Ethics_JG Class 01

INTRODUCTION (01:03 PM).
- A Brief overview of the subject of Ethics.

TOPICS TO BE COVERED AS A PART OF ETHICS IN GOVERNANCE (01:05 PM)
- Foundational Values of Civil Services.
- Various dimensions of ethical governance.
- Code of Conduct and Code of Ethics.
- Work Culture.
- Utilisation of Public funds.
- Corruption and its issues.
- Public service delivery.
- Corporate governance.
- Ethics in international relations.

SOURCES (01:13 PM)
- Previous year's questions (from 2013 onwards).
- Previous year's Topper copies.
- **2nd ARC: Ethics in Governance.**
- Vision IAS material + Handouts.
- Case Studies: Citation of Pama awards, PM awards for excellence in Public administration.
- Indian Express award for excellence in governance.
- Websites like 'Better India.org'.
- Newspapers.

FOUNDATIONAL VALUES OF CIVIL SERVICES (01:38 PM)
- **Topics to be covered:**
- 1) Meaning of Values.
- 2) Meaning of foundational Values.
- 3) Sources of Foundational values for civil services.
- 4) Importance of foundational values.
- 5) Various foundational values of civil services.
- **1) Values:**
- Values are the intrinsic beliefs of individuals or a group that guide and motivate one's thinking actions and behaviour.
- Every individual has a different set of values to which he or she gives importance yet some values are considered as universal by mankind.
- **For example truthfulness, honesty courage, helpfullness, compassion etc.**
- Values vary spatially and temporally.
- It may not be wrong to wear an undergarment printed with a national flag in the USA.
- But it would be considered as objectionable and disrespectful in India.
- Generally people are predisposed to adopt the values they are raised with.
- They also believe those values are right because they are the values of their particular culture.
- But they may not necessarily apply to other cultures.
- Ethical decision-making often involves weighing values against each other and choosing which values should be elevated to choose the right course of action.

FOUNDATIONAL VALUES OF CIVIL SERVICES (02:17 PM)
- Foundational values are those values and principles that form the very basis for the functioning of any organisation.
- In other words they form the core identity of any organisation.
- They permeate across the entire work culture of an organisation from the top to the bottom.
- These are usually determined by the leadership of the organisation and guide the internal and external behaviour of that organisation.
- For example discipline and punctuality of Indian armed forces.
- The employee centricity of the TATAS.
- Innovation and risk-taking for Google.

SOURCES OF FOUNDATIONAL VALUES (02:28 PM)
- In India at present there is no specific law that defines the foundational values of civil services.
- An attempt was made by the introduction of the **Public Service Code Bill 2007**, espoused by the 2nd ARC.

- In other words There is no single source to identify these values and one has to rely upon other sources for the same.
- Other sources include the Constitution of India (Preamble, DPSPs, FRs, Fundamental Duties),
- **AIS Conduct Rules, 1968, Central CIvil services conduct Rules 1964.**
- The UN Code of Conduct for public officials, and Memoirs of retired civil servants.
- **Spiritual and religious Texts (Mahabharat, Ramayana)**
- Views of modern thinkers and philosophers, including Western thinkers and philosophers.
- Judgements on various matters.
- Laws made by the parliament and legislatures.
- **Nolan Committee on public service values and services.**

SIGNIFICANCE OF FOUNDATIONAL VALUES FOR CIVIL SERVICES (03:01 PM)
- Civil servants enjoy wide discretionary powers and by following the foundational values, they can limit the misuse of these powers at the expense of the public interest.
- By following the foundational values we can ensure uniformity and consistency in decision-making and the actions of the civil servants.
- In India a massive trust deficit exists between citizens and the government.
- This can be addressed by ensuring that the civil servant adheres to certain foundational values in all circumstances.
- Civil Servants often face ethical dilemmas during their work and relying upon these foundational values can help in resolving these dilemmas in a speedy and effective manner.
- Laying down the foundational values and following them diligently can help in achieving the desired objectives of civil services. and the idea of good governance.

SYMPATHY, EMPATHY, COMPASSION (03:23 PM)
- **Sympathy refers to a situation where an individual recognises the pain and suffering of other individuals.**
- It is a feeling of pity and sorrow for someone else's misfortune.
- Empathy is putting oneself in the shoes of others as if it is one's own pain.
- As the phrase goes "walk a mile in someone's shoes before criticizing him or her."
- It is the experience of understanding another person's thoughts feelings and condition from his point of view, rather than from our own.
- In empathy an individual engages himself cognitively rather than only recognising the pain superficially.
- Compassion is more complicated than sympathy and empathy.
- According to oxford dictionary it means a strong feeling of empathy for those who are suffering and a desire to help them.
- According to SC compassion is suggestive of emotions and sentiments arising out of sympathy pity and kindness.
- **Compassion is a 4-step process:**
- **1) Being aware of someone's feelings or sufferings.**
- **2) To be emotionally moved by someone's feelings or suffering.**
- **3) Developing a strong desire to resolve someone's sufferings.**
- **4) Taking necessary steps to resolve someone's suffering.**
- Compassion shows the highest level of kindness **when a person is ready to endure pain for the sake of others.**
- It requires a person to be self-aware and attentive to the needs of the other and to be committed to the same.
- **Dalai lama says "Love and compassion are necessities and not luxuries and without them, humanity can not survive."**

(TOPIC FOR THE NEXT CLASS: CONTINUATION OF THE TOPIC 'COMPASSION')

Ethics_JG Class 02

INTRODUCTION (01:04 PM)
- A Brief Review Of The Previous Class.

SIGNIFICANCE OF COMPASSION (01:10 PM)
- All the other values are meaningless without compassion.
- The very purpose of Public services is to relieve the pain and the sufferings of other individuals which is impossible to achieve without compassion.
- For millions of citizens in India civil services are the end all of the government interface.
- To maintain their trust in the government showing empathy is of utmost importance.

- We are often victims of prejudices in our society that can prevent us from effectively helping others.
- Such situations may be overcome by inculcating empathy and compassion.
- The law must not be implemented only in letter but in its true spirit.
- And for that empathy and compassion are indispensable.
- It can play a crucial role in ensuring citizen-centric administration where the problems of the citizens are kept at the centre of all the efforts by the government.
- Swami Vivekanand said The poor, illiterate, ignorant, afflicted, let these be your god.
- Know that service to these alone is the highest religion.

INCULCATING COMPASSION AS A VALUE IN THE CIVIL SERVANT (01:23 PM)
- Organising regular field visits for civil servants.
- Organising activities such as Bharat Darshan to cultivate interest in the culture of other communities.
- Organising role-play activities and tasks such as ones conducted at NPA Hyderabad.
- Organising events such as janta darbar to get a first-hand perspective of the problems of the people.
- Organising sensitivity training for civil servants through the course of their careers.

OBJECTIVITY (01:32 PM)
- Objectivity refers to taking decisions based on facts and figures and not as per individuals' preconceived notions and prejudices.
- It means not getting influenced by one's personal feelings.
- and opinions.
- Therefore one can say objectivity is the lack of bias and stereotypes in ones thinking and decision making.
- The opposite of objectivity is subjectivity which means taking decisions based on one's biases.
- **Hurdles to objective decision-making.**
- Taking an objective approach is not possible all the time especially because of the lack of availability of data in the government.
- It may not be possible to remain objective all the time as human beings by nature are biased and partisan.
- Decision-making within the government is often driven by political considerations.
- Therefore affecting rational decision-making.
- Being objective may not be useful in certain situations, especially in resolving ethical dilemmas.
- Emphasising too much objectivity may lead to civil servants becoming insensitive and therefore ignoring the genuine concerns of the citizens.

SIGNIFICANCE OF OBJECTIVITY IN THE CIVIL SERVICES (02:01 PM)
- Civil servants often take decisions without the benefits of the hind sights and objectivity can help in justifying the decisions at a later stage.
- Taking decisions based on objective analysis can help in improving the probability of success of the decision.
- It gives a sense of fairness to the citizens and can play an important role in bridging the trust deficit between the citizens and
- C S are often involved in taking decisions related to recruitment in the government.
- Relying on the objective approach can help in overcoming favouritism and nepotism and therefore promote the merits of the civil services.
- The misuse of discretionary powers can be limited and therefore minimise the chances of corruption.
- Ignoring relevant considerations can result in a situation where the policies that are well intended may result in

INCULCATING OBJECTIVITY IN CIVIL SERVANT (01:21 PM)
- Improving the quality of data available in the govt for decision-making.
- Use of data analytics tools to help civil servants in decision-making.
- Adopting the KPI/OKR approach that is prevalent in the corporate sector.
- For the performance appraisal of civil servants.
- Seeking feedback from the citizens on service delivery mechanisms., For example, Bangalore municipal corporation initiated the citizen report card programme to seek valuable inputs from the citizens on the services provided by various authorities.
- S audit for inculcating objectivity in the civil services.
- It should be institutionalised and should be made an inseparable part of service delivery as has been done in the case of MG NREGA.
- We may evolve a comprehensive code of conduct that should be followed diligently by civil servants.
- **Courage:**
- It means doing one's duty without considering the consequences.

- courage refers to the ability to take decisions and actions and stick to one's values and principles even when there is the possibility of unfavourable outcomes.
- Nelson Mandela says courage is not the absence of fear but the triumph over it.
- Courage I the first of the human qualities because it guarantees adherence to other values.
- It helps individuals in taking ethically correct decisions, however tough the situation and the circumstances.

IMPORTANCE OF COURAGE FOR CIVIL SERVICES (03:27 PM)
- Civil servants often take difficult and unpopular decisions.
- Showing courage can help them overcome such situations.
- Financial irregularity has become part and parcel of the government and to be able to expose them and bring out the truth requires courage.
- Civil servants often face several temptations during their work.
- Only courage can help them in sticking to their values and principles.
- Courage is required for a well-functioning society as Napolean once said " The world suffers a lot not because of the violence of the bad but because of the silence of the good."
- Civil Servants often face interference in their work from politicians.
- Courage is important to withstand these pressures.

INCULCATION OF COURAGE (03:47 PM)
- Enforcing a strong whistle-blower protection law so that honest officers can expose the wrongdoings within the government.
- As noted by The SC in the TSR Subramaniam case the process of appointment postings and transfers of civil servants must be made a political by establishing an independent authority to take decisions on such issues.
- We may consider providing a fixed tenure for important postings and appointments as suggested by the court wrt police in the Prakash Singh case.
- The process of appointments to important constitutional positions such as EC, UPSC, and Finance Commission must be made broad-based and free from the influences of the executives.
- Recognising or rewarding the acts of courage by honest civil servants.
- We must inculcate the concept of critical thinking among young individuals at an early age through school and college education.

(TOPIC FOR THE NEXT CLASS: CONTINUATION OF FOUNDATIONAl VALUES AND CODE OF ETHICS AND CODE OF CONDUCT)
Ethics_JG Class 03

INTRODUCTION (01:05 PM)
- A Brief Review Of The Previous Class.

DEDICATION TO PUBLIC SERVICE (01:08 PM)
- Dedication to public service refers to the quality of applying one's time and attention entirely to the cause of public service.
- It refers to commitment and passion and a personal urge to do something for the public good without any external force.
- In other words, it refers to internalising the cause of public good.

IMPORTANCE OF DEDICATION TO PUBLIC SERVICE (01:26 PM)
- The most fundamental objectives of civil services are to serve the people and to contribute to the well-being of society.
- This purpose will get defeated in case there is no dedication to public service.
- Civil servants often face adverse situations and a shortage of resources within the government.
- To overcome such circumstances one should be willing to look beyond the conventional solution to problems.
- This can occur only when a person is dedicated to public service.
- **For example Armstrong Pame initiated building a road in one of the remotest parts of the country with the help of public contribution.**
- Public servants require unending zeal and enthusiasm and without this value, Civil servants would eventually run out of motivation.
- T**he Job of a civil servant is a 24*7 job** and an individual could sustain such long hours only if one is dedicated to the cause of public service.
- Civil servants enjoy broad discretionary powers that may be used for personal gains without dedication to public service.

WAYS TO INCULCATE DEDICATION IN THE CIVIL SERVANTS: (01:36 PM)

- 1) Rewards & recognition to the best-performing officers to create inspiration for others.
- 2) Organizing regular training sessions & exposure through field visits to sensitize the civil servants towards the challenges the citizens face.
- **3) Inspiring young civil servants through anecdotes, examples & stories of exemplary civil servants from the past.**
- 4) We may adopt a performance-linked appraisals approach as in the Private Sector and shrug off complacency in civil services.
- 5) Introduction of lateral entry in Civil services.
- 6) Seeking Public Feedback to identify dedicated Public Servants.

IMPARTIALITY & NON-PARTISANSHIP (01:42 PM)

- Impartiality refers to the act of not supporting one person or group over the other.
- And impartial Civil servants would give a fair chance to all sides without allowing personal biases to creep into their actions.
- Even though impartiality and non-partisanship are used interchangeably with each other non-partisanship has a special meaning they connote apolitical behaviour by a civil servant.
- A civil servant is expected to remain politically neutral and execute the policies irrespective of who is in power.
- **Significance of impartiality and non-partisanship:**
- It is a crucial component of maintaining trust between citizens and government institutions.
- Several problems such as Naxalism have emerged precisely due to the breakdown of faith and trust in the government institutions.
- Only when a Civil servant is non-partisan can he or she show courage to suggest alternative policies to the political executive.
- India is a society with diverse interests and communities.
- A civil servant should be unbiased, especially in those situations where conflicts arise between different communities.
- Civil servants are supposed to play a transformative role in society which can not happen with a biased mind.
- In a democracy the most important decisions should be taken by the elected representatives of the people.
- And a civil servant should only be a tool for the execution of those decisions.
- To do this effectively they should be as unbiased as possible.
- **Challenges faced by civil servants in maintaining political neutrality/non-partisanship:**
- Lack of independence in deciding appointments postings and transfers of civil servants.
- Often Civil servants who do not toe the line of the political executive are given punishment postings.
- Inter-service and intra-service rivalry result in cutthroat competition between civil servants and they often bend themselves to outperform the other.
- Secretive nature of bureaucracy allows for nurturing a nexus between the civil servants and industrialists.
- Civil servants often try to provide an advantage to one group over the other to seek illegitimate gratification from others.
- The ministers often pressurize the civil servants to make such policies which can help them in fulfilling their political goals

INCULCATING NON-PARTISANSHIP AND IMPARTIALITY IN THE CIVIL SERVICES (02:20 PM)

- It is important to make the process of appointments and transfers as apolitical as possible.
- We may consider setting up apolitical institutions such as civil services authority as directed by the court in **TSR Subramaniam Vs Union of India.**
- A mandatory cooling-off period may be prescribed for civil servants before making of PVt sector jobs, further govt appointments and political positions.
- Providing minimum or a fixed tenure for important postings and appointments.
- **The 2nd ARC has defined objectively defining the relationship between** the Civil Servants and the ministers with the help of a code of ethics drawn for the ministers to minimise day-to-day interference in the functioning of Civil services.
- We may lay down a comprehensive code of conduct for the civil servants and non-adherence with the same entity.
- At present provisions relating to acceptance of gifts within govt, are not enforced.
- Hence there is a need to change.

- A strong emphasis should be laid on inculcating ethical values by training young civil servants under the guidance of retired senior civil servants of repute.

TOLERANCE (02:59 PM)

- **It means giving respect to the views and opinions of others** even though they may conflict with one's views.
- According to UNESCO tolerance refers to respect acceptance and appreciation for the rich diversity of our world's cultures.
- It is a value that upholds individual thought na freedom and rejects dogmatism and absolutism.
- I disapprove of what you say but I will defend to the death your right to say it.
- Significance of tolerance in civil services:
- Freedom of speech and expression is the cornerstone of any democracy and crucial for driving innovation and growth in society.
- It can be protected only if tolerance is given importance.
- Indian society is witnessing more conflicts with every passing day but the historical experiences suggest that a long-lasting solution to any problem can be achieved only through a dialogue-based approach.
- For which tolerance is indispensable.
- A public official to develop a deep understanding of societal issues must practise tolerance.
- He or she should be ready to challenge his ideas to develop a fresh perspective on contemporary issues.
- All India Civil servants need to serve culturally different sections of society.
- And for this tolerance is important.
- It can also help a civil servant in diversifying his views and opinions as well as challenging his dogmatic ideas.

INCULCATING THE VALUE OF TOLERANCE IN THE CIVIL SERVICES (03:17 PM)

- Exposures to different cultures and traditions through activities such as Bharat Darshan and cultural events such as India Day.
- Encouraging a culture of debate discussion and deliberation during the training so that the civil servants can understand the importance of dissent and disagreement.
- Organising team sports events to inculcate the value of tolerance and team spirit among civil servants.
- Regularly organising field visits and encouraging interactions from the different sections of society.

HONESTY AND INTEGRITY (03:23 PM)

- Honesty refers to the quality of being truthful and sincere in one's conduct.
- It is an external concept and does not guarantee the highest standard of behaviour.
- Integrity on the other hand is the mother of all values and refers to steadfast adherence to values and principles irrespective of place and circumstances.
- It means following the highest standard of behaviour and consistency in one's actions and thoughts.
- Integrity has the following aspects.
- openly declaring one's stance.
- Choosing the right conduct.
- Acting consistently with the choice made even when it is inconvenient.
- **For example Gandhi ji withdrew NCM after the Chauri Chaura incident even when the movement peaked.**
- Because he believed in the value of non-violence and was not ready to compromise with it irrespective of the stakes involved.
- Integrity implies adherence to several values including honesty.
- **Therefore one can say that honesty is a necessary though not a sufficient criterion for integrity.**
- To be a person of integrity one has to be honest but being honest does not ensure integrity.
- For example accepting the one who has taken a bribe would be called an honest act.
- But the person of integrity would not even consider taking a bribe.

(THE TOPIC FOR THE NEXT CLASS: CONTINUATION OF THE TOPIC 'INTEGRITY')
Ethics_JG Class 04

INTRODUCTION (01:03 PM)

- A Brief Review of the Previous Class

SIGNIFICANCE OF INTEGRITY IN CIVIL SERVICES (01:12 PM)

- Civil servants possess wide discretionary power and in the absence of integrity, even a highly skilled officer would use it to benefit himself rather than for the public good.
- Civil servants are role models for society and they need to set the right examples for others.
- Public officials with the image of integrity enjoy credibility in the eyes of the public.

- And therefore they are more likely to be heard by the citizens.
- without integrity, corruption thrives in society and other values also get compromised in difficult circumstances.
- If civil servants lack integrity various other values such as accountability get compromised.
- India suffers due to the limited availability of resources.
- And integrity can ensure efficient utilisation of the same.
- Without integrity in public services, people's faith in government may be eroded.
- Only with integrity can civil servants deliver justice and build a welfare state.

INCULCATING INTEGRITY IN CIVIL SERVICES (01:25 PM)

- Assigning mentors to young civil servants at the early stages of their careers to develop the requisite skills to deal with difficult circumstances with the utmost integrity.
- Young Civil Servants should be provided with ethics training in areas such as ethical decision-making dealing with conflict of interest and corruption cases.
- This training must continue throughout their career to condition them over a long period.
- Exemplary punishment should be provided to the corrupt civil servants.
- Inculcation of values and ethics at a young age in society with the help of school and family.
- For this, we must introduce relevant changes in legislation.
- Providing incentives for officers showing the highest standard of ethical behaviour.
- Encouraging and providing necessary tools to civil society to promote transparency and accountability in civil services.

ETHICAL DILEMMAS IN PUBLIC SERVICES (01:43 PM)

- An ethical dilemma is a situation in which a choice has to be made between two morally valid options and it is difficult for the decision maker to choose one path.
- Therefore an ethical dilemma can be described as a circumstance in which a choice has to be made between a competing set of principles.
- Civil servants often face ethical dilemmas during their work and neither the law nor the rules provide a satisfactory answer in such situations.
- **Some of the ethical dilemmas faced by civil servants revolve around issues such as :**
- 1) Corruption.
- 2) Nepotism.
- 3) Favouritism.
- 4) Administrative discretion.
- 5) Public accountability.
- 6) Administrative Secrecy.
- **Examples of ethical dilemmas in public services:**
- **1) Economic Development Vs. Ecological Concern:** If environmental guidelines provide that industries must establish waste treatment plants.
- However exorbitant costs involved may result in mass layoffs and create economic difficulties.
- **2) Budgetary constraints Vs. providing essential services to the citizens/idea of the welfare state:** Civil servants often need to balance budgetary constraints with public demand for essential services such as health education etc.
- He may also have to navigate a situation where one region has to be given importance over the other.
- **3) Public opinion vs. expert opinion: Often** civil servants have to face conflicts in balancing public opinion with knowledge from experts.
- **4) Whistleblower's dilemma:** Civil servants may face the dilemma of keeping some information confidential where wrongdoing is involved.
- Exposing it may conflict with their duty to maintain strict confidentiality, and the interest of one's organisation and expose the person to potential retaliation.
- **5) Neutrality Vs Direction from political executive:** Civil servants in usual circumstances must remain neutral but they may land up in a dilemma when they face pressure from political leaders to do something that may favour a political party.
- 6) Personal values Vs direction from supervisor: A police officer who believes in nonviolent and a dialogue-based approach has been asked by the senior to use force against an angry mob.
- 7) Personal values vs professional; values: A lawyer comes to about heinous crimes committed by his client but conflicts with his values which do not allow him to promote criminals and crime.

RESOLVING ETHICAL DILEMMA (02:15 PM)

- **Various principles or questions to be kept in mind to resolve ethical dilemmas:**

- If the ethical dilemma is what it appears to be and If one has adequate information about the same.
- Is the action which is being considered legal or ethical or both?
- If one chooses a particular course of action, how would it make a person?
- Who does the action benefit and who is at harm?
- Would the action be embarrassing to the concerned person or the family and loved ones of that person?
- Do you understand the position of those who are opposing the action you are considering?

A STEP-BY-STEP APPROACH TO RESOLVE AN ETHICAL DILEMMA (02:30 PM)
- Identification of options available in the situation.
- Analysing the consequences (Both Positive and negative) of choosing one over the other.
- Identification of various stakeholders, however, mere identification of stakeholders is not enough and should be supplemented with these questions.
- Who would benefit from choosing that course of action?
- Which stakeholder would be negatively affected as a result of their actions?
- What could be the short-term and long-term effects of the decision taken?
- What is the scale of harm and benefits associated with various options?
- After considering all the above options, which option would present the best combination of maximization of benefits and minimisation of harms?
- Analysing the action chosen based on certain moral principles such as honesty integrity equality transparency fairness etc.
- Analysing if the option violates ethical principles.
- Ranking the ethical principles and values involved to finalise the action.
- Evaluation of root causes that led to dilemmas and address the same so that such a situation does not emerge in the future.
- Tools that may aid in the resolution of ethical dilemmas:
- **Gandhi Ji's Talisman: According to it the interest of the poor and marginalised must be given priority.**
- Identifying the dos and don'ts through service conduct rules.
- Identifying the foundational values with the help of a code of ethics.
- Relying upon the constitution to identify important constitutional goals and principles.
- Taking the consequentialist approach o maximise the good for a maximum number of people.
- Taking the deontological approach to ensure that one follows one's duties irrespective of the consequences.

ETHICAL GOVERNANCE (03:02 PM)
- **Ethical Governance refers to governance that is carried out by keeping ethical concerns in mind.**
- Therefore, one may say that ethical governance is a step ahead of good governance as it seeks to realise certain universally desirable values and not merely values of administrative efficiency.
- **Elements of Ethical Governance:**
- Fairness and justice.
- Impartiality.
- integrity.
- Compassion.
- Selflessness.
- Transparency.
- Dedication to public services.
- Objectivity.

CHALLENGES IN ENSURING ETHICAL GOVERNANCE IN INDIA (03:22 PM)
- **Political challenges:**
- Excessive political interference in day-to-day administration where the emphasis is on populist considerations rather than elements of ethical governance.
- Even civil servants are more concerned with impressing their political bosses rather than focussing on ethical considerations in administration.
- The political executive often pressurizes civil servants to perform unethical tasks contrary to the principles of ethical governance.
- **Institutional challenges:**
- The concept of career civil services compromises dedication to public services resulting in complacency among civil servants.
- Civil servants enjoy wide discretionary powers which often come without checks and balances.

- And in such situations, they end up exercising the power for their selfish interest.
- **Societal Challenges:**
- Declining morals and values in society have made civil servants more focused on the accumulation of material resources rather than the cause of public service.
- Even society has become more tolerant of unethical conduct and behaviour.
- This has further disincentivised the civil services to focus on ethical behaviour.
- **Operational challenges:**
- In bureaucracy, secrecy is a norm and transparency is an exception.
- That results in a lack of accountability and therefore breeds corruption.
- Complex procedures have been designed to avoid errors in decision-making.
- This often results in a lack of accountability and excessive delays in decision-making further leading to loss of time and opportunities.
- Civil servants often tend to develop a lack of empathy and compassion due to the hierarchical nature of bureaucracy that creates distance between citizens and civil servants.
- As a result, they drift from the main goal of serving the people.

CODE OF ETHICS AND CODE OF CONDUCT (03:54 PM)
- A code of conduct refers to a specific set of guidelines provided to the members of an organisation concerning how they should conduct themselves in certain specific situations.
- One can say that the code of conduct defines dos and don'ts for civil servants.
- In case an individual does not follow the code of conduct disciplinary action may be taken against them.
- For example, all India services conduct rules, 1968 lay down certain dos and don'ts for the civil servants.
- Civil servants are not supposed to be involved in criticism of government policy in any form.
- Rule 5 states that civil servants should not be associated with any political parties or organisations involved in politics nor should they assist any political movement or activity.
- They are supposed to remain sober and not appear in public places in a state of intoxication and use drinks and drugs in excess.
- They should observe existing policies and laws regarding crimes against women.

(TOPIC FOR THE NEXT CLASS: CONTINUATION OF 'CODE OF ETHICS AND CODE OF CONDUCT)
Ethics_JG Class 05

CODE OF CONDUCT: (COC) (1:07:28 PM):
- The officer should manage their private affairs in financial matters in such a manner as to avoid insolvency.
- No member should abet giving or taking dowry.
- Members should not engage directly or indirectly in any trade or business or any other employment or participate in making sponsored media or any such programs.
- Civil servants may accept from near relatives or friends gifts but must report if their value exceeds Rs 25000.
- In other cases, they should not accept gifts exceeding Rs 5000 without permission.

CODE OF ETHICS: (COE):
- A loose set of principles that should guide the behavior of civil servants.
- One may say that they are a general set of principles and values that should be adhered to by the members of an organization.
- They don't have any legal backing but are followed because of a moral force behind them.
- Ex- Code of Ethics may prescribe that civil servants should follow the principles of transparency and accountability in the functioning of their office but there is no specific definition of what transparency means nor is it legally enforceable.
- **Difference between COE and COC:**
-

	COE	COC
Nature	More generic in nature	Specific in nature
	Usually implicit in nature.	explicitly states the do
Enforceability	Does not have any punishments associated with it, only has a moral force behind it.	Enforceable by the dep punishments may be ir
Focus	Compliance with values and principles.	Compliance of rules
Changes	Adopting COE can ensure long-term sustainable changes in the behavior of civil servants.	Can only guide the beh short period of time.

SIGNIFICANCE OF COE and COC: (1:44:27 PM):

- Civil services are often accused of having a poor work culture which can be addressed by diligently following these codes.
- They can play an important role in addressing the trust deficit between the citizens and the civil services.
- Organizations can sustain ethical behavior only if accountability is enforced internally rather than externally.
- Civil servants are entrusted with the resources of the community and following these may help in ensuring a culture of honesty and integrity.
- These codes ensure that civil servants perform their duties with competence, integrity, and efficiency and respect the human rights and dignity of all individuals, and do not engage in discrimination and abuse of power.
- Civil servants often face ethical dilemmas and without such codes, the behavior of civil servants is not driven by individual morals resulting in inconsistency and lack of uniformity.
- **Limitations of COE and COC:**
- Enforcement of the Code of conduct depends upon departmental discretion whereas COE has no legal enforceability at all.
- This results in a situation where these codes are not taken seriously and there is little accountability for violating them.
- COE is too vague and subjective and therefore their enforcement is individual-centric to a large extent.
- Also, social and cultural norms define ethical behavior.
- Several civil servants are not aware of these codes or don't have adequate training in following them.
- No added incentives for civil servants to follow nor do they have a significant bearing on promotions and career advancement.
- COE does not define which principles would apply in which circumstances whereas the COC has limited applications in different situations.
- Some believe that the erosion of moral values has happened to such an extent in the civil services that these codes would have a negligible impact on probity in governance.
- Very difficult to follow the codes in present circumstances where excessive political interference in administrative matters is a routine practice.
- Even though India has a code of conduct for ministers, it is not comprehensive in nature and includes a list of prohibitions.
- The second ARC suggests, That there should be a code of Ethics for the ministers so that they can uphold the highest standards of Ethical conduct in the performance of their duties.
- **Some of these principles on which COE for the ministers can be formed can be described below -**
- 1) Ministers must uphold the principle of collective responsibility enshrined in Article -75 of the constitution.
- 2) Ministers must ensure that no conflict arises or appears to arise between their public duties and private interest.
- 3) Minister must uphold the political impartiality of the civil servants and not ask the civil servant to act in a way that would clash with their duties and responsibilities.
- 4) Minister must comply with the requirements laid down by the parliament from time to time.
- 5) Minister must ensure that public money is used for public purposes and with utmost care and economy.
- 6) Minister must not use government resources for party or political purposes.
- 7) Ministers must function in a manner to serve as instruments of good governance and to provide services for the public at large.
- 8) The misters must act objectively, impartially, and in a fair and just manner.
- **Sources to be referred to--read from the Second ARC report, COE for Judiciary.**

RECOMMENDATIONS OF SECOND ARC ON COE AND COC: (2:47:26 PM):
- Proposed enactment of Public service code in the form of Public service code bill 2007.
- A similar law has been enacted in countries such as Australia, Poland, Canada, etc.
- **The code can be divided into three levels:**
- **Level 1** - Clear statement of values that the civil servant should observe which would act like a preamble to the code.
- Some values would include patriotism, upholding National pride, allegiance to the Constitution of India, Objectivity, impartiality, honesty, etc.
- Values may be revised from time to time by a central service public authority to be formed under the law.
- **Level 2** - Broad principles that should govern the behaviors of Civil Servants.
- Under it, Every public service employee shall -

- 1) Discharge official duty with competence and accountability-
- - Care and diligence.
- - Responsibility
- - Objectivity, honesty, and impartiality.
- 2) Every public service official shall - have the opportunity for professional growth and leadership development.
- 3) Every public service official shall avoid misuse of official positions or information and use public money with utmost care.
- 4) public service officials shall serve as an instrument of good governance, and promote socio-economic development with due regard for the diversity of the nation but without discrimination on the grounds of caste community religion, etc.
- 5) The government in consultation with the central public service commission authority shall prepare a public service code for ethics according to the principles highlighted above.
- 6) Any breach of this code would be dealt with in the form of sanctions or disciplinary actions by the concerned disciplinary authority.
- **Level 3** - A specific code of conduct providing a list of acceptable and unacceptable behavior.(Public service management code)
- **The third level prescribed by this bill includes a public service management code on the basis of the following principles-**
- 1) To establish public services as a professional merit-based institution for promoting good governance.
- 2) Mechanisms and incentives to maintain high levels of productivity, efficiency, and excellence.
- 3) Policies to promote sustainability of public services, keeping in view the finances of the government.
- **Steps to enhance the effectiveness of the Code of Conduct and the Code of Ethics: (3:13:01 PM):**
- A future COE and COC should take into consideration the existing legal measures related to ethical problems face in government departments.
- The code should include a warning to public officials that any unethical activity not covered specifically by the code is permissible.
- COE should be an outcome of discussions held within the departments since no externally enforced code would be able to achieve the desired objectives.
- Providing the legal force behind these codes may not be very effective as it may affect flexibility to adjust according to changed circumstances.
- Also, human beings by nature are likely to show more respect to a loosely enforced COC over a formally organized legal code.
- At the same time, public service authorities consisting of prominent citizens and civil servants may be given the task of overseeing its implementation.
- Public service values and ethics should be inculcated through regular training programs.
- Ex--IIPA has introduced a 2-week course on ethics and administration from senior administrators.
- We must also consider the introduction of incentive mechanisms to ensure the effective implementation of these codes.

CORRUPTION: (3:26:38 PM):
- As per the world bank - Corruption refers to the abuse of public funds or public office for private gains.
- According to the Prevention of Corruption Act, POCA -1998, no specific definition has been provided for corruption.
- **But, Some of the provisions cover activities such as -**
- 1) Acceptance of illegal gratification as a motive for doing or not doing an official act.
- 2) Favouring or disfavouring any person.
- 3) Obtaining a valuable thing without consideration.
- 4) Obtaining any monetary advantage to any person without any public interest.
- 5) Being in possession of resources or property disproportionate to income.
- According to this law, the focus is on gratification or another pecuniary advantage.
- However, there is a range of activities that are detrimental to the public interest, which is not covered under this law.
- **Therefore, there is a need to expand the definition of corruption to include acts like:**
- Protecting incompetence.
- Use and abuse of confidential information for private purposes.
- Favoring relatives and friends in awarding contracts.
- Conflict of interest such as accepting outside employment during the tenure of government.

- Obstruction of justice by unduly influencing law enforcement agencies and prosecution.
- Wasting public money by spending exorbitantly.
- Gross Perversion of constitutional provisions and democratic values.
- Interference in the appointment process to secure positions and promotions for supporters.
- Manipulation in the purchase of machinery, property, and equipment for government departments.
- **Factors leading to corruption:**
- **Historical factors:**
- Colonial legacy has played an important role in shaping our legacy towards corruption.
- It was considered acceptable to steal from the British government as it was draining India of its resources but much hasn't changed since the independence.
- British administration was excessively corrupt thereby providing legitimacy to corruption in post-independent India as well.

The topic for the next class-Corruption (continued).
Ethics_JG Class 06

INTRODUCTION (01:05 PM)
- A Brief Review Of The Previous Class.

FACTORS LEADING TO CORRUPTION (01:10 PM)
- **Structural/Institutional Factors:**
- India has several complicated and outdated laws that create information asymmetry resulting in hassle for the citizens in availing public services.,
- As a result, they try to find easier ways to circumvent the system and get their work done.
- Civil servants have been provided with a lot of discretionary powers which are accompanied by a lack of accountability and creating a conducive environment for misuse of powers.
- The degree of secrecy in decision making especially at a higher level of government far exceeds any legitimate requirement for the same.
- Several scams are made possible only because of a lack of transparency in official deals.
- The prevalence of licence Raj in several industries has ended up promoting a rent-seeking attitude.
- No law or rule compels public officials to disclose their incomes and assets to the people.
- In the absence of such requirements they are not held accountable and manage to get away with corruption.
- In India corruption is seen as low-risk and high-reward activity primarily due to an ineffective criminal justice system.
- And misuse of legal provisions by the corrupt which were intended to protect the honest.
- There are hardly any institutions where suffering members can complain about corrupt and unethical acts of public officials.
- Civil servants have a low image of themselves and in such situations, they make peace with their corrupt behaviour as it suits their self-image.
- The system has collapsed to such an extent that even the honest are not able to retain idealism for a very long time.
- acts of honesty and integrity are often served with adverse consequences.
- Therefore demoralising the honest officers.

SOCIETAL FACTORS (01:39 PM)
- Prevalent economic inequality is often given as justification for corruption.
- Overall decline in morals and values of the society and as a result corruption has become socially acceptable.
- The arrogance shown by public officials through ostentatious displays of power is not objected to by society.
- Therefore promoting acceptance for achieving power for superficial reasons.
- Ethics has become a casualty in the field of education.
- Schools and colleges have become hot bed of violence and copying at examinations has become a standard procedure.
- Even the question papers and marks are on sale and the new generation brought up in such an unethical environment can not inspire much hope for the future.
- We live in a society driven by consumerism and individualism where the means to achieve wealth do not matter.
- Therefore compromising ideals.

POLITICAL FACTORS (01:55 PM)

- Elections have become a costly business and political parties try and earn money through corrupt means to acquire power.
- As a result the politica becomes more a business than a public service and politicians try to recover money once they assume power.
- Since assuming power has become the most important factor in politics, political parties do not refrain from defections and other scrupulous means which require money and muscle power.

EFFECTS OF CORRUPTION (02:02 PM)
- **Political effects:**
- Lead to erosion of faith in the institutions of democracy and undermines the legitimacy of government and undermines the values such as public trust.
- Further encourages corruption as politicians try and earn back the money spent during the elections.
- **Societal effects:**
- It drains the society of moral ethical physical and mental energy including the will of the honest to withstand the wrongdoings in society.
- It destroys the social capital and people end up becoming more distrustful of each other.
- Economic Effects:
- Tax collection suffers as a large amount of money is siphoned off to offshore accounts.
- Discourages foreign investment as corruption adversely affects the ease of doing business.
- Distorts the level playing fields as firms with connections are shielded from competition thereby promoting inefficiency.
- It discourages innovation and the spirit of entrepreneurship.
- It lowers compliance with regulations, therefore, reducing the quality of government services and infrastructure.
- Administrative effects of corruption:
- It reduces accountability and further encourages corrupt behaviour.
- Police misconduct to obtain financial benefits or career advancement affects investigative reporting of crimes prosecution rendering the criminal justice system ineffective.
- Pub administration becomes ineffective resulting in the diversion of funds meant for the poor.
- Environmental effects:
- It can have a detrimental effect on the environment since officials given the responsibility of enforcing environmental regulations and laws can be easily bribed.

TYPES OF CORRUPTION (02:27 PM)
- **Coercive corruption:**
- In coercive corruption, the victim is forced to involve himself in a corrupt act to avail of government services to which he or she is entitled.
- The bribe giver is a victim of extortion because if he does not give in to the demand of giving a bribe he faces the loss of opportunities harassment and possibly loss of work.
- The money that is given as a bribe therefore is termed as spped money. A large part of such corruption can be attributed to:
- Lack of vigilance in public offices, absence of fear of laws and lack of legal awareness among the citizens.
- It can also be attributed to a mismatch in demand and supply of government services and excessive discretion that has been placed in the hands of the officials.
- **Collusive corruption:**
- In this type of corruption both the bribe giver and the taker cheat the society.
- The bribe giver can be said to be more guilty than the bribe taker.
- It is often termed top-down corruption as it usually occurs in the higher echelons of the government.
- **One may even call it big-ticket corruption.**
- Some scholars believe that it is a byproduct of the growth of the private sector as various private players try to outgrow each other at the cost of the public.
- Kickbacks received for public procurement distort the quality of services provided to the citizens.
- Similarly execution of substandard work by the contractor eat into the public resources.
- Which type of corruption is more harmful: Coercive or collusive:
- Prevention of corruption act lays down acceptance of illegal gratification as an offence.
- But the law protects the bribe giver from prosecution if he accepts that he offered a bribe.
- As a result the rate of conviction in cases of coercive corruption is more than in collusive corruption.
- Also traps laid down by anti-corruption agencies are more effective in such cases.
- In case of collusive corruption both the bribe giver and taker gain from the transaction.

- Therefore it is more difficult to expose.
- On the other hand coercive corruption is extremely difficult to monitor considering the huge size of government machinery.
- amount of resources and money involved in collusive corruption is huge and therefore implies a greater loss to the exchequer.
- Coercive corruption affects the citizen directly and adversely impacts the lowest strata the most.
- Coercive corruption is difficult to tackle as it becomes the way of life and people gradually develop tolerance towards it.
- On the other hand collusive corruption affects the public expenditure on various welfare programmes and erodes the faith of the citizens in democratic institutions.

FORMS OF CORRUPTION (03:09 PM)
- **Bribery:** It is a payment offered by the citizen or a businessman either voluntarily or on demand of a public servant to exercise his power in taking decisions or performing official duties in the favour of the bribe giver.
- **Patronage:** It refers downright favouring of supporters with government employment.
- **Nepotism and Cronyism:** In the former the relatives of the appointing authority to the government positions are favoured over other capable candidates.
- The latter favours personal friends or benefits of appointing authority.
- **Misappropriation of funds:** Where funds meant for public purposes are siphoned off into private accounts.
- **Kickbacks:** It is a form of corruption where an official's share of misappropriated funds from his organisation is allocated to another organisation involved in corrupt bidding.

WAYS TO TACKLE CORRUPTION (03:22 PM)
- **Legal measures:** Section 7 of the Prevention of corruption act,1986 should be amended to include the offence of collusive bribery.
- Collusive bribery may be defined as a transaction in which the transaction outcome leads to loss for the state or public.
- The definition of bribery and corrupt activities should be expanded to include acts such as wasting public money, obstruction of justice, gross violation of constitutional provisions etc.
- Prior sanctions should not be necessary for prosecuting an official who has been trapped red-handed.
- Or possess assets disproportionate to known sources of income.
- Corruption must be made a high-risk and no-gain activity
- **All ill-gotten money must be confiscated to be used for the public good.**
- To ensure a speedy trial of corruption cases all the cases must be tried by a particular judge and proceedings should be held on a day-to-day basis.
- We may also consider amending the provisions of the law to limit the time of trial in corruption cases.
- Changes should be made to the whistle-blower protection act to protect the anonymity of the whistle-blower.
- **Institutional Measures:**
- A present the Lokpal is dysfunctional and there is a need to revise it consistently with the commitment made at UNCAC.
- Local body ombudsmen should be constituted for a group of districts to investigate corruption cases against local body functionaries.
- The provisions of the DSPE Act must be amended to free the CBI from government control.
- The prosecution in corruption cases should be done by a panel of lawyers to be chosen by the attorney general after consulting the Lokpal.
- **Administrative measures:**
- An embargo should be put on post-retirement benefits and assignments for holders of top positions in all national and sensitive institutions.
- All appointments to public offices particularly at high places should ensure that no person with doubtful integrity gets to.
- Department manual should be revised thoroughly to reduce discretionary powers.
- Risk profiling should be carried out for all the jobs to determine the offices that are vulnerable to high risk of corruption.
- Government organisations must simplify and streamline their processes and should be suitably rewarded for the same.
- Complete adoption of IT in all the government offices to implement the concept of the paperless office.

- The government should make it mandatory for the bidders of public projects to sign integrity pacts.
- ONGC signed an MOU with transparency international and CVC for this in 2006.
- **Societal measures:**
- Fundamental duties must be brought to life by imparting value education in schools.
- Active involvement of CSOs to highlight the cases of corruption and keep a vigil on government functionaries.
- A mechanism should be evolved to solve allegations of corruption raised in the media so that appropriate action can be taken.
- Since social sanctions are far more effective than any law, society **must ostracise the corrupt to create a deterrent effect.**

(TOPIC FOR THE NEXT CLASS: CONTINUATION OF THE TOPIC 'CORRUPTION' AND PUBLIC SERVICE DELIVERY.)
Ethics_JG Class 07

A BRIEF REVIEW OF PREVIOUS CLASS (01:06 PM)
CORRUPTION CONTINUED (1:09 PM)
- **Political measures:**
- Section 8 of RoPA must be amended to ensure disqualification upon approval of a chargesheet in serious offenses since securing a conviction in court can take a long time.
- We must speed up the trial in such cases by holding back-to-back proceedings.
- There is an urgent need to introduce transparency in the funding of political parties in India.
- We must reconsider the electoral bond regime that has introduced opaqueness in electoral funding.
- We may consider the introduction of State funding of elections as recommended by Dinesh Goswami's committee on electoral reforms.

WORK CULTURE (01:35 AM):
Definition (1:35 PM)
- Work culture refers to a collective set of values of an organization and its employees.
- It determines how the employees of an organization interact with each other as well as their attitude towards clients and other partner agencies.
- An organization possesses a strong work culture if the employees adhere to its rules and regulations and more importantly the values and the principles of the organization.
- It is the work culture of an organization that determines what achievements are given importance by the leadership of the organization.
- It is also determined by how external individuals perceive an organization.
- The work culture reflects the philosophy of an organization is usually formed over a long period and is often deeply influenced by the founders of the organization.
- For example - Google promotes a work culture of innovation and creativity where the employees are encouraged to think out of the box and take risks to come up with new ideas even at the cost of failures.
- It focuses on employee development and capacity building through various training programs that are conducted regularly.
- Amazon on the other hand is known for a work culture that emphasizes a lot on achieving results and stiff targets.
- It has been often criticized for not paying enough attention to work-life balance for its employees.

Characteristics/Traits of Healthy Work Culture (01:58 PM):
- 1). Work-life balance which is in contrast to a hustle work culture may ultimately lead to burnout for its employees (i.e. Hustle work culture where employees are expected to hustle all the time).
- 2). The organization prioritizes dignity, respect for each other, and integrity in the workplace.
- 3). It focuses on well well-being of its employees and the policies are employees-centric to a large extent.
- 4). The spirit of teamwork is given a lot of importance and it is expected that the organization would work in unionism to achieve its objectives.
- 5). An organization focuses on promoting healthy competition among its peers.
- 6). It promotes a culture of inclusivity where employees are treated with utmost respect irrespective of their social background, religious beliefs, idealogy, etc.
- 7). It promotes democratic decision-making and a flat hierarchical structure.

Traits of a Toxic Work Culture (02:12 PM):
- The organization has a culture of negativity and employees have low morale and motivation.
- There is a lack of clarity regarding roles that happens especially due to poor communication by the leadership.

- Office politics is a common phenomenon where employees are often locked in a power struggle with each other.
- The organization witnesses a high accretion rate and can not retain the employees for a long period.
- Such Organizations promote a fear of failure.
- Failure is discouraged and the employees are put under excessive pressure to achieve positive outcomes at all times.

The Work Culture in the Civil Services in India (02:24 PM):
- **Characteristics:**
- 1). Secrecy:
- Civil Services overemphasized the culture of secrecy where transparency is usually an exception.
- Even the 2nd ARC has mentioned it as one of the biggest problems in the functioning of Civil Services civil Servants often try and hide the reasoning behind their policy decisions and the outcomes of those decisions.
- It not only results in trust deficit with the citizens but also leads to nepotism, corruption, and loss of accountability.
- 2). Complicated procedures: Civil Services often over-emphasized rules and regulations rather than adopting a problem-solving approach.
- 3). Status Quo: Civil Services are often status quoist in nature and therefore resist any reforms.
- 4). Lack of initiatives: They lack the initiative to take innovative steps and as a result, it often becomes very difficult to introduce newer changes such as technology in the working of the organization.
- 5). Attitude of complacency: They suffer from an attitude of complacency which can be attributed to time-bound promotions and the concept of career Civil Services.
- Not only that, Civil Services are often reactive rather than being proactive.
- Therefore, often Civil Services are myopic in the exercise of policy-making.
- 6). Insensitivity: Civil Services often suffer from the problem of being insensitive towards the problems of the citizens.
- Also, they lack specific mechanisms to recognize outstanding contributions towards the well-being of society.

Characteristics of a Healthy Work Culture in the Civil Services (03:13 AM):
- 1). It should promote responsiveness and compassion towards the weaker section of society.
- 2). It should promote self-esteem and pride in one's work.
- 3). The tasks at work should be assigned properly so that proper accountability mechanisms can be enforced at the workplace.
- 4). It should promote a learner's attitude, especially towards acquiring new skills to deal with the challenges of the 21st century.
- 5). It should focus on simplification of rules and procedures and minimization of discretion in the hands of the Civil Servants.
- 6). Civil Servants should lead by example and should be willing to make changes in themselves before they set out to transform society.

Importance/Significance of Healthy Work Culture in the Civil Services (03:26 PM):
- It can help in reducing conflicts among individuals or various departments during their work.
- It leads to better employee satisfaction and lower attrition rates.
- Enables individuals and teams to become self-organized which in turn improves the quality of work and productivity.
- It promotes transparency and greater accountability of the Civil Servants to the citizens.
- It results in increased loyalty towards the goals of the organization where the employees are always eager to help each other to achieve the common objectives.
- It would help in encouraging the civil servants to become more compassionate towards the problems of the citizens.

Comparison of work culture in civil services in India to the work culture of other countries (03:35 PM)
- The way social culture in each country is different, work culture also has various distinct aspects.
- Some of the different work cultures present in different countries are as follows:
- **1). American work culture:**
- They tend to place a high priority on results and achievements.
- The work culture is highly individualistic and competitive and results especially in the short term are given over importance at times.
- Employees are expected to work beyond the office hours and deliver results.

- They don't enjoy their job security resulting in uncertainty and insecurity, therefore, producing a highly competitive environment(toxic competition) with fewer collaborations.
- **2). German work culture:**
- German organizations tend to use formal titles and are rigid when it comes to punctuality.
- There is no expectation of working overtime and employees are expected to come in, do the job, and leave when the clock strikes 5 PM.
- Socializing is not considered acceptable in the workplace.
- A lot of emphasis is on work-life balance that is supplemented by a generous number of leaves.
- **3). Scandinavian countries:**
- The employee's well-being is given utmost priority.
- They have shorter work weeks ranging from 32 to 36 hours on average.
- They enjoy longer vacations and five weeks of paid leave is common.
- Organizations often create a flat hierarchy and encourage autonomy and independent decision-making.
- **4). Japan work culture:**
- The work culture tends to focus on cooperation with a focus on mutual respect and rules.
- Interdependence is common, work is often done in teams and there is a higher focus on the process than the results.
- Employees are expected to socialize outside the work.

Traits that the Civil Services can learn from the Private Sector (03:58 PM):
- Establishing clear communication mechanisms to remove and discredit informal channels of communication.
- Accepting/Adopting a flat structure in the organization and promoting democratic decision-making.
- Emphasizing customer satisfaction and seeking continuous feedback to improve public service delivery.
- Private organizations work on the principle of rewarding and recognizing the best performers. Government organizations may learn from the same.
- Private organizations have Standard Operating Procedures and focus on time-bound execution of projects. Government organizations may also learn from the same.
- Government organizations may consider adopting an objective Annual Assessment Method including the adoption of tools such as KPI, KRA, OKR, etc.

How can one create a positive work culture/Creating a positive work culture (04:11 PM)
- Creating or formalizing the vision and mission of the organization can help in attracting the right people to build a shared sense of purpose.
- Employing people who fit with the culture of the organization.
- In case an employee is not behaving according to the organization's work culture, the leadership should work with them to try and adjust their attitude and change the same.
- Leaders must promote trust and empathy among the employees, they should be open to feedback, actively listen to the concerns of the employees, and show appreciation for their achievements.
- Dedicated spaces must be created to foster socialization at the workplace.
- Employees should be provided with support for maintaining physical and mental health.
- Providing training and personal development opportunities to the members of the organization.
- The senior leadership must show their commitment to the values of the organization through their actions and decisions.

THE TOPIC FOR THE NEXT CLASS: THE UTILIZATION OF PUBLIC FUNDS AND PUBLIC SERVICE DELIVERY
Ethics_JG Class 08

[5:09 PM] UTILIZATION OF PUBLIC FUNDS:
- Often availability and allocation of Public Funds alone are considered as important factors in deciding the performance of the govt schemes.
- However effective and efficient utilization of funds is an equally important factor, especially in a country such as India that faces a shortage of funds.
- **Therefore certain principles should govern the utilization of public funds in India. Those principles are as follows -**
- Public funds should be **spent only for public purposes** and objective criteria should be evolved to determine the **priorities of the govt**.
- The funds should be **spent in accordance with the laws** made by the legislature
- Utilization of public funds should be **driven by outcomes** rather than inputs and outputs alone. (Socio-political objectives)

- Decision-making criteria behind the utilization of the funds should be made public to **ensure greater accountability**.
- **Timely release of funds** as per a pre-decided schedule to avoid delays in execution.
- The **government's approach** toward the utilization of public funds **should be inclusive** in nature so that the problems of the most marginalized section of society are given a high priority.

[5:38 PM] ISSUES ASSOCIATED WITH THE UTILIZATION OF PUBLIC FUNDS IN INDIA:
- <u>**Underutilization:**</u>
- It primarily happens due to the presence of multiple layers between the executing agencies and the authorities releasing the funds.
- it often results in what is termed **"March Rush"** where administrative agencies try to spend the funds indiscriminately so that they do not lapse at the end of the financial year.
- Underutilization may be attributed to delays in the release of funds to the executing agencies which limits their ability to spend funds at a specific point of time.
- It can be also attributed to a lack of capital expenditure by the states to improve their capacity to implement the projects.
- <u>**Misutilization:**</u>
- Political parties often misuse public **funds for political advertisements** that aim at promoting narrow political interests rather than the larger interest of the public.
- Political parties often compete with each other to **irrationally distribute freebies** to the citizens which has negative repercussions on the economy in the long run.
- The priorities of the govt are often misplaced and it results in **spending money on unimportant activities such as building statues** to commemorate leaders from the past instead of improving basic infrastructure such as health.
- <u>**Misappropriation of funds:**</u>
- Public servants often **misuse public offices** for private gains **for eg.** MPs have been found to recommend the use of funds under **MPLADS** to be made by the agencies owned by their relatives and family members.
- Govt projects are often **affected by leakages** created due to multiple layers of implementation. As a result, only a small portion of funds reached the targetted beneficiaries.
- **Redtapism and political paralysis** lead to delays in the implementation of govt projects and cause a significant loss to the public. According to MoSPI, as many as 425 infrastructure projects worth more than 100 crores each have been affected adversely by a cost overrun of 4.83 lakh crores. The average time overrun on such projects was more than 42 months.

[6:21 PM] THE IMPLICATION/EFFECTS OF POOR UTILIZATION OF FUNDS:
- <u>**Economic Implications:**</u>
- According to experts **despite having a double-digit growth potential** India's economy has grown at an average of 5 to 7% annually.
- Inadequate improvement in public infrastructure such as roads, ports, etc. has **reduced the competitive advantage** for Indian businesses.
- <u>**Social Implications:**</u>
- It has led to the **violation of rights and entitlements** promised to the citizens
- It has led to several social problems such as poor health infrastructure, a broken education system, and diminished social capital.
- <u>**Political Implications:**</u>
- Misallocation and underutilization have **led to unequal development** in different parts of the country which has created a massive threat to the unity and integrity of India.
- Increased corruption in politics has adversely affected the administrative machinery as well

[6:35 PM] WAY FORWARD/SUGGESTIONS:
- <u>**Introduction of Technology**</u> to ensure greater transparency and effective utilization of funds. For example, the ***Public Financial Management System (PFMS)*** is a tool that allows real-time monitoring of the utilization of funds across different levels of govt.
- The PDS system of Chattisgarh allows the tracking of the movement of the foodgrains from the warehouse to the fair price shops.
- <u>**Awareness-creating and capacity-building exercises**</u> must be conducted among the citizens to ensure the **effective social audit** of govt schemes and programs
- We may consider **institutionalization of social audit** as a part of govt schemes. For example, MGNREGA.
- <u>**Cutting down the layers of bureaucracy**</u> and simplification of governance processes to ensure effective utilization of public funds.

- **Adoption of outcome budgeting and zero-based budgeting** in true letter and spirit by the center and the state govts.
- **Ethical training of the civil servants** to ensure adherence to principles such as integrity, accountability, honesty, transparency, etc. in the utilization of public funds.

[6:49 PM] PUBLIC SERVICE DELIVERY:

- **Definition:** It refers to mechanisms and processes through which services are provided by the govt to citizens which are in nature of welfare services some of the examples would include - healthcare, education, waste management, infrastructural development, law and order enforcement, etc.
- In present times PSD **happens through two modes -**
- Directly through the govt machinery.
- Indirectly with the help of various agencies and partners.
- **Background of the Public Health Sector in India:**
- Public Health resources in India are under tremendous pressure to meet the needs of a large population.
- According to the UN Human Development Report 2020, India has just 5 hospital beds per 10,000 population.
- Only 12 countries far worse than India which include Afghanistan, Uganda, Burundi, Senegal, etc.
- India has 9 doctors per 10,000 population which is less than half the number in China.
- Rural areas have a shortage of up to 70% of doctors.
- Despite the presence of the best doctors in public health institutions, the quality of service remains poor due to ill-trained support staff poorly managed housekeeping and sanitation services, and defective or absent health equipment.
- **Challenges with respect to poor health service in India:**
- *Shortage of funds in public health institutions* - India spent just over 2% of its GDP on public health.
- *Lack of ownership and accountability* in Public health institutions may be attributed to the presence of multiple regulators with overlapping jurisdictions.
- *Lack of awareness -* citizens remain unaware with respect to their rights as well as maintaining a healthy lifestyle.
- *Shortage of manpower -* India faces a massive shortage of manpower not just in terms of doctors but also in auxiliary functions
- *Poor insurance coverage* - ends up creating excessive pressure on the finances of a number of families, thereby pushing them below the poverty line.

NEXT CLASS TOPIC - PUBLIC SERVICE DELIVERY CONTINUES...
Ethics_JG Class 09

REFORMS REQUIRED IN PUBLIC SERVICE DELIVERY (01:13 PM)

- **Technology**- Adopting technology-based service delivery measures such as direct benefit transfer.
- Deploying multiple channels for tech-based delivery.
- **People**- Capacity building of government officials and functionaries through regular training programs.
- **Performance-based** bonus payments to achievers.
- Introduction of c**ontract-based employment** where renewal is subject to satisfactory performance.
- Empowerment of local communities by providing them greater control over service delivery institutions.
- **Processes:**
- Enforcing stricter accountability mechanisms through tools such as **citizen charter, social audit, Right to Public Service Act etc.**
- **Continuous innovation** in mechanisms for public service delivery by incorporating feedback from citizens.
- Adopting transparency measures to share information with the citizens about public service delivery.

EXAMPLES OR CASE STUDIES OF SUCCESSFUL PUBLIC SERVICE DELIVERY IN INDIA (01:28 PM)

- **Andhra Pradesh Model for Dialysis Care**
- The Govt of A.P. entered into an innovative PPP to enhance the access to dialysis care in the state.
- The program was implemented in the BOOT model where the private sector was given complete responsibility of building multiple facilities from scratch.
- It included the installation of equipment, hiring and training of staff, and making the centre fully functional before transferring it to the government.
- This ended up in a win-win situation for all the stakeholders including the patients.
- **Arunachal Pradesh model for upgradation of Aanganwadis**
- The district administration of **Changlang** successfully converged various govt schemes to upgrade the facilities available at Aanganwadi centres.

- The unutilised funds from ancillary schemes such as MGNREGS and the National Health Mission were utilised for this purpose.
- **Telemedicine project of Erode district, Tamilnadu**
- The district administration launched the **Punnagai project** aimed at using a 5G Wi-Fi network to provide telemedicine services in a set of villages that lag basic infrastructure and connectivity.

CORPORATE GOVERNANCE (01:48 PM)

- **Definition-**
- In a narrow sense, Corporate governance refers to a set of systems and processes that govern the functioning of corporate entities.
- In a broader sense, it is defined as the application of best management practices and compliance with the law in its true letter and spirit.
- It refers to adhering to ethical standards and discharging social responsibilities to ensure the sustainable development of all the stakeholders.
- These stakeholders may include customers, employees, shareholders, promoters, management, investors and society.
- **Principles of Corporate Governance:**
- Transparency
- Accountability
- Legality
- Independence
- Equity and Diversity
- Fairness
- **Note**- Please refer to the handout for more details.
- **Reasons why Corporate Governance is required.**
- It helps in brand formation and establishing a strong reputation.
- Better prospects for investment.
- Improved work culture.
- It minimizes wastage, corruption, and mismanagement.
- **Challenges with Corporate Governance in India**
- Most of the businesses in India continue to be controlled by families despite going public.
- They tend to comply with the requirement of having diverse boards only on paper and it is common for family and friends of promoters to be appointed as board members.
- In India, founders irrespective of their legal position continue to exercise significant influence over key business decisions of the companies and have failed to realise the importance of succession planning.
- Often corporate entities function in the interest of a few powerful people compromising the interest of other stakeholders.
- For **example**, The board of directors at IL&FS failed to raise an alarm over faulty management practices.
- Similarly, the head of ICICI Bank approved loans to Videocon without following due diligence measures as she had an indirect interest in Videocon.
- The provisions related to independent directors have failed to reap the desired results as their appointment and removal are often compromised by promoters.
- Often companies offer exorbitant compensation to senior executives even at the cost of other stakeholders.
- Corporate entities often end up getting exposed to various types of risks due to a lack of due diligence by the management and audit committees.
- Non-compliance with disclosure and accountability norms has emerged as a major challenge. In fact, despite several instances of violation of these norms, no punishment or penalties have been imposed.
- **Recommendations of the Kotak Committee**
- **Independent Directors**
- Their strength should be increased from 33% to 50% of the board to protect small investors.
- No board meeting can be conducted without the presence of an independent director.
- **Regarding Audit:**
- An audit committee to look into the utilization of funds infused by a listed entity into unlisted subsidiaries, including foreign subsidiaries.
- **Note**- Please refer to the handout for more details.

CORPORATE SOCIAL RESPONSIBILITY (02:35 PM)

- CSR or Corporate Social responsibility is also referred to as corporate citizenship and is a process by which an organization thinks about and evolves its relationship with various stakeholders for the common good and demonstrates its commitment in this respect by adopting appropriate business processes and strategies.
- **Components**
- Business Ethics
- Employee welfare
- Influencing the supply chain
- Influencing the supply chain
- **Challenges with CSR:**
- **Skewed distribution of funds under CSR-**
- 85% of the funds are concentrated in 3 sectors alone health, education and livelihood.
- Even geographically, most of the funds are spent in west or south India.
- Mandatory CSR has killed the initiatives of companies to spend more than 2% on CSR activities.
- Often companies involved in grey business try to gain acceptance or legitimacy by spending money on CSR activities.
- Companies tend to focus merely on spending the funds rather than achieving the desired objectives.
- CSR spending is determined by the Corporate entities rather than according to the priorities of the community.
- **Note**- Please refer to the handout for more details.

ETHICS IN INTERNATIONAL GOVERNANCE (02:58 PM)

- Ethics in IR refers to the application of morality and principles in solving the various ethical dilemmas that a country faces in the conduct of its International relations with various countries.
- **Some sources of International Ethics-**
- UN Declaration of Human Rights
- Geneva Convention for Humanitarian Treatment in War
- Refugee Convention 1951
- **3 Major approaches to resolve ethical dilemmas in IR-**
- Realism
- Idealism
- Principled Realism
- **Ethical challenges/issues in IR**
- Neo-colonialism in the name of international Aid rather than aiming at uplifting poverty.
- Issues of Human rights violations being ignored by countries at their convenience
- Lack of responsibilities by the developed countries regarding Global Commons
- International Diplomacy is guided by narrow national interests rather than common global agendas. For example, Terrorism is still not defined internationally.
- **Note**- Please refer to the handout for more details.

THE SYLLABUS IS CONCLUDED.