

Corruption exaggerated in India: Jagdish Bhagwati

With spotlight being on corruption and scams, internationally acclaimed economist Jagdish Bhagwati told Indian MPs on Thursday that the corruption issue is exaggerated in India which has delivered well on reforms.

"It is easy to exaggerate corruption we have today. In India, public figures are considered to be corrupt unless they prove to you otherwise. A blind man will tell you how he saw 'with his own eyes' a bribe being given and accepted", Bhagwati said delivering the Hiren Mukherjee Memorial annual Parliamentary lecture.

Corruption is found in several countries. "It is the same play; actors are different," Bhagwati said in the presence of Prime Minister Manmohan Singh, his junior in Cambridge.

The Columbia University Professor of Economics and Law said the problem in India is that "nobody gets punished. In America, if you are caught, even God can't help you," he said.

Bhagwati did refer to the issues like 2G scams but said the perception that everybody in public life is corrupt would be "self-defeating".

Within days of Bihar voters giving a pronounced victory to Nitish Kumar for his development agenda, Bhagwati shared his thoughts on the subject with the Parliamentarians, who need to live upto the rising aspirations.

"Aroused economic aspirations for betterment have led to political demands for politicians to deliver yet more. This suggests that voters will look to vote for the politicians who can deliver growth...." he said, giving lavish compliments to the Bihar Chief Minister.

Bhagwati, who is the brother of former Chief Justice of India P N Bhagwati, tried to establish a link between development and economic reforms.

"...Smart members of the Lok Sabha should be looking to augment reforms, not reverse them as misguided anti-reform critics urge." He made out a strong case for India opening the retail sector and for reforms in the labour market.

"Such intensification and broadening of reforms can only add to the good that these reforms do for the poor and the under-privileged," said 76-year-old Bhagwati who has taught at Massachusetts Institute of Technology, Oxford University and Delhi School of Economics.

On corruption, he said the menace can be dealt by institutional reforms and use of science. As an example, he cited the government initiative of giving electronic identity cards to the poor.

He said Nandan Nilekani is engaged in "arguably the most important innovative reform in recent years by creating a national database of identity details of Indian citizens.

This should take the political corruption out of the Public Distribution System and in the Employment

Guarantee Scheme.