



Corruption & Black Money

KEYWORDS

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Corruption is a global phenomenon. It is found almost in every society in one or the other form since time immemorial. Corruption in simple terms may be described as an act of bribery. It has also been described as the use of public power for private profits in a way that constitutes a breach of law or deviation from the norms of society. Corruption is spread over in the society in several forms. Of these the major ones are: bribe, nepotism, misappropriation, patronage and favoritism. Corruption, in India has become deep rooted and is galloping unchecked and unhindered. Today both at the central and the state levels, the numbers of ministers with an honest image can be counted on finger-tips. At present, India is viewed as the seventh most corrupt country in the world according to a non government organization called "Transparency International." Corruption is very common in civil services. Corruption among public servants has always existed in one form or the other. At one time, bribe was paid for getting wrong things done but now bribe is paid for getting right thing done at the right time. Gift giving is a major form of corruption in cities. When a contractor gives boxes of dry-fruit and sweets and silver glasses to the engineer or the Account Officer for passing his bills, or a doctor or even a police officer gives 'gift' to the Minister for getting him transferred to the place of his choice, or a businessman who has successful in getting a favourable assessment of income tax gives a fridge or a car or some costly electric gadget or a gold-chain on his son's birthday or daughter's marriage, a pattern of 'gift-giving' and along with it certain 'cultural values' are clearly involved. Corruption is a cancer which every Indian must strive to obliterate. People have tolerated corrupt persons for long. It is now time containing corruption is taken up by dedicated political rules.

Black money is both an economic and a social problem. In the latter context, it is perceived as a problem with adverse sociological effects on society, like social inequalities, social deprivations, etc; in the former context, it is perceived as a parallel economy, an underground economy or an unofficial economy that is the consequence of the economic policies of the government and has damaging effects on country's economy and nation's planning development. Black money is tax-evaded income. It can be earned both through legal and illegal means. Its legitimate source is that the income-earners do not reveal their whole income for tax purpose. For example, government doctors earning money by private practice even when they get non-practising allowance; teachers earning money through tuitions, examinations and book royalty and not including it in income-tax returns; advocates charging much higher fee than shown in their account books, and so forth. Its illegitimate source is bribe, smuggling, black-marketing, selling commodities at prices higher than the controlled prices, taking puggree for house, shop, etc. selling house at a high premium price but showing it at much lower price in the account books, and so on. It is possible to convert black money into white money and vice versa. For example, when a person manages to get the receipt from the shopkeeper by paying sales-tax for a commodity but does not purchase it actually, he generates black money as reimbursement is made to him against the receipt. The money not actually paid is the black money in this case. In such case, the shopkeeper sells the same commodity to another person without giving him any receipt for it. On the other hand, if a person purchase second-hand car and pays Rs. 90,000 for it out of white money but gets a receipt of only Rs. 60,000 the balance of Rs. 30,000 becomes black money for the seller. In this case, white money becomes black money.