

Impact of Corruption and Economic Crimes in the Public Sector of India

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Abstract

There is a detailed discussion about the factors that are related to the increasing rate of corruption and crimes in India and the way these offences are affecting the public sectors of the country in this study. There is an insightful view of the reasons behind the evaluation of corruption in the country and the different ways of the diversification of criminal offences affecting the economic development of the country. Apart from that, discussion about the different factors of criminal offences that affect the social structure of the country such as corruption in the political sectors are increasing, increasing crime rates changing the social environment of the countries and many other factors that have been discussed in this study.

Criminal offences affect the democracy of the country and the common people are suffering from these offences, especially the people who have a mediocrity income and the people who live under the poverty line in the country. However, some strategies and policies have been discussed in this study that helps to decrease the corruption and crime rates in the country and helps to increase the economic growth that helps to decrease the negative impact of these offences in the public sectors of the country. Apart from this, through the secondary qualitative data collection method, all the authentic and relevant data have been evaluated throughout the study. All the necessary data has been taken from authentic and reliable resources and through the thematic analysis process, all the gathered data have been analysed through different themes to conduct a better understanding of the study and improve the outcomes of the study.

Keywords

Corruption rates, crime rates, economic development, economic growth, governmental rules, laws, organisational factor, private sector, and public sector.

INTRODUCTION

Background of the study

Corruption in a country damages the integrity of democracy and affects the economic development of the country. High corruption and crime rates of a country not only affect the economic development of the country but also affect the social structure of the country. In India, there are different types of criminal and corruption offences and as the population of the country is increasing every day these offences are increasing diversification which impacts the public sectors of the country [1]. Besides that, these offences affect other sectors of the country such as the private sector, institutional sectors, political sectors and many others. Every sector of India has been corrupted and corruption rates in Indian states are near about 57% [2]. Hence, all the necessary aspects associated with the increasing corruption and crime rates that impact public sectors have been discussed throughout the study.

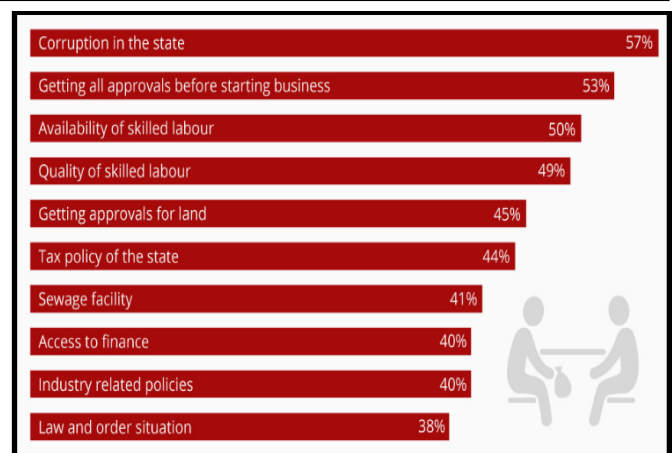


Figure 1. Problems related to corruption in India [2]

Aim and objectives

This study aims to focus on the factors behind the increasing corruption rates and crime rates of the country that are affecting the public sectors of the country.

Objectives:

- To identify the factors behind corruption and criminal offence in the country
- To find out the impact of corruption and crimes in the country in the public sectors
- To explore the strategies to improve the economic development of the county by the reduction of corruption and criminal offences

Significance of the study

Corruption rates and crime rates of the country effectively impact the economic growth of the country especially impacts the public sectors of the country. This study helps to understand the basic factors of evaluation of corruption and crimes in the country and helps to acknowledge the negative impacts of the increment of corruption crimes in the country. Hence, this study has established a better understanding of the strategies to decrease the corruption and crime rates in the country.

METHODS

Research philosophy

Research philosophy is a strategic method that establishes a proper way in which the data about the study and phenomenon will be gathered and analysed throughout the study. *Interpretivism* research philosophy method which helps to establish better understanding about the social factors associated with the phenomenon of the study [3]. The interpretivism research philosophy method has been adapted in this study to conduct a proper understanding about the social factors associated with the phenomenon of the study which helps to collect appropriate data about the impact of corruptions and crimes in their public sectors of India for the study. According to this method it helps to collect appropriate data of the study that deals with the social facts and its effects.

Research approach

Research approach is a method that helps to collect suitable data for the study and helps to interpret the collected data in an appropriate way that helps provide a better analysis of the study. There are different types of research approaches that help to conduct better outcomes of the study through analysing the collected data. Among these approaches the *inductive* research approach helps to conduct a proper analysis of the collected data by going through important and specific factors and with a close observation it develops proper explanations for the study [4]. The inductive method has been followed in this study to have a clear observation of the collected data that helps to provide better outcomes of the study in an appropriate way. Inductive research approach is appropriate when there is no hypothesis mentioned in the study, thus adopting this approach has been best suited for the study.

Research design

Research design helps to establish a proper strategy to integrate the different important components of the study in a proper and logical way which helps to conduct the proper results of the analysis. There are different research designs that help to integrate the study but among them the *exploratory* research design method helps to establish a better understanding about the study in a way in which the study has not been previously studied [5]. The exploratory research method has been taken in this study to ensure the

effectiveness of the study and it helps to discuss the challenging factors associated with the study to establish the depth of the study.

Inclusion and exclusion criteria

The *inclusion and exclusion criteria* method helps to filter the data collection process which helps to establish a detailed observation about the phenomenon of the study [6]. In this study, the inclusion and exclusion criteria method has been followed and it helps to gather appropriate data in a strategic way to provide better outcomes of the study. Through the inclusion criteria, this study has evaluated its data collection from the journals that are published after 2018. Apart from this, authentic, reliable and relevant data has been collected from newspaper articles, journals, websites and many other resources for the study by implementing this method. Besides that, this study has not evaluated data from doctoral papers, conference papers, advertising papers and many other unreliable sources through the exclusion criteria method.

Data collection technique

The data collection technique is a method that helps to collect data for the study in a systematic way to improve the outcomes of the study. There are different categories of data collection methods but among them the *secondary qualitative data* collection process helps to establish the outcomes of the study [7]. The secondary qualitative data collection method has been adopted in this study as this method helps to gather data from previous journals, articles to explore the depth of the study and helps to suggest different findings about the phenomenon of the study that have previously never been discussed.

Data analysis technique

Data analysis method is a technique that provides different activities to organise the collected data that helps to analyse the collected data to conduct a proper outcome of the study. The *thematic analysis* method helps to establish different themes to improve the depth of the analysing process of the study and helps to improve the outcomes of the study [8]. In this study, the thematic analysis method has been followed throughout the study to establish different themes from the gathered data to improve the quality of the outcomes of this study. Besides that, all the ethical considerations have been maintained throughout study which has provided proper guidance to conduct appropriate study materials for the study.

RESULTS

Theme 1: Types of corruption and its impact in India

Corruption means the abuse of entrusted power for gaining private benefits by harming others and corruption in a country weakens the democracy of the country, hampers the economic development and economic growth of the country. Besides that, corruption in the country creates social and environmental crises that hamper the social structure of the society [9]. There are different categories of corruption in

India such as political corruption, economic corruption, environmental corruption and many others. These different categories have indifferent types of corruption such as political corruption include bribery, nepotism, theft and fraud networking and many others. Besides that, economical corruption of the country includes those corruptions which affect the economic growth of the country and the environmental corruption suggests corruption which is associated with forgery, theft, blackmailing about property and many others. These different corruptions of India not only impact the economic growth of the country but also impact the political sectors and public sectors of the country. Besides that, the increasing rate of corruption in the country negatively impacts the mental health of the common people.

The global corruption rate is increasing day by day and every country has faced negative impacts of these corruptions in all sectors. In all stages of different sectors the countries of the whole world have faced crisis associated with economic growth of the country [10]. However, political corruption mostly affects the economic growth of India and there are different aspects of political corruption in this country. India is evolving with new changes which are also increasing the corruption rate of the country and the types of corruption are diversifying every day. The political reasons that are increasing the corruption rates of the country are the use of black money in the elections, clashes of capitalisation, criminalization of politics and many others. Besides that, there are many other economical factors that are increasing the corruption rates of the country such as ease of doing businesses in the country, high shares of informal sectors in the country and many others which are also impacting the economic growth of the country.

Theme 2: Impact of corruption in the public sectors of India

Corruption has become a very common word in this decade and the people are unwillingly evolving with corruption just to maintain their status in the society and just to be a part of the social system of the country. The people of the country are not raising their voices and opinions against corruption and thus the corruption in this country is increasing rapidly which negatively impacts the public sectors of the country. The common people who have moderate incomes and the people who live under the poverty line are the people who get vastly impacted by corruption and they suffer to get their fundamental rights and other benefits as a human being [11]. The situation of the country is worsening every day as the corruption rates of the country are increasing and it is negatively impacting the public sectors of the country. Most of the countries from all around the whole world have corruption crimes which impacts the economic growth of their countries and in 2021, according to the corruption perception index Russia was the highest corrupt country and Germany was least corrupt country with a score of 80 [12].

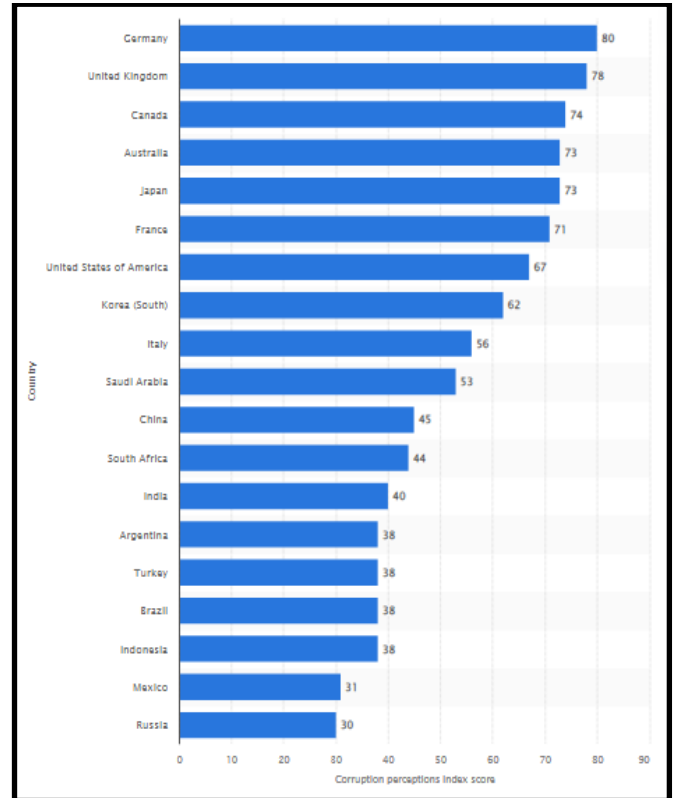


Figure 2. Most corrupt countries of the world according to the Corruption Perception Index 2021 [12]

There are many different explanations for the increasing rates of corruption in this country such as the employment vacancies are smaller than the number of competent people in the country, people are emerging with jobs below their qualifications just to avoid unemployment, in the political sectors criminalization are increasing and many others reasons that are impacting the public sectors of the country. Corruption is an increasingly challenging situation for the common people of the country which is rooted with the problems that are associated with numerous social, economic and political factors [13]. Corruption of different sectors of the country differently impacts the economic growth of the country. Corruption is also impacting the private sectors of the country from which the organisational structures are constantly changing and rapidly affecting the employment rate of the country. Besides that, the increasing rate of corruption is establishing uncertainty in the economic growth of the country which is negatively impacting the social structure of the country.

Theme 3: Identification of the impacts and effects of economic crimes in the public sectors of India

Economic crimes form a separate category of criminal offence in the country and impact the national economy of the country. These economic crimes not only affect an individual person's income but also impact the national economic growth of the country in a negative way. There are different types of economic crimes such as the counterfeiting of the currency, organisational frauds, scams, money

laundering and many others. However, the increasing rates of the crimes in India negatively impact the economic growth and the increasing crime rates severely affect the social structure of the country [14]. Hence, it is very important to identify the factors that affect the country's economic growth to control the increment of the rates and provide a better corruption free social structure for the common people of the country.

There are different categories of economic crimes such as traditional economic crimes, technological crimes, transnational crimes and many others. The traditional crimes include corruption, smuggling, fraud, import business and other crimes whereas the technological crimes include credit card frauds, cyber crimes and many other crimes. Besides that, transnational crime suggests internationally transmitted crimes such as money laundering and others. There are different laws in this country to decrease economic crimes but those are not very efficient regarding the number of crimes that are increasing everyday [15]. In this digital era, the digitalisation process has been increased and implemented in many countries and India is one of them. India is becoming more digitised over time and thus it is increasing all the risk factors related to digitalisation such as cyber crimes, online bank frauds, hacking and many others. These crimes are a major part of economic crimes which are affecting the public sectors and as well as negatively impact the mental health of the common people.

Theme 4: Impact of corruption in the economic development of India

Corruption of this country has affected the economic development of India in a negative way and has developed bureaucratic delays that increase the inefficiency of bureaucracy of the country. Poverty in this country is a big factor behind the increasing rate of corruption in this country as there are a lot of issues associated with poverty. Corruption affects the democracy of the country and affects every section of the country in a chronological way. Apart from these factors there are many issues related with religion, caste and the increasing population of the country also affects the economic development of the country. However, the corruption rate is 85% less than 180 countries of the whole world and the corruption rates have decreased from previous years as in 2012 the corruption rate was 94% of the country [16].

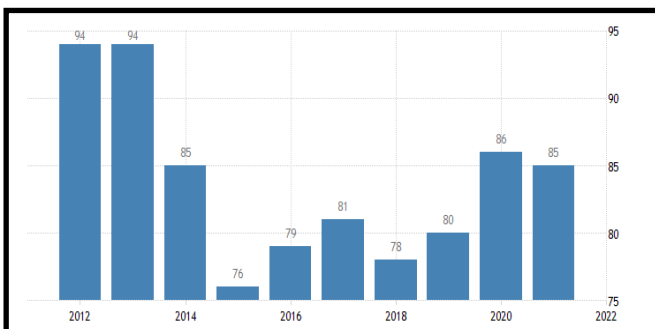


Figure 3. Corruption rate of India (2012-2022) [16]

The increasing rate of population affects the digitalisation rates of the country which comes along with new vulnerabilities associated with the internet accessibility that impacts the economic development of the country. Besides that, cultural conflicts also impact the increasing rate of crimes and the increasing rates of crimes impacts the economic development of the country. Though the crime rates have decreased over the past few years, the crime rates of this country are much higher than any other countries of the whole world. In 2021, about 1859 crime cases were reported per 100,000 inhabitants of the Indian population and most of these crime cases were registered from Delhi. Apart from Delhi, there are 1.6 thousands crime cases from Surat, a city of India which impacts the economic development of the country [17].

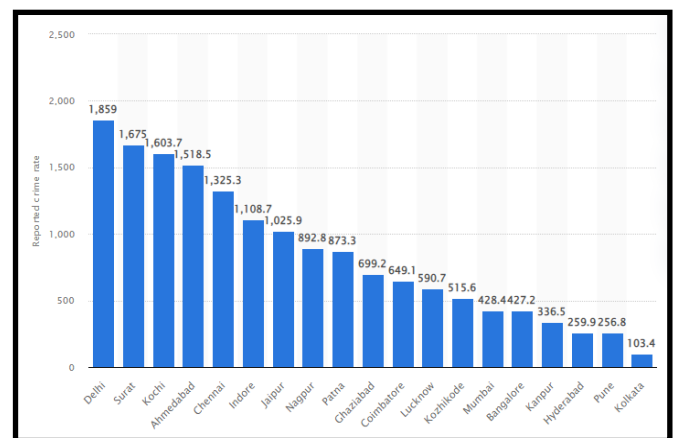


Figure 4. Crime rates of major cities of India in 2021 [17]

Theme 5: Strategies to overcome the corruption and crime rates of India in the public sector

India has a mixed economy that affects the economic development of the country and also affects the social structure of the country. Apart from that, India has a mixed cultural population and the factors associated with different religions and cultures are also affecting the economic development of the country and impacting the public sectors of the country. However, there are several prevention strategies to overcome the corruption and crime rates of India that have impacted the public sectors of the country. Corruption of any country depends on three factors - firstly, the individual sense of values, secondly, the set of values and lastly, a systematic set of values provided by the governance of the country [18]. It is very important to develop simple yet effective rules and laws in the county which can be easily understood by the common people and with its effectiveness people can act according to the values.

Besides that, simplified values reduce dependencies of the public in intermediaries which also decreases the government-citizen interfaces which positively decreases the corruption rates from the country. Apart from that, different strategies to decrease the poverty rates of the country also decrease the crime and corruption rates and help to increase the economic development of the country. Different governmental strategies have been implemented in the public

sectors of India that establishes good quality of values for the public of the country which strengthens the mechanism of the organisations of the country [19]. According to the factors that mostly affects the public sectors of India is the unemployment of the country and the government has implemented different plans to improve the vacancies of the organisations. However, different strategies are not very effective and efficient in decreasing the corruption and crime rates of the country and the economic development is not increasing. Hence, the crime rates and corruption rates of India are increasing which negatively impacts the economic development of the country.

DISCUSSION

Corruption is a form of dishonesty or a kind of criminal offence which occurs when an individual person or an organisation takes dishonest steps by harming others. That individual person or an organisation gets beneficial facilities by harming others financially and emotionally which impacts the economic growth of the country. However, the prediction of corruption in a country is a complex policy and in fighting against corruption all the countries from around the world have suffered from several challenges while establishing suitable policies for decreasing the corruption rates in their countries. Policymakers around the whole world have faced several challenging situations as establishing new policies in a country require changes in the social structures of the country [20]. Every country has provided many anti-corruption policies; among them many policies are effective and efficient enough to establish changes in the social structure of the country but these policies need more monitoring to decrease the corruption rates of the country.

In India, the corruption rates are much higher than in many other countries from all round the whole world which negatively impacts the economic development of the country. There are several different factors that affect the increasing corruption rates of the country and also affect the reasons behind the increasing crime rates of the country which impacts the economic development of the country. India has a mixed cultural population which is a big factor behind the increasing rate of corruption in the country whereas different religious groups and an extreme poverty rate in the country are two other big factors behind the corruption of the country. The poverty of this country has developed different social and economic challenges for the people of this country and despite the economic growth of India than previous decades, the poverty rates remain almost similar according to the past poverty rates of the country [21].

Besides that, there are different categories of corruption and crimes in India as these offences depend on the political factors, economic factors, and environmental and social factors that impact the economic growth of the country. Apart from that, there are different types of corruption and crimes such as traditional corruption, technological corruption, violent crimes such as physical abuse of women, rape, murder, human trafficking and many others that negatively

impact the economic growth of the country. However, corruption offences include frauds, scams, forgery, cyber crime, organisational frauds and many others. In this digital era, India is also evolving with advanced technologies and increasing the digitisation process in the country which comes with lots of online vulnerability [22]. The people have more access to the internet which also increases the risks of cyber crimes in this country. However, the crime rates in India have decreased compared to previous decades but corruption still affects many public sectors of the country in a negative way.

However, different strategies have been taken to reduce the corruption and crime rates of the country and the government has made several effective policies and laws against these offences to increase the economic growth rate of the country. The real GDP rate of the country is increasing and it is estimated that the growth rate will increase up to 8.11% by 2026. Besides that, it is estimated that the GNI of the country will reach an amount of US \$4.16 trillion in 2025 [23]. However, it is very necessary to establish appropriate values for the common people and the rules and laws should be simple yet effective that can decrease the corruption rates and crime rates of the country. Simplified rules and values decrease governance interfaces in the country which effectively decreases corruption in the country. Apart from that, simple rules and values can be understood by the common people of the country which effectively helps to increase the economic growth of the country and decreases the negative impact of corruption coming from the public sectors of the country.

CONCLUSION

This study has focused on conducting all the necessary aspects and elements regarding the corruption and crime rates of India that are affecting the public sectors of the country to improve the understanding of the issues associated with it to establish a better strategy to recover the economy of the country from its negative impact. Besides that, the detailed discussion about the negative impact of increasing rates of corruption and crimes and its impact on the economic growth of the country has been evaluated throughout the study. It has been identified that different sectors of this country are getting negatively impacted because of these criminal offences and the population of the country is the main reason behind the diversification of these offences. However, the effective strategies and policies to control these offences have been evaluated in this study still the increasing rates of these offences negatively affect the economic system of the country. Hence, it is very important to establish more effective and efficient strategies and implement them in a simple way that will help to reduce the rates of these offences and will establish better growth in their economy all these factors have been discussed and evaluated in a detailed way throughout the study.

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