

**THE PRIME MINISTER (DR. MANMOHAN SINGH):** Hon. Speaker Madam, I am very happy that at long last, the House had a debate on the issue of corruption. I thank all the Members who participated in this debate.

Madam, that corruption is a major national issue is a matter about which there is unanimity in the country. That we should collectively work to find credible approaches, credible solutions to deal with this scourge is also a matter which unites all sections of thinking public opinion in our country.

Madam, I share that perception; and on behalf of our Government, I would like to assure this august House that in the two and a half years that is left to us, we will do everything in our power to cleanse the system of this country.

Madam, Dr. Murli Manohar Joshi is not here. Yesterday, he made a powerful speech and he turned it into a personal attack on me as if I am the fountain head of corruption and that I have knowingly connived at corruption of some of my colleagues.... (*Interruptions*)

MADAM SPEAKER: Hon. Members, please. What is this?

... (*Interruptions*)

MADAM SPEAKER: Nothing else will go on record.

(*Interruptions*) ...\*

DR. MANMOHAN SINGH: Madam, I consider it beneath my dignity to enter into an argument on issues which are before the PAC, issues which are in our courts. In my seven years as Prime Minister even when the Opposition Members have accused me of many crimes, I have never used harsh language in describing the conduct of any Member of this House.

Madam, I would like to assert before this House that I have a public life in the service of this country for nearly 41 years. In these 41 years of my public life, 20 years in Parliament I have tried to serve this country to the best of my ability.

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\* Not recorded.

I, as Finance Minister, inherited an economy with a bankrupt treasury, with foreign exchange reserves totally exhausted, with credit worthiness of our country seriously in doubt. We turned around that economy. We have ensured that this economy, the bankrupt economy that we inherited, has become one of the fastest growing economies of the world.

Madam, whatever the Members of the Opposition may say, the fact is that India is respected all over the world. I think that is because of the inherent strength of our economy, of our polity, of our democratic system but at the margin, in these seven years or earlier as Finance Minister, I did make a small contribution in my own way to enhance the prestige of this country, and therefore, while charges are leveled against me, it hurts. But I am not going to convert this forum into a forum for accusation one way or the other. All I can say is that if any wrongdoing has been done by me, I invite the Leader of the Opposition to look at my property which I may have accumulated in the last 41 years, members of my family ...  
*(Interruptions)*

I would accept the verdict of the Leader of the Opposition if they find that I have used public office to amass wealth for myself or for any member of my family.

Madam, in the course of seven years as Prime Minister, I may have made mistakes. Who is above making mistakes? To err is human but to accuse me of evil intentions, of conniving at corruption is a charge I firmly repudiate.

Madam, this is not an occasion to trade allegations to and fro and I am not going to deal with this matter as the matter is before the court or before the various Committees of Parliament and they will come with their own conclusions. I would, however, like to say that corruption is a multifaceted problem. Therefore, we, as a nation, have to find practical, pragmatic means but effective means to tackle it, and this is not merely the responsibility of the Central Government. The State Governments are responsible for over 50 per cent of the total national spending and the conduct of the State Governments, which is the one way people come in

contact with Government, is essentially the responsibility of the States. There is anger in the country. There is anger about the misuse of public offices. 

Therefore, both at the Centre and the States, it is our obligation to clean up the system of governance to reform and to ensure that we leave behind for our children and grand children a system of public administration which is capable of meeting the challenges of the 21<sup>st</sup> century. I commit our Government to doing precisely that. In my address to the nation from the ramparts of the Red Fort, I listed a number of areas where in the next couple of months I would like our Government to take initiative and I stand committed to whatever I promised from the ramparts of the Red Fort.

Madam, corruption sources are numerous. Until the early 90s, the biggest single source of corruption was the licensing system, the industrial licensing system, the import controls and the foreign exchange controls. The liberalisation that we brought about has ended that part of the corruption story.

Another major part of corruption was the rates of taxation which were so exorbitant that people were tempted to enter into corrupt practices to reduce their tax liabilities. We have, I venture to suggest, ourselves and the successor Governments worked hard to simplify to streamline the taxation system and on balance there is less scope for corruption as far as taxation matters are concerned. Even though I recognise that a residual element is still there and we have to work together through various mechanisms, including goods and services tax which is now in the public domain and, which is, I believe, an obligation which our country must fulfil if it wants to move forward. But, there are many other areas where corruption still persists. We have to tackle this problem from various angles.

There are Central Government programmes administered by the State Governments but there are leakages. Therefore, we must find ways and means of reforming the system of public administration so that these leakages can be plugged. Malfunctioning of public distribution has been widely commented upon. We must, therefore, devise new methodologies to ensure that the Public

Distribution System will be free of malpractices. This is an obligation which we can discharge only in full collaboration with the State Governments and discharge we must. But I would like this House to endorse the reform of the Public Distribution System, where the ordinary people come in contact with the Government machinery or meeting the basic needs of existence of livelihood, is cleaned up.

Madam, yet another source is, where Government contracts are given in a manner which creates suspicion that something is going wrong. Therefore, we need a Public Procurement Act, as some other countries have, to streamline our contracting mechanisms in a manner in which there will be less scope for corruption in future.

Madam, in certain areas, greater competition itself will reduce the scope for corruption. But, we know that there are areas of infrastructure where competition can at best be only limited. 

There is scope for regulation. We have, in the last couple of years, put in place regulatory mechanisms, but the functioning of these regulatory mechanisms, especially with regard to the management of the infrastructure, is something which requires attention. That is yet another area where we must find ways and means to streamline the regulatory system, so that there is less scope for corruption.

I could go on. But I do not want to repeat what I said from the ramparts of the Red Fort. The House has my assurance that we will work in full public glare to fulfil what we have promised. I have set up a group under Shri Pranab Mukherjee to look at the scope for reducing the amount of discretion that ministers have at the Centre. This group has made some important suggestions. They will be considered by the Cabinet and we will put in place a mechanism to reduce the scope for misuse of discretionary power or to eliminate discretionary power wherever it can be done without detriment to public interest or achievement of public good.

Madam, it is in the context of corruption that the last few weeks have seen momentous developments. Shri Anna Hazare has gone on fast. His plea is that we

should adopt the Jan Lokpal Bill that has been drafted by them. The background of this whole exercise is well known to this august House. We had sittings together with the five representatives of Shri Anna Hazare, including himself, who met with our five representatives and a large measure of agreement was reached with regard to the shape of the Lokpal Bill that we should have. On certain matters there was disagreement and that disagreement could not be resolved and therefore we referred that matter for consideration at the All Parties meeting and the consensus was that the Government should come with its own version of the Bill and various Parties would then reflect on what to do with that Bill. We discharged that obligation. We submitted that Bill to Parliament. It has now been referred to the Standing Committee.

This Standing Committee can consider all options and we can find ways and means of ensuring that the Bill that has been prepared by Shri Anna Hazare is given due consideration by this Committee. Also, along with this, there are other ideas. There is Dr. Jayaprakash Narayan's group which produced a Bill; there are ideas which have been mentioned in a paper by Shrimati Aruna Roy. All these matters can be discussed, debated and a consensus can be built up in the Standing Committee. We are open to all suggestions. We will work with all sections of this House to have a Lokpal, who is strong, who is effective and about which there is a national consensus.

We have produced a Bill which reflects the thinking of our Government. But we are open to persuasion and we have an open mind and when we discuss this Bill, whether in Parliament or in the Standing Committee, we will work with a single minded devotion to ensure that we leave behind for posterity a Lokpal Bill which does credit to our concerns for meeting the challenge of corruption. 

Madam, yesterday there was a very good meeting of all political parties. All political parties agreed that we should request Shri Anna Hazare to give up his fast and that we should find ways and means to ensure that ideas reflected in the Jan Lokpal Bill are given adequate consideration in parliamentary processes and that

we should come forward with a strong, effective Bill which has the broad support of the country as a whole. I commit our Government to working with all sections of the House to realise this dream. Therefore, I urge all Members of the House to join me in making an appeal to Shri Anna Hazare that he has made his point. It has been registered with us. I respect his idealism. I respect him as an individual. He has become the embodiment of our people's disgust and concern about tackling corruption. I applaud him, I salute him. His life is much too precious and therefore, I would urge Shri Anna Hazare to end his fast.

We will find effective ways and means of discussing the Jan Lokpal Bill along with the Government version of the Bill along with Shrimati Aruna Roy's Bill, along with the ideas in the paper that Dr. Jayaprakash Narayan has submitted. All ideas should be discussed, debated so that we have a Bill which is the best possible Bill, which will help us to deal with the problem of corruption.

Madam, it has been mentioned to me that Shri Anna Hazare and his colleagues are very keen that their Bill should be discussed in the Parliament. I have not thought over this matter in great depth, but a thought comes to me that perhaps we could have a debate in this House on all the Bills that are in the public domain and have a discussion on what are the weak points of various Bills and what are the strong points of various Bills and at the end of that debate, send the whole record for consideration of the Standing Committee of the Parliament. I have a feeling that this will meet the point that Shri Anna Hazare and his colleagues have been making that Parliament must have a chance to give its views on their Bill before sending it to the Standing Committee and therefore, I submit to this august House that this is one via media which will respect the parliamentary supremacy and, at the same time, enable Parliament to take on board ideas contained in the Lokpal Bill drafted by Shri Anna Hazare and his colleagues.

Madam, I conclude by appealing to all sections of the House to join in appeal that I have made to Shri Anna Hazare that his life is much too precious. 

We would like him to live a long life and a happy life in the service of our people.

He has registered his point. Therefore, we respectfully request him to end his fast. I think that if we do it, then this would be a befitting finale to this very constructive debate on corruption and in tackling it that has taken place in this House since yesterday.