data Collection.....	98
3.5	When policies hit the ground: the ‘reformed’ ICDS in Bihar	101
3.5.1	Do regular inspections reduce petty corruption?.....	101
3.5.2	Distribution of ‘take home ration’ and school uniforms: potential entry points for corruption?.....	103
3.5.3	Community ‘participation’ and monitoring: how does it work?	104
3.5.4	How do ‘beneficiaries’ view the reforms?	107
3.5.5	Responding to Reforms: the frontline workers and their challenges.....	108
3.6	Discussion	112
3.7	Concluding Remarks	115
3.8	References	117
4	Chapter Four: What do future bureaucrats think about bribery? A study of civil services aspirants from Bihar	121
4.1	Introduction:	121
4.2	Civil services and corruption.....	124
4.3	The problem of corruption.....	126
4.4	Theoretical background.....	127
4.5	Methodology, Sampling and Data Collection:	128
4.6	Designing of the ‘Bribery Game’	129
4.6.1	Scoring:	132
4.7	Results	135
4.8	Focus group discussion:	140
4.9	Discussion	147
4.10	Conclusion.....	150
4.11	References:	152
5	Chapter Five: Discussion and Conclusion.....	155
5.1	Summary of the main results.....	157
5.2	Limitations of the methods and recommendations for future research	166
5.3	Policy implications:.....	168
5.4	References	173
6	Curriculum Vitae of Rajiv Verma	177

7 Affidavit 181

Dedication

To my darling daughter Nikkhila, whose arrival has been the best thing in my life.....

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Executive Summary

Introduction

This thesis examines the dynamics of petty corruption in the Indian state of Bihar. It illustrates how the problem of petty corruption is manifested in the delivery of welfare services to the poor; explains the reasons for the perpetuation of systemic corruption in public dealings; investigates the strategies of civil society-led mobilization of the poor against corruption; unravels what happens when well-meaning anti-corruption policies and reforms hit the ground; and explores the attitudes of future bureaucrats toward bribery and corruption. These enquiries become crucial, as in the last few decades, scholars have identified the problem of corruption as one of the toughest governance challenges in developing countries, wherein welfare services often get trapped in ‘corruption cycle’ (see Rose-Ackerman, 1999; Debiel et al., 2011; Villoria et al., 2013). While corruption is widely acknowledged as a problem and some attempts have been made to quantify it, there is a dearth of empirically-grounded research on the dynamics of corruption, its persistence, and the probable solution for curbing it. This thesis is an attempt in that direction. Bihar is chosen as the site of investigation because it has covered a long journey from being one of the most corrupt states in India about a decade back to have become a leading state in undertaking governance reforms for curbing corruption

Research Objectives and Thesis Layout

The thesis has three broad objectives. First, it probes the potential as well as challenges of civil society-led mobilization of the rural poor against corruption. Second, it examines how vigilance-focused anti-corruption governance reforms are received, accepted, contested or manipulated by the delivery agents providing nutritional services to the poor children. Third, it explores what the aspiring civil servants think about bribery and corruption in public

services and suggests probable solution for curbing it. All the above stated objectives constitute a separate chapter of the thesis (Chapters 2-4). These three empirical chapters are clubbed with introductory and concluding chapters (1 and 5 respectively). The study made use of direct observation, semi-structured interviews and informal conversations with key informants, process net-mapping, focus group discussions and experimental games as research tools for data collection. The thesis also had its limitations with regards to data collection, especially the respondents' reluctance to provide information freely about sensitive topics like bribery and corruption. The selection of subjects, both for experimental (bribery) games and delivery centers under the child nutrition programme was also a major challenge, and it was determined solely on the basis of volunteerism.

Chapter Synopses

Chapter 2: *Can grassroots mobilization of the poorest reduce corruption? A tale of governance reforms and struggle against rent-seeking in Bihar, India*

In India, corruption, exclusion from welfare schemes, and the denial of rights to the rural poor have long been commonplace. Critical accounts of development policy and practice advocate the need for pro-poor governance reforms as well as effective mobilization of the poor for exercising their rights and entitlements. However, there is a dearth of empirical work which may enable us to address the following questions: What are the dynamics of such mobilization strategies in the environment of pro-poor governance reforms? How does it affect local power relations as well as rent-seeking by the state officials? And what are the challenges involved in the sustenance of civil society led struggles for the poorest and outcastes against corruption? This chapter addresses these questions in the context of mobilization of the poorest and lowest caste group (Musahars) by a grassroots organisation in Bihar, called the 'Samajik Shodh Evam Vikas Kendra' (SSEVK). It explains what has or

hasn't worked (and why) for the poorest and outcastes in terms of their dealings with public officials. The findings suggest that pro-poor governance reforms and welfare schemes on their own do not yield dividends in the absence of both civil society led mobilization and political will of the ruling dispensation.

Chapter 3: Can vigilance-focused governance reforms improve service delivery? The case of Integrated Child Development Services (ICDS) in Bihar, India

Child undernourishment is a major challenge in India even though the government has, since 1975, been running the 'Integrated Child Development Services' (ICDS), one of the world's largest programmes for this cause. Ever since its inception, this scheme is marred with various governance challenges: widespread corruption, absenteeism, and targeting problems; more visible in states like Bihar than others. The present ruling dispensation in Bihar has instituted major governance reforms to tackle these problems. These include regular inspection of service delivery centres, strict monitoring of funds, swift disciplinary action, and vigilance through community participation. While these reforms are generally accepted as good in theory, research-based empirical evidence of their actual impact on ground is scarce. This chapter tries to fill this gap on the basis of an in-depth case study of ICDS in Bihar. The findings indicate that contrary to conventional thinking about good governance, the vigilance-focused reforms along with community based monitoring have not been successful in curbing systemic corruption. The study concludes that alternative approaches are required to resolve the governance problems in ICDS. These include tackling the problems of understaffing and heavy work-load, and providing stronger incentives to the frontline service providers.

Chapter 4: What do future bureaucrats think about bribery? A study of civil services aspirants from Bihar

Civil servants play a key role in the implementation of governmental policies and developmental programmes. In the Indian context, civil servants are often seen as key elements responsible for systemic corruption. Taking recourse to the two dominant theories of anti-corruption: the ‘principal-agent’ and ‘collective action’, this chapter explains the attitudes of the aspiring civil servants from Bihar toward bribery and corruption. It is a novel attempt to analyse the perceptions of future bureaucrats about the issues related to corruption: what deters the potential bribe takers from accepting bribes, and what do they think about corruption in public life? Bribery experimental games were administered to examine the impact of varying degrees of ‘punishment’, ‘monitoring’ and ‘knowledge about public loss’ and their relation to the varying ‘bribery amount’. In addition, focus-group discussions were conducted with these subjects to explore the dynamics of corruption. The findings suggest that high ‘public loss’ and high ‘severity of punishment’ were able to deter bribery even in the situations where bribe amount were high. On the other hand, the impact of high ‘monitoring’ was only effective in cases where the bribe amount was low. Focus-group discussions attributed the factors of ‘social acceptance’, ‘distorted parameters of successes and ‘no punishment for the guilty’ as the major reasons for ever continuing corruption in the public sphere.

Main Conclusions and Policy Recommendations

The findings of the thesis contribute to the wider debates on good governance and corruption. It takes forward the discourse on corruption, which is largely dominated by the works that tend to quantify it, by unravelling the dynamics of corruption as well as presenting the narration and explanation for its persistence. The thesis compliments the literature on the role

of civil society in preventing corruption by providing empirical evidence on the dynamics of civil society-led mobilisation of the poorest citizens in Bihar. It advocates the support of international agencies as well as the state in this endeavour, and argues for the nurturing of second rung of leadership in the facilitating organisation for the longevity of the movement.

The thesis challenges the present fixation with strict monitoring and vigilance-focused reforms in anti-corruption measures. While acknowledging the need for better monitoring and accountability, it identifies the entry points for corruption in welfare schemes and suggests ways of curbing systemic corruption. It emphasises the need for communicating well to the target population the changes in rules and regulations of welfare programmes, alongside redressing the problems of poor working conditions and low remuneration of over-worked frontline workers. Finally, the thesis, in a novel attempt of its kind, presents the attitudes of future civil servants toward bribery and corruption. It argues that the anti-corruption efforts should not only focus on stringent action and speedy trial of erring officials but also strive for changing the ‘social acceptance’ of corruption through value-based education in wider society.

Zusammenfassung

Einführung

Diese Thesis untersucht die Dynamik von Bagatellkorruption im indischen Bundesstaat Bihar. Sie illustriert, wie sich Bagatellkorruption im Angebot von staatlichen Sozialleistungen für Arme manifestiert; erklärt die Gründe für den Fortbestand von Korruption im öffentlichen Bereich; untersucht Strategien der Mobilisierung der Zivilgesellschaft und der Armen gegen Korruption; schätzt die Folgen der Implementierung von gut gemeinten Antikorruptionsprogrammen und Reformen ab und untersucht Meinungen zukünftiger Bürokraten zu Bestechung und Korruption. Diese Forschungsarbeit ist wichtig, da in den letzten Jahrzehnten Forscher das Problem der Korruption als eine der zähsten Herausforderungen für Regierungsführung in Entwicklungsländern identifiziert haben, wobei Sozialleistungen häufig im 'Bestechungszyklus' gefangen sind (siehe Rose-Ackerman, 1999; Debiel u. a., 2011; Villoria u. a., 2013). Während Korruption als Problem weit anerkannt ist und einige Versuche gemacht wurden, Korruption zu messen, gibt es einen Mangel an empirisch fundierten Studien über die Dynamik von Korruption, ihres Fortbestands sowie mögliche Lösungen zu deren Eindämmung. Diese Thesis ist ein Versuch in diese Richtung. Bihar wurde als Forschungsregion gewählt, da es eine lange Geschichte von einem der korruptesten Bundesstaaten in Indien vor ungefähr einem Jahrzehnt zu einem der führenden Bundesstaaten in Korruptionseindämmung hinter sich hat.

Forschungsziele und Aufbau der Arbeit

Die Thesis hat drei allgemeine Ziele. Zuerst werden das Potential sowie die Herausforderungen der Mobilisierung der Zivilgesellschaft und der ländlichen Armen gegen Korruption untersucht. Zweitens wird untersucht, wie auf Überwachung fokussierte

Antikorruptionsprogramme von Anbietern von Ernährungsprogrammen für arme Kinder angenommen, akzeptiert, in Frage gestellt oder manipuliert werden. Drittens wird untersucht, was zukünftige Staatsbeamte über Bestechung und Korruption bei öffentlichen Dienstleistungen denken und es werden mögliche Lösungen zur Eindämmung vorgeschlagen. Alle genannten Ziele stellen jeweils ein Kapitel der Thesis (Kapitel 2-4) dar. Diesen drei empirischen Kapiteln sind ein einleitendes und ein zusammenfassendes Kapitel (1 und 5) voran- bzw. nachgestellt. Die Studie benutzt direkte Beobachtung, halbstrukturierte Interviews und informelle Gespräche mit Schlüsselpersonen, Prozess-Netmaps, Gruppendiskussionen und experimentelle Spiele als Forschungsmethoden für die Datenerhebung und -erfassung. Einschränkungen bei der Datenerfassung waren insbesondere der Vorbehalt von Interviewpartnern, Auskunft über heikle Themen wie Bestechung und Korruption zu geben. Die Themenauswahl sowohl für das experimentelle Bestechungsspiel als auch für die Anbieter des Kinderernährungsprogrammes waren ebenfalls eine große Herausforderung, und beruhten alle auf freiwilliger Teilnahme.

Zusammenfassung der Kapitel

Kapitel 2: Kann eine Mobilisierung der Ärmsten Korruption reduzieren? Eine Geschichte über Regierungsreformen und den Kampf gegen Gewinnstreben in Bihar, Indien

In Indien waren Korruption, der Ausschluss von Sozialleistungen und die Verweigerung von Rechten der ländlichen Armen seit Langem gängige Praxis. Kritische Berichte von Entwicklungspolitik und -praxis verteidigen die Notwendigkeit von Regierungsführungsreformen zugunsten der Armen sowie einer wirksamen Mobilisierung der Armen, um ihre Rechte und Ansprüche auszuüben. Es besteht jedoch ein Mangel an empirischen Studien, die folgende Fragen stellen können: Wie ist die Dynamik solcher Mobilisierungsstrategien bei Regierungsführungsreformen zugunsten der Armen? Wie betrifft

es lokale Machtbeziehungen sowie Gewinnstreben durch Staatsbeamte? Und was sind die Herausforderungen für die Aufrechterhaltung der zivilgesellschaftlich geführten Kämpfe der Armen und gesellschaftlich Ausgegrenzten gegen Korruption? Dieses Kapitel stellt diese Fragen im Zusammenhang der Mobilisierung der ärmsten und niedersten Kaste (Musahars) durch eine Basisbewegung in Bihar, 'Samajik Shodh Evam Vikas Kendra' (SSEVK). Es wird erklärt, was und was nicht (und warum) für die Ärmsten und Ausgegrenzten in Bezug auf ihren Umgang mit Staatsbeamten funktioniert. Die Ergebnisse sagen aus, dass Regierungsführungsreformen zugunsten der Armen und Sozialleistungen ohne eine Mobilisierung der Zivilgesellschaft und ohne politischen Willen des herrschenden Systems den Armen keinen Nutzen bringen.

Kapitel 3: Können auf Überwachung fokussierte Regierungsführungsreformen Dienstleistungen verbessern? Der Fall der „Integrated Child Development Services“ (ICDS) in Bihar, Indien

Kinderunterernährung ist eine der größten Herausforderungen in Indien, wenn auch die Regierung seit 1975 die Integrated Child Development Services (ICDS), eines der größten Programme in der Welt dagegen eingeführt hat. Seit dessen Beginn wird dieses Programm durch verschiedene Governance-Problemen beeinträchtigt: weit verbreitete Korruption, Ausfälle und Probleme mit Zielgruppen; diese sind in Bihar sichtbarer als in anderen Bundesstaaten. Die gegenwärtig herrschende Regierung in Bihar hat Regierungsführungsreformen in die Wege geleitet, um diese Probleme anzupacken. Diese beinhalten regelmäßige Besichtigungen von Dienstleistungszentren, die strenge Überwachung von Geldern, schnelle Disziplinarverfahren und die Überwachung durch die Zivilgesellschaft. Während diese Reformen in der Theorie allgemein als gut akzeptiert werden, sind empirische Beweise ihres tatsächlichen Einflusses vor Ort knapp. Dieses Kapitel versucht, diese Lücke

auf der Grundlage einer detaillierten Fallstudie des ICDS in Bihar zu schließen. Die Ergebnisse zeigen, dass entgegen dem herkömmlichen Denken über verantwortungsbewusste Regierungsführung die auf Überwachung fokussierten Reformen zusammen mit der Überwachung durch die Zivilgesellschaft für das Eindämmen von systemischer Korruption nicht erfolgreich sind. Die Studie schlussfolgert, dass alternative Vorgehensweisen erforderlich sind, um die Governanceprobleme des ICDS zu lösen. Diese beinhalten Lösungsansätze für die Unterbesetzung, von zu hohem Arbeitspensum, und die Notwendigkeit für bessere Leistungsanreize für Dienstleister.

Kapitel 4: Was denken zukünftige Bürokraten über Korruption? Eine Studie über Bewerber für den öffentlichen Dienst in Bihar

Staatsbeamte spielen eine Schlüsselrolle in der Erfüllung von Regierungs- und Entwicklungsprogrammen. Im Indien werden Staatsbeamte häufig als Schlüsselemente von systemischer Korruption gesehen. Unter Zuhilfenahme von zwei dominierenden Antikorruptionstheorien, 'Principal Agent' und 'Collective Action' erklärt dieses Kapitel die Meinungen der zukünftigen Staatsbeamten von Bihar über Bestechung und Korruption. Es ist ein innovativer Versuch, die Wahrnehmungen von zukünftigen Bürokraten über die mit Korruption verbundenen Probleme zu analysieren: was hält die potenziellen Bestechungsgeldnehmer davon ab, Bestechungsgelder zu akzeptieren, und was denken sie über Bestechung im öffentlichen Leben? Experimentelle Bestechungsspiele wurden durchgeführt, um den Einfluss von unterschiedlichen Graden von Strafe, Überwachung sowie Kenntnisse über den öffentlichen Verlust und ihre Beziehung zum unterschiedlichen Bestechungsbetrag. Außerdem wurden Fokusgruppendifkussionen zu diesen Themen durchgeführt, um die Dynamik von Korruption zu untersuchen. Die Ergebnisse zeigen, dass hoher öffentlicher Verlust und hohe Strafen Korruption sogar dann eindämmten, wenn Bestechungsgelder hoch

waren. Andererseits war strenge Überwachung nur in Fällen wirksam, in denen das Bestechungsgeld niedrig war. Fokusgruppendifkussionen ergaben, dass soziale Anerkennung, verzerrte Erfolgsparameter und keine Strafverfolgung die Hauptgründe für eine unverändert bestehende Bestechung im öffentlichen Bereich sind.

Fazit und Politikempfehlungen

Die Ergebnisse der Thesis tragen zu den breiteren Debatten zu verantwortlicher Regierungsführung und Korruption bei. Es bringt die Diskussion über Korruption, die größtenteils durch Arbeiten zur Messung von Korruption bestehen voran, indem es die Dynamik von Kooperation untersucht sowie die Narration und Erklärung ihres Fortbestands präsentiert. Die Thesis ergänzt die Literatur zur Rolle der Zivilgesellschaft in der systemischen Korruptionseindämmung, indem sie empirische Beweise zur Dynamik der zivilgesellschaftlichen Mobilisierung der ärmsten Bürger in Bihar liefert. Sie verteidigt die Unterstützung von internationalen Agenturen sowie des Staates in dieser Bemühung, und gibt Argumente für die Förderung der zweiten Führungsstufe in der Durchführungsorganisation für die Langlebigkeit der Bewegung.

Die vorliegende Arbeit stellt das gegenwärtige Festhalten an der strengen Überwachung und auf Überwachung fokussierte Reformen der Antikorruptionsmaßnahmen in Frage. Indem das Bedürfnis nach besserer Überwachung und Verantwortlichkeit anerkannt wird, werden Eingangspunkte für Korruption in Sozialleistungsprogrammen identifiziert und Möglichkeiten zur Eindämmung vorgeschlagen. Es betont die Notwendigkeit, der Zielgruppe die Regel- und Regulierungsänderungen von Sozialleistungsprogrammen zu kommunizieren, sowie das Problem von schlechten Arbeitsbedingungen und niedriger Vergütung der überarbeiteten Dienstleistungsanbieter zu lösen. Abschließend werden in der Thesis mithilfe einer innovativen Methode die Meinungen von zukünftigen Staatsbeamten zu Korruption und

Bestechung präsentiert. Es wird argumentiert, dass sich die Antikorruptionsbemühungen auf nicht nur auf drastische Maßnahmen und zügige Verurteilungen der fehlbaren Beamten beschränken sollten, sondern sich auch darum bemühen sollten, die gesellschaftliche Anerkennung von Korruption durch wertorientierte Bildung in der breiteren Gesellschaft zu ändern.

List of Tables

1. *The values assigned for the bribery game* (page no.125)
2. *Scoring for the treatments of the bribery games* (page no. 126)
3. *Interpretations of the scores* (page no. 129)
4. *Treatments examining the impact of Public Loss and the Bribe Amount on the Bribery behaviour for coaching X* (page no. 130)
5. *Treatments examining the impact of Public Loss and the Bribe Amount on the Bribery behaviour for coaching Y* (page no. 130)
6. *Treatments examining the impact of Probability of Detection and the Bribe Amount on the Bribery behaviour X* (page no. 131)
7. *Treatments examining the impact of Probability of Detection and the Bribe Amount on the Bribery behaviour Y* (page no. 132)
8. *Treatments examining the impact of Severity of Punishment and the Bribe Amount on the Bribery behaviour X* (page no. 133)
9. *Treatments examining the impact of Severity of Punishment and the Bribe Amount on the Bribery behaviour Y* (page no.134)

List of Figures

1. *Organisational Structure of the Poorest Area Civil Society (PACS) project of DFID, UK* (page no.57)
2. *Service delivery structure of ICDS in Bihar* (page no. 87)

List of Abbreviations

BDO	Block Development Officer
BPL	Below Poverty Line
BPSC	Bihar Public Service Commission
CAG	Comptroller and Auditor General
CBO	Community Based Organization
CDPO	Child Development Programme Officer
CSOs	Civil Society Organizations
DFID	Department for International Development
DM	District Magistrate
IAY	Indira Awas Yojana
IAS	Indian Administrative Service
ICDS	Integrated Child Development Services
MNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MVM	Musahar Vikas Manch
NGO	Non-Government Organization
PACS	Poor Areas Civil Society
PDS	Public Distribution System
PEO	Programme Evaluation Organization
RTI	Right to Information
RTPS	Right to Public Services
SNP	Supplementary Nutrition Programme

SSEVK	Samajik Shodh Evam Vikas Kendra
THR	Take Home Ration
UPSC	Union Public Service Commission

1 Chapter One: Introduction

Thus we have governance as a large and comprehensive process, governing as an intentional effort to leverage that process and solve or ameliorate some of its major problems, and governing coalition as the body of people who engage in a concerted effort to impose order and direction in what may otherwise be a somewhat chaotic condition. The effort is sometimes weak and ineffective, other times robust and strong, and probably somewhere in between most of the time. (Stone, 2004, pp. 3)

1.1 The Governance Conundrum

Governance is defined as an all-inclusive process affecting community's well-being (Stone, 2004). It refers to developing institutions and administrative processes which are conducive to citizens (Uddin and Joya, 2007). 'Good governance' offers accountability, transparency, participation and predictability, and therefore creates conducive environment for the reduction of poverty (World Bank, 2002). It is argued that through good governance a right balance between state's efficiency and accountability is established, which becomes critical for delivering overall development (Gonzalez, 2006; Girishankar et al. 2001). Good governance reforms lead to the progress of a country by giving voice to the citizens, establishing rule of law and making the government effective in controlling corruption (Uddin and Joya, 2007).

The role of political-will is considered important for realising good governance at the grassroots level (Leftwich, 1993). Over the last two decades, many developing countries have, with varying degrees of political will, initiated governance reforms with the overall objectives of achieving transparency, accountability and citizens' participation in public affairs. These reforms have also taken place in the arena of agricultural and rural development as the majority of population in developing countries reside in rural areas. Arguably, delivering development and poverty eradication cannot be devoid of rural and agricultural sectors reforms (Dorward et al., 2004). However, many of these countries have failed to achieve the expected outcomes of governance reforms, and continue to remain plagued with petty corruption, lack of accountability, and transparency in public dealings (see Debiel et al., 2011). While poor governance practices affect the entire population adversely, it is evident that the poor are the worst victims of bad governance (Grindle, 2004). They are often excluded from the welfare schemes meant for them, and in most instances when they do access the benefits of welfare programmes, they are required to bribe the public officials (see Ciborra & Navarra 2005). Moreover, they are deprived of opportunities for participation in governance, and their voices largely remain unheard by development policy makers and implementers.

Undoubtedly, one of the major bottlenecks in establishing good governance in developing countries is the problem of corruption. Most developing countries suffer from this problem, and it is suggested that every possible effort must be made by the government to curb it (Myrdal, 1970). Furthermore, it is also alleged that poor countries often get trapped in the corruption cycle where an act of corruption leads to further corruption (Rose-Ackerman, 1999). The World Bank cited the problems related to corruption as one of the biggest

challenges in the delivery of development and poverty alleviation (Ryterman, 2007)¹. Policy planners and well as researchers are now investing considerable energies in understanding how corruption affects developmental goals, and the issue of corruption has come to occupy the core place in the study of modern public administration (Villoria et al, 2013). In developing countries, one of the most prevalent forms of corruption affecting the poor is ‘petty corruption’, meaning the routine corruption which citizens encounter in their regular interactions with the public officials.² This form of corruption has been defined as the ‘Robin Hood in reverse’ phenomena, where the relatively rich public officials extract money from the poor and marginalized people (Riley, 2010). Arguably, any developmental policy aiming for good governance and ensuring welfare for the poor has to consider ways of curbing petty corruption.

For developing countries like India, where the majority of population suffers from chronic poverty and malnutrition, the provisions for the welfare mechanism for the poor stand critical. As India’s experiment with neo-liberal policies (since the early 1990s) led to economic growth, the country infused massive economic investment through some of the largest welfare schemes for the poor.³ However, these welfare initiatives, like the earlier ones, also got trapped into the web of corruption and leakages (see Chandra, 2015; Farman and Gupta, 2013; CAG Report, 2012-13)⁴. It is alleged that welfare schemes meant for the poor do not reach them and if they do, it is only in parts, because of various extractions along the delivery

¹ In the preface to the book titled ‘Many Faces of Corruption’ by The World Bank, Randi Ryterman expressed how corruption affected development.

²<http://info.worldbank.org/etools/docs/library/35958/overview.pdf>

³For example, the Mahatma Gandhi National Rural Employment Guarantee Program (MNREGA) was launched in 2005 as the world’s largest welfare program both in terms of the number of beneficiaries as well as the expenditure with the overall emphasis on the rural development

⁴http://saiindia.gov.in/english/home/our_products/audit_report/government_wise/union_audit/recent_reports/union_performance/2012_2013/Civil/Report_22/Report_22.html (Viewed on 7 April 2015)

chains (Transparency International, 2005).⁵ It is also claimed that corruption has plagued the welfare programmes of India and the market has no remedy for it (see Jenkins, 2006). Many scholars view it as a failure on the part of country's developmental policies and practice (see Chatterjee, 2007; Planning Commission of India, 2010), and emphasise the need for a continuous research for the identification of the social context in which corrupt practices thrive (Jeffery, 2002). The striking feature of the problem of corruption in India is that in the past one decade or so, both the state and civil society actors have been trying to address it, either through legislative reforms or mass mobilization. Several governance reforms have been initiated recently to streamline the delivery of welfare services to the citizens and curb petty corruption (e.g. the promulgation of the 'right to information' or strengthening of vigilance and auditing bodies independent of state control). Additionally, India along with many other countries of the world has in the recent times, witnessed civil society mobilizations against corruption, lack of transparency and poor governance. In spite of all these efforts from time to time, the failure to curb corruption poses a greater challenge for researchers interested in governance and development issues, and creates a state of 'conundrum' for the policy makers of the country.

1.2 Need for understanding the dynamics of petty corruption

Understanding the dynamics of petty corruption is essential for exploring how good governance reforms aimed at curbing corruption unfold in specific situations. It is believed that good governance can only be effective if what actually works at the ground level is evaluated empirically (Grindle, 2004). In lack of this empirically grounded knowledge about the dynamics of petty corruption, it is difficult to understand why well-meaning reforms

⁵The Transparency International's 'Survey of India's Petty Corruption' suggests that government spends \$8.5 billion annually on rural poor but most of it disappears on the way (Transparency International, 2005)

aimed at plugging leakages in the delivery of welfare services fail to achieve their desired objectives. While these reforms may appear to be adhering to the conventional norms of ‘good governance’, the reasons for their failure can only be comprehended by unravelling what transpires when policies hit the ground. As noted above, civil society led mobilisation has also been instrumental in creating awareness against corruption in recent past (see Dubochet, 2012). This mobilisation is quite evident among educated urban-dwelling citizens connected through social media (see Harindranath and Khorana 2014). Yet, the dynamics of mobilization of the rural poor (also lower caste) against petty corruption and exclusion from welfare schemes is often neglected both in the mainstream media and academic research. Unravelling the dynamics of mobilisation of the poor against corruption can potentially contribute to our understanding of the anti-corruption efforts needed in that direction. Moreover, the studies on corruption have mainly investigated the problem from the perspective of common citizens or ‘bribe givers’ (see Hanna and Yi-Wang, 2013; Dahlström et al. 2012) and have identified factors affecting individuals’ propensity towards bribery (see Frank and Schulze, 2000; Abbink et al, 2002). However, there is very little documentation of what the public officials or potential ‘briber takers’ think about corruption in public life, and how the prevailing socio-political environment of a country shapes attitudes toward corruption. Any exploration aimed at unearthing what the delivery agents think about bribery could be helpful in identifying the major voids in the anti-corruption policies of a country, which are ultimately implemented by the public officials.

1.3 Rationale of the thesis

This thesis is motivated by a need to explore the dynamics of petty corruption in the delivery of public services to the poor in India. This enquiry becomes important as corruption does not only entail economic loss to the poor, but also affect their social conditions, perpetuate

inequality, and ultimately hamper the achievement of human development goals. In the context of India, while there have been some academic works and international surveys on identifying the magnitude (quantitative estimates) of corruption (see Fraker et al., 2013; Transparency International India, 2005), there is a dearth of empirically-grounded research, which explores the dynamics of corrupt practises in welfare programmes with an overall aim of comprehending the problem of corruption in a holistic manner. Arguably, the scholarship on the issue of corruption in India has received very little attention outside the small group of economists, even when it affects the larger social, cultural and political aspects of growth and development of the country (Gupta, 2012). This thesis derives its motivation from the above identified gaps, and strives to contribute to the overall scholarship on good governance and corruption by exploring the dynamics of corruption through in-depth analysis of three inter-related factors affecting petty corruption.

First, it probes the potential of civil society led anti-corruption mobilization of the rural poor and the challenges therein. It does that by way of exploring the dynamics of mobilization and the way it affects the rural poor in their dealings with public officials. Second, it examines the dynamics of anti-corruption governance reforms in the context of delivery of a public nutritional programme for children. Third, it aims to unravel both the attitude towards bribery and the perception of future delivery agents (public officials) on the prevailing corruption in public services, its social context, and the probable solutions to curb it. Overall, this study aims to make a contribution to the debates on good governance by undertaking empirically grounded research on the dynamics of petty of corruption in welfare programmes, the mobilization of the rural poor against petty corruption, and the perceptions of future bureaucrats about bribery and corruption in public life.

1.4 Objectives of the thesis

The thesis has three main objectives:

First, to explore the potential and challenges of civil society-led mobilization of the rural poor against petty corruption in welfare scheme.

Second, the study aims to comprehensively analyze the fate of anti-corruption governance reforms in the delivery of nutritional services to the children, and explore how the delivery agents and the users respond to these reforms.

Third, it strives to unravel the perception of the future civil servants towards corruption and the way they comprehend bribery in public services.

All the three objectives constitute a separate chapter of this thesis.

1.5 Research Questions

There are specific research questions for each of the above stated broad objectives of the thesis.

For realizing the objective of exploring the potential and challenges of civil society-led mobilization of the poorest against petty corruption, the research questions are as follows:

- a. How do civil society organizations mobilize the poorest and low caste against petty corruption, especially in the environment of ‘good governance’ being created by the ruling establishment?
- b. What are the underlying mechanisms of such struggles?
- c. What are the enabling conditions for the initiation and sustenance of these struggles?
- d. How effective are these struggles from the perspective of the village poor?
- e. What are the limitations and challenges involved in such interventions?

The research questions for the objective of analyzing the impact of anti-corruption governance reforms in the delivery of nutritional services are as follows:

- a. What happens when a poor performing state adopts governance reforms for improving the services under its biggest welfare programme, the Integrated Child Development Services (ICDS)?
- b. How do frontline workers⁶ respond to these initiatives?
- c. Can strict monitoring, reporting and inclusion of user-based committees ensure effective implementation of the ICDS?
- d. Or are there options for development agents to circumvent the system and still misappropriate funds in the new set-up?

The objective of unraveling the perception of the future civil servants about bribery and corruption in public dealings is realized by addressing the following questions:

- a. How do the future civil servants perceive corruption in public services?
- b. Can monitoring and fear of stringent punishment curb bribery?
- c. What impact the knowledge about cumulative public loss has on the bribery behaviour?
- d. What are the major causes of corruption in the public services?
- e. What kinds of reforms are necessary for curtailing corruption?

1.6 Corruption: impressions from the existing literature

‘Corruption’ is considered as a vague concept, difficult to theorize and define in concrete terms (Dahlstrom, 2011). However, some scholars have defined it as a deviation from formal

⁶[Michael Lipsky](#) in his book ‘Street-level bureaucracy: Dilemmas of the individual in public services’ emphasised the concept of street-level bureaucracy by arguing their importance in policy implementation.

duties and rules of conduct for personal gain (see Sen 1999; Khan 1996; Nye, 1967). The World Bank described it as the abuse of public offices for the private gains, and acknowledged it as one of the greatest obstacle for delivering development (World Bank, 1997). It is claimed that corruption does not only jeopardizes public interest but has greater connotations (Morris, 1991). It breeds incredibility towards government institutions, and abets distrust among the citizens who are now less likely to follow any rules and regulations (Villoria et al, 2013). It also potentially kills the spirit of development and makes mockery of honest officials (Frisch, 1994). Seligson (2002) through his comparative work on four Latin American countries demonstrated how corruption negatively impacted the economy as well the polity of a country.

It is contended that the problem of corruption is more prevalent in developing countries and the poorer citizens suffer the most from petty corruption (Gupta, 2012). In the context of India, many commentators have for long talked about the prevalence of corruption in almost all the spheres of public life (see Kohli, 1975; Vittal, 2012; Gouveal et al, 2013). Several studies have demonstrated the negative impact of petty corruption on the efficient delivery of services under public welfare schemes (see Webb, 2012; Mane, 2006; Ahluwalia, 1993; Arnold et al, 2009). Many have identified the problem of corruption as the major governance challenge in contemporary India (see Quah, 2008; Gupta, 2001). Researchers have attributed the prevalence of corruption in developing countries to various factors. For some, it is a part of the maturation process as every modernizing society in the past was susceptible to corruption (see Werner, 1983). For example, the evolution of freedom of press also results into an increase in the perception of corruption which might not be a sign of worsening governance (see Roca, 2011). However, others maintain that corruption thrives in developing countries, as the same actors who are corrupt are also the implementer of its anti-corruption

programmes, thus creating a paradox (see Fritzen, 2005). It is argued that when corruption gets deeply built into a system, it is very difficult to eradicate it (Jenkins and Goetz, 1999).

The institutional theorists attribute corruption to the absence of viable institutional mechanism and argue that the economic and political institutions determine the extent of corruption in a country (Svensson, 2005). As developing countries inherited institutions which were set up by their colonial masters for their own benefits, they are more prone to mis-governance (Acemoglu et al, 2001; Sverrisson, 2005). The new-institutional theorists claim that institutions play vital role in shaping individuals behaviour (see March and Olsen, 1989). On the other hand, it is also argued that rendering greater importance to institutions has resulted into a culture of 'institutional mono cropping' where it is assumed that similar set of institution could be successful everywhere (Evans, 2004). However, the actual functioning of institutions in different country contexts has demonstrated that a similar set of institution might perform differently in diverse terrains, and institutions should be understood within the contextual specificities of each country (Grindle, 2004). Moreover, some scholars also believe that mere presence of institutions is not sufficient by themselves and they have to be supplemented by enhanced human capital for the efficient delivery of services (see Svensson, 2005). It is further argued that people are intelligent enough to create their own preferences independent of institutions (Maravic, 2006). Therefore, 'actor centered institutionalism', an approach combining the influence of both the institutions and the individual preferences is more suitable for understanding the challenges of governance (Scharpf, 2000). In light of these arguments, exploring individual's behaviour on corruption has gained momentum and experimental methods are being used for this purpose (see Frank and Schulze, 2000; Abbink et al, 2002). However, in the context of India, there is dearth of studies which explore corruption from the perspective delivery agents. This thesis aims to fill that gap by exploring the attitudes toward bribery and corruption in public life from the vantage point of (frontline)

delivery agents in relation to child nutrition programme as well as aspiring (future) bureaucrats.

The scholars who comprehend corruption as a factor of individual decision making behaviour rely on two inter-connected theoretical explanations. First is the ‘Principal-Agent Model’, which considers corruption as an outcome of information asymmetries where the agents have more information than the principals⁷ (Besley, 2006). While some describe the ‘rules’ as ‘principals’ and bureaucrats as ‘agents’ (Becker and Stigler 1974), others consider politicians and bureaucrats as ‘agents’ and citizens as ‘principals’ (Besley 2006). Second is the ‘Rational Choice Theory’ paradigm that attributes the deviations (from following rules) to the lack of constraints which prevents the exploitation by public officials (see Nye, 1967; Rose Ackerman, 1999; Klitgaard, 1998). It is assumed that public officials’ exploitation is based on the substantial discretion enjoyed by them along with low accountability (Riley, 2010). Based on the assumptions of the above stated theoretical explanations, several scholars have argued in favor of effective evaluation techniques coupled with regular monitoring for curbing corruption (see Khullar, 1998; Nayak and Saxena, 2006; Ramachandran, 2005). Grounded on these assumptions, there have been some successful examples of curbing corruption. One of the most widely acknowledged one is that of Hong Kong, which significantly reduced corruption from the public services by instituting anti-corruption mechanisms tools aimed at limiting discretion, strict monitoring, increasing accountability, and severe punishment for erring public officials (Shah, 2007; Klitgaard, 1998). Researchers have found a considerable influence of the ‘Hong Kong model’ on the prevailing global ‘anti-corruption’ efforts (Persson et al, 2013; Marquette et al. 2014).

⁷ ‘Agents are the ones who perform the work and have the power to make an impact on others. ‘Principals’ are basically embodiment of public interest.

Critics claim that this model has failed to curb corruption in countries which are infected with systemic corruption, as it is a problem of ‘collective action’ that cannot be easily addressed by vigilance-focused reforms (Brinkeroff 2000; Johnston 2005; Lawson 2009). They advocate for changing the belief among individuals that others are not corrupt by installing an overall change in how corruption is perceived in the country (Persson et al. 2013). However, in the context of India, there is dearth of academic enquiry which empirically examines how the anti-corruption measures unfold at the grassroots level, and how do the (frontline) public officials respond to those changes? By empirically exploring the impact of anti-corruption tools on the delivery of public services, this thesis aims to fill the void in literature on the role of good governance in curbing corruption in Indian context.

Anti-corruption advocates campaign for the ‘rights’ based approach for better governance and reduction in pilferage (see Gagnolati et. al, 2006; Sinha, 2006; Dreze, 2006; Kent, 2006). Some of the advocated rights-based tools include: citizens participation through ‘users committee,’ ‘social audit’, and legislations ensuring ‘right to public information’ and ‘time bound delivery of services’. Additionally, some studies on corruption in welfare schemes argue for the involvement of elected representatives and users committees for curbing leakages (Gagnolati et. al, 2006; Sinha, 2006). The ‘political will’ of the state is also considered as the necessary condition for the efficient delivery of services (see Rajivan, 2006; Sudararaman, 2006; Sinha 2006). It is assumed that community participation in developmental programmes is crucial for effective delivery of services (see Cleaver, 1999; Schneider, 1999). However, not much intellectual energy has been spent on exploring how ‘community-based’ and ‘users-based’ vigilance work for the poor in the delivery of welfare services in India. This research is an attempt to fill that void.

Furthermore, in the debates on good governance, it is asserted that an existence of viable civil society is a necessary condition for the realisation of ‘rights-based’ tools for the benefit of the poor.⁸ Arguably, there is a shift in the role of civil society organizations from that of service providers (in the 1990s) to that of creating awareness about rights based legislations, policy advocacy and mobilization more recently (Chandhoke, 2012). It is asserted that any of the anti-corruption tools based on the ‘top-down’ approach will not be effective in the absence of empowered civil society (Mungiu-Pippidi, 2013). Advocates of civil society applaud its contribution in curtailing corruption (see Themudo, 2013). On the contrary, some scholars argue that civil society organisations are prone to corruption themselves (see Maxwell et al, 2008; Greenlee et al, 2007). The role of political will is considered important for a better impact of the civil society organisation on the state bureaucracies (see Evans 1996; Lavallo, 2006). Furthermore, the role of leadership (of civil society organizations) is considered crucial for grassroots mobilization in the context of South Asia (Smillie and Hailey, 2001; Hailey and James, 2004; Petras, 1999; Govinda 2009). While individual leaders exhibit great ability to mobilize people, they are criticized for dominating the entire organization (Hailey and James, 2004; Petras, 1999; Govinda 2009). In the Indian context, some scholars in the past have analysed the role of civil society organisations in mobilising the poor in their demand for better governance (e.g. Kamat, 2002; Sahoo, 2013; Waghmore, 2012) but the dynamics of such mobilisation has largely remained unexplored in the context of anti-corruption movement. Moreover, there is also very little documentation of the way the poorest people interact with the officials after being mobilised by civil society organisations (Singh, 2013). This thesis aims to provide an empirical account of the dynamics of a civil society led mobilisation of the rural poor against petty corruption.

⁸https://www.ndi.org/files/1374_ww_courption_0.pdf accessed on 11.08.2015

In the context of India, corruption does not only result in economic losses, it also affects (and is shaped by) the social structure. Many studies have highlighted the dynamic role of corruption in accentuating caste fault lines, and have explained how upper castes dominate state bureaucracy and at the same time exhibit hostility towards agricultural laborers, especially the low-caste Dalits and Adivasis (see Roy, 2013; Corbridge et al, 2005). Furthermore, they argue that with the prevalence of corruption in welfare schemes, the locus of power has shifted further in the favor of the upper caste people (Tsujita et al, 2010; Batni, 2014). In the context of Bihar province of India, it is claimed that caste-based politics (from 1990-2005) not only weakened the upper-caste dominated state bureaucracy but also gave rise to extra-governmental actors and institutionalised petty corruption (Roy, 2013; Witsoe, 2012). However, the present ruling dispensation of Bihar has initiated various governance reforms measures to curb corruption, and provide for efficient delivery of public services to the rural poor (see Singh and Stern, 2013). The province has also been applauded as the most successful in terms of its anti-corruption efforts (see Debroy and Bhandari, 2012). However, it is also claimed that the reforms initiated by the present regime (since 2005) targeting the lowest caste groups are politically motivated without any significant help to the poor (see Kumar and Ranjan, 2009; Gupta, 2010). Further, studies have showed how the Musahars (the lowest among all caste groups in Bihar) suffer from institutional discrimination, and have been insulated from the benefits of welfare programmes (Hernandez-Agramonte et al., 2008; Hassan 2014). In some parts of the state these people have responded to caste-based discrimination through adherence to violent ultra-left militant struggle (see Kunnath, 2012; Jaoul, 2011). However, there is scarce empirically grounded research on how low-caste poor (such as the Musahars) respond to internationally funded civil society endeavors of mobilization against petty corruption, and the ways this mobilization is affected by the overall political will of the present ruling dispensation. This thesis aims to explore the dynamics of

poor people's mobilization against petty corruption, and in turn, contribute to the debates on the role of civil society in curbing corruption.

1.7 Theoretical Framework

The theoretical frameworks which best elucidate anti-corruption tools are those of 'demand and supply sides reforms' and 'social accountability'. In the demand-supply framework, the demand side reforms pertain to tools which ensure citizens' empowerment; and the supply side reforms aim at creating efficient and responsive governance. On the other hand, the 'social accountability' framework aims to ensure state accountability for better service delivery through availability of reliable and adequate information to the citizens (World Bank, 2004). This framework was adopted by the World Bank for tackling corruption in developing countries. Both the frameworks envisage an enabling environment as a necessary condition to yield results. It is argued that demand and supply strategies must be aligned to the context specificities in order to yield dividends (see Birner, 2007). Therefore it reiterates the maxim 'one size does *not* fit all'. Further, social accountability framework exhibits certain drawbacks in the form of unprecedented rise in the expectation of the people, elite capture and possibilities of state actors being threatened at times. To overcome these drawbacks, it is argued that 'demand side' reforms have to be supplemented with 'supply side reforms' to create an enabling environment for ensuring state accountability.

However, in the context of India, there is a dearth of empirical evidence to examine how the anti-corruption measures unfold at the ground level. Furthermore, an empirical investigation becomes more pertinent and stimulating for the areas which are witnessing a process of transformation towards good governance after a sustained period of bad governance. This thesis is an attempt in that direction. It conducts an empirical investigation in alignment with these theoretical frameworks to analyse how governance reforms unfold at the ground level.

Overall this thesis aims to understand the dynamics of some of the major demand and the supply side governance reforms in curtailing petty corruption, and identify the enabling environment for its success. For this thesis, the demand side reforms under the preview are the civil society led mobilization, involvement of users committees in effective delivery of welfare services, community participation, right to information and public services legislation; and the supply side reforms are strict monitoring, severe punishment, and the perception of the delivery agents. How these reforms unfold in the context of a state that has witnessed political will for achieving the objectives of good governance is the main focus of analysis of this thesis.

1.8 Methodology

The research entailed in the thesis mainly employs qualitative methods of data collection. However, for one of its objectives related to the unraveling of the perception of the future civil servants from Bihar, it uses the quantitative tool of experimental bribery game. Overall, it relies on two sets of data: first, a review of primary and secondary material, which comprises the government publications, documents and policy guidelines on transparency and accountability in welfare schemes, publications of International Donor Agencies and newspaper clippings. Second, primary data generated through direct observation; semi-structured interviews; informal conversations with key stakeholders; process net-mapping; focus group interviews and experimental games.

For the first objective of examining the role of the civil society organization in mobilizing the people against petty corruption in rural Bihar, the research comprised an in-depth case study of a grassroots organization. Case-study method is chosen as it helps in capturing the complexity of the object of study (Stake, 1995). The selection of the grassroots organization is contingent upon two major aims of enquiry. First, the mobilization must be of the poorest of

and traditionally deprived caste groups in rural areas. Second, the mobilization must aim against petty corruption in welfare schemes and, in turn, ensures effective delivery of public services. In keeping with these aims, an NGO working with Musahars (the poorest and the lowest caste group in Bihar) and leading a collective struggle against petty corruption was chosen. The selected NGO has been active in the rural areas in Motihari district of Bihar since 2003. The data is collected from a field study conducted in nine Musahar *tolas* (or hamlets); six of the nine *tolas* are purposefully selected based on the suggestions of the NGOs volunteers as the most effective examples of grassroots mobilization. Three additional *tolas* are randomly selected. Given the nature of the subject in question, the identity of the respondents is withheld and pseudonyms are used for the names of the villages. The data collection involves informal conversations and semi-structured interviews with 87 (Musahar) villagers across these nine hamlets, individually as well as in groups. Additionally, information is gathered from NGOs volunteers and ex-members of rural local bodies on the flow of funds in welfare schemes. The methods of direct observation and semi-structured interviews are used as enquiries pertaining to corruption are very difficult to obtain. It is common understanding that stakeholders are very reluctant to provide any information about bribery and embezzlement. Therefore, in the past, data pertaining to corruption involved people perception surveys (see Transparency International Report; Centre for Media Studies findings). Yet, to understand the dynamics of corruption, critical information from the stakeholders is required. Hence, rapport formation followed by in-depth interviews with the key informants and participant observation are used for the purpose of this thesis. The conversations were not recorded but notes were taken immediately after the interviews. However, on some occasions the author is also able to take notes during the conversations. Many of the incidents narrated by the respondents are based on their memories. The thesis acknowledges the limitations of methodology involving ‘recalling of the events from the past’

(Patai 1998). Further, as a large network of functionaries are involved in the delivery of public programmes, identification of key delivery agents and their relative importance is crucial before proceeding with the in-depth interviews. For this purpose, process net-map is used. Process net-mapping is also vital for identifying the informal process which does not find any mention in the official books. It also helps in locating the point of leakages and facilitates the respondents in explaining its attributes in greater details; which becomes very crucial for understanding the dynamics of corruption. With the help of it, the relative influence of various actors along the delivery chains and possible loopholes in delivery mechanisms are identified.

For the second objective of exploring the dynamics of anti-corruption reforms at the grassroots level, the delivery of services through the Integrated Children Development Schemes (ICDS) under the governance reforms is examined. This scheme is chosen as it is the largest public nutritional programme of the state. The choice of the district was dependent on two factors. First, the nutritional status of children in this district was close to the state average. This was ascertained on the basis of the district household survey (2002-04) on reproductive and child health. Second, the familiarity of the author in terms of area and local dialect, which proved crucial in establishing rapport with frontline workers, government officials and members of rural and urban local bodies. The names of the district, villages, and localities have been withheld to protect the identity of the respondents. A total of 10 delivery centres (7 urban and 3 rural) were selected purposefully on the basis of the frontline workers' willingness to share information and insights into the functioning of the ICDS. The method includes semi-structured and conversational interviews with different stakeholders, direct observation of delivery centres, and participatory mapping with key informants to understand the flow of funds as well as power relations among stakeholders. Though a small sample size of 10 delivery centres are too low from making any generalised observation, close encounters with the respondents helps in unravelling the dynamics of service delivery under the reformed

system. Further, wherever possible, the information is verified using triangulation for quality assurance but the author recognizes the limitation of gathering data on sensitive topics such as misappropriation of funds, corruption or dynamics of senior-subordinate relationships in governmental programmes. The author acknowledges both the reluctance of respondents to speak freely about some of these issues and the problems in cross-checking the information provided by the respondents solely on the basis of official records or registers (which are often forged). The use of formal interview schedules is avoided as government functionaries are either afraid of putting anything on record or tend to give set (readymade) answers to questions posed to them in a formal manner.

For the third objective of exploring the perception of the aspiring civil servants (future bureaucrats) on corruption, the tools of experimental bribery games and focus group interviews were employed. Experimental bribery game is used for its advantage of stealthy approach; the participants do not perceive it as a real life situation and play on the basis of their instincts and calculations. Further, it also allows an empirical examination of the bribery behaviour. Through this experimental game, the impacts of the most prevalent components of the anti-bribery tools are examined on the bribery behaviour of the future bureaucrats. For these games, 36 candidates were chosen from two different preparatory centres for the civil services. These centres are from Delhi, as it is the most sought after city for the preparations of the civil services examinations. Further, for the close approximation, the candidates who passed their first level of screening test for the civil services examination were chosen. It was very challenging to persuade the coaching institutes and the candidates for participating in the experimental games. Therefore, the selection of the coaching institutes is solely based on their readiness and the selections of the candidates are based on their voluntarism. Further details on the games are presented in the third chapter of this thesis.

In addition to the experimental bribery game, focus group discussions were also carried out because of the following advantages: First, it provides the opportunity to find information based on interactions among the members. Secondly, these discussions provide comprehensive knowledge about what, why and how people think over an issue (Kitzinger, 1995). Thirdly, it does not only provide useful information about people's attitude and perspectives but also provide with opportunities to seek clarifications on it (Kreuger, 1995). Fourthly, it also explains why individuals behave in a particular way (Rabiee, 2004). The theme of the Focus-group discussion was 'corruption in the civil services'. Deliberations were made on the broad topic of 'why' and 'how' of corruption. Notes were made by the 'observers' during the course of discussion. The data collection for all the conversations took place in the language in which the respondents were versed with. Therefore, Hindi, Bhojpuri and English were used. All are translated into English before quoting in the thesis.

1.9 Why Bihar?

Bihar was chosen as the site of enquiry on account of its unique governance environment. Not a long time ago, the state was considered as one of the most backward and ill-governed states in India. It was also identified as the most corrupt state in India in terms of petty corruption (Transparency International India, 2005).⁹ For many observers, the governance situation in Bihar characterized utter lawlessness, extreme poverty, and rampant corruption in public dealings (see Polygreen, 2010)¹⁰. Not only that, it also ranked at the bottom of the table in terms of human and economic development indicators (Dreze and Sen, 2013). This poor governance largely affected the poorer citizens as over two-fifths of its total population was

⁹http://archive.transparency.org/regional_pages/asia_pacific/newsroom/news_archive2/india_corruption_study_2005. (Accessed 12 September 2014)

¹⁰Polygreen, Lydia (2010) 'Turnaround of India State could serve as a Model'. The New York Times http://www.nytimes.com/2010/04/11/world/asia/11bihar.html?_r=0 (Viewed on 7 April 2015)

below the official poverty line in 2005 coupled with worst figures in terms of literacy, student-teacher ratio, immunisation and electrification in the entire country.¹¹

However, in 2005, with the change of regime in Bihar, ‘good governance’ emerged as the key strategy and goal for the new political establishment headed by the Chief Minister, Nitish Kumar. Among the several governance reform initiatives, curbing corruption was determined to be the most important strategy for ensuring good governance. In its effort to curb corruption, the regime instituted several governance reforms with the overall aim of providing transparent, effective and responsible governance in the state (see Stern and Singh, 2013). These reforms include the provisions for stringent punishment, speedy trials of cases involving corruption and promulgation of laws ensuring timely delivery of public services. Further, these efforts of the provincial government of Bihar were also complemented by some recent federal level legislations (e.g. ‘Right to Information’) enacted by the central government in order to ensure transparency and accountability in public dealings. Furthermore, international development agencies, such as the UK’s Department for International Development, (hereafter DFID) also supported the good governance reforms initiatives with the mission to minimize corruption in Bihar. As a result, the state is conferred the top-most position among all the other states in terms of anti-corruption efforts (see Bhandari and Debroy, 2011). It is claimed that the state has made a swift transition from being an epitome of ‘misgovernance’ to an emerging model of ‘good governance’ (Singh and Stern, 2013). The claims of this journey from that of the most corrupt to being one of the best governed states makes it an ideal site for the enquiries of this thesis.

1.10 Significance of the study

¹¹ <http://archive.indianexpress.com/news/unpacking-the-bihar-story/1177443/>. (Accessed 24 April 2014)

The relevance of this study rests on the following points:

First, the debates on anti-corruption struggle in India are largely middle class-centric, and have been comprehensively covered by the print and the electronic media (Harindranath and Khorana, 2014). On the other hand, the plight of the rural poor in relation to rent-seeking by local bureaucrats has received little attention either in the mainstream media or in academic literature. While the commentators on Bihar have claimed the success of the governance reforms in creating an enabling environment for the efficient delivery of public services (see Mukherji and Mukherji, 2012; Singh and Stern, 2013), there is very little documentation on the ways the poor people are mobilised to respond to the illicit demands of the government officials (Singh, 2013). The case of examining the dynamics of a civil society led anti-corruption mobilization among the poorest citizens in Bihar would contribute to the scant literature on how rural poor mobilize themselves against petty corruption in India.

Second, it is well acknowledged that nutritional support programmes have failed to deliver in India on account of the prevalence of leakages and petty corruption (Fraker, Neil, & Ronald, 2013; Nayak and Saxena, 2006). As Bihar is home to the largest number of malnourished children in the country, it becomes imperative to explore how the recent governance reforms have impacted one of the biggest public programmes (ICDS) in delivering nutrition to children. There is scarcity of studies that explore how the street level bureaucrats or frontline workers have responded to these governance reforms and to what extent they are able to circumvent new laws and legislations (see Rodgers and Rodgers, 2011). By exploring the dynamics of corruption at the delivery level of this nutritional programme, this thesis aims to contribute to the overall literature on fighting malnutrition through good governance reforms.

Third, while the public discourse in India recognises the widespread corruption in public services, there is a lack of academic exploration of 'what' and 'how' of corruption from the

sole perspective of civil servant or the ‘bribe takers’. Furthermore, there is dearth of studies which examine the attitudes of the civil servants on the issues of bribery and corruption. This gap acquires critical status; given the fact that the success of any anti-corruption reforms is contingent upon the kind of impact it has on the mind-set of the delivery agents. Therefore, it becomes important to understand and explore the attitudes of the aspiring civil servants towards corruption as it would be instrumental in redefining the anti-corruption endeavours of the country. By exploring the attitude of the future civil servants towards corruption and empirically examining their bribery behaviour, this thesis is probably the first study of its kind to undertake such an enquiry in the context of India.

1.11 Thesis Layout

The thesis is divided into five chapters. Following this introductory chapter, Chapter 2 presents an in-depth case study of a civil society led mobilisation of the poorest against petty corruption in Bihar province. Chapter 3 explains how governance reforms unfold at the ground level in the delivery of services under the ‘Integrated Child Development Schemes’ in Bihar. Chapter 4 presents the findings from the experimental bribery games and focus group discussions with the civil services aspirants from Bihar and analyses their perceptions on bribery and corruption. The final chapter of the thesis, Chapter 5 discusses the overall results from the previous three chapters, and outlines the main conclusions of the study. It further elucidates what happens when a poor performing state like Bihar adopts governance reforms for improving the services, and presents some policy recommendations on curbing corruption in public dealings in India.

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2 Chapter Two: Can pro-poor governance reforms reduce corruption for the poorest? A tale of grassroots mobilization against rent-seeking in rural Bihar

ABSTRACT

In India, corruption, exclusion from welfare schemes, and the denial of rights to the rural poor have long been commonplace. Critical accounts of development policy and practice advocate the need for pro-poor governance reforms as well as effective mobilization of the poor for exercising their rights and entitlements. However, there is a dearth of empirical work which may enable us to address the following questions: What are the dynamics of such mobilization strategies in the environment of pro-poor governance reforms? How does it affect local power relations as well as rent-seeking by the state officials? And what are the challenges involved in the sustenance of civil society led struggles for the poorest and outcastes against corruption? This paper addresses these questions in the context of Dalit mobilization by a grassroots organisation in Bihar, one of the poorest provinces, which has recently initiated pro-poor governance reforms. It explains what has or hasn't worked (and why) for the poorest and outcastes in terms of their dealings with public officials. The paper argues that pro-poor governance reforms and welfare schemes on their own do not yield dividends in the absence of both civil society led mobilization and political will of the ruling dispensation.

Keywords: Musahars, Good Governance, Petty Corruption, Civil Society Organizations, Bihar

2.1 Introduction

Corruption has emerged as an important element of the current political discourse in India. It is considered as the biggest challenge in terms of governance in contemporary India (Quah, 2008; Gupta, 2001). Commentators of Indian polity have for long talked about the prevalence

of corruption in almost all the spheres of public life (see Kohli, 1975; Vittal, 2012; Gouveal et al, 2013). In popular understanding, while corruption in general refers to the abuse of public offices for personal gains (Johnston, 1996), ‘petty corruption’ refers to the street-level or *routine* corruption which citizens encounter in their regular interactions with public officials, and where in the sums involved are rather modest (Riley, 1999).¹² There is a common perception that petty corruption in India is deeply ingrained into the system of governance, and that rent-seeking by governmental machinery has become the rule rather than the exception.¹³ The problem of petty corruption is also deeply interlinked with the caste system, especially in rural areas. The poor, low-caste and vulnerable seem to be most affected by petty corruption in India as they are most likely to be pressurized into paying bribes and least likely to receive returns from doing so (Batni, 2014). Significantly, governmental welfare schemes meant for these communities very often do not reach them and if they do, it is only in parts as a result of various extractions in delivery chains.¹⁴ Moreover, the socio-economic structures prevailing at the village level determine the distribution of benefits of public funds and are likely to perpetuate inequality (Tsujita et al, 2010). Thus the prevalence of petty corruption, especially in the welfare schemes for the poor and its intrinsic relationship with

¹² The focus of this paper is restricted to the problems of petty corruption faced by the rural poor in their dealings with public officials. For a general discussion on the definitions and forms of corruption, see Jain (2001) and Johnston (1996).

¹³ In political economy approaches, rent-seeking implies to extraction of uncompensated value from others without making any contribution to productivity (see Kreuger, 1974). The authors in this paper use the term rent-seeking in common parlance, and interchangeably with petty corruption. This may include simple bribery and remuneration that bureaucrats demand for performing the tasks that they are supposed to do, especially in welfare schemes.

¹⁴ The Transparency International’s ‘Survey of India’s Petty Corruption’ suggests that government spends \$8.5 billion annually on rural poor but most of it disappears on the way (Transparency International, 2005)

the local power relations, often based on caste system, pose considerable challenge for developmental actors.¹⁵

While the problem of petty corruption is a pan-Indian phenomenon, certain states are considered to be the most affected— Bihar being one of them. For many observers, the situation in Bihar, until recently, was characterized by ‘jungle raj’ (or utter lawlessness), extreme poverty, and rampant corruption in public dealings (see Polgreen, 2010). Just a few years ago, Bihar was adjudged to be the most corrupt state in India in terms of petty corruption (Transparency International India, 2005)¹⁶. Not only that, it also ranked at the bottom of the table in terms of human and economic development indicators (Dreze and Sen, 2013). Over two-fifths of its total population was below the official poverty line in 2005, coupled with worst figures in terms of literacy, student-teacher ratio, immunisation and electrification in the entire country.¹⁷ It is puzzling whether to attribute high corruption to low development or vice versa. What is clear is that it is the poorer citizens who suffer the most from rent seeking by state officials (Gupta, 2012).

In 2005, with the change of regime in Bihar, ‘good governance’ emerged as the key strategy and goal for the new political establishment headed by the then Chief Minister, Nitish Kumar. Among the several governance reform initiatives, curbing corruption was determined to be the most important strategy for ensuring good governance. The efforts of the provincial government of Bihar are complemented by recent federal level legislation (e.g. ‘Right to Information’) enacted by the Indian government in order to ensure transparency and accountability in public dealings. International development agencies, such as the UK’s

¹⁵ In rural Bihar, 64 per cent of the Scheduled Caste (SC) (or former ‘untouchables’) population falls below the official poverty line- the highest among all the states in India (<http://socialjustice.nic.in/socialg0405.php>) (Accessed 8 February 2015)

¹⁶ http://archive.transparency.org/regional_pages/asia_pacific/newsroom/news_archive2/india_corrupti_on_study_2005. (Accessed 12 September 2014)

¹⁷ <http://archive.indianexpress.com/news/unpacking-the-bihar-story/1177443/>. (Accessed 24 April 2014)

Department for International Development, (hereafter DFID) are also supporting good governance reforms with the mission to minimize corruption in Bihar— a state that is considered to have recently made a swift transition from being an epitome of ‘jungle raj’ or ‘misgovernance’ to an emerging model of ‘good governance’ (Singh and Stern, 2013). Yet, there is a dearth of empirical studies that can trace the impact of governance reforms and enabling legislations on petty corruption, especially from the perspective of the poorest citizens in one of the poorest regions of India. This paper is an attempt in that direction.

In the overall debates on corruption and good governance, it is imperative to question whether civil society organizations, especially the ones working towards the mobilization of the poor and the low caste can play a catalytic role in the fight against petty corruption in welfare schemes. It can be argued that the new (welfare) regime in India, which began in 2004 with the left-front supported coalition government at the center, the unfolding of the state sponsored rural employment schemes (e.g. National Rural Employment Guarantee Scheme) as well as universal health and education schemes (e.g. National Rural Health Mission and the ‘Right to Education’) have limited to some extent the role of NGOs as developmental service providers. We can observe that a shift in the role of civil society organizations is taking place— from service providers in the 1990s to that of creating awareness about rights based legislations, policy advocacy and mobilization more recently (Chandhoke, 2012). As Waghmore (2012) notes, international civil society actors have also started to engage directly with Dalit (former ‘untouchable’ castes) movements at the grassroots. Moreover, civil society has gone beyond its traditional role of watchdog to holding the government accountable by means of social auditing, mass mobilization and awareness building. Petty corruption being one of the biggest challenges to ensuring good governance for poorer citizens, the new role of

civil society organisations is also directed towards checking rent-seeking by local officials.¹⁸ Indeed civil society was instrumental in creating pressure for the landmark ‘Right to Information Act’ in 2005 (Dubochet, 2012). While the impression is gaining ground that a strong and vibrant civil society is instrumental in curbing corruption, there is a lack of sufficient empirical work to unravel the potential of civil society organizations in curbing petty corruption in the countryside. Furthermore, and as Themudo (2013) argues, we have only a limited understanding of the actual mechanisms by which it can engage in effective mobilization of the poor against rent-seeking. This paper sets out to provide an empirical account of such an intervention by a civil society organization in the villages of Bihar. While scholars have in the past analysed the role of civil society organisations in mobilising the poor in different provinces of India (e.g. Kamat, 2002; Sahoo, 2013; Waghmore, 2012), this issue has largely remained unexplored in the context of contemporary Bihar, which is witnessing governance reforms led by a political leadership striving to reduce petty corruption in public dealings.

How do civil society organizations go about mobilizing the poorest of the poor against petty corruption, especially in the climate of ‘good governance’? What are the underlying mechanisms of such struggles? What are the enabling conditions for the initiation and sustenance of these struggles? How effective are these struggles from the perspective of the village poor? What are the limitations and challenges involved in such interventions? These are some analytical questions addressed in this paper on the basis of an in-depth case study of a grassroots organization called the *Samajik Shodh Evam Vikas Kendra* (hereafter SSEVK), active in Motihari district of Bihar. The organization is active since 2003 and is specifically working with the Musahar caste group, considered as village outcastes. The paper analyses

¹⁸ Recently, a political party called the AAP (Aam Admi Party) has emerged from a civil society led anti-corruption movement, which has brought the issue of corruption to the centre-stage of politics in India.

the anti-corruption initiatives of the organisation, the strategies adopted for mobilizing the poor and low castes against rent-seeking by local bureaucracy, and the effects of such interventions on both the overall dynamics of corruption and local power relations. It suggests that the SSEVK has played an important role in reducing the plight of the Musahars to some extent by means of collective mobilization. The paper identifies the challenges involved in the prolonged fight against rent seeking and reduction of corruption, especially because of the local officials' ability to circumvent the system as well as the absence of second rung of leadership in the activist organization. It argues that good governance reforms and pro-poor welfare schemes on their own do not yield dividends in the absence of both civil society led mobilization and political will of the ruling dispensation.

The relevance of this study rests on two significant points. First, the debates on corruption in India are largely urban-centric. The role of urban civil society especially that of the 'India Against Corruption'¹⁹ (commonly known as Anna Hazare movement) has been comprehensively covered by the print and the electronic media. Some have highlighted the urban middle-class nature of anti-corruption struggle (Harindranath and Khorana, 2013). However, the plight of rural poor in relation to rent-seeking by local bureaucrats has received little attention in either the mainstream media or in academic literature. Second, the present regime in Bihar has instituted reforms for ensuring transparency and accountability by means of rights based legislations and stringent anti-corruption measures, which in turn, have created an enabling environment for civil society organizations to fight against corruption on the behalf of the poor. These two issues motivate us to explore the potential as well as challenges of civil society activism in curbing rent-seeking in the countryside of supposedly one of the most 'corrupt' and 'backward' states in India.

¹⁹ 'India Against Corruption' became a very popular urban civil society movement in 2011-2012. It was led by a veteran Gandhian, Anna Hazare for a strong anti-corruption legislation.

The paper is divided into five sections. The first section provides a short note on methodology and data collection. The second section gives the background to the study, which includes a discussion on the caste dynamics of rural Bihar, the plight of the Musahars, and the anti-corruption efforts of the present regime. The third section presents the case study of the SSEVK, its inception and expansion, strategies used for mobilizing the Musahars through creation of a community based organization called *Musahar Vikas Manch* (hereafter MVM), the changing dynamics of caste relations at the village level, and the overall effect of this mobilization in curbing rent-seeking by local officials. The fourth section explains the limitations and challenges of anti-corruption struggles in rural Bihar, the strategies used by the local officials to circumvent rules and regulations governing transparency in welfare schemes, the challenges of the civil society movements and the problems ahead as seen in the case of the SSEVK. The main findings from the case study are presented in the concluding section.

2.2 Methodology and Data Collection

The data was collected from a field study conducted in nine Musahar *tolas* (or hamlets) of Motihari District of Bihar over five months in 2013.²⁰ The authors primarily relied on two sets of data for this paper: first, a review of primary and secondary material, which comprises the publications of the SSEVK, and Actionaid India and DFID (the sponsoring agencies), newspaper clippings, and government publications, documents and policy guidelines on transparency and accountability in welfare schemes. Second, primary data was generated through direct observation, semi-structured interviews and informal conversations with key stakeholders. In-depth interviews were conducted with the leader and six volunteers of the

²⁰ In rural Bihar, village neighbourhoods are generally divided along caste lines and Dalits are segregated from the areas inhabited by the 'upper' as well as 'middle' caste groups. A Musahar *tola* is normally located at the fringe of a village. The SSEVK is active in about 125 Musahar *tolas* of Motihari.

SSEVK, the president and secretary of the MVM, two (Musahar) ex-members of *Panchayat*, and five government officials (two *Vikas Mitra*, two Block Development Officers and one District Panchayat officer) in Motihari. Informal conversations and semi-structured interviews were conducted with 87 (Musahar) villagers across the nine hamlets individually as well as in groups. The conversations with villagers did not start with a fixed set of questions. New questions emerged from within on-going conversations; from previous conversations with the respondents in other *tolas*; from conversations with the SSEVK staff, and from the information gathered through other sources (reports, newspapers, publications etc.). The first author also attended the ActionAid organized ‘feedback session’ at the SSEVK office in October 2013. Additionally, information was gathered from the SSEVK volunteers and ex-members of *Panchayat* on the flow of funds in welfare schemes, the relative influence of various actors along the delivery chain and possible loopholes in delivery mechanisms, with the help of participatory mapping tools. All the conversations took place in Hindi and Bhojpuri and have been translated into English before quoting in the paper.

The authors purposefully selected six of the nine *tolas* for study in order to understand the effectiveness as well as the challenges involved in mobilization against rent-seeking. These six *tolas* were suggested by the SSEVK volunteers for they considered them to be the most effective examples of Musahar mobilization. Three additional *tolas* were randomly selected by the authors. The first author made several visits to all the study hamlets. Initial visits to the *tolas* were made along with the SSEVK workers but later on the first author on his own made subsequent visits and talked to the key informants. Many of the incidents narrated by the respondents were based on their memories. The conversations were not recorded but notes were taken immediately after the interviews. However, on some occasions the author was able to take notes during the conversations. The paper acknowledges the limitations of methodology involving ‘recalling of the events from the past’ (Patai 1998). Given the nature

of the subject in question, the identity of the respondents is withheld and pseudonyms are used for the names of the villages.

2.3 Background: caste dynamics, civil society and governance reforms in Bihar

Bihar, one of the most highly populated and economically backward states, is situated in eastern India. Approximately 89 percent of the population in the state resides in villages (Census of India, 2011)²¹. In rural Bihar, local power relations are deeply intertwined with caste hierarchies, and power and dominance is linked with the issue of rights over resources like land and water (Kunnath, 2012). The distribution of land is highly skewed in favor of traditional ‘upper castes’ and some agrarian caste groups (e.g. Yadavs, Kurmis and Koeris), which are also the ‘middle castes’, vis-à-vis Dalits (former ‘untouchables’) and upper (general) castes.²² There is, indeed, a great impact of this skewed distribution of land on the social, cultural and political life of rural Bihar (Yang, 1998). Traditionally, Dalits have not only experienced deprivation in terms of natural and physical endowments but have also suffered social and political exclusion (Bhatia, 2005). However, within the broad category of Dalits, there are internal differentiations. Some of the caste groups within the Dalits have remained more vulnerable than others. Musahars, whose traditional occupation is agricultural labor, is one such caste group. They are described as ‘Dalits among Dalits’ (Kumar, 2006), and they face greater subordination than some of the other Dalit castes (Kunnath, 2012).

²¹ <http://www.census2011.co.in/census/state/bihar.html>. Accessed 24/03/2014.

²² The official classification of castes in Bihar stands as following: the upper castes are referred as ‘general’ castes, the middle castes are referred as the ‘Other Backward Classes’ (with an internal differentiation of ‘backward’ and ‘most backward’), the former ‘untouchables’ are referred as Scheduled Castes (with an internal differentiation of ‘Dalits’ and ‘Mahadalits’). The SC population constitute more than 70 per cent of all landless agricultural labourers in Bihar, and the SC land holders are largely petty cultivators having the average size holding of 0.4 hectare (Prasad, 2007)

The general perception in Bihar is that the state bureaucracy and police are not just dominated by upper castes; they also favor the landowning communities, and exhibit hostility towards the agricultural laborers, especially the Dalits and Adivasis (Roy, 2013; Corbridge et al, 2005). An important factor in the caste dynamics of Bihar is the phenomenal rise of backward caste politics, most prominently signified by the election of Lalu Prasad Yadav, a backward caste leader who became the Chief Minister of the state in 1990 and (with intermittent rule by his wife Rabri Devi) remained in power till 2005. There began a serious attempt to weaken the largely upper-caste dominated state bureaucracy by means of bolstering middle-men and local *bahubalis* (literally, henchmen), devoted to the ruling party (Roy, 2013). As a result, there was rise of extra-governmental actors in and around government offices. These intermediaries and brokers offered to expedite clients' paperwork; payment for this service is later shared with the relevant officials who are complicit in the scheme (Witsoe, 2012a). Such practices contributed to the institutionalization of petty corruption with officials feeling more or less secure under a system dominated by influential middle-men closely connected to the ruling party. In addition, the power of the local bureaucracy was curtailed at the cost of strengthening of democratically elected rural local bodies or Panchayats (Witsoe, 2012b). The ruling party gave the slogan of '*Vikas nahin samman chahiye*', which can be translated as '*Respect first development later*' (cited in Desai, 2013). Interestingly, while the backward castes got political representation and voice, not much changed for the Dalits in the state. In fact, with the economic and political ascendancy of backward and mainly agrarian castes (especially, Yadavs), the poverty and exploitation of Dalits intensified (Kunnath, 2012).

With the change of regime in 2005, the situation of Dalits began to improve. Nitish Kumar, the new Chief Minister of the state, while himself belonging to a backward caste (Kurmi), created special incentives for the Dalits. He classified 21 out of a total of 22 Dalit communities in Bihar as 'Mahadalits' (literally, most oppressed), and initiated welfare

schemes specifically for them. In part, these moves by the Chief Minister can be seen as tactical: while dividing Dalits for political benefits they were intended to increase his support base among the Scheduled Castes (see Kumar and Ranjan, 2009).²³ The government of Bihar in 2007 conceptualized an initiative to make special projects and earmark special funds for the overall development of Mahadalits. It decided to constitute a commission known as the ‘**State Mahadalit Commission**’, to devise schemes for their economic, social and political empowerment. However, it is also argued that the new regime has just tried to reconcile the conflict between the traditionally upper caste and the backwardly mobile caste, and very little has been done for the downtrodden and the poorest citizens in the rural areas (see Das Gupta, 2010). More recently, in May 2014, Nitish Kumar has resigned from the post of Chief Minister and has appointed Jiten Ram Manjhi, a Musahar leader as the Chief Minister of the state. Manjhi is the first Chief Minister from the Mahadalit community in Bihar. Presented below is a synoptic description of Musahars in rural Bihar.

2.3.1 The Plight of Musahars

Historically, Musahars (literally, rat catchers) have remained the poorest caste group among the Dalits in Bihar, caught between survival and despair (Hassan 2014). Their destitution can be understood from the fact that they were left to eat mice for survival, in the fields where they worked as agricultural labourers. The Musahar caste group symbolises a set of characteristics embedded with deprivation and social backwardness (Roy, 2013). Socially, they are considered as ‘untouchables’ as they often worked as scavengers. Economically, they are solely dependent upon the landed class for their survival as they possess either very little or no land (Hassan, 2014). Their economic impoverishment is accentuated by perpetual

²³ Moreover, in the interviews conducted for this paper, one could sense the animosity these groups had with the single left out group from the category of Mahadalits, the Paswans, who have long been politically well represented.

indebtedness to local landlords and money lenders (Kumar, 2006). Politically, they have not been well represented unlike some other Dalit castes in the state (Majid, 2012). In addition, they also suffer from institutional discrimination, which insulates them from the benefits of various welfare programmes (Hernandez-Agramonte et al., 2008). As a result, not much has changed in the economic conditions of Musahars in spite of various welfare schemes sponsored by the state (Hassan, 2014)

It is stated that this miserable situation of the Musahars is on account of their self-image which stands constructed by their historical experiences of deprivation and marginalization (Singh, 2013). While members of Musahar community have engaged in agitation on the questions of caste discrimination, wages and land rights (often with the support of ‘ultra-left’ groups) in some parts of Bihar (see Kunnath, 2012; Jaoul, 2011), in Motihari we do not find instances of their collective action in the recent times. In the last few years some grassroots organizations have taken up the cause of Musahars in Bihar. Some of them run schools for their children while others, such as the SSEVK, strive to deconstruct the self-image of helplessness by mobilizing them and building awareness about their rights and privileges offered to them by the state. It is important to note that the NGO led development in Bihar is marred by corruption and misappropriation of development funds. For instance, in 2005 Bihar recorded the highest number of blacklisted NGOs in India.²⁴ Given the situation, the mobilization of Musahars by SSEVK offers a good example for investigating the debates on the role and effectiveness of civil society in reducing petty corruption for the poorest citizens in rural settings. Before presenting the case study of SSEVK, it is also pertinent to note the changes in the governance system that Bihar has witnessed in the past few years.

²⁴ <http://timesofindia.indiatimes.com/india/Bihar-tops-list-of-blacklisted-NGOs/articleshow/1331810.cms>. Accessed 30/05/2014.

2.3.2 Bihar: Instituting ‘Good Governance’?

As mentioned in the introductory section above, the present regime in Bihar after assuming office in 2005, has initiated governance reforms and brought about additional legislations for time bound service delivery, such as the Right to Public Service’. The government has shown intent to tackle corruption in stringent manner by establishing fast-track courts and confiscating properties of the erring officers. Moreover, by instituting Chief Minister’s *Janta Darbar* (public hearing of complaints against government) and establishing a telephone helpline for accepting applications under the Right to Information Act, the present regime has portrayed its seriousness to check corruption in public dealings. In fact, in a recent study on corruption in India, Bihar has claimed top position among all the states in anti-corruption efforts (Bhandari and Debroy 2012).

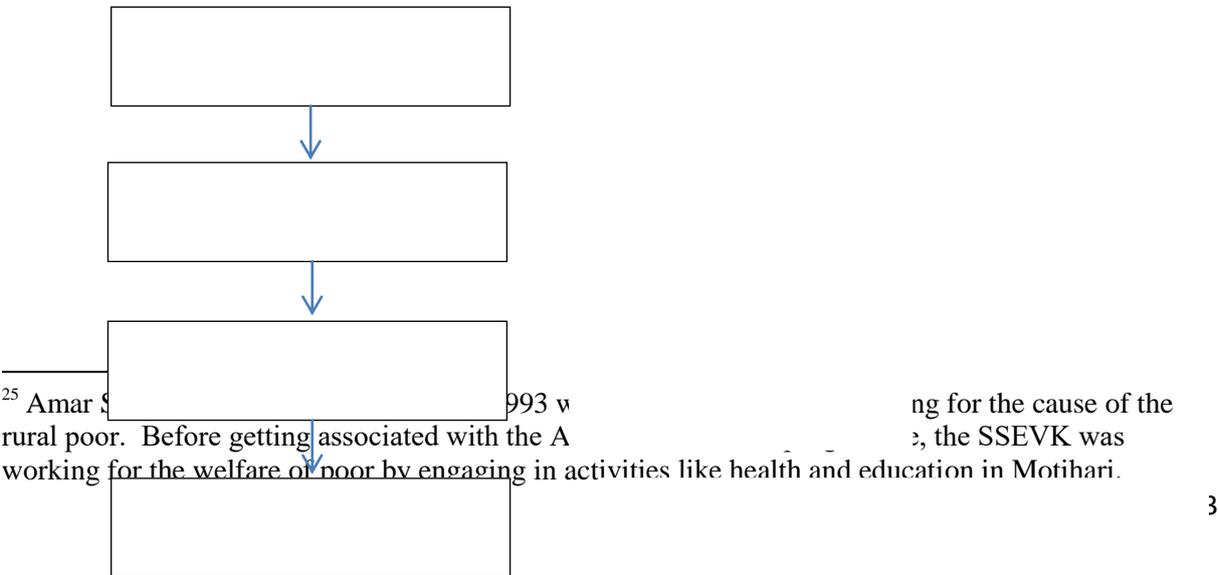
Undoubtedly, these governance reforms have created enabling conditions for reducing corruption. However, it is not yet clear exactly how the new rights based legislations and administrative reforms are serving the needs of the poorest of the poor. There is also very little documentation on the way the poorest people interact with the officials and respond to these new developments (Singh, 2013). Furthermore, while the recent governance interventions in Bihar have an impact on widespread corruption, it is not known how the street level bureaucrats have responded to these governance reforms in Bihar villages and to what extent they are able to circumvent new laws and legislations (see Rodgers and Rodgers, 2011). Arguably, if there is only supply of the tools of good governance (new laws, regulations etc.) but the absence of demands (assertion of rights by the beneficiaries); the initiative may not yield positive results in terms of reduction in corruption. The poorest citizens are likely to be illiterate and unaware of their rights. So how can they exercise their rights and avail the benefits of welfare schemes? Here the role of grassroots organizations

becomes crucial because they can act as catalysts in mobilizing the village poor and thereby put pressure on the local state. The next section explains how SSEVK has worked to mobilize the Musahars in Bihar villages and with what results in the struggle against rent-seeking.

2.4 Grassroots Mobilization and the Fight against Rent-Seeking

Samajik Shodh Evam Vikas Kendra (literally, Social Research and Development Centre), a grassroots organization situated in Mehsi block of Motihari district of Bihar has been working for the empowerment of the Musahars since 2003. The organization is led by Amar Singh, a social activist from Motihari district along with a small team of volunteers. The SSEVK in 2003 received financial support from ActionAid India under the UK’s DFID-sponsored Poorest Areas Civil Society Programme (hereafter, PACS), initiated in 2001 with the overall objective of reducing poverty by promoting the active role of civil society organisations.²⁵ The programme was to be managed by small civil society organizations (hereafter, CSOs), either individually or in co-operation with and under the guidance of a larger CSO. The larger CSO was to be referred as the lead and the smaller one as its network partners. In this case, the SSEVK acted as the network partner of ActionAid India, the lead organization for the PACS. The organizational structure of the PACS is provided below (see Figure 1).

Figure 1: Organisational Structure of the Poorest Area Civil Society (PACS) project of DFID, UK



²⁵ Amar Singh is a social activist from Motihari district who has been working for the cause of the rural poor. Before getting associated with the ActionAid India project, the SSEVK was working for the welfare of poor by engaging in activities like health and education in Motihari.

Source: Authors' own illustration

The PACS's main strategy was the formation of community-based organisations (hereafter, CBOs) which could be trained to create awareness among its members, who in turn, could exert sufficient pressure on the government machinery to ensure the effective delivery of welfare schemes. For the implementation of the programme, the SSEVK engaged in formation of a CBO among the Musahar community. The idea behind this was that the poor themselves should lead their struggle for empowerment. In order to realize this, the SSEVK under the guidance of Actionaid, began to mobilize the Musahars under a CBO named *Musahar Vikas Manch* (literally, Musahar Development Forum; hereafter MVM).

2.4.1 MVM: Mobilising the Musahars

Instituting an organisation for the Musahars was difficult as the community were largely reluctant to co-operate with the SSEVK in the beginning. The SSEVK volunteers informed us that initially the women seemed more willing to co-operate than their male counterparts. In the preliminary surveys conducted by the SSEVK in 2003, the Musahar women cited the problem of alcoholism among the males as their main cause of worry because it consumed a major portion of their household incomes. Based on this information, the SSEVK workers decided to mobilize the women in anti-alcohol campaign. Women were encouraged to form groups and help each other in controlling the consumption of alcohol of the Musahar men. They started with breaking alcohol bottles bought by their husbands and collectively beating their husbands if they returned home drunk. Gradually many more women started joining the

groups and SSEVK became a household name among Musahar women in about twenty villages of Motihari. In fact, the anti-alcohol campaign became such a success that one of the group leaders, Girija Devi was invited to address the 50th convection of the United Nation's Women Empowerment Development Organization in 2006 at New York.²⁶ During the course of anti-alcohol campaigns women were also convinced to bring their husbands to the SSEVK camps in their villages on the pretext that they would be given support to avail the benefits of the various welfare schemes of the government without paying bribes. The success of the anti-alcohol campaign and the incentive to get rid of petty corruption brought many more people to attend the camps organized by the SSEVK.

The initial camps culminated into a mass mobilization on April 14, 2004 when thousands of people from the Musahar community in Motihari were invited for a meeting organized by the SSEVK and attended by the representatives of ActionAid India (Philipose, 2013). A resolution was passed in this meeting to form a CBO, namely *Musahar Vikas Manch* (MVM), which was to be managed by a three tier committee, one each at village, block and district levels. After the formation of the MVM, the next task was to educate and train members about their rights and the various enabling legislations, especially the Right to Information and the Right to Public Services. Moreover, in various committee meetings, it emerged that corruption was a major hindrance in accessing the benefits of various welfare schemes. For this purpose, efforts were made to engage Musahar youths as volunteers, who were to be trained in making use of the various rights based legislations for the benefit of the community. Later, these trained youths were to help other members of the MVM with anti-corruption tools as well as practical solutions to fight rent-seeking by officials. The training was jointly imparted by the members of the SSEVK and Actionaid. The training exercises imbibed the volunteers with confidence and enthusiasm and served two basic purposes for the Musahar

²⁶ (Hindustan Times, 11 February 2006)

community. First, the youths of this community got mobilized to assert their rights, and secondly it generated trust among the Musahars towards the SSEVK.

From the story of the genesis of the MVM presented above, we can observe that the efforts made by the SSEVK resemble the creation of linkages between the micro-tasks of capacity building and the macro-tasks of mass mobilization (Fowler, 1997). It also relates to the 'second wave of anti-corruption activism' focusing on petty corruption in anti-poverty programmes (Jenkins, 2007). Further, it allows us to examine the potential role of civil society in the struggle against corruption in India. It is suggested that civil society organization may fail to curb corruption for the poorest and socially excluded because of systemic nature of corruption and people's unwillingness for confrontation (Jenkins and Goetz, 1999). Contrary to this assertion, in the case of the SSEVK initiated MVM, we see that the poor are willing to confront the state as well as engage head on with social evils (e.g. alcoholism) in an enabling environment provided by a grassroots organization. Also, that effective mobilization by a CBO is possible along caste lines (Musahars in this case). Below we discuss the dynamics of petty corruption and assess the extent of positive change brought about by the SSEVK from the perspective of the Musahars.

2.4.2 Corruption stratagem, anti-corruption legislations and SSEVK's struggle

In order to understand how the volunteers of the SSEVK perceive the problem of corruption in various welfare schemes, the authors used a participatory mapping tools which helped in identifying the role of key actors involved in the service delivery chain of a rural housing scheme called *Indira Awas Yojana* (hereafter IAY). The leader of the SSEVK, Amar Singh informed the first author that in IAY the money is being siphoned off by the officials and Panchayat representatives at different stages. Under the new mechanism to prevent leakages, the money is to be paid directly into the bank account of the beneficiary. Yet, bank officials

demand bribes from beneficiaries to allow the withdrawal of money from their account. Without a bribe they refuse to give out the money on the pretext of 'identity verification'. The office of the Block Development officer (BDO) extracts money while allocating funds to the beneficiaries and *Vikas Mitra*²⁷ demands bribes for the inclusion of name in the beneficiary list. The *Mukhiya* (elected leader of the village) demands bribes at the time of making the list of 'below poverty line' (BPL) families in the village. Thus, every actor had their share at various stages of the scheme.²⁸ A similar kind of situation exists in all the other welfare programmes. This was aptly summarised by Amar Singh in the following words:

The officials demand bribe from poor Musahars in all welfare schemes- be it *Indira Awas Yojana*, Old Age Pension or Public Distribution System.

[...] The laws made to prevent corruption won't be effective. If the government is really serious about it, they could have brought a fundamental change in delivery mechanism. For example, in *Indira Awas Yojana*, they could have built houses for the poor instead of doling out money. [...] Corruption persists whenever money changes hand.²⁹

As we can see the issue of rent seeking is pervasive in different welfare schemes for the poor and it involves various different actors along the delivery chain. This posed a challenging task for the SSEVK when it decided to mobilize the Musahars against petty corruption. To begin with, two volunteers were identified from each village by the SSEVK workers for the purpose of training in writing applications, information dissemination about various welfare schemes, filing complaints, organizing meetings and so on. These volunteers were available for

²⁷Person appointed by the present state government, to be placed at the Panchayat level to act as a bridge between the Mahadalits and the Government functionaries

²⁸This problem of corruption in IAY in Bihar has also been taken into cognizance by the Supreme Court of India on the basis of the Comptroller and Auditor General of India Report of 2011.

²⁹ Interview, 6 June 2013 at Mehsi

providing constant support to the people in their respective villages so that they need not travel to the SSEVK office (situated in Mehsi block). Thus, the presence of volunteers on a permanent basis was crucial in providing support and, in turn, in gaining people's confidence. Also, in the beginning they were very cautious as they worked behind the curtains in cases involving direct allegations or complaints against any local officials in corruption matters. There were frequent meetings with the SSEVK workers to discuss the ways to empower the members and keep them moving as a united organisation, as it was realised that many locally influential people in the villages were trying to malign the image of the SSEVK and undermine their organisation. To keep the morale of the workers and volunteers high, it was decided to sing emotive songs both at the beginning and at the end of all the meetings.

As expected, the initial mobilization efforts met with resistance from many landlords belonging to upper castes and agricultural middle castes. They threatened to dismiss Musahar labourers from work if they attended the meetings of MVM and SSEVK. Despite these challenges, SSEVK continued to hold frequent meetings in the selected villages and infuse a feeling of unity. In these meetings the majority of the time was spent on discussing the problems faced by Musahars in availing the benefits of welfare schemes. In one such meeting at Kanhi Tola in 2005, the issue of corruption in the housing welfare scheme was discussed. Here, it was decided to lodge police complaint against a middle-man, who extracted 30 per cent of the allotted money on the pretext of the 'cut', for the BDO and Panchayat Sewak (Dalit Pahari Special, 2007). As the accused was very influential, the members of the MVM were threatened against filing any complaint against him. With the active support of the SSEVK, not only police complaint was filed but attempts were also made to involve the media. It exerted considerable pressure on the accused and he returned all the bribe money. This incident acted as a watershed, thereby infusing the members of the MVM with new found confidence and they began to realise the power of being united.

Around the same time (2005) the government also enacted the Right to Information Act (RTI). This strengthened the efforts of the SSEVK against rent seeking. They thought they could use the new legislation as a potent weapon against the corrupt local officials. In the beginning the officials declined to accept the applications filed by the SSEVK volunteers. Moreover, these officials were strong and united enough to suppress the demands of the poor Musahar villagers. Another important legislation which was passed alongside RTI was the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA), which promised 100 days minimum wages to the rural poor in exchange for labor in public works. This legislation brought hope to the Musahars, who were largely unemployed during the lean agricultural season and largely underpaid by the local landlords during harvesting period. However, Musahars faced challenges in seeking employment under MNREGA scheme. Wealthy landed people were against Musahars getting work under MNREGA as they correctly believed that, if successful, the scheme would prevent the Musahars from working for lower wages in their fields when compared to legal minimum wages being offered under the new scheme. As a result, there was a deliberate effort by the landlords in collusion with local officials to deprive Musahars of the job cards, essential for seeking employment under MNREGA. On top of that there were also incidences of issuance of fake job cards against which the officials could siphon off money. This malpractice in MNREGA has also been noted in studies on other parts of the country (see Khera, 2011).

The initial challenges involved in the exercise of both the RTI and MNREGA as outlined above instigated the volunteers of SSEVK to initiate a mass action. This involved awareness building about filing RTI applications and issuance of job cards. Furthermore, a ‘cycle rally’ was organized by 40 volunteers of the SSEVK to spread the message of RTI and MNREGA in the villages of Motihari in 2006. They explained to the people what to do when an RTI application is not accepted by officials, as well as how to go about seeking employment under

MNREGA. These events received attention from the local media as it was reported in all the important newspapers of Bihar, thereby infusing the Musahars with enthusiasm and self-belief. This also reasserted the importance of independent media in anti-corruption efforts, as maintained by some scholars (see Themudo, 2013).

A notable impact of the mass awareness programme, according to the president the MVM was that it also bolstered the confidence of the members of the SSEVK and the volunteers of the MVM. Rather than acting in guarded manner as in the beginning, they now came out more openly in fighting for the cause of the Musahars. An ex-member of *Panchayat* from the Musahar *tola* of Palsi informed us that the Musahars also began participating in the meetings of the *Gram Sabhas* (rural local bodies) in some villages. They would now openly voice their concerns and vote collectively if required. Indeed, it had a reactionary effect in these villages as the people of the other castes, including other Dalits, became polarised against the Musahars. The effect of this polarisation was not only restricted to the meetings of the *Gram Sabha* but went beyond. In an interview, a Musahar woman recalled an incident from 2007:

A member of the [MVM] from my village was arrested by the police on a complaint lodged by a person belonging to *Mallah*³⁰ caste. The members of the [MVM] surrounded the police station for several hours and chanted slogan: *Mallah jail aur Musahar Bail* (literally, grant bail to the Musahar and send the Mallah to jail). When police did not respond to their demand, they blocked the train traffic on the Delhi-Muzaffarpur route. The incident escalated further as other caste groups from the village rallied behind the *Mallah* and it converted into a localised rift between the Musahars and the other castes. It provided

³⁰ A 'lower backward' caste group in Bihar.

the other castes with the opportunity to be united but their unity could not sustain for long due to internal differences. On the other side, the united efforts of the [MVM] got their member out of the police custody.³¹

This incident brought the aggressive side of MVM to the forefront, which was manifested again in an incident where the Musahars ransacked the office of the BDO to demand batteries meant for distribution alongwith the radio-sets as part of a government sponsored awareness building project devised for the Mahadalits. Furthermore, the SSEVK also decided to distribute bags (with MVM printed on them) to the members of the MVM, which they can carry while visiting government offices so as to assert their power symbolically. Now Musahar women could go with these bags to meet the BDO or even the District Magistrate (DM) and they would not be stopped and harassed by the gatekeepers and peons in these offices. This is a significant change from the perspective of the poorest and most deprived citizens in Bihar because they have for long witnessed harassment and discrimination in governmental offices (see Corbridge et al, 2005). Savitri Devi, a Musahar resident summarised this change in the following words:

The behaviour of the police has now changed. They are cautious of entering our hamlets. In other governmental offices too no one harasses us any longer.³²

Alongside the aggressive campaign led by the MVM with the support of the SSEVK in an enabling environment provided by rights-based legislations (e.g. RTI), a crucial factor which worked in the favour of the SSEVK and Musahars in general was the welfare policy for

³¹ Excerpts from interview, 22 August 2013 at Chipuliya village.

³² Interview, 22 July 2013 at village Sirsa.

Mahadalits initiated by the Nitish Kumar regime. It is believed that the party in power was trying to secure Dalit votes, which were previously consolidated in favor of rival political parties. As a result of this change in strategy by the political leadership, the officials also avoided directly confronting with Mahadalits, including Musahars. To add more teeth to the anti-corruption efforts, the government also instituted the Right to Public Services (RTPS) legislation in 2011, guaranteeing citizens a time bound delivery of essential public services. But unlike the RTI Act where the Musahars had to resort to mass mobilization for its effective usage, RTPS was gladly delivered to them as the officials learnt from their past experiences of aggressive confrontation vis-a-vis Musahars.

Over the years the MVM continued to gain organisational strength on account of constant support provided by the SSEVK and funding from ActionAid India. Arguably, the empowerment of Musahars was a result of a combination of ‘pull’ and ‘push’ factors. The government provided the ‘pull’ in the form of governance reforms for more transparency and accountability as well as by providing incentives for Mahadalits. The SSEVK provided the ‘push’ by mobilizing the Musahars under the banner of the MVM. On their part, the DFID and ActionAid proved instrumental in funding the governance reform initiatives in Bihar and at the same time sponsoring programmes like the PACS which enabled the SSEVK and MVM in empowering the Musahars in Bihar villages. However, even mobilization strategies combined with rights based legislations may not be able to overcome all forms of rent-seeking at the local level. Below we present some of the challenges in this regard.

2.4.3 Why ‘good governance’ reforms and mobilization of the poor may not be sufficient in reducing petty corruption?

It is argued, corruption when built into a system is difficult to eradicate (Jenkins and Goetz, 1999a). We find evidence of systemic corruption in some of the most important welfare

schemes meant for the poor. The Public Distribution System (PDS), the flagship programme of the government to provide subsidized food grains to the poor is one such programme. Under this programme, food grains are distributed through ration shops. It is well established that most ration shops do not supply the designated food grains to the targeted population but often sell it in the open market (Webb, 2012; Mane, 2006; Ahluwalia, 1993). In order to ensure transparency in food distribution, the government may suspend the license of the shopkeeper if complaints are made by beneficiaries. Consequently the shop remains closed until the probe is completed. But as probes usually take three to four months, there is no supply of food grains during this period. Our respondents informed us that in many cases the shopkeeper is reinstated and even if a new dealer is given the license, the food grain for the backlog period (when the shop remained closed) is never distributed. Hence, if there is any complaint, the poor tend to lose the ration supplies for at least three to four months. It acts as a big disincentive for filing complaints against the ration shop dealers and the dealers often exploit this situation to their advantage. Sabri Devi, a Musahar resident of village Basman informed us:

The ration shop owner asks us to be contented in whatever little grain we are getting. If we complaint against him, we won't get anything for four to five months. He also says that he needs to pay bribes to the higher ups in order to get food grains for us.³³

Not only in the above stated case of PDS, there are also design deficiencies in other welfare schemes. In the MNREGA, there is a provision for tree plantation on public lands. Our respondents informed us that the saplings which are provided to the workers are generally of very inferior quality and they have very little chance of survival. On top of that there is a

³³ Excerpts from interview, 26 June 2013.

provision for inspection after three months to check the survival of the planted saplings. While these inferior quality saplings have very little chance of survival for three months, even if they survive, they are often destroyed due to open grazing by cattle. Moreover, there is no provision in the scheme for tree guards or protection. Ironically, the workers are paid for their labor only after the inspection is over. As a result, the workers take whatever money is given to them. This suggests that there are loopholes in the delivery of schemes which are exploited by the corrupt officials and other influential actors. In such situations, even stringent laws or effective mobilization of the poor may not be sufficient in tackling corruption. Below we discuss some of the challenges involved in mobilization of the poorest against rent seeking in rural Bihar on the basis of our study of the SSEVK.

2.5 The Challenges Ahead

As noted earlier on, with the change of regime in Bihar in 2005, several administrative reforms have taken place for effective delivery of public services. With regards to the delivery of welfare schemes in rural areas, the office of the BDO is very important. Owing to their crucial role the present regime has restructured the offices of BDO by creation of a new cadre of service named 'Bihar Rural Developmental Services' (BRDS). Until the time the first batch of the new BRDS are recruited, the state government has posted the officials from other departments for a limited tenure to perform the duties of the BDOs. Although these changes seem very promising, their effect is yet to be seen. Moreover, many of the BDOs in the wake of likelihood of returning back to their parent departments are trying to siphon off funds as quickly as possible. A volunteer of the SSEVK informed us:

Some BDOs are trying to make as much money as possible before they return to their parent departments where the chances of rent seeking are very limited.³⁴

Another change that has taken place recently is the re-strengthening of local bureaucracy vis-a-vis democratically elected rural local bodies (Panchayats). As mentioned earlier in the paper, under the previous regime, deliberate efforts were made by the ruling party to weaken the power of local bureaucracy and to strengthen the powers of the Panchayat representatives. During that time the villagers always approached the Panchayats for availing the benefits of welfare schemes. However, with the new regime's efforts towards good governance, transparency and accountability, some of the additional powers that Panchayats gained earlier on (for example, in influencing the processes identification of beneficiaries or disbursement of developmental funds) have been streamlined. Now the local officials deal with the beneficiaries through *Vikas Mitras* and not Panchayats. In our interviews with local officials, they suggested that the Panchayat representatives are unhappy with these changes as they are devoid of their influence. As a consequence, the Panchayat representatives have started to blame the present regime of spreading *afsarshai* (literally, officialdom). The growing tension between officials and Panchayats is certainly problematic for the efficient delivery of services to the village poor.

Apart from the problems identified above, there are also certain challenges on the part of the SSEVK and MVM in terms of their functioning. Some of these challenges were identified in a feedback session with the Actionaid in 2013 that the first author also attended. The Actionaid workers indicated that the SSEVK is fully identified with its leader Amar Singh and there is

³⁴ Interview, 2 August 2013 at Chakiya block. This viewpoint is also corroborated by newspaper reports which suggest that out of 534 BDOs posted across Bihar, 181 are currently under probe, mostly for alleged misappropriation of funds for the IAY (India Express, 10 December 2012)

no second rung of leadership. Another problem is that the MVM volunteers, especially at the district level, are exhibiting authoritarian behaviour, and there is lack of participatory decision making, both within the MVM and the SSEVK. The ActionAid team found in the feedback session that, with the growing membership of the MVM, leaders have started feeling more indolent and are not that serious about the village meetings when compared to earlier times. The procedures of the meetings are also not recorded so the volunteers do not have a clear perspective on the decided course of action and consequently, in the next meeting, the members do not have any basis to compare their progress with regard to their work. Furthermore there is also a need to focus more on the skills development of the members as solely relying on the entitlement and the welfare measures of the government is insufficient for their empowerment. In addition, the unduly aggressive behaviour of the members of the MVM might turn out to be detrimental in the long run especially if the new regime is not as sympathetic to their cause as the present one. An official at a BDO office warned us about the fate of Musahars in the following words:

The present government is very sympathetic towards the Mahadalits.

When this government gets out of power, the Musahars might have to pay heavy price for their assertiveness [...]³⁵

We also noticed an over dependence of the MVM on the SSEVK for all their work, which in turn is dependent on the funding from the Actionaid. It is a concern especially after the funding from the donors dries-up. So, if the MVM does not become self-sufficient in decision making and paying honorarium to volunteers, it will face considerable problems after the support from the SSEVK comes to an end. Further, there is a need for the MVM to connect to

³⁵ Interview, 18 July 2013 at Chakiya block

other institutions like the Bihar State Mahadalits Commission and National Commission for the Scheduled Caste for highlighting the cause of the Musahars.

2.6 Conclusions

This paper has tried to fill the void in the literature on corruption and civil society activism in India by analysing exactly how grassroots mobilization and good governance reforms may or may not result in rent-seeking from the perspective of the poorest citizens in the countryside. The following points can be emphasized from the case study presented in the paper.

First, we find that the current international development policy environment (e.g. DFID's PACS) as well as rights based legislations (e.g. RTI) are prompting active role for civil society organizations fighting for the cause of the poor. In fact, the impoverished Musahars with the help of the SSEVK are forging the civil society in Bihar, wanting us to recognize that civil society is not merely an elite space.³⁶ However, the task of mobilizing the poor is neither easy nor quick. The SSEVK identified the problem of alcoholism as a way of bringing together the womenfolk of the Musahar community in the initial years. This proved crucial for the SSEVK in its quest for gaining roots among Musahar communities. Moreover, working with a single caste group made the task of mobilization easier to some extent but it also has its flip side. Other Dalit caste groups in the villages feel deprived and sometime express hostility towards Musahars.

Second, we observe that direct confrontation with the state is necessary to some extent for the poorest people to avail their rights. The Musahars, under the umbrella of their community based organization (MVM) and with the active support of the SSEVK have confronted the

³⁶ Waghmore (2012) makes a similar argument in the case of international NGOs supporting Dalit mobilization in Maharashtra. The point about the widening space of civil society is also supported by instances of grassroots mobilization in rural Rajasthan against corruption in welfare schemes, led by an activist organization called the MKSS (see Foresti, 2004).

state on several occasions, and also resorted to violent protest. This has consolidated their power and creates fear within the local bureaucracy, which has resulted in avoidance of harassment of the Musahars at the hands of street-level bureaucrats. The symbolic power manifested in the MVM bags supplied by the SSEVK has given confidence to Musahars in their dealings with local officials.

Third, although the SSEVK led movement helps the Musahars to get rid of petty corruption to an extent, it also allows the officials to be selective in their bribery preferences and to circumvent laws wherever possible. They continue to extract rent from other caste groups which do not pose the threat of direct (violent) action as the Musahars. It reflects that there is no 'horizontal movement' of the anti-corruption reforms— the bribe taking behaviour of the local officials changes only for the Musahars but not for other (and equally vulnerable) caste groups. The findings from this case study also support the assertion made by Klitgaard (1998) that corruption thrives on account of the easy way out with minimum risk.

Fourth, pro-poor welfare schemes, such as the MNREGA or PDS can potentially reduce the dependence of Musahars on landlords but the effectiveness of such schemes is in question, given the in-built deficiencies in their designs. While some studies have highlighted the importance of active civil society engagement in effective implementation of the MNREGA (see, Ambasta et al, 2008; Menon 2008), the design fallacies as explained in this paper (e.g. no payment for tree protection), hamper its effective implementation. Similarly, there is no incentive for the poorest to flag the issue of corruption in PDS because it actually results in denial of subsidized food grain for months. We suggest that unless alternative livelihoods possibilities are offered to Musahars along with educational opportunities there is not much that the anti-corruption struggles can offer to them on a sustainable basis.

Fifth, this study validates the assertion that political actors are instrumental in facilitating civil society interactions with state bureaucracies (see Evans 1996; Lavallo, 2006). What has worked in the favor of Musahars is the political strategy of the new regime to protect the rights of Mahadalits, and in turn, make inroads into the Dalit vote bank. This somehow checked the discretionary powers that the local bureaucrats often use against the poorest. Our findings are in line with the argument that adequacies of anti-corruption measures as well as the commitment of the political leaders are important factors in curbing corruption (Quah, 2008). While the present regime is sympathetic to the cause of Mahadalits, it remains to be seen how the Musahars will be treated by the local officials under a new regime.

Sixth, with regards to the future trends and challenges of civil society organization led mobilization of the poor for exercising their rights, the SSEVK case-study suggests that the issue of leadership is critical for its longevity. Primarily, the complete dominance of the SSEVK by a single individual poses a serious challenge. Studies on grassroots NGO in the context of South Asia highlight the importance of individual leaders in the success of these organizations (Smillie and Hailey, 2001). Furthermore, while individual leaders exhibit great ability to mobilize people, they are also criticized for dominating the entire organization (Hailey and James, 2004; Petras, 1999; Govinda 2009). In the case of SSEVK, we find that while the leader has played a crucial role in mobilizing the Musahars, but has failed to nurture a second rung of leadership. Another challenge comes in the form of excessive dependence of the community based organization, the MVM on the facilitating NGO, the SSEVK. What will happen to the MVM when the SSEVK pulls out?

Overall, the story of the SSEVK shows that civil society organizations have considerable scope for engaging with the issue of corruption beyond the urban middle class milieu. This study suggests that amid various challenges as explained above, the poorest and outcastes are

able to reduce rent-seeking and avail the benefits of welfare schemes meant for them. This is made possible with concerted efforts of international donors to promote grassroots mobilization, political will of the ruling dispensation in favor of pro-poor governance reforms, as well as the ability of the activist organization to effectively mobilize the poorest in their struggle against rent seeking. The longevity of the struggle, though, is anyone's guess.

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3 Chapter Three: Can vigilance-focused governance reforms improve service delivery? The case of Integrated Child Development Services (ICDS) in Bihar, India

Abstract

Child undernourishment is a major challenge in India even though the government has, since 1975, been running the 'Integrated Child Development Services' (ICDS), one of the world's largest programmes for this cause. Ever since its inception, this scheme is marred with various governance challenges: widespread corruption, absenteeism, and targeting problems; more visible in states like Bihar than others. The present ruling dispensation in Bihar has instituted major governance reforms to tackle these problems. These include regular inspection of service delivery centres, strict monitoring of funds, swift disciplinary action, and vigilance through community participation. While these reforms are generally accepted as good in theory, research-based empirical evidence of their actual impact on ground is scarce. This paper tries to fill this gap on the basis of an in-depth case study of ICDS in Bihar. The findings indicate that contrary to conventional thinking about good governance, the vigilance-focused reforms along with community based monitoring have not been successful in curbing systemic corruption. The study concludes that alternative approaches are required to resolve the governance problems in ICDS. These include tackling the problems of understaffing and heavy work-load, and providing stronger incentives to the frontline service providers.

Key Words: Child Malnutrition; Good Governance; Corruption; Bihar; ICDS

3.1 Introduction

Child undernourishment remains a serious problem in most low and middle income countries of the world. In India, the problem is more acute than in many of the world's poorest countries. According to the official estimates, almost half of the children below the age of five are underweight and are suffering from varying degrees of malnutrition (see Arnold et al, 2009). This is twice as high as the average percentage of underweight children in Sub-Saharan African countries (ibid). The problem gets further accentuated as prevalence of child underweight has increased in several provinces of India (e.g. Bihar, Madhya Pradesh, Haryana and Gujarat) in the period between 1999 and 2006 (when the last National Family

and Health Survey was conducted).³⁷ Although India has achieved high economic growth in the past two decades, and has spent considerably on various different social welfare programmes, the failure to effectively tackle the problem of child malnutrition exposes the lacunae in country's developmental policy and practice (Chatterjee, 2007; Planning Commission of India, 2010). This is paradoxical because both central and state governments have tried to address this problem for decades. Following the 'Directive Principles' of state policy enlisted in the Constitution of India, the central government, way back in 1975, launched the Integrated Child Development Services (hereafter ICDS), a flagship programme to address the health, nutrition and developmental needs of children (below six years of age) as well as pregnant and lactating mothers.³⁸ All the services under this scheme are delivered through centres called *Anganwadi* (literally, courtyard) located at village/habitation level and managed by a team of frontline workers³⁹. In the course of time, this programme has become one of the largest social nutritional programmes of the world, both in terms of the expenditure involved and the number of beneficiaries (Varma et. al, 2007). There are well defined objectives and well-structured machinery for the implementation of this flagship scheme. However, governmental auditors have raised serious concerns about its functioning. A recent report of the Comptroller and Auditor General of India (CAG, 2012-13)⁴⁰ has acknowledged

³⁷ While the last official survey was conducted in 2005-6, the Ministry of Women and Child Development in collaboration with the UNICEF, and under pressure from civil society actors, has conducted a Rapid Survey of Children (RSOC) in 2013 but its report is yet to be made public. However, the provisional data supplied by the ministry to the International Food Policy Research Institute (IFPRI) suggests that over eight years (2005-2013), the proportion of children classified as "stunted" declined from 48 % to 38.8 %. But these national level figures do not reveal what is happening in individual states (IFPRI, 2014).

³⁸ Article 47 of the Directive Principles makes it the duty of the state to raise the level of nutrition and improve public health

³⁹ [Michael Lipsky](#) in his book 'Street-level bureaucracy: Dilemmas of the individual in public services' analysis the roles of frontline workers, which he calls 'street-level bureaucrats', and emphasises their importance in policy implementation.

⁴⁰ http://saiindia.gov.in/english/home/our_products/audit_report/government_wise/union_audit/recent_reports/union_performance/2012_2013/Civil/Report_22/Report_22.html (Viewed on 7 April 2015)

major pitfalls in the programme in terms of inadequate delivery and weak financial monitoring. Moreover, the prevailing high level of child malnutrition also expresses the ineffectiveness of this programme.

While the problems of corruption and poor service delivery in the ICDS are endemic, some states have performed worse than others in its implementation— Bihar is one of them. The Planning Commission of India in its assessment of the ICDS found Bihar to be the least performing state in all the components of the programme (PEO Evaluation Report on ICDS, 2011). This is corroborated by the fact that more than 82 % of the children covered under the ICDS in Bihar are underweight (followed by Andhra Pradesh, where approximately 38 % suffer from nutritional deficiency).⁴¹ For many observers, the governance situation in Bihar, not long ago was characterized by utter lawlessness, extreme poverty, and rampant corruption in public dealings (see Polgreen, 2010).⁴² The state also ranked lowest among the Indian states in terms of human and economic development indicators (Dreze and Sen, 2013).

In 2005, with the change of government in Bihar, ‘good governance’ emerged as the key strategy and major goal for the new political establishment headed by Chief Minister, Nitish Kumar. The present ruling dispensation in Bihar claims to have taken measures for the effective delivery of welfare scheme by curtailing corruption and ensuring transparency. This includes the promulgation of the ‘Rights to Public Services (RTPS)’⁴³. In fact, Bihar became the first state in India to institute RTPS, considered as the natural progression to the already existing ‘Right to Information’ (RTI) introduced by the central government in 2005. Taking a cue from the critical appraisals of the ICDS in the past years, the Bihar government has

⁴¹ <http://wcd.nic.in/icdsimg/Qpr0313-for-website-2-8-2013.pdf> (Viewed on 7 April 2015)

⁴² Polygreen, Lydia (2010) ‘Turnaround of India State could serve as a Model’. The New York Times.

⁴³ The Right to Public Service Act (RTPS) in Bihar came into force on the 15th of August 2011. The act ensures that certain notified services would be given in stipulated time frame.

instituted various reforms for its effective implementation. These reforms mainly include decentralisation by means of active involvement of user-committees, web-based monitoring, timely inspection of *Anganwadi* centres, and strict disciplinary action against erring workers. Overall, these vigilance focused reforms appear to be improving service delivery as well as reducing leakages in the ICDS. These reforms are also in line with the common theoretical understanding in the ‘good governance’ literature that strict monitoring, swift punishment and involvement of user groups are all crucial for the effective delivery of public services (see, Klitgaard, 1988; Narayan, 1995; Sara and Katz, 1998). While there are strong theoretical arguments in favour of vigilance-focused reforms in order to curb petty corruption in welfare schemes like the ICDS, there is a dearth of empirical studies, which analyse the actual impact of these reforms on the ground. This paper aims to fill this gap by providing an in-depth empirical case-study of the effects of Bihar’s vigilance-focused reforms on the ICDS.

The paper addresses the following questions: What happens when a poor performing state like Bihar adopts governance reforms for improving the services under the ICDS? How do frontline workers respond to these initiatives? Can strict monitoring, reporting and inclusion of user-based committees ensure effective implementation of the ICDS? Or are there options for development agents to circumvent the system and still misappropriate funds in the new set-up? Overall, the paper focuses on *how* well-meaning reforms translate into practice in the context of ICDS in Bihar. These questions are addressed on the basis of an in-depth case study of the functioning of the ICDS in both urban and rural areas in north-western Bihar. The analysis of the findings indicate that the reforms, which focused on strict monitoring and vigilance by both the state officials and user groups, did not translate into a more effective delivery of services. On the contrary, the study provides evidence that the vigilance-focused reforms have aggravated the problems of corruption as more bribes are being demanded by increasing number of inspection teams. User-based monitoring also failed to curb corruption,

as the ‘monitors’ also became bribe-seekers. Moreover, the reforms did not address the problems of caste-based discriminations that lead to social exclusion. Based on this analysis, the study challenges the effectiveness of the most prevalent anti-corruption tools in delivering services under the ICDS and advocates for alternative approaches to resolve the governance problems in ICDS.

The paper is divided into five sections. The first section presents the service delivery mechanism of the ICDS and introduces the debates on its functioning. This is followed by a short note on methodology and data collection. The third section provides information on how the reforms aimed at the effective functioning of the ICDS translate into practice. The fourth section focuses specifically on the frontline workers: how do they adopt, receive, respond, or challenge the reforms initiated from the top. The fifth section provides a discussion on the overall findings of the study. The main conclusions from this case study and some suggestions for alternative strategies to improving the services in the ICDS are presented in the end.

3.2 ICDS: structure, functioning and challenges

Integrated Child Development Scheme, with an overall objective of delivering nutrition to the children, offers a package of six services: supplementary nutrition, pre-school non-formal education, nutrition & health education, immunization, health check-up and referral services. The last three of the six services (immunisation, health check-up and referral services) are delivered through Public Health Infrastructure under the Ministry of Health & Family Welfare.⁴⁴ The remaining services are delivered through *Anganwadi* centres, situated at the village/ habitation level, and managed by frontline workers called *Anganwadi Sevikas* (literally, workers) and their helpers *Anganwadi Sahaikas* (literally, helper). Both these

⁴⁴ <http://wcd.nic.in/icds.htm> (Viewed on 20 August, 2015)

frontline workers receive monthly honorarium from the government.⁴⁵ Services under the supplementary nutrition include supply of dry food items, also known as ‘take home ration’ (THR) to the children between the age of six months to three years, pregnant and lactating mothers, and adolescent girls. Additionally, it includes supply of cooked meals as well as pre-school facilities to children between three to six years.

The Directorate of Integrated Child Development Services (under the Department of Social Welfare) at the provincial level is responsible for the implementation of various services under the ICDS. For the smooth implementation of the works, a cluster of *Anganwadi* centres is guided and monitored by a supervisor, who reports to the ‘Child Development Programme Officer’ (hereafter CDPO), the in-charge of this programme at the block level. At the district level, the office of the ‘District Programme Officer’ executes the programme in coordination with the CDPOs. At each centre, frontline workers (*Sevikas* and *Sahaikas*) provide the services to the beneficiaries. Over the years, various changes were made in the scope and implementation of this programme but *Anganwadi* centres have remained the focal point of delivery of services. As such, the roles of the *Sevikas* and *Sahaikas* continue to remain crucial in the success or failure of this scheme. The figure below depicts the services as well as the delivery structure of the ICDS.

⁴⁵ <http://wcd.nic.in/icds/icdsteam.aspx> (Viewed on 20 August, 2015)

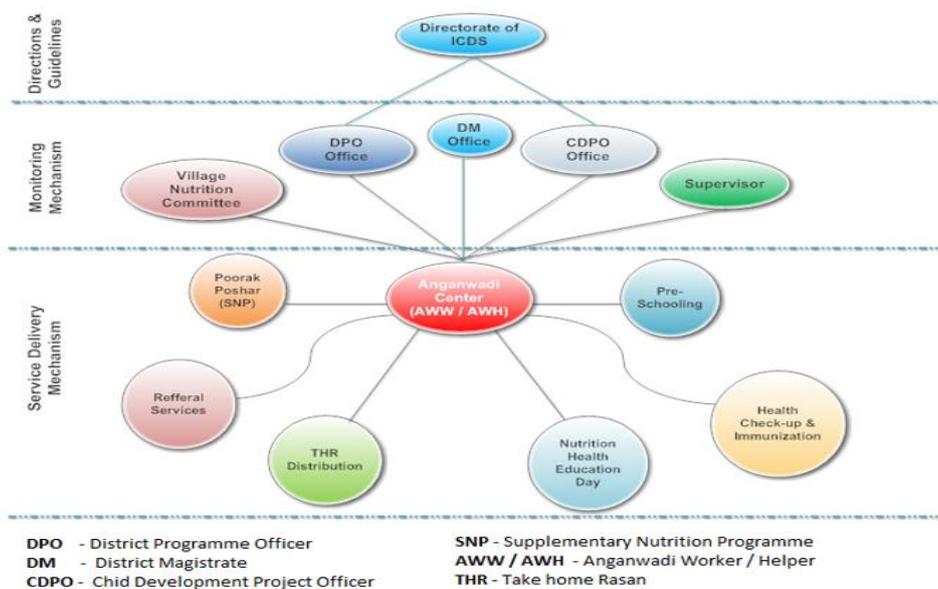


Figure 1: Service delivery structure of ICDS in Bihar (source: <http://www.icdsbih.gov.in>)

As far as funding of the programme is concerned, the budgetary allocation of the ICDS by the central government has increased nearly three-fold between 2003-04 and 2008-09. A sum of Rupees 18,544 crore (approximately 2.9 billion USD) was spent on the ICDS in the financial year 2013-14.⁴⁶ In spite of such expenditure made by the government and the existence of well-structured machinery for the programme’s implementation, public auditors have raised serious concerns about corruption and leakages in the ICDS. In its audit report covering a timeframe from 2006-07 to 2010-11, the Comptroller and Auditor General of India reported a gap of 33-45 per cent between the number of beneficiaries identified for the Supplementary Nutrition (one of the key components of ICDS) and those receiving it.⁴⁷

Critical assessments of the ICDS by development researchers have attributed the failure of this programme to various factors. Absence of ‘political will’ on the part of the state

⁴⁶ <http://wcd.nic.in/icds/finance.aspx#> (Viewed on 7 April 2015)

⁴⁷ http://saiindia.gov.in/english/home/our_products/audit_report/government_wise/union_audit/recent_reports/union_performance/2012_2013/Civil/Report_22/Report_22.html (Viewed on 7 April 2015)

governments has been cited as one of the major reasons for the poor performance in several states (see Rajivan, 2006; Sudararaman, 2006; Sinha 2006). Others make a case for the absorption of frontline workers as regular employees of the government because they are expected to deliver many services as part of the ICDS scheme.⁴⁸ Lack of competent evaluation techniques and ineffective monitoring on account of faulty reporting by the *Sevikas* and the CDPOs have also been acknowledged as a bottleneck in the effective delivery of services under the ICDS (Khullar, 1998). There is also prevalence of large scale leakages and corruption in the absence of regular inspections by higher officials (Nayak and Saxena, 2006). It is suggested that strict monitoring of services under the ICDS is key to tackling ever growing problems of corruption (Ramachandran, 2005). Other critics advocate the active involvement of the locally elected village communities and user committees for the effective monitoring and functioning of this programme (Gragnotati et. al, 2006; Sinha, 2006).

One of the acknowledged reasons for the failure of the services under the ICDS in Bihar is the prevalence of leakages and petty corruption (Fraker et. al, 2013; Nayak and Saxena, 2006). According to a survey conducted in 2005 by an international NGO, Bihar was identified to be the most corrupt state in India in terms of petty corruption in public services (Transparency International India, 2005)⁴⁹. Even though Bihar, like other states in India, has had a structured delivery mechanism for welfare services, it is alleged that during the Lalu Prasad Yadav regime in the 1990s, there began a serious attempt to weaken the largely upper-caste dominated state bureaucracy by means of bolstering middle-men and local *bahubalis* (literally, henchmen), devoted to the ruling party (Roy, 2013). We find that during that period, the ICDS in Bihar suffered from the problems of underutilisation of funds, absence of

⁴⁸ Editorial in the Economic and Political Weekly, 2011(Vol. XLVI No 12)

⁴⁹ http://archive.transparency.org/regional_pages/asia_pacific/newsroom/news_archive2/india_corruption_study_2005. (Viewed on 12 September 2014)

supervision by the CDPOs, and under-staffing (Nayak and Saxena, 2006). However, Bihar witnessed a change of regime in 2005, which initiated several governance reforms for effective and transparent delivery of welfare services. These reforms included the establishment of ‘fast track’ courts for the speedy trials of corruption cases against public officials; making services under the ‘Information Act’ (RTI) available by phone, and confiscating the properties of erring officials. Commentators on Bihar believe that governance reforms coupled with optimism on the revival of the state economy have created an enabling environment for development (see Mukherji and Mukherji, 2012; Singh and Stern, 2013). What is not known though is the effectiveness of these reforms in improving the service delivery at the ground level. Below, we summarise the key reforms initiated by the present regime with specific reference to the ICDS.

3.3 Recent Reforms in the ICDS

Apart from broader governance reforms, the state government, since 2005, has instituted certain changes in the structure and functioning of the ICDS for making its delivery more effective. First, in order to control absenteeism among the front line workers, web-based reporting was initiated and persistent monitoring by inspection teams was intensified since 2010. This was to be performed as follows:

- Mandatory random inspection of 10 *Anganwadi* centres every day by the District Programme Officer
- Reports of these inspections to be sent to the higher official on the same day through email and mobile messages
- Supervisors were required to inspect each *Anganwadi* centre at least four times in a month.

- The CDPOs were also instructed to conduct random inspections of *Anganwadi* centres from time to time.

An important observation to make here is that the provisions of inspections were also there in the earlier set-up but the number of inspection visits was not specified, and the provision of sending the reports of these inspections to the higher officials the very same day did not exist.

Second, the punishment for erring officials and workers was made quite stringent. The provision of immediate suspension in cases of noted irregularities was included. It is noteworthy that in the year 2009-10 a total of 250 *Sevikas* were suspended, and the figure stood at 167 in the year 2011-12 (Annual Reports, Social Welfare Department, Bihar). Third, without reducing the quantity of the ‘take home ration’, it was to be distributed once a month (instead of fortnightly) so as to ease the workload of the frontline workers. Fourth, for ensuring regular attendance of the children, an incentive of Rs 250 per annum (for school uniform) was to be provided to enrolled children at *Anganwadi* centres, under the *Mukhyamantri Poshak Yojana* (literally, Chief Minister’s Uniform Scheme). Fifth, with the overall objective of improving the infrastructure facilities, the government has encouraged people to donate land for *Anganwadi* centres as many of them continue to run on rented premises. Those donating land would have the centres known by their names.

Finally, to enhance beneficiary participation in procurement and distribution of ration and cooked meals, user-based committees known as *Poshahar Vitran Evam Kriyanvayan Samiti* (literally, Nutrition Distribution and Implementation Committees) were further strengthened for giving effective representation to the parents of the beneficiaries. How these committees functioned and what challenges they faced, have been explained later in the paper. It is pertinent to note here that the government recognised their shortcomings, and decided in late 2014 to replace them with *Anganwadi Vikas Samiti* (literally, *Anganwadi* Development

Committee), which were to be headed by a local school teacher. How have these reforms unfolded in actual practice? We address this question next on the basis of the insights from the functioning of the select *Anganwadi* centres.

The purpose behind the formation of the users' committees (*Poshar Vitran Kriyanvan Samiti*) was to plug the leakages in the procurement and distribution of food supplies. Reform aimed to empower the users-usually a good practice to complement the reforms on the services providers side. In fact, the present regime has certainly demonstrated the political will for 'good governance', but the continuing dismal performance in terms of child malnutrition exhibits a developmental paradox. Several years after the reforms started, Bihar continues to struggle with the problems of undernourishment and remains at the top of 'Child Under-nutrition Index' among all the states in India (Aguayo et al, 2014).

While one could attribute this finding to an inevitable time lag between the start of the reforms and an effect in terms of nutritional outcomes, one should at least be able to observe some effects on the quality of program management. However, available evidence indicates the management of ICDS in Bihar continues to suffer from major governance problems. A recent study aimed to quantify the 'missing expenditures' in the delivery of 'Supplementary Nutrition' programme in Bihar, an important component of the ICDS (see Fraker et al, 2013). The data was collected through random visits to nearly 200 *Anganwadi* centres in the state. This study concluded that an estimated 53 per cent of funds were missing on account of leakages, causing an estimated loss of Rupees 581 crore (approximately 106 million USD) annually to the government (ibid). While the study presented a quantitative assessment of the leakages, it is equally important to understand *why* the vigilance-focused reforms implemented by Bihar's new government were not more effective, even though they comprised a comprehensive set of measures, including regular inspections, strict monitoring,

the inclusion of user-based committees and swift disciplinary action. A qualitative case study approach, which is employed in this study, does not lead to statistically representative findings on the magnitude of leakages, but it is well suited to reveal the underlying problems of the leakages identified in the quantitative assessment quoted above. The case study methodology used for this paper, which is further detailed in the following section, aimed to throw light on the following questions: How do frontline workers respond to the changes initiated from above? Is there scope for the service providers to circumvent the new system? Did the reforms unintentionally create new ‘entry points’ for corruption? What changes are required to overcome the problems identified with the current reforms? This study aims to answer these questions to better understand what happens when governance reform policies “hit the ground”, and to suggest alternatives or complementary measures to vigilance-focused reforms for the effective delivery of services under the ICDS.

3.4 Methodology and Data Collection

The authors primarily relied on two sets of data for this paper. First, a review of primary and secondary material, which comprises the publications of the state as well as central government agencies, newspaper clippings, documents and policy guidelines on the ICDS, and official records and registers kept in *Anganwadi* centres. Second, primary data was generated by means of direct observation, semi-structured interviews and informal conversations with respondents including frontline workers, members of the user committees, ex-*Anganwadi* workers, parents of the beneficiaries, and government officials. The research follows case-study methodology for it is helpful in ‘capturing the complexity of the object of study, through in-depth analysis of carefully selected cases’ (Stake, 1995). The authors avoided the use of formal interview schedules because government functionaries are either afraid of putting anything on record or tend to give set (readymade) answers to questions

posed to them in a *formal* manner. The authors didn't start the conversations with a fixed set of questions. New questions emerged from within ongoing conversations; from previous conversations with the same respondents; from conversations with other officials and frontline workers, and from the information gathered through other sources (reports, publications, and visits to other *Anganwadi* centres). Further, participatory mapping exercises were conducted with select frontline workers for understanding the flow of funds as well as power relations among different stakeholders in the ICDS. Through these maps, points of leakages or bribery were located the respondents were asked to explain the attributes of corruption in greater details. These attributes become crucial for understanding the dynamics of corruption. All the conversations took place in Hindi and Bhojpuri and have been translated into English before quoting in this paper. The conversations were not recorded but notes were taken immediately after the interviews.

The study was conducted in a district lying in the north-western part of Bihar. The choice of the district was dependent on two factors. First, the nutritional status of children in this district was close to the state average. This was ascertained on the basis of the district household survey (2002-04) on reproductive and child health. Second, the familiarity of the first author in terms of area and local dialect, which proved crucial in establishing rapport with frontline workers, government officials and members of rural and urban local bodies. The names of the district, villages, and localities have been withheld to protect the identity of the respondents. A total of 10 *Anganwadi* centres (7 urban and 3 rural) were selected purposefully on the basis of the frontline workers' willingness to share information and insights into the functioning of the ICDS. The data collection spanned over four months in 2013 and one month in 2015. Three to five visits were made to each *Anganwadi* centre, and the respondents were explained in clear terms that the purpose of the research was solely academic. In the initial visits to the

Anganwadi centres, the frontline workers were only asked about the general functioning of the centres and the challenges faced by them in service delivery. Subsequently, and once sufficient rapport was struck, questions related to leakages and bribery were asked.

The paper acknowledges the limitations of methodology involving ‘recalling of the events from the past’ (Patai, 1998). Also, a relatively small sample size of 10 *Anganwadi* centres from one district prevents us from making generalised statements about corruption and leakages in the ICDS in Bihar. Yet, close encounters with the respondents helped in unravelling the dynamics of service delivery under the reformed system, and in gaining an in-depth understanding of its functioning from the vantage point of frontline workers. Wherever possible, the information was verified using triangulation for quality assurance but the authors recognize the limitation of gathering data on sensitive topics such as misappropriation of funds, corruption or dynamics of senior-subordinate relationships in governmental programmes. The authors acknowledge both the reluctance of respondents to speak freely about some of these issues and the problems in cross-checking the information provided by the respondents solely on the basis of official records or registers (which are often forged). In keeping with these limitations, the findings only claim to explain how developmental actors may circumvent the system, and explain why some well-meaning reforms may fail to improve service delivery. As the findings of the public auditors have not found significant inter-district differences as far as delivery of the ICDS in Bihar is concerned, it is authors’ conjecture that studies of similar nature, if conducted in other sites will not reveal a very different picture. We now turn to present in the following section, the effects of governance reforms on service delivery under the ICDS.

3.5 When policies hit the ground: the ‘reformed’ ICDS in Bihar

In section 2 above, we have summarised the main reforms initiated by the present regime in order to improve service delivery as well as prevent leakages in the ICDS. How have these reforms unfolded in actual practice? We address this question on the basis of the insights from the functioning of the select *Anganwadi* centres.

3.5.1 Do regular inspections reduce petty corruption?

It is stated that for plugging leakages in the delivery of services, provisions of monitoring and punishment have to be put in place (see Klitgaard, 1999). However, our findings indicate that the provision of regular inspections, considered to be the most potent solution to check leakages as well as negligence of duty, has proven to be counterproductive. Our respondent *Sevikas* maintained that the paying of bribe has been a routine practice but with the recent changes in terms of strict vigilance, the CDPOs and supervisors have started extracting more money from the frontline workers. In seven *Anganwadi* centres (four urban and three rural), the *Sevikas* reported having paid a bribery amount ranging from Rupees 1100 to 1400 (about 10-13 per cent of the funds allotted under the ‘Supplementary Nutrition Programme’) to the CDPOs on a monthly basis. The remaining three *Sevikas* did not specify the amount, but stated that it differed from officer to officer. It was alleged that if they did not pay this money, the supervisors and the CDPOs in their inspection visits would find some faults for one reason or another, and threaten the *Sevikas* with disciplinary action. On the other hand, if the *Sevikas* pay a bribe to their superiors, the inspection visit goes past smoothly. In six out of ten *Anganwadi* centres, the money was reportedly extracted directly by the supervisors; in one centre through the clerk of the CDPO, and in the remaining three, the CDPOs collected the

money directly from the *Sevikas*. One of the *Sevikas* cited it as the key challenge in the effective functioning of the programme and remarked:

CDPO Madam to chalta phirta ATM machine hai. Fark bus itne hai ki, ye ATM kewal paisa leta hai par deta kuch nahi! [literally, Madam CDPO is like a portable Automated Teller Machine but this machine only extracts money and does not give any!]⁵⁰

In addition to these routine inspections by the CDPOs and supervisors, there are also flying visits by district level and state level teams. Although these inspections are not very frequent, but whenever they happen, the *Sevikas* feel that they need to bribe the inspection teams or otherwise, face suspension. In the case of noted irregularities at the *Anganwadi* centres, all the respondent *Sevikas* informed us that the present regime has made provisions for immediate dismissal from service. Given the situation, the *Sevikas* and the *Sahaikas* feel more obliged in bribing the inspection teams. In addition, it has also increased their dependence on the local leaders (municipal and Panchayat), who at times act as negotiators between the frontline workers and inspection teams.

Furthermore, the respondent *Sevikas* argued that they had to maintain as much as eighteen different kinds of records and registers in their centres. These include registers of attendance, ‘take home ration’, immunisation and health records, among others. The inspection teams check these registers whenever they come. Therefore, filling up these registers constitutes a top priority for the frontline workers and eats up a major chunk of their time. The funds left with them after the extraction by the CDPOs and other inspection teams are not sufficient to meet the stated requirements for procuring food. Therefore, they are left with no choice other than resorting to false reporting in the registers.

⁵⁰ Excerpts from interview 12 May, 2015

3.5.2 Distribution of 'take home ration' and school uniforms: potential entry points for corruption?

In order to ease off the workload of frontline workers, a change in the distribution system for the 'take home ration' has been introduced. Unlike the previous practice of distributing the ration fortnightly, it is now distributed in the middle of each month. All the frontline workers we interviewed were happy with this change. Yet, the effects of the change have been different in rural areas when compared to urban. Our respondent *Sevikas* from the urban centres alleged that this policy change has been quite beneficial for the *Sevikas* in rural centres because they distribute only half the amount of ration than before. A *Sevika* from an urban centre narrated the following:

In villages, people are not aware about how much ration they should get each month. So, the *Sevikas* there distribute only about half the quantity than the actual entitlement. They are making money because of this change in distribution practice. [...] There is no *bandish* [restriction] in rural centres. While we pour water into milk, they can get away with pouring milk into water!⁵¹

Another change introduced in the recent years is handing out a sum of Rupees 250 per annum for school uniforms in order to incentivise centre attendance. We found that in seven *Anganwadi* centres (five urban and two rural), many of the families, who were not enrolled in the centres, have collected this money. Our respondent *Sevikas* alleged that local leaders gave them a list of families to whom they were asked to make this payment and it was difficult to overrule the recommendations of these leaders. Moreover, all the *Sevikas* alleged that other *Sevikas* do not even hand out the full amount but only a part of it. Therefore, the policy of

⁵¹ Excerpt from interview30 August, 2013

improving the attendance through incentives of the school uniform failed in the select centres. The *Sevikas* maintained that most parents do not send their children to the centres. And many parents we interviewed blamed the *Sevikas* for not opening the centres daily.

3.5.3 Community ‘participation’ and monitoring: how does it work?

A reform that aimed to empower the users was formation of ‘user-based committee’ known as *Poshar Vitran and Kriyanvan Samiti* in each *Anganwadi* centre. It was expected to plug the leakages in the procurement and distribution of food supplies. Each such committee consisted of five members including a president. The selection of members was supposed to be on the basis of elections, conducted in public meetings, organised by the *Sevikas* in their respective localities. However, in practice, the presidents were selected either by the *Sevikas* themselves or in other instances, on the recommendation of the elected representatives of the rural or urban local bodies (ward member or Panchayat member). Our interviews with the *Sevikas* in 2013 reveal that in four *Anganwadi* centres, the presidents were relatives of the respective *Sevikas*, and in six *Anganwadi* centres, the presidents were selected on the recommendations of the elected representatives of the urban or rural local bodies. The role of the president was significant as she was jointly responsible (along with *Sevikas*) for the procurement and distribution of food items. She was required to sign the purchase register. During the course of our interviews in 2013, we witnessed that although there were no provisions for any payment of money to the presidents in lieu of their services, in seven out of ten centres, the *Sevikas* paid up to Rupees 500 per month (about 5 per cent of the total budget allotted for the food items) to the presidents. All the *Sevikas* considered users’ committees as ‘useless’ and claimed that they would have functioned better in their absence.

Why did the *Sevikas* need to bribe the committee presidents? Our interviews with three presidents of the users' committees (one rural and two urban) revealed that there were several shortcomings in the procurement process as well as in the distribution of the 'take home ration' and cooked meals. The interviewed committee presidents claimed that the *Sevikas* misappropriate funds through using fictitious bills (money drawn without actual purchases), distributing a smaller quantity of the 'take home ration' than foreseen by the rules, and cooking a lower quantity of food than required. Furthermore, they rarely cook different varieties of food prescribed in the menu-list. As far as the role of ordinary members of this users committee was concerned, our interviews with four ordinary members (one rural and three urban) suggested that three of them did not even know that they were members of this users committee. The one, who knew about her membership, was not sure what the role and responsibilities of this committee were. However, all of them acknowledged that the *Sevikas* and the presidents work hand in glove. The situation was aptly described by one of the members in the following words:

The *Sevika* and *Adhyaksh* [President] belong to the same caste and are also closely related to the *Mukhiya* [head of the *Panchayat*]. They consider the *Anganwadi* as their *bapauti* [literally, ancestral property]. People here do not even know what they should get. [...] We can't do anything about it!⁵²

In the subsequent round of data collection in May 2015, we found that the state government decided to broaden community participation by replacing users' committees with another set of committees, the *Anganwadi* Development Committees. Apart from the inclusion of local elected representatives of municipal and rural local bodies as well as the frontline workers of the health department (Auxiliary Nurse Midwife), the most important role in these committees

⁵² Excerpt from interview, 5 August, 2013

was given the local school teachers. Although the frontline workers were not able to explain the reasons behind including teachers, an official from the directorate suggested that at that time, the top-most official overseeing this programme in Bihar was also in-charge of the school education department, and was of the view that the teachers would perform this task honestly. However, the nominated school teacher has come to occupy the same role as the president of the previous users' committee. The *Sevikas* need to get her signatures on the 'purchase register' for their centres. The challenges faced by the *Sevikas* with regard to the new committees were explained in the following words:

When I approached the teacher in the school in order to get her signatures on 'purchase register', she asked me to come to her house. When I visited her house, her son said that she was not at home, and that all the official work should be done at the school and not in the house. After three or four failed attempts to reach her, I decided to offer her Rupees 500 for her signatures.

She gladly signed the register and this practice is continuing.⁵³

The interviewed *Sevikas* also complained that during the summer breaks in schools, the teacher goes away to their respective home towns and the entire work of record keeping and procurement comes to a standstill. The challenges that the *Sevikas* face in the day-to-day functioning of the centres are presented in the next section, but the results from the above discussion strongly suggests that the provisions of community participation and monitoring may fail to plug leakages as well as ensure transparency.

⁵³ The average budget for Supplementary Nutrition Program is about Rupees 10,500 per month for an *Anganwadi* centre. Excerpt from interview, 14 May, 2015

3.5.4 How do 'beneficiaries' view the reforms?

The effectiveness of reforms in welfare provisions is contingent upon the awareness levels of the beneficiaries. We asked some parents about their entitlements and the services they should get under the ICDS. A respondent beneficiary explained:

The *Sevika* asks us to sign a register or give thumb impression and then join the queue for receiving ration. We do not know what we have signed against. Nor do we know how much ration the *sarkar* [government] gives us. We just take what they give.

While six *Sevikas* (three rural and three urban) we interviewed stated that the beneficiaries are aware of their entitlements but they also understand how things work in governmental schemes. If a beneficiary raises any questions, we have answers to satisfy them. One of the *Sahaikas* from a rural centre narrated as to how they tackle uncomfortable questions from beneficiaries:

We tell them that they should be happy with whatever they are getting. *Daan ki bacchiya ke daant na ginal jaala* [literally, you do not count the teeth of a calf you get as a gift]⁵⁴

The narrative above suggests that even if the beneficiaries are aware of wrongdoings they treat them as a 'norm' in all welfare schemes. Moreover, the beneficiaries are made to conceive the services under this scheme as 'gifts' and not entitlements. It is one of the most contentious issue in the delivery of public welfare services. Equally contentious is the issue of who will get the benefits in welfare schemes. Our respondent *Sevikas* complained that most *Anganwadi* centres are operating in rented premises and the landlords interfere in the selection

⁵⁴ Excerpt from interview 25 September, 2013

of beneficiaries as well as distribution of the ‘take home ration’. Many centres lack toilet facilities and the frontline workers at times have to depend on their landlords and neighbours even for basic needs. They also argued that governments’ appeal for donating land for *Anganwadi* centres is futile and even if it appeals to some donors, they are likely to interfere in the daily operations of the centres for which they have donated land. Overall, the findings suggest that the ICDS suffers from several structural problems and it is not justified to put the entire blame of poor service delivery and misappropriation of funds on the frontline workers. Below, we present their perspective on both the recent vigilance focused reforms and the general difficulties they face in the discharge of their duties under the ICDS.

3.5.5 Responding to Reforms: the frontline workers and their challenges

As stated earlier on, the role of the *Sevikas* and *Sahaikas* is crucial in the delivery of services under the ICDS. After all they are the ones who interact with the beneficiaries, and are responsible for the day to day operations in the *Anganwadi* centres. Our interactions with the frontline workers suggest that they face several challenges in running the programme. The studies on ICDS in other parts of India have also revealed multiple problems the frontline workers have to counter, including job insecurity, excessive paperwork, over-work and under-payment, and difficulties arising from late release of funds (see Palriwala and Neetha, 2010; Desai et. al, 2012; Ghosh, 2004). Not surprisingly, the frontline workers in Bihar also need to live with these problems but the governance reforms initiated by the present regime, according to our respondent *Sevikas* and *Sahaikas*, have increased their vulnerability. In order to plug the leakages at the *Anganwadi* centres, the political leadership has taken the course of strict vigilance and swift disciplinary action. Our findings show that rather than solving the problem of petty corruption and leakages, these reforms have made the frontline workers more insecure.

Corruption in governmental schemes is systemic and for many functionaries, encounter with corrupt practices begin as early as the stage of their recruitment. Although the frontline workers are supposed to be recruited on the basis of a merit-list, four *Sevikas* (three rural and one urban) and five *Sahaikas* (three rural and two urban) informed us that they had to pay money for their recruitment, which in turn, incentivised these workers to indulge in corruption while discharging their duties. Furthermore, most of our respondent *Sevikas* stated that although funds were earmarked for general maintenance of the *Anganwadi* centres, they never receive this money, and alleged that senior officials misappropriate these funds. Yet, the inspection teams put the blame on the frontline workers in case of any shortcomings found in the centres. Moreover, stringent punishment coupled with multiple inspections has aggravated their problems, and they are under a constant fear of losing their jobs.

There are also operational difficulties. All the *Sevikas* we interviewed complained about excessive reporting and recording that they needed to perform. They argued that the compulsion to maintain eighteen different types of registers and records encourages ‘false reporting’. For example, when they cannot buy the required amount of food articles with the allotted money, they are left with no other choice but to resort to false reporting, as indicated above. Also, they do not receive any money for the beautification of the *Anganwadi* centres but the CDPOs expect them to keep the centres well-maintained. Therefore, they have to somehow ‘adjust’ the expenses. One of the *Sevikas* explained:

We are required to perform all the tasks correctly but no one thinks about the costs incurred in doing so. I have to spend about Rupees 400 each month in

photocopying but we do not get a single penny for it. [...] you tell me how can we perform our duties according to the rules?⁵⁵

Apart from the operational difficulties that the frontline workers face, the amount sanctioned for the procurement of food does not take into account the rise in costs due to inflation. By the time the funds reach the centres, prices of the food items increase and the frontline workers resort to curtailing the amount of ration distributed. Yet, they need to show in the purchase registers that they have distributed the sanctioned amount.

Another challenge faced by the frontline workers is the lack of incentives. There are hardly any opportunities for career advancements or any rewards for better performance. All the respondent frontline workers were of the opinion that they should be promoted to the rank of ‘supervisor’ on the basis of their work experience and performance. Furthermore, they also complained that even the meagre honorarium that they are entitled to is not provided regularly. The situation is accentuated further as for many of them it is the only source of income for supporting their families. Their grievances were aptly summarised by a *Sevika* in the following words:

Bachchon ko padhaane, khana banane, bartan manjne se leker ke centre ka jharu-poccha bhi hum log karte hain. Phir bhi chaprasi wali haisiyat bhi nahi hai humari [literally, we do teaching, cooking, dishes and cleaning but even then our status is worse than that of a peon in governmental office].⁵⁶

Poor self-image and inadequate compensation are not the only factors hampering efficient service delivery on the part of frontline workers in Bihar. They also tackle the harsh realities of caste-based discrimination. Some of the *Sevikas* reported that when the *Sahaikas* and the

⁵⁵ Excerpt from interview 12 September, 2013

⁵⁶ Excerpt from interview 19, September, 2013

president of the users' committee are from the same caste, they join hands in siphoning-off project funds. A *Sevika* from a rural centre complained:

The president [of the users' committee] was demanding more money from the funds for 'Supplementary Nutrition Programme' and was also asking me to pay more to the *Sahaika*. I complained to the *Mukhiya* [head of *Panchayat*]. Rather than helping me, the *Mukhiya*, along with the president and *Sahaika*, threatened to beat me up. They would not have done this had I been of their caste group.⁵⁷

Our respondent *Sevikas* argued that they are seen as *chor* (literally, burglar) by the larger society. This negative societal perception adds to their challenges. In case it is not possible to enrol more children due to infrastructural challenges or the prescribed threshold, people simply do not believe them. If they report this to supervisors or CDPOs, in most cases, they are asked to 'manage it on their own'. These days, especially in urban areas, some (educated) people also threaten the *Sevikas* with the use of the Right to Information (RTI) application to know about the selection of beneficiaries. If an RTI application is filed, the *Sevikas* get scolded by the superior staff. A *Sevika* narrated the problems related to RTI in the following words:

On the one hand we have to run the centre with inadequate funds. On the other, we have to bear the grudge of the people for not entertaining their requests to enrol additional children. [...] The other day, a school teacher came to me and threatened that if I do not admit his maid's child into the centre, he will file an RTI. I asked the supervisor what to do? She simply scolded me and said '*kahe*

⁵⁷ Excerpt from interview 19, September, 2013

nahi theek se manage kar rahi hain jee?’ [Why aren’t you managing the centre properly?].⁵⁸

The above narrative suggests that while the frontline workers in Bihar have to bear the brunt of any shortcomings in the delivery of ICDS, there are neither administrative safeguards at their disposal (unlike for other governmental functionaries) nor their superior officials are supportive in cases of the RTI applications filed against the centres.

3.6 Discussion

The recent governance reforms for effective service delivery under the ICDS in Bihar contain two main elements. First, policy reforms have tried to improve the delivery side of the programme by means of strict vigilance, monitoring and punishment. Second, efforts have been made to enhance the capacities of the beneficiaries by instituting mechanisms like the users’ committees. This study has evaluated the effectiveness of both the elements of the reforms in Bihar. Further, while there are quantitative evidence of leakages in the functioning of the ICDS (see Fraker et al, 2013; CAG; 2012-2013), this case-study has revealed several reasons of ‘why’ and ‘how’ of both the persistence of corruption and the challenges faced by frontline workers. Based on the findings on both the effects of vigilance-focused reforms at the ground and how the frontline workers respond to these reforms, the following points can be emphasized.

First, the study found that although there are strong theoretical benefits of monitoring on the basis of users’ committees (see Gragnolati et. al, 2006; Sinha, 2006), in practice, these committees also have the potential to create additional entry points for corruption. The users’

⁵⁸ Excerpt from interview, 13 August, 2013

committees under the ICDS are a case in point. We see that the selection of presidents of users' committees has been discretionary. They were chosen either by the frontline workers themselves or under the influence of the local leaders. These committees are likely to be ineffective in curbing petty corruption or misappropriation of funds by the frontline workers as well as the senior staff. Later on, when users' committees were replaced by the *Anganwadi* Development committees (headed by a local school teacher), the situation does not seem to have improved much. Therefore, the very objective of improving the services of the ICDS, on the basis of monitoring through these committees has not been realised at our research sites. Furthermore, most of the respondent frontline workers felt that they would have worked more effectively in the absence of these committees.

Second, the study shows that the lack of awareness among beneficiaries about their rights and entitlements as well as changes in the rules and regulations about service provisions are major obstacles in better functioning of the ICDS. The policy reforms and the consequent changes in rules and regulations need to be communicated well to the target population. Otherwise, the rules can be circumvented by the project functionaries to their own benefit. For example, it was demonstrated how a change in the rule of distributing the 'take home ration' (from twice a month to once a month) has been manipulated by the *Sevikas*, especially in rural areas where the 'beneficiaries' are not so well-informed. This study strongly advocates for awareness generation among the beneficiaries to ascertain their rights; and supports the claims made by the scholars in favor of the 'rights based approach' for the delivery of services under the ICDS (see Dreze, 2006; Kent, 2006). It is argued that creating awareness among the beneficiaries should be an essential element in the reform approach.

Third, this study has analysed the impact of current 'vigilance focused' reforms in curbing petty corruption and leakages. Contrary to conventional wisdom, it found that the threat of

strict punishment and multiple inspections might become counterproductive in the context of Bihar. The monthly ‘cuts’ are continued to be paid to supervisors and CDPOs in most cases, and district-level inspection teams are also bribed by the frontline workers in order to avoid strict punishment or disciplinary action. Furthermore, the problem of bribery and corruption are exacerbated by some technical problems inherent in the programme. For example, food inflation, which is not accounted for when funds are released to the centers, leads to curtailment in the quantity of ‘take home ration’ and the quality of cooked meals served in the centers. The frontline workers also need to ‘manage’ funds for meeting the costs of photocopying or general maintenance of the centres. This leads to false reporting and fudging of records by frontline workers. In addition, the locally powerful people (including landlords and members of local bodies) influence the process of identifying the ‘beneficiaries’. All these factors make corruption systemic in the ICDS in Bihar. This case study recommends that until the root causes of corruption (e.g. unaccounted food inflation; undue interference by landlords and locally influential politicians, or lack of funds for paperwork maintenance) are tackled, vigilance focused reforms are not likely to yield results.

Fourth, the problems plaguing the ICDS are well known for long. Critical observations in the past have highlighted the issues of meagre and irregular remuneration to frontline workers, excessive workload and paperwork, and leakages in procurement. While endorsing these critical observations in the case of Bihar, the study concludes that the strategy for overcoming these challenges in service delivery should focus more on the frontline workers and their problems than on vigilance and inspections. The study finds that the ‘volunteer model’ of delivering public services is not appropriate as the frontline workers lack incentive and motivation to improve service delivery. The study recommends regular remuneration and regularisation of services of the frontline workers, and providing them with greater opportunities of career advancement (e.g. promotion to the posts of supervisors) as well as

performance based rewards. Rationalisation of the workload and reducing paper work will benefit them in discharging their duties effectively and honestly. In addition, appropriate ‘grievance redress’ mechanism should be in place, which would allow the frontline workers to report the cases of misappropriation of funds and demands of bribery by higher officials. These changes could go a long way in boosting their ‘self- image’, change the way society perceives them, and in turn, improve service delivery under the ICDS.

3.7 Concluding Remarks

This paper has analysed the impact of the recently instituted vigilance-focused reforms for reducing corruption and improving service delivery under the ICDS in Bihar. We have explained what happens when policies hit the ground, and how these reforms are accepted, resisted or reshaped by the frontline workers. While there is substantial evidence on the prevalence and magnitude of corruption in the ICDS in Bihar (e.g. assessments of the public auditors), our study identified some ‘entry points’ for corruption; unravelled its systemic nature; and explained its dynamics in select locations. We find that well-meaning strategies for reducing corruption (e.g. strict monitoring and regular inspection) may not achieve their desired results in the cases where corruption is systemic. On the contrary, these measures may end up in making the under-paid and over- burdened frontline workers more insecure.

The reforms in the ICDS, as they have unfolded thus far have largely overlooked the root causes of petty corruption and leakages (e.g. food inflation, non-payment for photocopying costs, and partial or delayed payment for the maintenance of premises). These problems are easily fixable and will deter both the higher officials as well as community-based monitors from demanding bribes. As far as frontline workers are concerned, improving their service conditions, wages, and providing incentives for better performance will certainly enhance the quality of service provision. In the context of Bihar, where corruption is systemic and

frontline workers are not the only culprits, policy makers and enforcement officials need to ask, who will monitor the monitors?

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4 Chapter Four: What do future bureaucrats think about bribery? A study of civil services aspirants from Bihar

Abstract

Civil services are the ‘backbone’ of the general administration in Bihar. The officials are engaged in the implementation of governmental policies and developmental programmes under the overall supervision of political masters, who keep changing on the basis of periodical elections. In the Indian context, civil servants are often seen as key elements responsible for systemic corruption. Taking recourse to the two dominant theories of anti-corruption: the ‘principal-agent’ and ‘collective action’, this study aims to understand the attitude of the aspiring civil servants from Bihar towards bribery and corruption. It is a novel attempt to analyse the perceptions of future bureaucrats about the issues related to corruption: what deters the potential bribe takers from accepting bribes, and what do they think about corruption in public life? Bribery experimental games were administered to examine the impact of varying degrees of ‘punishment’, ‘monitoring’ and ‘knowledge about public loss’ and their relation to the varying ‘bribery amount’. In addition, ‘focus-group discussions’ were initiated with these subjects to explore the dynamics of corruption. The findings suggest that high ‘public loss’ and high ‘severity of punishment’ were able to deter bribery even in the situations where bribe amount were high. On the other hand, the impact of high ‘monitoring’ was only effective in cases where the bribe amount was low. Focus-group discussions attributed the factors of ‘social acceptance’, ‘distorted parameters of successes and ‘no punishment for the guilty’ as the major reasons for ever continuing corruption in the public sphere.

Keywords: Corruption; punishment; public loss; monitoring; civil services aspirants

4.1 Introduction:

The state of Bihar has a dubious distinction of being one of the most corrupt states in India. Just a few years ago, the state was adjudged to have the highest cases of petty corruption in

the country (Transparency International India, 2005)⁵⁹. In its effort to curb corruption, the present regime of Bihar has instituted several governance reforms since 2005 with the overall aim of instituting transparent, effective and responsible governance in the state (see Stern and Singh, 2013). Some of the major reforms include provisions for stringent punishment, speedy trials of cases involving corruption and promulgation of laws ensuring timely delivery of public services. Coupled with these reforms, there is also a prevalence of campaign against corruption in the entire country, through national media and civil society activism. In fact, these activism resulted in the promulgation of transparency legislations way back in 2005⁶⁰ and most recently in 2012 with the formation of a political party⁶¹ based on anti-corruption plank. Therefore, in recent years, there exist a plethora of anti- corruption activities in the entire country. At the backdrop of these reforms and activism, both at the national and state level, it would be imperative to explore how the future civil servants from Bihar perceive corruption. After all, civil servants are the principal delivery agents of the state. Further, it is believed that perception has an impact on the corrupt behaviour (see Heidenheimer, 2006). While there are claims of significant improvement in the overall governance in Bihar (see Sing and Stern 2013), there is also a need to explore if it has also resulted into any attitudinal change on how corruption is perceived among the delivery agents of the state.

There is unembellished dearth of studies which examine the attitude of the civil servants on the issues of bribery and corruption in India. One of most obvious reason for this gap is the enormous difficulty to empirically engage the serving civil servants into any academic exercise and examine their attitude towards corruption. This gap acquires critical status; given

⁵⁹http://archive.transparency.org/regional_pages/asia_pacific/newsroom/news_archive2/india_corrupti_on_study_2005. (Accessed 12 September 2014)

⁶⁰ The Right to Information Act (RTI) is an Act of the Indian Parliament under which citizens can seek information from any public authority. The public authorities are required to provide the information within thirty days of inquiry.

⁶¹ Aam Admi Party was constituted out of a civil society activism against corruption better known as the 'India Against Corruption'.

the fact that the success of any anti-corruption reforms is contingent upon the kind of impact it has on the mind-set of the delivery agents. Therefore, it becomes very important to understand and explore the attitude of the civil servants on corruption as it would be instrumental in redefining the anti-corruption endeavours of the country. This study is an endeavour in this regard. However, owing to the limitations on engaging the serving civil servants into any academic exercise, this study explored the attitude of the aspiring civil servant from Bihar. Overall, this paper aims to contribute to filling this literature gap by exploring the attitude of the aspiring civil servants from Bihar on corruption.

Additionally, with the emergence of experimental research work on corruption (see Frank and Schulze, 2000; Abbink et al, 2002), an opportunity to empirically explore and understand various facets of corruption has been generated. As a result, there has been beginning of the experimental study on corruption in India (see Hanna and Yi-Wang, 2013). Drawing upon the scope created by the experimental methods, this paper is an attempt to empirically study the bribery behaviour of the aspiring civil servants from Bihar through bribery games. Further, it tries to explore the underlying reasons for their propensity to engage in corruption through ‘focus group’ discussions. The bribery game tested the impact of some of the most dominant methods (stringent punishment and monitoring) of controlling corruption on the overall bribery behaviour. Further, focus group discussions unearthed some of the fundamental information which shaped the attitude of the civil servants. Overall, this study is an attempt to answer the following questions: How do the future civil servants perceive corruption in the public services? Can monitoring and the fear of stringent punishment curb bribery? What impact the knowledge about cumulative public loss have on the bribery behaviour? What are the major causes of corruption in the public services? What kinds of reforms are necessary for curtailing corruption? These are the major queries of this study. The paper is divided into five sections. The first deals with a brief introduction on the civil

services in India, the overall problem of corruption in the country and the major theoretical underpinnings on which the present anti-corruption is based. The second section introduces the objectives and the methodology of the study. Third section provides the designing of the 'bribery experiment' along with the results. The fourth section narrates the outcome of the 'focus group' discussion. The fifth section consists of a detailed discussion on the outcomes followed by an overall conclusion.

4.2 Civil services and corruption

The general administration of the government of Bihar is managed by a group of 'generalist'⁶² civil servants. They constitute the middle and the top level of bureaucracy which plays an important role in the governance of the state. Moreover, civil servants constitute the part of permanent executive as the political masters keep changing on the basis of the periodical elections. This permanency makes it the 'steel-frame' of the entire administrative machinery. The sources of recruitment of these officials are through two different independent constitutional authorities. The first group of officials are recruited through the Union Public Services Commission (hereafter UPSC) which conducts an annual examination for the entry into different types of services for the entire country. One among those services is the prestigious Indian Administrative Services (IAS). After recruitment into the IAS, the officials are allotted different state cadres. All the officials who are allotted Bihar cadre work for the government of Bihar as well as the government of India in turns. They hold the highest administrative posts in the state. The second group of the officials are recruited through the 'Bihar Public Service Commission' (hereafter BPSC). These officials are allotted different services based on their merit and preferences. They hold the middle level administrative positions of the Bihar government. There is a famous German proverb- *der Fisch stinkt vom*

⁶² generalists with additional skills and not qualified professionals

Kopf (literally, the fish rots from the head). Therefore, it is very essential to explore the dynamics of corruption from the perspectives of these officials. This study is an effort in that direction.

Furthermore, with the absence of large opportunities in the private sectors, civil services are accorded the first career options for the millions of Indian youths. In states like Bihar, where the industrialisation stands very low, it emerged as the most sought after career option. In fact, the northern state of Uttar Pradesh and Bihar constitutes around 26 per cent of the total number of Indian Administrative Services (IAS) officers in India.⁶³ Therefore, by exploring the perception of the civil services aspirants from Bihar will also be helpful in conjecturing an overall picture of the entire bureaucracy of the country. While UPSC has been conducting the ‘Combined Civil Services Examination’ annually, the BPSC has not been very regular in its examinations. The examination for both the services comprises of three stages and lasts for approximately ten months. Success in one stage leads to others, and consequently the unsuccessful ones are eliminated after the completion of each stage. The successful candidates are allotted services based on their merit in the overall examination as well as their personal preferences. Once recruited, they serve as permanent employee and retire at the age of sixty. In spite of such rigorous efforts for selecting the best candidates for civil services, there are numerous cases of corruption against them.⁶⁴ It is suggested that for the selection into civil services, emphasis should be on the personality of the individuals rather than their academic (Hanna and Yi-Wang, 2013). Another line of argument is that selection should be based on merit as it reduces corruption (Dahlström et al. 2012). Therefore, it’s very important to

⁶³ <http://www.thehindu.com/features/education/dispelling-myths-about-civil-services-examination/article75295.ece> accessed on 16.03.2015

⁶⁴ <http://archive.indianexpress.com/news/453-ias-ips-and-civil-servants-charge-sheeted-in-last-3-yrs/879559/> (accessed on 19.03.2015)

identify the attributes of corruption from the perspectives of the future civil servants. It can potentially contribute to the personality verses merit debate. For the purpose of this study, the candidates who had passed their first screening test of the UPSC and were natives of Bihar were evaluated. Also, majority of these candidates expressed their keenness to appear for the examination conducted by the Bihar Public Service Commission, if they failed in the current UPSC examination.

4.3 *The problem of corruption*

Corruption has emerged as an important element of the current political discourse in India. It is considered as the biggest challenge in terms of governance in contemporary India (Quah, 2008; Gupta, 2001). Moreover, commentators of Indian polity have for long talked about the massive prevalence of corruption in almost all the spheres of public life (see Kohli, 1975; Vittal, 2012; Gouveal et al, 2013). There is a popular perception that corruption in India is deeply ingrained into the system of governance, and that rent-seeking by governmental machinery has become a rule rather than an exception. Vittal (2012) described the problem of corruption using the metaphor of ‘multiple organ failure’ for it involved almost the entire governmental machinery. In one of the recent admission to the prevalence of massive corruption by the government, the nexus between top bureaucrats and the politicians were revealed, and a need for changing the mind-set of the bureaucrats was emphasised upon.⁶⁵ It is not that the government has not instituted reforms. As stated earlier in the paper, there is enactment of Right to Information Act (RTI) as a result of the continuous pressure from various civil society organisations. Also, the present regime of Bihar has implemented various anti-corruption reforms. However, reported cases of massive corruption every now and then

⁶⁵<http://indiatoday.intoday.in/story/government-paper-admits-to-babu-and-politician-nexus/1/184403.html>
(accessed on 17.03.2015)

cast doubts on the efficacy of these anti-corruption legislations and reforms. It becomes crucial to explore why corruption cases are such a menace in developing countries like India. Some of the recent academic works sited surprizing attributes for the prevailing corruption in India. In one of the study it was stated how people condemned corruption but it did not influence their corrupt behaviour (see Marquette et al. 2014). The other one claimed that the students aspiring to work for the public sector in India had more inclinations towards corruption (see Hanna and Yi-Wang, 2013). Thus we find that the existing academic works on corruption in India conceived corruption as all pervasive with inherent contradictions in the ways it is perceived by the people and acted upon. Therefore, it becomes essential to comprehend these discrepancies by understanding the attitude of aspiring civil servants on corruption. Before doing so, it would be imperative to briefly comprehend two of the major theoretical reinforcements which have dominated the anti-corruption paradigm so far.

4.4 Theoretical background

Most of the contemporary policy makers as well as the academic have aligned their ‘anti-corruption’ advocacies on the basis of the ‘Hong Kong’ model (Marquette et al, 2014). These are based on the tenants of the principal-agent theory. This theory’ attribute corruption to ‘information –asymmetry’, where the principals⁶⁶ have more information than the agents⁶⁷ (Klitgaard, 1998, Rose Ackerman 1978, Beseley 2006). For controlling corruption, they emphasise on limiting the discretion, and increasing the accountability of the public servants. It could be done by the way of reducing the value of bribes. The value of bribe can be significantly reduced if there are very high chances of being caught coupled with severe punishment (Klitgaard, 1998; Shah, 2007). There is a huge influence of this theory on the

⁶⁶ principals are basically embody of public interest

⁶⁷ agents are the ones who perform the work and has the power to have an impact on others

prevailing global ‘anti-corruption’ efforts (Persson et al, 2013; Marquette et al. 2014). However, the critics claim that this model has failed in curbing corruption in countries which are infected with systemic corruption (Brinkeroff 2000; Johnston 2005; Lawson 2009). Instead, they contest that in these countries, corruption must be perceived as a ‘collective action problem’ where measures like punishment and monitoring becomes ineffective, as no one likes to hold others responsible for it. Consequently there is a need for changing the belief among individuals that others are not corrupt (Persson et al. 2013). Drawing on these two major theories, this study conducted an empirical analysis of the impact casted by the tools of the principal agent model (monitoring and severe punishment) on the bribery behaviour of the aspiring civil servants. Further, focus group discussions are conducted to supplement the empirical data and also to evaluate the problem of corruption through the lens of collective action theory.

4.5 Methodology, Sampling and Data Collection:

Data was collected through two methods:

1. Bribery game
2. Focus group discussion

For the bribery games, 36 candidates were chosen from two different ‘coaching’ institutes in Delhi⁶⁸. For the purpose of the experiment, they are referred to as ‘X’ and ‘Y’. Delhi was chosen, as it is the most sought after city for the preparations of the civil services examinations. These coaching institutes offer specialised training and prepare the aspiring civil services candidates for the civil services examination. The candidates were among those who had passed their first level of screening test conducted by the UPSC. Initially, it

⁶⁸ The names of the coaching institutes have been kept anonymous.

was very challenging to persuade the coaching institutes in Delhi for the bribery game. More than eight different coaching institutes were visited for this purpose and with several rounds of persuasion; two of the coaching institutes were roped in. Therefore, the selections of the coaching institutes were solely based on their readiness to engage into this experiment. Another herculean task was to persuade the students from Bihar for their participation. It was demanding as they were busy with their preparations for the second round of examination. They would not have liked to engage into any other activity. However, several rounds of visits were made on these coaching institutes, and with the influence of the staffs of these coaching institutes, candidates from Bihar were persuaded for this exercises. Therefore, the selections of the candidates were also based on their voluntarism. Bribery games were played on these two coaching institutes followed by the focus group discussions. The theme of the Focus-group discussion was ‘corruption in the civil services’. Deliberations were made on the broad topic of ‘why’ and ‘how’ of corruption. Notes were made by the ‘observers’ during the course of discussion.

4.6 Designing of the ‘Bribery Game’

The game is inspired from the papers ‘An Experimental Bribery Game’ (Abbink et al, 2002) and ‘Deterrence versus intrinsic motivation: Experimental evidence on the determinants of corruptibility’ (Schulze and Frank, 2003). It involves simplest act of bribery. In any act of bribery, there is involvement of at least two individuals. One is the bribe giver (e.g. contractor etc.) and the other is the bribe taker (i.e. public official). It involves transfer of money from the former to the later. In doing so, there are monetary profits made by both of them. At the same time, they harm the society through bribery. For example, the contractor will not supply quality goods thereby harming the beneficiaries. Drawing on this simple act of bribery, this

game was designed to be played in 'pairs'. Each team consisted of two players: 'A' as the bribe giver and 'B' as the public official. Since, the civil servants in India constitute the middle and higher level of bureaucracy; they are not a part of the frontline workers. Therefore, they are more involved in supervisory roles and deal directly with the contractors and middleman for awarding contracts for the public goods. Therefore, they form a kind of a sustained relationship with them. In order to model this aspect of relationship, the players played the full session of the game with the same partners. Another matter of concern was the effect of the word 'bribery' on the participant's behaviour. In some of the experimental games, it is found that the selection of words have an impact on the responses. In two- player reciprocity game (see Burnham, McCabe and Smith, 2000), mere changing the word from 'opponent' to 'partner' changed their co-operative behaviour significantly. At the same time, there are also claims (see Alm et al, 1992) that 'neutral' words do not make any difference. In order to keep the findings of this study free from such polemics, it was played as the 'bribery game' in one coaching institute and as the 'decision-making game' in the other.

There were no differences in the ways both the games were played except for the names with which they were introduced among the players. In the 'Decision making game' the players did not know that 'A' modelled a bribe giver, and 'B' a public official. In contrast, in the 'Bribery Game', it was implicit for the players to identify 'A' as the bribe giver and 'B' as Public Official. The overall goal of this experimental game was to comprehend the impact of public losses, 'probability of being detected i.e. monitoring' and 'severity of punishment' on the bribery behaviour of the participants and how any increase in the bribe amount affects it. In keeping with these goals, all the variables were manipulated at three levels. For nomenclature purposes they were classified as: low, moderate and high. Table no. 1 shows the values assigned to them under each category.

Table No.1

Treatment Level	Bribe Amount	Loss to Public	Risk of being Caught (monitoring)	Severity Of Punishment
LOW	Rs. 25	Rs. 400	Probability of 0.34	Penalty of Rs. 150
MODERATE	Rs. 50	Rs. 800	Probability of 0.50	Penalty of Rs. 200
HIGH	Rs. 75	Rs.1200	Probability of 0.67	Penalty of Rs 250 and social loss

During the games, some amount of money (the exact amount is narrated later in the paragraph) was credited to the accounts of every player. They had to play with this money. After the end of the game, their accounts were settled on the basis of their decisions made during the game. To start with, participants were randomly assigned into teams. Each team was provided with written instructions, specifying details of how the game is to be played, the treatments, and the options they could choose from. Each of the three teams was assisted by a trained person employed by the research team for conducting this game. In the written format, all the participants' pairs were given a total of 28 treatments. For the first ten treatments, each of the payers was told that their account has been credited with Rupees 1000 each (enough to cover nearly 30-40 per cent of their monthly accommodation rental bills) and they have to play the initial 10 treatments with this amount.

The first treatment aimed to establish 'base-line' behaviour of the players. Here, 'A' was given a situation where he or she could transfer Rs 50 to 'B'. If 'B' accepted, it got added to his or her account and concurrently Rs.100 was added to the account of 'A'. If it was

rejected, the account of ‘B’ remained unaltered, but ‘A’ lost Rs 10 as the transaction cost⁶⁹. Therefore, it was a win-win scenario for both the players. Also, it was overall efficient for ‘A’ to offer money and for the ‘B’ to accept as nobody was harmed in the entire process. This treatment acted as the control for the supplementary treatments.

In the remaining 27 treatments (details of which are explained in later paragraphs), the element of ‘bribe’ in the form of ‘loss incurred to the society’ was introduced. Bribe was operationalized as a negative externality inflicted upon the public (other players) arising from the reciprocal behaviour between the bribe giver and taker. This was done by imposing a fixed monetary damage on other players whenever the public official chooses to accept bribe. All the other teams played the role of the public for each other. There were nine teams playing at one given time. Thus, if a pair chooses to execute bribery, 16 other players (8 pairs) were damaged. Moreover, the total damage far exceeded the mutual gains realised by both the players of the team executing the bribe. Further, for the scoring purposes, if the money was offered and accepted a score of 1 was assigned; offered but not accepted a score of 0.5 and a score of 0 if it was not offered (see table no.2)

4.6.1 Scoring:

The treatments of the game were assigned the following score:

Table No. 2

Conditions	Score
Bribe offered and accepted	01
Bribe offered and rejected	0.5
Bribe not offered	00

⁶⁹ Transaction cost modelled the cost an individual incurs in meeting the public official

The paper acknowledges its limitation of not being able to capture situations where the bribe was not offered, but had it been offered what would have been the decision of the bribe taker.

As bribery is carried out secretly; no feedback regarding the decisions of a team was provided to the other team. Thus, the pairs did not know till the end of the game about the extent they were damaged by others. Consequently, they were also not informed about their current cumulative earnings at any stage of the game. They were also assured that even after the end of the game; no team will be told how other teams have played. Each of the teams would be given their money under closed doors. Therefore, secrecy was preserved even after the end of the game.

The first 9 treatments among the remaining 27 treatments probed the impact of ‘public losses’ on the bribery behaviour and the way it got affected by increasing the bribe amount. The treatment was similar to the first treatment except the addition of public loss. Here, ‘A’ was given a situation where he or she could transfer money to ‘B’ and if it was accepted, both ‘A’ and ‘B’ benefitted, but in the process the remaining players in the room lost some money. The values of the money benefitting both ‘A’ and ‘B’ as well the ‘total loss incurred by others’ were manipulated at three levels. Therefore it had in total nine treatments as the following: 1) low bribe amount-low public loss 2) low bribe amount-moderate public loss 3) low bribe amount-high public loss 4) moderate bribe amount-low public loss 5) moderate bribe amount-moderate public loss 6) moderate bribe amount-high public loss 7) high bribe amount-low public loss 8) high bribe amount-moderate public loss 9) high bribe amount-high public loss.

The next 9 treatments examined the relationship between varying ‘probability of being detected’ and the bribery amount on the similar ways how the earlier 9 treatments were manipulated. However, in these treatments, additional feature of ‘detection of bribery’ as well as ‘punishment in cases of detection’ were inserted. Since, the results of the earlier nine

treatments were not evaluated at this point of time; it was unknown for everyone how much money was there in the players account. Therefore, all the players were told that a sum of Rupees 900 was further credited to their account. Whether bribery was detected or not was determined by rolling a dice. The punishment was operationalized by the ways of monetary losses. Also, for all the nine treatments there was a constant value for the 'public loss' (Rupees 400) and 'punishment when detected' (loss of Rupees 100 by both the players of the team). The values of both the bribe amount as well as the 'possibilities of detection' were manipulated at three levels. For the probability of detection, the different values were 0.34; 0.50 or 0.67; and for the bribe amount it was Rupees 25; 50 or 75. Therefore, whenever bribery was executed, the total public loss was of Rupees 400 followed by the rolling of a dice. The dice was rolled by a trained person appointed by the research team. They were instructed to roll the dice after every treatment irrespective of bribe being accepted or not. It was so done in order to prevent the teams from knowing what options others were making. In cases of the detection of bribery, a flat monetary penalty of Rupees 100 was levied on both the players of the team.

The last nine treatments examined the impact of 'severity of punishment' and the way it was affected by the varying 'bribery amount'. Again the treatments were manipulated in the fashion similar to the earlier treatments. In these treatments, the amount of public loss (Rupees 400) and the 'probability of being detected' (at 0.34) were kept constant. Only the values of the bribe amount and the 'punishment when detected' were manipulated. Further, punishment also involved social losses apart from the monetary losses in the extreme cases. For the social loss, the information regarding the bribery behaviour of the culpable was to be conveyed to other players after the end of the game. For the severity of punishment, the values were manipulated as: loss of Rupees 150; 200 and Rupees 250 coupled with the exposure of the bribery behaviour to two other teams, and for the bribe amount it was Rupees

25; 50 or 75. Since, the results of the earlier treatments were not evaluated at this point of time; it was unknown for everyone how much money was there in the players account. Therefore, all the players were told that a sum of Rupees 900 was further credited to their account. Further, they were also warned that if they were punished with over Rupees 900, they would not be allowed further treatments and they would continue to be seated in their place till the end of the game.

Further, as each of the variables was judged through 9 treatments, the total scores were interpreted in the following ways:

Table No.3

Total Score	Interpretation
09	A total corrupt situation
00	A total honest situation

4.7 Results

The first treatment (involving no bribery) aimed to establish the base behaviour of the players. In this treatment it was found that all the players executed the deal. Therefore, it ascertained that all the players were economically rational. Below are the cumulative scores for the other 27 treatments.

A. Treatments examining the impact of Public Loss and the Bribe Amount on the Bribery behaviour

Table No. 4

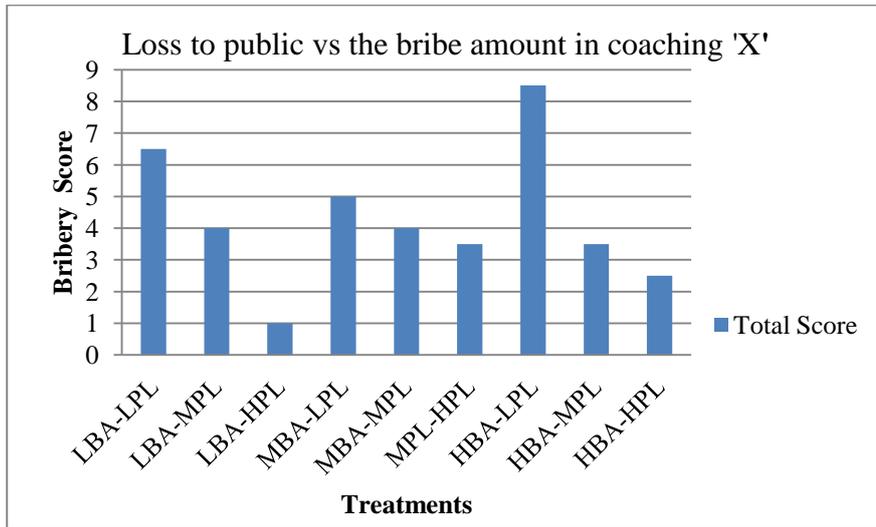
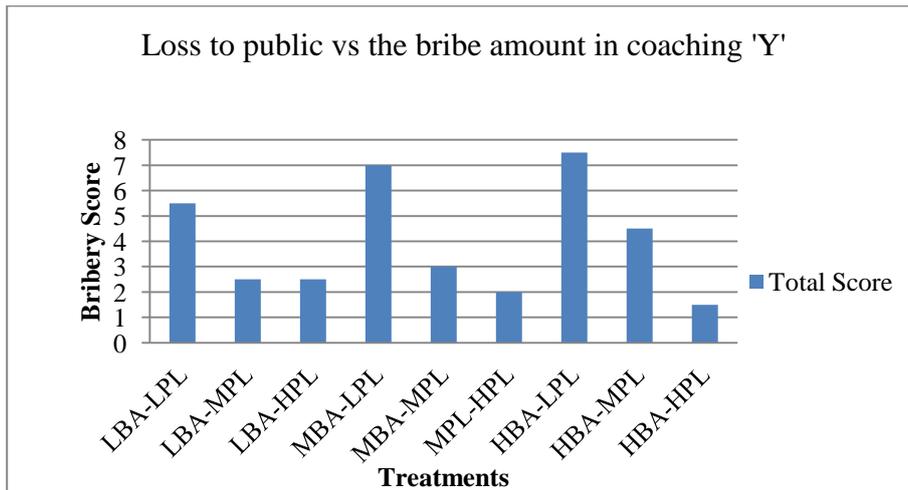


Table No. 5



LBA: Low Bribe Amount MBA: Moderate Bribe Amount HBA: High Bribe Amount

LPL: Low Public Loss MPL: Moderate Public Loss HPL: High Public Loss

In both the coaching institutes, any increase in public loss resulted into a subsequent decline in the bribery behaviour. Bribery is significantly reduced in treatments involving high public loss even when it has a high bribe amount. There is an incidence of a near total honest situation in coaching institute X ‘decision-making game’ (score of 1) when the bribe amount is low and the public loss is high. The situation in coaching institute Y ‘bribery game’ is also similar with the score of (2.5). Another observation is that whenever there is an increase in the bribe amount, it has resulted into a corresponding increase in the bribery behaviour. The most corrupt situation is witnessed in situations of high bribe coupled with low public loss (a score of 8.5 in coaching institute X and 7.5 in coaching institute Y). Thus, we find a kind of an inverse relationship between bribe amount and public loss in terms of their impact on the bribery behaviour of the players. These results are much on the expected lines. Thus, it can be inferred that high public loss has a potential to curtail bribery behaviour. The next two tables present the results on the impact of probability of detection i.e. monitoring on the bribery behaviour.

B: Treatments examining the impact of Probability of Detection and the Bribe Amount on the Bribery behaviour

Table No. 6

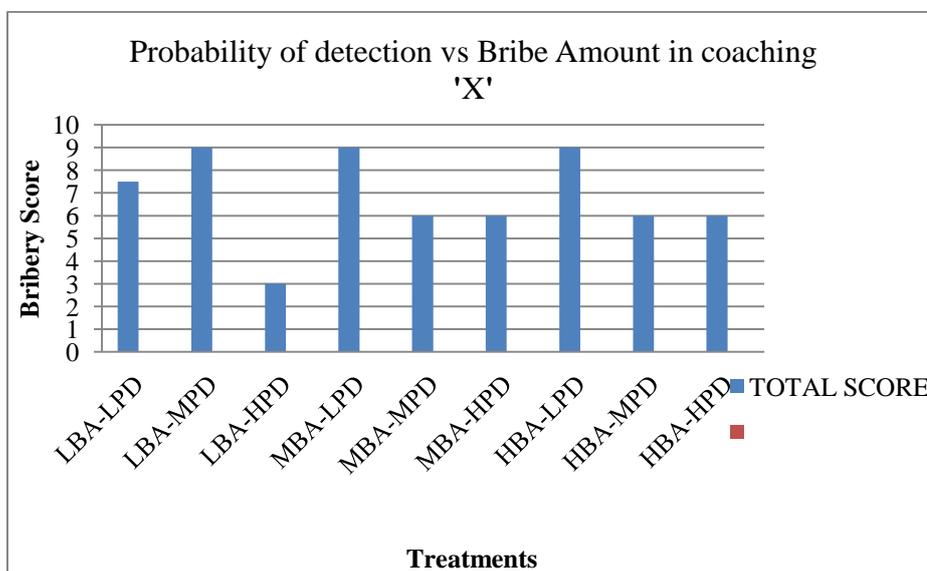
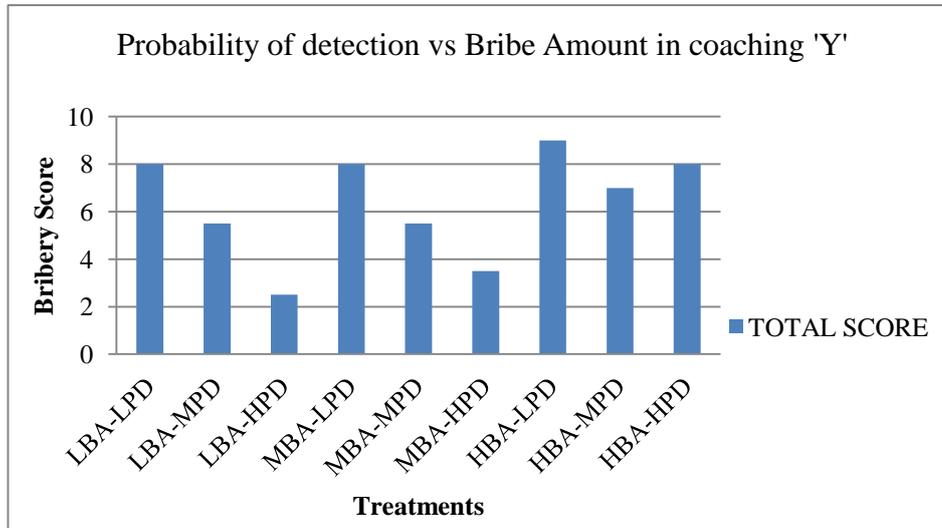


Table No.7



LBA: Low Bribe Amount MBA: Moderate Bribe Amount HBA: High Bribe Amount

LPD: Low Probability of Detection MPD: Moderate Probability of Detection HPD: High Probability of Detection

In contrast to the impact of high public loss on the bribery behaviour, high ‘probability of detection’ was not very effective in restraining bribery. Though, it had some impact when the bribe amount was low, a further increase in the bribe amount reversed it. In fact, in both the coaching institutes, players resorted to more bribery in treatments where high probability of detection was coupled with high bribe amount. There are also couple of interesting findings contrary to the expected behaviour. They are given below:

- Coaching institute ‘Y’ (bribery game) witnessed more incidences of bribery when the probability of detection increased from moderate level to high level, even when the bribe amount was same at both the incidences.
- Treatments involving high bribe amount witnessed more incidences of bribery in the ‘bribery game’ (coaching institute ‘Y’) than in the ‘decision making game’ (coaching institute ‘X’).
- In contrast to the above situations, in conditions of moderate probability of detection,

bribery behaviour occurred less frequently in the bribery game (coaching institute ‘Y’) than in the decision making game (coaching institute ‘X’).

This paper could not find a suitable explanation for this contradictory phenomenon. It leaves it for the future research to unravel it. One of the probable explanation could be the impact of the word ‘bribe’ which reduced the bribery behaviour in the situations of moderate probability of detection in the bribery game. But, then why was it not reduced and instead increased further in situations of high probability of detection stands enigmatic. Apart from these contrary outcomes, the results could only claim that the probability of being detected i.e. monitoring was only effective in controlling bribery whenever the bribe amount was low. Lastly, the result of the impact of punishment on bribery is presented below.

B. Treatments examining the impact of Severity of Punishment and the Bribe Amount on the Bribery behaviour

Table No. 8

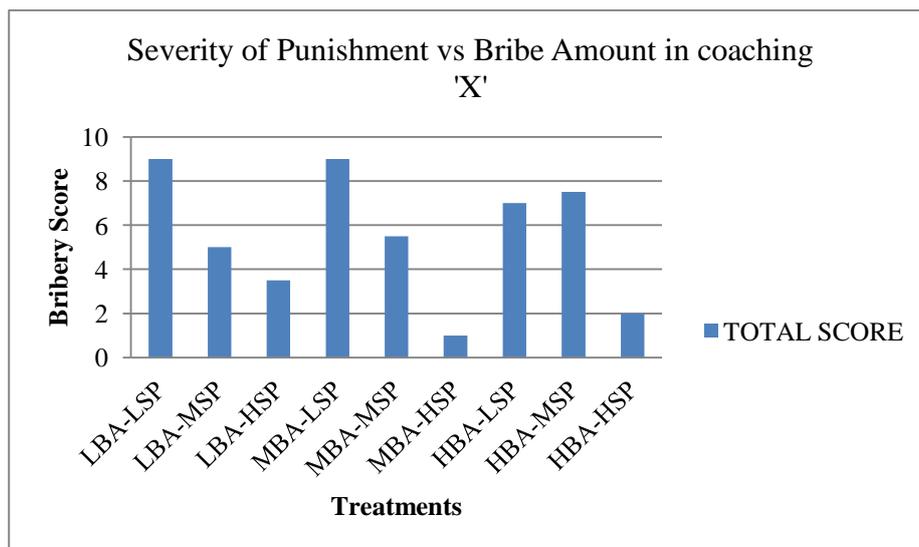
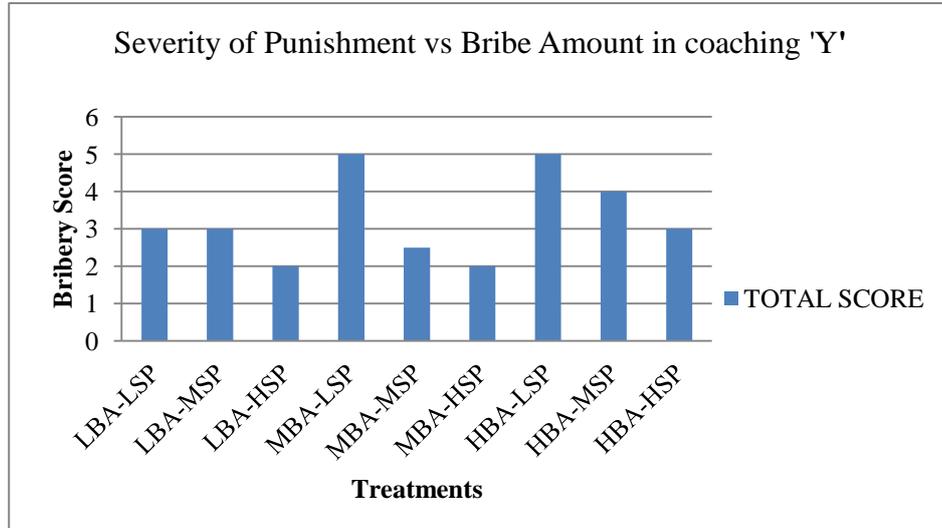


Table No. 9



LBA: Low Bribe Amount MBA: Moderate Bribe Amount HBA: High Bribe Amount

LSP: Low Severity of Punishment MSP: Moderate Severity of Punishment

HSP: High Severity of Punishment

The high severity of punishment stands most effective in controlling bribery. Even any increase in the bribe amount could not reduce its impact significantly. However, ‘low severity of punishment’ impacted both the coaching institutes differently. In coaching Y (bribery game), the severity of punishment deterred bribery more consistently than in coaching X (decision making game). May be, for what one is being punished for, influenced his or her bribery decision. However, in the situations of high severity of punishment, the overall bribery behaviour is reduced for both the variance of the games. Over all, the results show that the high severity of punishment has the greatest impact on deterring bribery behaviour.

4.8 Focus group discussion:

The discussion’s main theme was to explore the dynamics of corruption in the public services. Enquiries with regards to the impact of the recent reforms and their efficacy were also

discussed. It was followed by a debate on what could be the best means to curtail corruption in India. Also, during the conversations, efforts were made to inquire how the choices were made by the participants in the bribery game. Below is a synoptic account of the most important conclusions from both the focus group discussions.

One of the most ground-breaking information which emerged out in the course of discussion was the existence of an informal terminology to classify public services. This classification was based on the 'bribe extracting potential' offered in a service. At one end of the spectrum lied all those services which offered immense extraction potentials. These services are informally referred as 'plump or cream'. On the other end lied those services which offered very few opportunities for corruption and were referred as 'shunting'. Many of the participants were of the view that services derived their 'prestige' in society in terms of their placement on this wide spectrum. Those who lie on the 'plump' side commanded greater 'prestige' and were most sought after by the youths. These are not only true for the federal services but also for the various state services. Participants were of the opinion that many of the job seekers prioritise their preferences for the services on the basis of this categorisation. An interesting feature of this categorisation is that it also exists within a service. For example, even in a service which is on the 'plump' end of the spectrum, have postings which are 'plump' and 'shunting'. The remarkable feature of this categorisation is that the 'shunt' posting in 'plump' services is better in terms of its exploitative potential than a 'plump' posting in 'shunting' services. Moreover, the prevailing administrative and political system abets corruption among officials on the basis of this categorisation. It is common understanding that 'honest' officials are frequently transferred and placed in 'shunting' positions. The officials have to make a choice between corruption and transfer to shunting position. In either case, corruption does not stop. All the officials know that if they do not do it, someone else will do that. This dilemma among the civil servants is one of the major

causes of corruption. It further allures the civil servants to retain crucial ‘plump’ postings leading to the appeasement of their superiors and political masters. This is one of the reasons why there is prevalence of bureaucrats-politicians nexus. The discussion was supplemented by an affirmation on how any change in government is followed by massive reshuffling in bureaucracy. Therefore, the participants were of the view that prevailing system abets corruption and officials succumb to it.

Further, it was unanimously accepted that there is rampant corruption in public services of the country. Bribery was not an exception and everyone was aware of at least few corrupt officials, either in the family, friends, or neighbourhood. One of the interesting features of these phenomena is that corrupt officials are not looked down upon in the society. Instead, they are held in high esteem on account of wealth they possess. In families, they help other members with money. For example, they contribute in relative’s daughter marriage expenditure and dowry; pay high tuitions fees of relative’s children for the engineering, medical or management institutes. Even among friends, they earn special status. One of the participants explained the reasons for corrupt officials’ high status among friends and family in the following words:

They can arrange holidays for friends; give them costly gifts on birthdays.

Further people also realise that their friends in the civil services are the only one, who can provide them soft loans at the time of need. Also, for any work in the government offices, these friends help them with their *parravi* (literally, recommendation) [.....]⁷⁰

Moreover, the above stated attributes were more peculiar to the officials working in the ‘plump or cream’ departments. In fact, they are expected to be like that. Many a times, if they

⁷⁰ Excerpts from focus group discussion 27.10.2013

do not fulfil these illicit demands of their relatives and friends, they are considered as ‘miser’ and not ‘honest’. Everyone takes for granted that corruption is part and parcel of their jobs. In addition, not everyone in the family is financially secured, and thus it becomes the responsibility of the person employed in the cream department to help them in securing a better life. Furthermore, it was also stated that people have become greedier in the recent times. There is tremendous rise of consumerism after the opening up of markets since 1990s. People are demanding electronics gadgets, cars and other commodities which keep updating every couple of months. It has redefined the ways success is perceived in the society. At present, success is only evaluated in terms of money one possesses. Further, few of the public officials consider their posting as ‘one time opportunity’ to amass wealth. Therefore, officials bribe their superiors to retain their ‘plump’ posting. It leads to the creation of a corruption web.

Another important attribute for corruption which dominated the discussion was the way corrupt officials have been dealt with in the past. It is perceived that the post-independence history of India has favoured the corrupt. The participants believed that corrupt officials were hardly punished for their graft. There were quite a few number of reported corruption cases which dominated the media attention for days but in the end everyone got acquitted. It has the biggest influence on the mind-set of the public officials as well as the people at large. It was unanimously accepted that severe punishment to these officials would have changed the way corruption is presently perceived in the society and would have deterred officials from indulging in corruption. Given the fact, how competitive it is to get into the public sector, officials would never risk it. The problem is that the government officials are hardly caught. Moreover, there is absence of speedy trials coupled with numerous channels of escape. Therefore, officials indulge in bribery discretely and do not fear any punishment. Drawing on

the leniency the corrupt officials have enjoyed in the past there is absence of ‘role models of honest officials’. One of the participants explained:

We hardly find ‘role-models’ of honest officials. Though, there were few incidences in the past where some honest officials challenged the establishment, but in the end they could not achieve any success. These incidences have cemented the perception that it is very grim to fight corruption [.....]⁷¹

Beside the absence of ‘role models’, early exposure to the incidences of bribery by youths, shaped their perception about corruption. People start experiencing ‘bribery’ right from their initial stages of life and later imbibe it for ever. One of the participants explained this phenomenon by citing an interesting example which among others helps in cementing a belief that ‘bribery’ is the normal way of life:

We all know how difficult it is to secure a seat in the trains. When someone bribes for getting a seat in the train, it further allures him to travel ‘without ticket’ and bribe whenever caught. In this way, the incidences of bribery become a way of life and later he exploits all the other public services through bribes [...]⁷²

Further, on the discussion, why corruption continues to be prevalent in public services, given the background of a massive civil society led movement against corruption in the recent past. The participants produced some interesting conclusions. It was stated that it was not hidden from people that petty corruption was rampant in the delivery of public services, still nobody opposed it. On the contrary, people belonging to the middle class perpetuated petty

⁷¹Excerpts from focus group discussion 11.10.2013

⁷² Excerpts from focus group discussion 11.10.2013

corruption. For example, they were happy not to appear for the ‘driving test’ and avail ‘driving license’ by paying bribes. It became a way of life. Furthermore, in every society, middle class is the harbinger of any societal change but in the Indian context, petty corruption received the support of the ‘middle class’. One of the participants narrated how middle class in India perceived petty corruption:

Bribe act as motivators for public officials to work. At the same time, people are also happy paying bribe. In fact, when they bribe, they are assured that their work will be accomplished [...]⁷³

Further, in response to the massive urban based civil society led ‘anti-corruption’ movement in the recent years, the participants attributed it to the exposures of multimillion scams by the media houses. At that period of time, the country also witnessed high inflation. It so happened that people attributed inflation to these scams. As inflation affected the middle class negatively, it rose in opposition. Therefore, till the time corruption does not have any negative impact on the people, they do not revolt against it. This is one of the reasons why, petty corruption has thrived for long without much opposition. Participants were of the opinion that petty corruption largely affected the poor and distorted the efficient delivery of various welfare schemes. Moreover, the poor do not possess the capability or potential to revolt against the government officials and therefore petty corruption thrives.

With regards to the possible ways of curbing petty corruption, the participants attributed it to the overall change in the mind-set of the society. People need to socially boycott corrupt officials. Any group of services should not be accorded ‘prestige’ on account of its exploitative potential but on the basis of its contribution to the nation building. In addition, an overall belief that corruption is destructive has to be created among people. One of the best

⁷³ Excerpts from focus group discussion 27.10.2013

ways to create such a belief is through school education. Right from the school days, children should be taught about the ills of corruption. There should be story books for the children depicting corruption as the biggest form of treachery against the country and mankind. One of the participants aptly narrated the importance of societal perception in the following way:

.... the government servants come from the society where bribery is perceived as a way of life. Any change in social perception, will bring a deciding change in the mind set of bribe-takers as well as the bribe giver [...]⁷⁴

Moving onto the ways the latest anti-corruption reforms have impacted the overall nature of corruption, the participants presented mixed responses. They largely conceived ‘transparency legislation’ as an important tool to bring about changes in the way people perceives bureaucracy. It has given the ‘educated’ people a sense of power vis a vis government officials. It is also through this legislation that many of the ‘scams’ were unearthed. However, few of the participants raised concerns about the punishment meted out to corrupt officials. They argued that transparency legislation could only expose corruption but it cannot punish the offenders. Until, the officials are punished for corruption, transparency legislation will stand ineffective. On the anti-corruption reforms instituted by the Bihar government, the participants were of the view that the efforts of the government are not very successful. It has to be supplemented by a corresponding change in the mind-set of the ordinary people. Moreover, the outcome of the next state assembly elections (due in November 2015) would also have an effect on the anti-corruption efforts. If there is a change in the government, it’s not certain whether the new regime will follow the anti-corruption efforts.

⁷⁴ Excerpts from focus group discussion 27.10.2013

With regards to the games and how choices were made, majority of the participants were of the opinion that monitoring in the absence of strict punishment could not deter bribery. One of the participants justified his action in the following way:

Players knew for sure that all the others in the room accepted bribe every time the level of punishment was low. When the level of monitoring went high without any change in the punishment, it did not have any influence. After all, detection would have cost only few Rupees [.....]⁷⁵

Further, the participants also narrated that high public loss and high severity of punishment deterred them from accepting the bribe. For the treatments involving high public losses, many of the participants perceived it as ‘mutually assured losses’. Though any bribery would have harmed everyone, the participants were of the opinion that in situations where the loss inflicted upon others were not very high; they were not sure whether other would refrain from bribery. Additionally, an interesting feature was that majority of the participants agreed that they did not take into account the cumulative loss incurred by others while making their decision. Instead, the decisions were based on loss incurred to the individual. Besides, all the participants agreed that the most effective deterrence to the bribery behaviour was the high level of punishment. It was because the punishment was solely on them and would have cost high economic loss. Therefore, indulging into the bribery behaviour amidst high punishment was not rational.

4.9 Discussion

In keeping with the overall aim of this paper, the results from the bribery games as well as the focus group discussions can be summarized as below:

⁷⁵ Excerpts from focus group discussion 11.10.2013

Firstly, the study tried to explore whether public loss had any impact on the bribery behaviour of the civil services aspirants. The results found that high public loss acted as deterrence to the bribery behaviour. The participants viewed high public loss as mutually destructive. However, low public loss could not deter bribery as participants anticipated that others would accept bribe in these situations. The findings confirm the proposition made by Persson et al. (2013) that corruption can be controlled by changing the belief among individuals that others are not corrupt. Another thought-provoking finding was that very few participants calculated the cumulative loss inflicted upon others while deciding on their bribery behaviour, and moral connotations of not accepting 'bribe' did not even appear in the focus group discussion. Through this study it is claimed that the aspiring civil servants decisions on bribery are solely based on individual gains, economically driven, and devoid of any moral considerations. However, one of the limitations of making such a claim is that since all the players were known to each other, they might not have conceived their loss as public loss.

Secondly, the study explored the impact made by the principal-agent model based anti-corruption tools on civil services aspirants' bribery behaviour. The impact of strict monitoring and severe punishment were evaluated. The findings revealed that strict monitoring was not very effective in controlling bribery. In fact, when monitoring and low level of punishment were introduced, the instances of bribery went up. These results are contradictory to the common sense understanding of bribery. One of the reasons of it could be the 'excitement' among players on account of throwing of dice. Another probable explanation could be based on the claims made by Schulze and Frank (2003) that monitoring reduces the intrinsic motivation for honesty for low level of corruption. Further, in both the version of the games, an increase in the bribe amount nullified the impact of any increase in the level of monitoring. Civil services aspirants did not perceived high level of monitoring risky until it also entailed very severe punishment. In contrast, when the level of punishment was raised, the bribery

behaviour was consistently reduced even in the conditions of low level of monitoring. Further, the results also showed that severe punishment deterred bribery even in the conditions where the amount of bribe was high. For the civil services aspirants' severe punishment made bribery unattractive. Overall, the study supports the assertion of the 'principal-agent' model that severe punishment potentially deters bribery.

Thirdly, the study found that for the civil services aspirants from Bihar, there existed informal categorisation of the government services based on their exploitative potentials. Further, it was perceived that the services with most exploitative potential allured youths to be a part of it. No wonder, in one of the recent studies it was claimed that the students aspiring to work for the public sector in India had more inclinations towards corruption (see Hanna and Yi-Wang, 2013). Another contradictory finding was that the aspiring civil servants believed that corrupt officials were not looked down upon in the society. On the contrary, they received special privileges among friends and family as they help them in securing any government related work by the virtue of their position. Therefore, the study explored the existence of social acceptance of corruption and how a civil servant becomes a source of 'contact' for the family members and friends, thus cementing a web of nepotism.

Fourthly, the aspiring civil servants perceived that corruption was rampant in the public services. They attributed it to various interconnected factors. For them, amidst tremendous rise in consumerism, success was only evaluated in terms of money one possesses. Further, people got exposed to bribery at very early age of life and it became a part of life. Moreover, selective apathy of the educated and middle class perpetuated petty corruption as they benefited from them. On the other hand, the poor were the major victims' of petty corruption but they did not have any effective voice in the society. Additionally, they attributed the way corruption cases have been dealt with in the past as the major perpetuator of corruption in

government offices. The perpetrators were hardly punished. It created a situation where corruption was perceived as a low risk affair. Furthermore, the way honest officers were transferred and manipulated by the politicians tainted the moral of the civil servants and allured them towards maintaining 'status-quo' as far as corruption was concerned. Overall, this study explored the dynamics of corruption from the perspective of the civil services aspirants.

Lastly, the civil services aspirants from Bihar perceived that the way society has conceived public offices has a profound impact on the corruption. Any anti-corruption reform has to bring about an overall change in the mind-set of the society. Corruption can be significantly reduced if speedy trial and punishment is accompanied with social boycott of corrupt officials and political accountability.

4.10 Conclusion

The paper tried to explore the perception of the civil services aspirants from Bihar on corruption. In doing so, it empirically analysed the impact of public losses, monitoring and severity of punishment on their bribery behaviour. It discovered that high public loss is effective in curtailing bribery as the participants perceived it as mutually destructive. It also established that severe punishment is the most effective tool for restricting bribery. Similarly, it showed how monitoring needs to be coupled with severe punishment for curtailing bribery. Further, it also revealed how social acceptance of corruption, apathy of the middle class, and the way corruption cases have been dealt with in the past has an impact on the overall perception of the civil services aspirants. The study concludes that well-meaning strategies for reducing corruption through strict monitoring and regular inspections might not be effective on their own. They have to be combined with an overall change in the ways society perceived corruption. Moreover, in the context of Bihar, where corruption has been systemic and the aspiring civil servants are exhibiting apparent signs of 'bribery behaviour', it is the time to

contemplate on the 'carpet change reforms' as far as the anti-corruption discourse of India has gone so far.

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5 Chapter Five: Discussion and Conclusion

This study set out to explore the dynamics of petty corruption in the delivery of public services to the poor in the Indian state of Bihar. As the state has constituted well-meaning anti-corruption mechanisms in the recent past, the study investigated how good governance reforms aimed at curbing corruption, unfolded at the ground level. In this pursuit, it has undertaken three important enquiries. First, it explored the potential as well as challenges faced by a civil society organisation in its efforts towards mobilising the marginalised rural poor against petty corruption. Second, it empirically investigated how recent the vigilance focused and anti-corruption reforms unfolded in the delivery of nutrition to the children under the state's largest child nutrition programme. Third, the thesis made a novel attempt to unravel the perspectives of the future civil servants towards corruption and the way they would respond to bribery situations. All these three major objectives constituted a separate chapter of this thesis. Bihar was chosen as the research site on account of its unique situation as far as corruption is concerned. About a decade ago, the state was identified as the most corrupt one in terms of petty corruption (see Transparency International Report, 2005)⁷⁶ but is now claimed to be the best state in India for making efforts towards curbing corruption (see Debroy and Bhandari 2012).

The academic relevance of this enquiry lies on the fact that the general theoretical literature on the subject of corruption in India and specifically in the context of resurgent Bihar is inconclusive on account of several vital questions. The thesis sought to answer three of these vital questions. First, how do civil society organisations mobilise the rural poor against petty corruption in the delivery of public services, the way they cope with the various complexities

⁷⁶http://archive.transparency.org/regional_pages/asia_pacific/newsroom/news_archive2/india_corruption_study_2005. (Accessed 12 September 2014)

of rural life interwoven around poverty, caste and power dynamics, and how do various stakeholders, specially the frontline bureaucrats, respond to these mobilization efforts?. Second, how the vigilance focused governance reforms aimed at curtailing petty corruption in the delivery of the nutritional services under the Integrated Child Development Scheme (ICDS) were implemented, received and contested by the frontline workers. Third, what do future bureaucrats (or potential bribe takers) think about corruption in public dealings, what are the factors that shape their attitudes toward corruption, and how do they respond to bribery situations as part of experimental games?

The answers to these questions not only aim to serve as significant inputs for future anti-corruption policies of the government of Bihar but are also likely to contribute to the debates on corruption and governance reforms in developing countries in general and India in particular. Overall the findings from this study serve to address the following identified gaps in the prevailing literature. First, the studies on anti-corruption struggle in India are largely urban middle-class centric (Harindranath and Khorana, 2014), and civil society led mobilization of the poor against petty corruption has received little attention either in the mainstream media or in academic literature. Second, while many studies advocate for vigilance focused reforms for curtailing petty corruption in the delivery of welfare services to the poor (see Gragnolati et al., 2006; Sinha, 2006), there is a dearth of empirical investigation of what happens when these policies hit the ground. Third, there is substantial academic work and international reports which problematize the magnitude of corruption in India (see Quah, 2008; Gupta, 2001; Kohli, 1975; Gouveal et al., 2013); however, very little attention has been paid on understanding the future bureaucrats' attitudes toward bribery and corruption. Fourth, while several scholars have claimed that through the policies of good governance, corruption can be curbed (e.g. Girishankar et al., 2001; Uddin and Joya, 2007) but there is dearth of empirically grounded work on how these reforms are accepted, contested or manipulated by

frontline workers. Finally, in the context of developing countries, it is argued that even the most efficient anti-corruption tools fail to curb corruption (see Khan, 2006) and ‘country specific’ investigation about what actually works at the ground level is necessary for the success of governance reforms (Grindle, 2004). This thesis endeavours to be one such enquiry in the context of Bihar.

The thesis was guided by the theoretical frameworks of ‘demand and supply sides reforms’ and ‘social accountability’ for grounding its queries and analysing the results. The demand side reforms under the investigation included civil society led mobilization, involvement of users committees, community participation, the ‘right to information’ and public services legislations. On the other hand, the supply side reforms related to provisions of strict monitoring, severe punishment, and the perception of the delivery agents. With the help of these frameworks, the thesis aimed to explore the dynamics of petty corruption in the delivery of public services and identified the bottlenecks for the failures of anti-corruption efforts.

5.1 Summary of the main results

The main empirical findings are chapter specific and were summarized within the three chapters of the thesis: Can grassroots mobilization of the poorest reduce corruption? A tale of governance reforms and struggle against rent-seeking in Bihar, India; Can vigilance-focused governance reforms improve service delivery? The case of Integrated Child Development Services (ICDS) in Bihar, India; What do future bureaucrats think about bribery? A study of civil services aspirants from Bihar. This section synthesizes the empirical findings to answer the study’s main research questions.

1. What is the potential and challenges faced by civil society organizations in mobilizing the rural poor against petty corruption in welfare schemes, and how do various stakeholders, especially the frontline bureaucrats respond to this mobilization?

a. Tactics of mobilization are crucial: The case study showed that the task of mobilizing the poor was neither easy nor quick for the civil society organization. Their strategy of dealing with the problems of utmost importance (alcoholism in this case) was instrumental in bringing together the womenfolk, which later translated into the formation of a larger community based organization (MVM). Furthermore, in the context of Bihar, working with a single caste group made the task of mobilization easier to some extent but it also escalated the hostility among other lower castes.

b. Direct confrontation with the state is necessary: It was found that direct confrontation with the state, to some extent, was necessary for the poorest people to avail the benefits of welfare schemes meant for them. The Musahars, under the umbrella of their community based organization (MVM) and with the active support of the local NGO (SSEVK) confronted the state on several occasions, and at times, also resorted to violent protest. These confrontations with the state consolidated their power and created fear within the local bureaucracy. The street level bureaucrats refrained from demanding bribe from them. Furthermore, the symbolic power manifested in the form of bags with logo of their community organization (MVM) further infused confidence among them in their dealings with local officials.

c. Rights-based legislations and the presence of civil society organization supported by the ‘political will’ of the regime stand crucial: The findings from the study reflected how the current international development policy environment (e.g. DFID’s emphasis on civil society led mobilization of the poor) as well as rights based legislations (e.g. RTI) prompted an active role for civil society organizations in mobilizing the poor against petty corruption. The study indicated that the political strategy adopted by the new

regime in Bihar to protect the rights of Mahadalits⁷⁷, and in turn, make inroads into their vote-bank favored the anti-corruption mobilization against petty corruption. It checked the discretionary powers that the local bureaucrats often used against the poorest citizens.

d. Officials act selectively against anti-corruption mobilization: In the case study it was found that even though the civil society led movement helped the poor people from Musahars caste to get rid of petty corruption to an extent, it also allowed the officials to be selective in their bribery preferences and circumvent laws wherever possible. The local bureaucrats continued to extract bribe from other caste groups. The study showed that there are certain inbuilt design fallacies in major welfare programmes and the officials exploit it to their advantage.

e. The movement is hijacked by a single leader: With regards to the future trends and challenges of civil society organization led mobilization of the poor for exercising their rights, the case-study suggested that the issue of leadership was critical for its longevity. In the study site, the entire anti-corruption mobilization efforts were completely dominated by a single individual. The absence of second rung of leadership would hamper the struggle in the long run. Another challenge came in the form of excessive dependence of the community based organization (MVM) on the facilitating NGO (SSEVK).

2. How do vigilance focused anti-corruption governance reforms in the delivery of nutritional services to the children under the ICDS unfold at the ground level, and how do the delivery agents respond to these reforms?

a. Multiple inspections and strict punishment appeared counterproductive in curbing leakages: Contrary to the conventional wisdom, it was found that the threat of strict punishment and multiple inspections appeared counterproductive in the study research sites.

⁷⁷the poorest among the lower caste were categorised as ‘Maha Dalits’ in Bihar by the present regime

While the supervisors and the block level officials continued to extract their monthly ‘cuts’, the various other inspection teams were also bribed by the frontline workers for avoiding strict punishment or disciplinary action.

b. Inherent technical problems in the programme design abet corruption: The problem of bribery and corruption were exacerbated by some technical problems inherent in the programme. For example, food inflation, which was not accounted for when funds were released to the centers, led to curtailment in the quantity of supplied food to the beneficiaries. Furthermore, the frontline workers also managed funds for meeting the costs of photocopying or general maintenance of the centers. This resulted into false reporting and fudging of records by the frontline workers. In addition, the locally powerful people (including landlords and members of local bodies) influenced the process of identifying the ‘beneficiaries’. All these factors made corruption systemic in the delivery of services under ICDS in Bihar. This case study endorsed that until the root causes of corruption (e.g. unaccounted food inflation; undue interference by landlords and locally influential politicians, or lack of funds for paperwork maintenance) are tackled, vigilance focused reforms were not likely to curb corruption and leakages

c. Users committee create additional entry points for corruption in ICDS: the findings from the research sites showed that users committees in the ICDS had the potential to create additional entry points for corruption. Furthermore, the selections of the presidents of users’ committees were also discretionary as they were chosen either by the frontline workers themselves or under the influence of the local leaders. Later on, when these users’ committees were replaced by the *Anganwadi* Development committees (headed by a local school teacher), the situation did not improve either. Replacement of the users’ committees with ‘*Anganwadi*

Development Committees', simply substituted the actors involved in the extraction of money.

d. Awareness among the beneficiaries stand crucial for curbing leakages: The study revealed that the lack of awareness among beneficiaries about their rights and entitlements as well as the changes in the rules and regulations about service provisions were the major obstacles in receiving better service delivery. The policy reforms and the consequent changes in rules and regulations need to be communicated well to the target population. Otherwise, the rules can be circumvented by the project functionaries for their own benefit.

e. The service conditions of the frontline workers are very important for effectiveness of welfare schemes: The study showed that for the better delivery of services under the ICDS, the service conditions of the frontline workers needs to be improved. The overworked and underpaid frontline workers need to be motivated through promotional avenues, and provided with adequate funds to manage the centres effectively and honestly.

3. What do the future civil servants think about corruption in public services? How do the three factors, namely the impact of public loss, probability of being caught and severity of punishment affect the bribery behaviour of the future civil servants in India?

a. Knowledge about high public loss deterred bribery: The results from the bribery games showed that high public loss acted as deterrence to the bribery behavior of the future bureaucrats as they conceived it as mutually destructive. However, low public loss was not effective in deterring their bribery behavior as they anticipated that others would accept bribe in these situations.

b. Future civil servants' decisions on bribery were devoid of moral considerations: None of the participants considered the 'moral' dimension of bribery as a decisive factor in their choice making. Arguably, the aspiring civil servants' decisions on bribery were solely based on their individual gains, and were devoid of any moral considerations.

c. Strict monitoring was ineffective in curbing bribery: The findings revealed that strict monitoring was not effective in controlling bribery. In fact, when monitoring and low level of punishment were introduced, the instances of bribery went up. These results were contradictory to the common-sense understanding of bribery.

d. Severe punishment acted as deterrence to bribery behaviour: The participant civil services aspirants did not perceive high level of monitoring risky until it entailed very severe punishment. Whenever the levels of punishment were raised, the bribery behaviour consistently reduced even in the conditions of low level of monitoring and higher bribe amount.

e. Corruption was perceived as socially acceptable: The participants were of the view that corrupt officials were not looked down upon in the society as they help their friends and relatives in times of need by extending favours. It was also the reason for the perpetuation of nepotism. Furthermore, the aspirants also tend to categorise services on the basis of their money extracting potential. The more 'creamy' a posting is, the more sought after it tends to be.

f. Corruption is attributed to changing lifestyle and 'apathy' of middle class: The aspiring civil servants stated that with the tremendous rise of consumerism, money has become the sole criteria for success in the wider society. Moreover, the middle classes happily 'grease the palm' for getting things done quickly. This was identified as one of the main

factors for the perpetuation of corruption in public dealings.

g. No punishment for the corrupt official abets corruption: It was largely perceived that the ‘corrupt’ rarely get convicted and ‘honest’ officials were frequently transferred from one posting to another. The laxity in prosecution system and political control of civil servants’ postings breaks the morale of the serving officials and they, overtime, are likely to become complacent.

5.2 Theoretical implications

The thesis engages with the debates on governance reforms, the role of civil society in mobilization of the poor against petty corruption and societal underpinnings of corruption and bribery in public affairs. The main theoretical implications that can be drawn from Chapter 2 of the thesis are as follows. First, the study shows that civil society organizations have a crucial role to play in mobilizing the poorest citizens in their fight against petty corruption as well as exclusion from welfare schemes. This is made possible with concerted efforts of international donors to promote grassroots mobilization, political will of the ruling dispensation in favor of pro-poor governance reforms, as well as the ability of the activist organization to effectively mobilize the poorest in their struggle against rent seeking. Second, the findings support the argument that along with anti-corruption measures, the commitment of the political leadership is necessary for both curbing corruption (see Quah, 2008) and facilitating civil society interactions with state bureaucracies (see Evans 1996; Lavallo, 2006). The study showed how ‘political consideration’ of the ruling dispensation in Bihar emerged as an important aspect for empowering the rural poor. Third, the study also supports the claim that individual leaders tend to dominate people’s mobilization in the context of South Asia (Smillie and Hailey, 2000; Hailey and James, 2004; Petras, 1999; Govinda 2009). The findings exhibit the absence of a second rung of leadership, which might pose a potential challenge for

the continuance of the anti-corruption struggle. Fourth, the case-study of civil society led mobilization of Musahars in Bihar reveals the absence of ‘horizontal movement’ of the anti-corruption reforms with regards to the bribery behaviour of the local officials. The officials stopped asking for bribes from the people who were mobilised but not from others (and equally vulnerable) caste groups. Sixth, the study also highlights the existence of in-built deficiencies in the designs of some of the major welfare schemes instituted for the poor. These deficiencies de-incentivized the citizens from raising any protest against the leakages in the delivery of services. Overall, by presenting a narrative account of an anti-corruption struggle of the rural poor, which has received little attention from researchers in the recent past (see Singh, 2013), the study has supplemented the literature on anti-corruption mobilisation.

The third chapter of the thesis, built on the earlier critical assessment of the functioning of the ICDS (see Fraker, Neil, & Ronald, 2013; Nayak and Saxena, 2006), empirically investigated how some recent (mainly) vigilance focused reforms for curbing corruption and leakages have fared. Also, how do the frontline workers receive and contest the reforms initiated from above. The findings have contributed to the academic literature on streamlining the delivery of nutritional services to the children in the following ways.

First, contrary to the strong theoretical benefits of monitoring welfare programmes on the basis of users’ committees (see Gragnolati et. al, 2006; Sinha, 2006), the findings suggest that users’ committees can also emerge as a potential point of corruption. Second, it supported the claim that welfare schemes are prone to elite capture (see Dreze and Sen, 1989) and that there is problem of community leaders’ incentives to deliver. In the research sites, the involvement of teachers in the monitoring committees did not stop leakages, and on the contrary resulted in making the under-paid and over- burdened frontline workers more insecure. Third, the results

are also in line with the claims made by the scholars that awareness of rights and entitlements among the beneficiaries is crucial for the delivery of services under the ICDS (see Dreze, 2006; Kent, 2006). It was found in the study sites how the frontline workers exploited the ignorance of the beneficiaries to their own benefit. Fourth, the findings indicated that well-meaning strategies for reducing corruption (e.g. strict monitoring and regular inspection) may not achieve their desired results in the cases where corruption is systemic. Fifth, the findings exhibited how prevalence of certain fundamental problems (food inflation, no money for photocopying, etc.) abetted the frontline workers to consider bribery as a safer option. Sixth, the findings pointed out that amid conditions of systemic corruption, vigilance focussed reforms tend to escalate the problems of leakages and bribery in the research sites. In spite of these vigilance focussed reforms, some of the fundamental technical problems need to be resolved. Overall, in response to the commentators on Bihar who have argued in favour of the recent governance reforms in creating an enabling environment for the efficient delivery of public services (see Mukherji and Mukherji, 2012; Singh and Stern, 2013), this study displayed how these recent governance reforms of the government of Bihar have been circumvented at the delivery level.

The fourth chapter empirically investigated the impact of some of the most prevalent tools of anti-corruption on their bribery behaviour of future bureaucrats, and explored the ways they perceived corruption. In fact, the experimental (bribery) game conducted as part of this thesis is probably the first of its kind in the context of India. The main contributions from this chapter to the debates on corruption in India are as follows. First, the findings supported the assertion of the ‘principal-agent’ model that severe punishment potentially deters bribery. It further supported the assertion made by Klitgaard (1998) that corruption thrives on account of the easy way out with minimum risk. Second, the study claimed that severe monitoring in the absence of strict punishment failed to deter bribery among the civil services aspirants from

India. Although actual reasons for such behaviour could not be found, the study acknowledges that one of the probable reasons could be the claim made by Schulze and Frank (2003) that monitoring reduced the intrinsic motivation for honesty for low-level of corruption. Third, the study displayed that the aspiring civil servants' bribery behaviour was devoid of any moral considerations. These findings are quite in line with the claims made by one of the recent studies that the students aspiring to work for the public sector in India have more inclination towards corruption (see Hanna and Yi-Wang, 2013). Fourth, the study exhibited that candidates resorted to bribery on the belief that others would also be accepting bribe. These findings confirm the proposition made by Persson et al. (2013) that corruption can be controlled by changing the belief among individuals that others are not corrupt. Fifth, the findings indicated how corruption was socially acceptable in the country. Any efforts for curbing bribery in public dealings have to focus on the overall change in the societal perception of corruption. Overall, by presenting the perspectives of aspiring civil servants, this study complemented the various academic enquiries which have, thus far, only quantified corruption in the country (see Fraker et al, 2013) but have not found a narration or explanation for the same.

5.2 Limitations of the methods and recommendations for future research

Data on sensitive topics like corruption is very difficult to collect as it requires a range of methods and techniques with their own limitations. This thesis also witnessed certain limitations with regards to the research tools employed for the data collection. These limitations are acknowledged with the belief that future academic works would make an endeavor to fill these voids.

For the research objectives in relation to chapter two, the study acknowledges the limitation of stakeholders' reluctance to provide any information about bribery and embezzlement. Although, the study employed the methods of direct observation, net-mapping and semi-structured interviews to minimize this factor, certain limitations could probably exist. The study acknowledges that even after convincing the respondents about the purpose of this study as solely academic, the possibilities of the interviewer effect cannot be completely ruled out. Though the study tried to find consistencies in the answers by asking the similar questions to many respondents, there were no other empirical ways to verify the authenticity of the collected data. Another limitation was that interviews could not be recorded as the respondents were not comfortable with it, and notes were made only after the interviews. It might have resulted in missing some information. Moreover, as many of the incidents narrated by the respondents were based on their memories, the study also acknowledges the limitations of methodology involving 'recalling of the events from the past' (Patai 1998). The process net map was used to identify the relative influence of the various actors in leakages in the welfare programmes but it could not involve the public officials for this exercise, and the map was drawn only from the perspectives of the volunteers and the leader of the civil society organisation.

In chapter three, the techniques of semi-structured and conversational interviews with different stakeholders were employed. Apart from the limitations of these methods as stated in the above paragraph, the study faced an additional limitation with regards to its sample size of ten delivery centres. Furthermore, the reluctance of respondents to speak freely about some of the sensitive issues concerning them and the problems in cross-checking the information provided by them solely on the basis of official records or registers (which are often forged) also posed limitations.

For the third objective of exploring the perception of the aspiring civil servants on corruption, the tools of experimental bribery games and focus group interviews were used. The study acknowledges the following limitations of employing these methods for the data collection. To start with, the selection of the coaching institutes as well as the participants was solely based on their voluntarism. Moreover, though the experimental bribery games had its advantage of stealthy approach, its limitation lies in the fact that the participants might not perceive it as a real life situation, and play on the basis of their instincts and calculations. Moreover, the notion of public loss as a cumulative loss to the other participants might have the possibility of being perceived differently as all the participants were known to each other. Moreover, experimental bribery game was new to all the participants; therefore there are possibilities of more excitement for playing rather than exhibiting their true behaviour.

5.3 Policy implications:

In pursuit of its goal, the thesis evaluated the dynamics of petty corruption in welfare programmes as well as effective mobilization of the poor against rent-seeking, the effects of vigilance focused reforms for curbing corruption, and the future bureaucrats' attitudes towards bribery and corruption in public dealings. The results presented in the three empirical chapters of this thesis provide a range of insights and corrective measures to tackle the problem of petty corruption and enhance delivery of welfare services to the poor. Over all the broad policy implications of the research can be viewed as below.

- a. **International agencies and the government should facilitate mobilization of the poor for ensuring corruption free delivery of public services**

The results from the first chapter provide sufficient evidence for the necessity of a civil society led mobilization of the rural poor and making effective use of the anti-

corruption tools provided by the state. In absence of effective mobilization, the governance reforms are likely to be circumvented by the local bureaucrats. More so ever, even in the presence of such mobilization, the officials continued to extract bribe from the section of poor who were not organized. The political will of the ruling dispensation for bringing about good governance can be complimented with the effective mobilization of the poorer citizens for exercising their rights and entitlements.

b. The policy makers should plug built-in deficiencies in the welfare programmes

This study suggests that the design fallacies in the welfare schemes hampers leave entry points for corruption. These design fallacies discourage the poorest to flag the issue of corruption (e.g. in the case of Public Distribution System) because it actually results in denial of subsidized food grain for months. Also, in the case of employment guarantee scheme (MNREGA), the system of protecting the sapling for months without any provision of physical guarding abets corruption. The government should take corrective measures to plug these loopholes.

c. Donor agencies should ensure that second rung of leadership is nourished

Undoubtedly, for effective mobilization of the poor by civil society organizations, charismatic leadership is crucial. Yet, the findings from the study suggest that the donor agencies should ensure that a second rung of leadership is also nourished. In absence of second rung of leadership, the mobilization is likely to become unsustainable in the long run.

d. The role of teacher in the Anganwadi Development Committees under the Integrated Child Development Scheme (ICDS) should be reconsidered by the government

Making people's participation a necessary component of welfare service delivery mechanism is a cherished goal. What shape the 'participation' takes and whether it would help in curbing corruption is an open ended question. The research findings from Bihar suggest that the new community based committees headed by school teachers has not been effective in preventing leakages in delivery chain. Unless the root causes of corruption in the ICDS are addressed, the effectiveness of 'participation' in curbing corruption remains questionable.

e. **Changes in the rules and regulations governing welfare programmes should be communicated well to the target population**

The findings from the study show how lack of information among beneficiaries about their rights and entitlements as well as changes in the rules and regulations about service provisions were major obstacles in better functioning of the ICDS. This study strongly advocates for awareness generation among the beneficiaries to ascertain their rights; and supports the claims made by the scholars in favor of the 'rights based approach' for the delivery of services under the ICDS (see Dreze, 2006; Kent, 2006). It is argued that creating awareness among the beneficiaries should be an essential element in the reform approach.

f. **Instead of Vigilance focussed reforms in the ICDS, the government should aim to address some of the basic problems at the delivery centres**

This study showed how existence of some technical problems in the programme (for example, food inflation, no funds for photocopying etc.) lead to false reporting and fudging of records by frontline workers. Furthermore, the locally powerful people (including landlords and members of local bodies) also influenced the process of identifying the 'beneficiaries'. All these factors make corruption systemic in the ICDS in Bihar. In the wake of these problems, the current 'vigilance focused' reforms were

not able to put a check on bribery and leakages. The study recommends tackling these technical problems first, before any vigilance focused reforms are implemented.

g. The working conditions of the frontline workers engaged in the ICDS need to be improved

The study concludes that the strategy for overcoming the problem of corruption in the delivery of services under the ICDS should focus more on the frontline workers and their problems than on vigilance and inspections. The study recommends regular remuneration and regularisation of services of the frontline workers, and providing them with greater opportunities of career advancement (e.g. promotion to the posts of supervisors) as well as performance based rewards. In addition, appropriate ‘grievance redress’ mechanism should be in place, which would allow the frontline workers to report the cases of misappropriation of funds and demands of bribery by higher officials.

h. Anti-corruption discourse should include the value based education in addition to strict punishment for erring officials.

The study demonstrated how well-meaning strategies for reducing corruption through strict monitoring might not be effective on their own. They have to be combined with a change in the ways the wider society perceives corruption. The government need to contemplate on taking forward the anti-corruption discourse from its present fixation with strict legislation to imbibing the values of social good in public life.

The issue of corruption is at the core the governance conundrum in developing countries. This thesis argues that good governance debates and anti-corruption mechanisms may benefit from empirically-rooted research on the dynamics of corruption in context specific situations. While the objectives of ‘good governance’ cannot be achieved instantaneously, unravelling

the 'why' and 'how' (and not just 'how much') of corruption, as attempted in this thesis, will go a long way in devising effective strategies for its curtailment, and in turn, create conducive environment for effective governance and development.

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6 Curriculum Vitae of Rajiv Verma

EDUCATION

PhD (currently pursuing) Start Date: October 2012
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M.Phil. 2002 (New Delhi, India)
Jawaharlal Nehru University

Dissertation Title: Participatory Watershed Management: An answer to drought and erosion of common property resources

M.A. (Political Science) 2000 (New Delhi, India)
Jawaharlal Nehru University

B.A. (Political Science, Psychology) 1998 (Allahabad, India)
Ewing Christian College, University of Allahabad

ACADEMIC POSITIONS

Assistant Professor

Department of Political Science October 2009 – June 2012
M.K.R. Government Degree College,
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Department of Political Science July 2005 – September 2009
Government Degree College,
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AREAS OF SPECIALISATION

Thematic Interests: Rural Development; Good Governance; Corruption; Gender Issues

Research Methods: Interviews; Participant and Direct Observation; Net-Mapping;
Experimental Bribery Games

PUBLICATIONS

Verma, R. (2012). Article titled 'Women Empowerment through Entrepreneurship' in the book *Women Entrepreneurship, Problems and Prospects*, published by Sahitya Sansthan, Ghaziabad, ISBN: 978-81-89495-45-9

Work in progress

Journal Articles

Can pro-poor governance reforms reduce corruption for the poorest? A tale of grassroots mobilization against rent-seeking in rural Bihar, *Development and Change* (revised and resubmitted, February 2015). With Saurabh Gupta and Regina Birner.

Can strict enforcement improve service delivery: The case of Integrated Child Development Services (ICDS) in Bihar, *Oxford Development Studies* (submitted, August 2015). With Saurabh Gupta and Regina Birner.

What do future bureaucrats think about bribery? A study of civil services aspirants from Bihar. With Saurabh Gupta and Regina Birner.

Awards

DAAD International Fellowship for pursuing PhD	2012-2015
NET (National Eligibility Test) in Political Science conducted by University Grants Commission	1999
Ramji Agarwal Memorial Medal for securing first position in B.A.-1	1995

TEACHING EXPERIENCE

Lectures in University of Hohenheim, Germany

Module (4903-480): Governance, Institutions and Organizational Development.	20 October, 2015
Title: Governance challenges in food security programs, Role play game	
Module (4903-510): Agriculture and Food Security in Crisis-Affected Regions	18 June, 2015
Title: Child Malnourishment Amidst Governance Crisis: The case of Bihar in India	
Module (4903-470): Qualitative Research Methods in Rural Development Studies	12 June, 2015
Title: Process Net -Map: a tool for mapping the influence of social networks	
Module (4903-480): Governance, Institutions and Organizational Development.	4 November, 2014
Title: Corruption: a governance challenge	

Module (4903-490): Social Dimensions of Agricultural Development 31 October, 2014
Title: Colonialism and Agriculture

Module (4903-490): Social Dimensions of Agricultural Development 17 October, 2014
Title: Introduction and Overview

Courses Taught in India

MKR Govt. Degree College, Ghaziabad July 2005-September 2009

Political Theory
National Movement and Constitution of India
History of Western Political Thought
Comparative Government
International Politics

Govt. Degree College, Talwari October 2009-June 2012

Introduction to Political Theory
Indian Government and Politics
Comparative Government and Politics
Introduction to International Relations

Select Conference and Workshop Presentations

Anti-corruption training course –“The Economics of Corruption: Seeking the Nudges for Reforms”, organised at University of Passau, Germany (September 27- October 4, 2014)

Tropentag 2014 “Bridging the Gap between increasing knowledge and decreasing resources” organised at Czech University of Life Sciences, Prague (17-19 September, 2014)

Presented a paper titled “Village outcastes, entitlements and the struggle against corruption: A case-study of Samajik Shodh Evam Vikas Kendra in rural Bihar, India” in BASAS Annual Conference 2014 organised at Royal Holloway, University of London (2-4 April, 2014)

Let’s Feed the World: Millennium Express Workshop, Organised by Leibniz University, Hannover, Germany (27-28 February, 2014)

The Cost of Food-Beyond the Price Tag: Workshop and Panel Discussion, Organised by Freiburg Forum on Environmental Governance, University of Freiburg, Germany (22 February, 2014)

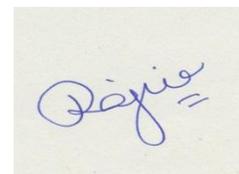
Cultivating Futures: Ethnographies of Alternative Agricultures in South Asian Landscapes of Crisis, Organized by Cluster of Excellence, Asia and Europe in a Global Context, University of Heidelberg, Germany (12-14 Dec, 2013)

Tropentag 2012 `Resilience of Agricultural Systems against Crisis`, Georg- August University, Göttingen, Germany (19-21 September, 2012)

Presented a paper entitled "Women Empowerment in India: The Way Ahead" in U.G.C. Sponsored National Seminar on Women Empowerment: Past Trends and Future Directions in Government P.G. College, Lansdowne, Uttarakhand (6-7, Mar 2009).

Faculty Development Program in Pedagogy, Soft Skills and Evaluation, Jointly organized by Department of Higher Education, Uttarakhand and ICFAI University (Mar 2006)

Completed Short Term Leadership Course Organized by Department of Psychology, E.C.C. Allahabad (Jan 1996)



Stuttgart / October, 2015

(Place/ Date)

Rajiv Verma

7 Affidavit

Eidesstattliche Versicherung

gemäß § 8 Absatz 2 der Promotionsordnung der Universität Hohenheim zum Dr.sc.agr.

1. Bei der eingereichten Dissertation zum Thema
GOVERNANCE CONUNDRUM: UNDERSTANDING
THE DYNAMICS OF PETTY CORRUPTION IN BIHAR, INDIA
handelt es sich um meine eigenständig erbrachte Leistung.
2. Ich habe nur die angegebenen Quellen und Hilfsmittel benutzt und mich keiner unzulässigen Hilfe Dritter bedient. Insbesondere habe ich wörtlich oder sinngemäß aus anderen Werken übernommene Inhalte als solche kenntlich gemacht.
3. Ich habe nicht die Hilfe einer kommerziellen Promotionsvermittlung oder -beratung in Anspruch genommen.
4. Die Bedeutung der eidesstattlichen Versicherung und der strafrechtlichen Folgen einer unrichtigen oder unvollständigen eidesstattlichen Versicherung sind mir bekannt.

Die Richtigkeit der vorstehenden Erklärung bestätige ich. Ich versichere an Eides Statt, dass ich nach bestem Wissen die reine Wahrheit erklärt und nichts verschwiegen habe.

29 OCTOBER, 2015

Ort und Datum



Unterschrift

Eidesstattliche Versicherung

Belehrung

Die Universität Hohenheim verlangt eine Eidesstattliche Versicherung über die Eigenständigkeit der erbrachten wissenschaftlichen Leistungen, um sich glaubhaft zu versichern, dass die Promovendin bzw. der Promovend die wissenschaftlichen Leistungen eigenständig erbracht hat.

Weil der Gesetzgeber der Eidesstattlichen Versicherung eine besondere Bedeutung beimisst und sie erhebliche Folgen haben kann, hat der Gesetzgeber die Abgabe einer falschen eidesstattlichen Versicherung unter Strafe gestellt. Bei vorsätzlicher (also wissentlicher) Abgabe einer falschen Erklärung droht eine Freiheitsstrafe bis zu drei Jahren oder eine Geldstrafe.

Eine fahrlässige Abgabe (also Abgabe, obwohl Sie hätten erkennen müssen, dass die Erklärung nicht den Tatsachen entspricht) kann eine Freiheitsstrafe bis zu einem Jahr oder eine Geldstrafe nach sich ziehen.

Die entsprechenden Strafvorschriften sind in § 156 StGB (falsche Versicherung an Eides Statt) und in § 161 StGB (Fahrlässiger Falscheid, fahrlässige falsche Versicherung an Eides Statt) wiedergegeben.

§ 156 StGB: Falsche Versicherung an Eides Statt

Wer vor einer zur Abnahme einer Versicherung an Eides Statt zuständigen Behörde eine solche Versicherung falsch abgibt oder unter Berufung auf eine solche Versicherung falsch aussagt, wird mit Freiheitsstrafe bis zu drei Jahren oder mit Geldstrafe bestraft.

§ 161 StGB: Fahrlässiger Falscheid, fahrlässige falsche Versicherung an Eides Statt:

Abs. 1: Wenn eine der in den §§ 154 und 156 bezeichneten Handlungen aus Fahrlässigkeit begangen worden ist, so tritt Freiheitsstrafe bis zu einem Jahr oder Geldstrafe ein.

Abs. 2: Strafflosigkeit tritt ein, wenn der Täter die falsche Angabe rechtzeitig berichtet. Die Vorschriften des § 158 Absätze 2 und 3 gelten entsprechend.

Ich habe die Belehrung zur Eidesstattlichen Versicherung zur Kenntnis genommen.

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