

Why NATO has Failed

Kosovo represents yet another tragedy of a world out of balance and without order. Only a worldwide, militant anti-imperialist movement can change this state of affairs.

Eqbal Ahmad writes

BILL CLINTON may well declare one day yet another 'achievement' in the Balkans, as he did in 1995 after the Dayton Accord. In fact, the North Atlantic Treaty Organisation's intervention and its sequel underline the abject failure of American and European policy. The developments expose their pretensions to power as being devoid of the will to wield power, and their claims to a moral motivation as being hollow.

Success entails the attainment of defined objectives. NATO's objectives in starting the raids were two-fold. One was to induce President Slobodan Milosevic to accept the Rambouillet Plan, the minimalist agenda of which was to restore Kosovo's autonomy abrogated by Milosevic in 1990. The other objective was to save the civilians of Kosovo from imminent 'ethnic cleansing', a recently coined euphemism for genocide. NATO has failed to achieve these stated objectives. Within days of the beginning of the air strikes, Milosevic had rendered Rambouillet a dead letter, and escalated his campaign of slaughter and expulsion. Entire villages and towns were destroyed or emptied of their inhabitants. As of April 10, half a million Kosovars had been expelled from their homes and had taken refuge in resource-poor Albania and Macedonia. The exit of 700,000 more refugees was blocked by the Serb military. These hapless people were starting to die of cold and starvation. Reports said that Kosovo's capital Pristina had been 'cleansed' of its inhabitants. Because of its power and its cherished alliance are locked in the tragedy, newspapers and television screens are filled with horrid images of the carnage.

Euro-American leaders acknowledge rather coyly that the plan promoted from Rambouillet is past its prime. As for the assault on the Kosovars, the NATO spokesman, Jamie Shea, says that "even we have been shocked by the sheer volume of what is going on in Kosovo... His words betray the extent to which NATO's leaders had miscalculated Belgrade's will to escalate atrocities. The Clinton White House speaks of 'genocide' and 'abhorrent, criminal

action on a massive scale." By the end of a week's time NATO had extended its bombing target beyond Kosovo to Serbia including Belgrade.

"Political will is building," General Wesley K. Clark, NATO's top Commander, told reporters wistfully. But it was not really happening. "On the seventh day, Serb resilience (sic) gives NATO leaders pause," reported *The New York Times*.

"They are struggling to figure out what to do next if the bombing does not work... Two weeks after the air strikes began, they still had not figured out. Even the air strikes lack the seriousness of purpose that was so extravagantly on display during the Gulf War of 1991. 'Belgrade is not Baghdad', a NATO spokesman says bluntly. Tactical aircraft were not used to inhibit the Serb forces which were doing the ethnic cleansing. When approval was granted — two weeks later, after half of Kosovo's people were pushed out and thousands killed — for deploying two dozen Apache helicopters, the Pentagon said that it will take a month to get them ready. These failures were predictable and revealed once again the vulnerability of the contemporary international system to manipulation, aggression and genocide. One may draw certain conclusions from the tragedy of the Kosovars.

"Humanitarian intervention" often signals diplomatic negligence and a feeble structure of keeping the peace. Kosovo offers a textbook case of this. Slobodan Milosevic, by any definition a fascist demagogue, began his climb to power by starting his ethnic hate campaign in Kosovo. He suspended Kosovo's autonomous status in 1989, imposed a harsh discriminatory regime upon the ethnic Albanians who constitute 90 per cent of Kosovo's inhabitants, and laid the foundations of the current carnage.

For a decade, diplomats, experts and observers had been pointing at this international powder keg and urging a vigorous effort to prevent the catastrophe that was waiting to happen. But the United States and its allies in Europe, which control the reins of world power and the working mechanisms of the United Nations, were too busy promoting globalisation, encircling Russia, controlling world resources, and expanding the reach of NATO, to be able to attend meaningfully to the crisis in Kosovo. In order to maintain NATO's monopoly over peacemaking in Europe, the UN was discouraged from taking any initiative on Kosovo. Yet NATO and the US attended to the simmering crisis too late in the day to be able to avert the worst.

Bombs cannot compensate for the absence of seriousness and resolve. Since the end of the Cold War, the 'sole superpower' has tried to monopolise the role of the world's Field Marshal. Fair enough, it is in the nature of power to seek dominance and a leadership role. But these entail costs which the US and the alliance it leads are unwilling to incur. During the three months that they contemplated launching the air strikes, most analysts had pointed out that historically air raids have not significantly changed enemy behaviour or capabilities unless an air force was aiding ground forces. As Eliot Cohen, a strategic affairs expert, put it, "Air war, like modern courtship, appears to court gratification without commitment."

If NATO was unwilling to send ground forces to Kosovo, where 90 per cent of the people could be presumed to be friendly, then Serbia may not give in and will certainly escalate its inhumane ethnic agenda. Among others, Mary Kaldor, an influential British expert, had warned that unless troops were placed in Kosovo, bombings will 'lead to ethnic cleansing on a large scale.' Instead, on March 23 the Organisation for Security and Cooperation in Europe (OSCE) withdrew from Kosovo, leaving its

people, as Kaldor wrote in *The Guardian*, "without even the leaf of international protection." NATO wants war without death, play policeman without risking injury which, to paraphrase Lenin, is like seeking to make omelettes without breaking eggs.

When a required decision is evaded, the problem compounds. The one period in recent memory when air strikes might have been effective in discouraging genocide and also prevented Milosevic's current outrage started in April 1992 and lasted for three and half years. Kamal Kurspahic, then the Editor of the daily *Ostobodjenje*, recalls how the Serb artillery on the hills surrounding the city destroyed Sarajevo by systematic bit, killing 10,600 inhabitants including 1,800 children. The Serb artillery emplacements were visible targets, easy to silence from the air. Yet the big powers looked on year after year. George Bush, then the US President and Commander-in-Chief, who gave us Desert Storm, would pretend not to understand. Every other day or so he would ask Brent Scowcroft, his National Security Adviser, "Tell me again what this is all about."

Appeasement nourishes evil ambition. Bill Clinton came to the White House promising to "lift and strike", that is, he would lift the arms embargo on Bosnia and launch air strikes on Serbia's artillery emplacements. He dithered, as months after tragic months added up to years. It was twelve hundred and sixty days, a quarter million lives and unaccounted sufferings later — after a UN safe haven was run over, the blue helmets were chained to their armour, and thousands of Serbians were massacred in Srebrenica — that NATO intervened, and the US claimed kudos for forging the Dayton Accord.

It legitimised ethnic cleansing by partitioning Bosnia along unstable ethnic boundaries. This dubious 'achievement' required an excessive ap-

peasement of Slobodan Milosevic who deserved then, as he does now, to be tried as a war criminal. Instead, he remained an indulged partner in 'peace-making', and like Nemesis, has returned to haunt his benefactors.

Evidence of 'good faith' is essential to the credible exercise of humanitarian intervention. In a *New York Times* article, Josef Joffe, a German international relations expert popular in the American foreign policy establishment, asserts that this is "a war of conscience not of interest." He adds: "The attack on Yugoslavia is aimed at saving lives, and for purely moral reasons." Why it took the West's much vaunted conscience so long to be aroused, he does not explain. After all, Milosevic suspended Kosovo's autonomy, which NATO is belatedly attempting to restore, in 1989, then proceeded to wage war with Croatia and commit crimes against humanity in Bosnia. Joffe is just the kind of unsubstantiated assertion that dailies like *The New York Times* favour and such 'un-publishable' intellectuals as Noam Chomsky demolish, in obscure publications like the *Z Magazine*.

In a recent article Chomsky discusses NATO's intervention in Kosovo with the unsparring logic and empiricism that is his hallmark. He notes a tension between "two pillars of world order": the United Nations Charter prohibits the forcible violation of state sovereignty while the Universal Declaration of Human Rights guarantees the individual's rights against state oppression. The notion of 'humanitarian intervention' arises out of this tension. Legal scholars differ over when such intervention is permissible or necessary. A common and reasonable conclusion is that its determination rests on the 'good faith' of those who intervene. 'Good faith' is determined not on one's rhetoric but on one's record of adherence to international law. Thereupon follows Chomsky's de-

tating and totally accurate listing of the United States' violations of international law and the UN Charter. The evidence of 'good faith', he demonstrates conclusively, is entirely absent in this case. The wolf has appointed itself to guard the chicken coop.

As Noam Chomsky recognises, his indictment "leaves unanswered" the question of "what to do in Kosovo." Outside of the UN framework, the legality of NATO's intervention is dubious. The air strikes have provided an excuse for the Serb nationalists to augment the enormous suffering of the Kosovars. Yet, it promises the victim population at least "some protection from a predatory state." So how does one react to the event? One answer, readily offered by the Left during the Second World War, is that when history forces a choice between fascism and imperialism, often a choice between oppression and annihilation, one has to support imperialism's war against fascism. But then one expects such a battle to be fought seriously, with clarity of purpose.

The dilemma that such events pose cannot be resolved by mere affirmations and negotiations, for and against great power interventions. Kosovo represents yet another tragedy of a world out of balance and without order, a world system rigged in favour of the rich and powerful that even such international laws as the Convention on Genocide cannot be enforced unless the enforcement serves the interests of a decisive power or group of powers.

In effect the big powers, especially the US, obstruct the emergence of a framework of world order. Thus the US has defied the rulings of the International Court of Justice, NATO has not seriously cooperated with the International Criminal Tribunal for former Yugoslavia (established in 1993), and Washington continues to oppose the treaty to establish an International Criminal Court in Rome. It will take a worldwide, militant, and visionary anti-imperialist movement to change this inhumane state of affairs.

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Watching the Remaining Sunsets of the Century

by A Husnain

THE entry into the next century is neither peaceful nor hopeful, as it was at the beginning of the 20th century. The depth and breadth of changes at the global level far exceeded the combined effects of the rest of the century. The entry into the next century is turbulent and uncertain, with a large number of variables and permutations and combinations. The world is smaller today, and civilization is more interactive. There is less time to think, and decisions have to be made in a hurried way.

The break up of the USSR left only one super power, which tilted the checks and balance equation. Recession in Europe and Japan, coupled with the collapse of the financial market in ASEAN and Asia is now having global repercussions. Brazil has now been affected. The next watch is on the Wall Street as the impeachment unfolds its effects on the markets in the coming months.

Violence, civil wars, and ethnic conflicts dominate the map of the world. Bosnia has given birth to the Kosovo side-effect. Palestine continues to be violent even after decades. Afghanistan is a new victim, still bleeding. The peace was again in 1998-99 in Africa is seething with civil wars and tribal adventures.

While economics and violence rule the day, instances of moral degradation are adversely affecting governance and policies at the international and national levels.

The financial cyclones will affect the third world countries more critically. Pakistan needs five and a half billion dollar rescue package. India is facing a financial crunch, as indirectly hinted by economist Amartya Sen.

The world is bipolarised today into two main camps, the Muslim world and the rest. The affluent western civilisation is at stake. The Islamic nations are not yet ready to close ranks. The weak Europe has sought

refuge in the single Euro currency, thereby opening another front against the lone global currency, the US dollar. The effect of this diversion or option may be clear by the end of the year. Yen appears to have missed the boat as an international currency.

There is talk of a single Asian currency, but the effort appears to be late and too difficult, due to the divergences involved in the standard of living of the numerous Asian nations. But one curve is clear: Asia is rising again, according to the recycling of history.

There is no sign of benevolence in South Asia, especially after the nuclear capability of India and Pakistan. The latter is financially broke, but it has to be propped up by the big powers to contain potentially mighty India, both militarily and economically. China is involved in another balancing act.

Myanmar is a stumbling block in the eyes of the global powers. The proximity makes Bangladesh; she will not be left alone for more reasons than one. Internal political stability in Bangladesh is reckoned to be suspect; and this should be clear by the end of the century.

If Japan cannot re-emerge as an economic power, the vacuum will be difficult to fill. There is no hope for S Korea, and the nations 'down under' are in no better position to dictate terms, even marginally. Hong Kong and Singapore are feeling the pressure, and the power of resistance is under test.

Russia is a big financial burden on the global economics; and the ethnic war in central Europe is showing no sign of abating (no independent Muslim nation would be allowed in Europe, speaking in plain language).

Scanning the globe, it is apparent that instability prevails in many spots in one form or another.

It is an uneasy pilgrimage to the 21st century. It is time for repeated appraisals, not for prosperity, but for survival, in most cases.

Of Good Governance and Government Audit

by Md Motaher Hussain

Things are not as rosy as they should have been. There are less to every wine. Audit resources have their limitations. But still, audit acts as a psychological barrier against misuse of public money.

THERE is a saying, 'the king reigns, but does not govern'. It means that the king merely selects those who are to govern. The word 'govern' comes from the Latin word 'gubernare' which means 'to steer'. So governance is the act of steering. That government is the best which governs the least was a popular view in the 18th and 19th centuries. This was usually interpreted to mean that the government should restrict its activities to Defence, Fire and Police Protection i.e. to the performance of certain administrative tasks that do not encroach upon the efforts of private individuals and firms. Nowadays, governance means more than 'governing' law and order.

It has become increasingly clear that the loss of capacity in many governments and their continued unsatisfactory performance are due to government factors, says a World Bank report. This highlights the involvement of banks in governance during the last couple of years. This implies that reform programmes based on technical measures alone will not succeed. So corruption and inefficiency should also be restrained.

There is no unanimity among authors about what governance exactly means. The World Bank, for instance, defines governance as the manner in which power is exercised in the management of a country's economic and social resources for development. Originally, the term was coined to complain about corruption, mismanagement and abuse of power by certain regimes in Africa. But there is no doubt that it is concerned with the process by which an organisation is directed and controlled. It can be safely said that the aim of good governance is to ensure that those who are governed get what is expected by them from those who govern them.

So the citizens are the focal point. They are the voters and taxpayers. Their satisfaction is of prime importance. Since government is the key provider of goods and services, good governance demands continued effort by the government to meet citizens' needs. Like many other developing countries of the world, Bangladesh also faces the gigantic problem of governance. The government continues to attach top priority to improving public sector's management to deliver goods and services with economy, efficiency and effectiveness. This can be achieved by ensuring accountability and transparency in public management.

Accountability: The aim of public administration is to serve the people. The public officials are the servants of the people or the tax-payers. So people have a right to ask the officials whether they utilise the tax-payer's resources properly or not. That means the officials must be accountable to the people. Thus accountability is a vital aspect of good governance. It is a safeguard against misuse of power or corruption.

In Bangladesh, the Secretary of a Ministry is the topmost public servant. He is principally accountable to the electorate for the utilisation of funds placed at his disposal by the parliamentary process (Budget). This is why he is called the Principal Accounting Officer (PAO) of a ministry. He has to answer to the people's representative in the Parliament (e.g. Public Accounts Committee).

Accountability is regulatory and punitive in nature. But it has a positive role also. It ensures desirable administrative performance under a democratic set-up. In other words, the basic intention is that administrative operations are carried out with emphasis on performance (i.e. economy, efficiency and effectiveness).

If the structural framework of accountability is kept in view, the people in administration will feel more self-secured. The people at large feel secured that public servants will manage government resources soundly and they can be called to account for government's results. 'Accountability' like electricity, is difficult to define, but possesses qualities that makes its presence in a system immediately detectable. To touch a live wire in a circuit is enough to establish the presence of electricity without further need of definition. The shock of recognition that attends the presence of accountability in a system of government may not be quite as direct, but nonetheless detectable.

Transparency: It implies openness with regard to information. It means that government activities should be clear and visible to the tax-payers without any hide-and-seek policy. In other words it consists of disclosure of information to the citizenry or to the affected or interested persons on performance (i.e. economy, efficiency and effectiveness). Transparency reinforces accountability by supplying explicit information. The more transparent a system is, the more accountable it is supposed to be.

The people must know that public money is not spent to suit some individual whim or interest violating the canons of financial propriety. People must know why particular de-

isions are taken and who are the beneficiaries. The government should provide ready information to the people and their elected representatives on how government conducts its business. Public utility agencies may develop explicit standards of service that clients or stakeholders expect to receive from them and public servants may be made accountable against these standards.

Government Audit There is no denying the fact that the role of government auditor is crucial to the enhancement of public accountability and to the promotion of more transparency in governmental operations. Governance and Audit — these two terms are inextricably linked. Because when there is governance, there is finance (i.e. provision of funds). When there is finance, there is audit. Audit can pervade every nook and cranny of government activity.

Now what does audit actually stand for? Government Audit connotes an examination of the books of accounts (i.e. statement of facts relating to money) and other relevant documents relating to the 'Receipts and Expenditure' of the following entities, viz. the government (all government offices and courts of law); the Statutory Public Authorities (whose activities are authorised by Act, Ordinance, Order having the force of law in Bangladesh); local authorities: e.g. Education Board, Pourashava, City Corporations etc.; the Public Enterprises (companies or firms in which the government has at least 50% share or interest).

The examination as mentioned above, aims at ensuring that: rules and orders framed by competent authority with respect to financial matters have been followed; sums due have been properly assessed, realised and brought to account; the expenditure has been incurred with regularity and propriety; the assets have been properly utilised and safeguarded; the accounts truly represent facts.

In our country, by and large, the negative side of audit is highlighted and the positive or the more important side remains unnoticed. Some people equate the job of auditing to 'drudgery'. According to them, audit raises objections with a negative attitude to harass the stakeholders. But this is sheer injustice to the auditing profession. If somebody touches a live

wire and gets shocked, should we blame Michael Faraday for inventing electricity? Rather we should blame him who keeps the live wire uncovered and him who touches it callously or him who mishandles it. By the same token, if a government servant violates a rule and if he is detected subsequently by the auditing process, should we blame the auditor for the violation? Should we face the music, not the one who detected the violation. But if the 'fence' does not protect the 'crop', then that should be treated as an exception and should be severely dealt with.

One of the major issues that stand in the way of good governance is corruption including fraud. In addition to usual anti-corruption bureau of the government for the detection and cure of corruption), the government auditor can play his role in preventing corruption by reporting suspected cases of malfeasance and examining the failure of the system that lead to such evil-doing. Besides actively detecting fraud, audit can comment on the adequacy of the prescribed internal control mechanism. However, there is an emerging trend in the government auditing profession to specifically divide audit procedures and techniques so as to provide assurance that no major fraud will escape detection during the course of audit.

Spirit of Audit: The Auditor reports something if it matters. In other words, 'materiality' is important. Auditors are bound to ascertain that prescribed rules and orders are followed but the mere application of the rules and orders in the minutest details does not serve the purpose of audit. The fundamental objective of the Audit Department is to secure the value for the tax-payer's money by seeing that income or expenditure is not irregularly or wastefully earned or incurred.

Rules are regarded as means to an end, not ends in themselves. But if rules are regarded as ends in themselves, the tendency to insist rigidly on relatively trifling or unimportant matters will frustrate the real objective of audit. As a result the tax-payers or the state will suffer. Undue insistence on trifling errors should be avoided and more time and energy should be devoted to the investigation of a substantial irregularity. At the same time it must be borne in mind that failure to

understand the significance of an apparently trifling irregularity may lead to discover a fraud or embezzlement in future. Again cumulative effect of numerous petty errors or irregularities in financial administration should not be lost sight of. The prescribed checks, therefore, should be observed in spirit and not only in letter. The auditor must have the sense of judgement to assess an individual irregularity.

Standards for Financial Performance: As told earlier, there are two aspects of government operation — one is revenue, the other is expenditure. There are three important points in examining revenue or receipt: Assessment; Collection; Accounting.

The role of the executive is to assess, realise and account for the tax or non-tax revenue or receipt as per the laid down rules and orders. The role of audit is to check whether revenues have been promptly and correctly assessed, realised and credited to public account as per rules. But this does not debar an auditor from pointing out any defect (to secure an effective check on assessment, collection and accounting of revenue) in the rules, regulations and procedures of a competent authority for necessary rectification.

The executives should follow four cardinal principles when incurring expenditure from government fund: there must be budget provision; there must be proper expenditures sanction; there must be compliance to the relevant Acts, Rules, Regulations, Orders etc.; the canons of financial propriety must be observed.

The term 'propriety' literally means whether some expenditure is proper or is as per accepted norm of custom. Among the canons of financial propriety, emphasis is laid on the following:

• Every government officer is expected to exercise the same vigilance in respect of expenditure of public fund as a person of ordinary prudence would exercise in respect of expenditure of his own money.

• The expenditure should not be *prima facie* more than the occasion demands.

• No officer should exercise his power of sanction which will be directly or indirectly to his own benefit.

• The amount of compensatory allowance granted to meet expenditure of a particular

type should not be a source of profit to the recipient.

Value for Money Audit: Let us suppose one had bought 10 computers with all necessary accessories with the objective of training its staff for word-processing. The four essential conditions for spending government money as referred to earlier, were fulfilled and the canons of financial propriety raised no objection. But the computers remained idle for five years due to non-availability of operators. Thus the objective of training the staff was defeated and the tax-payer's money was wasted. This is why the value for money audit or performance audit is important because merely upholding traditional principles of expenditure does not necessarily ensure efficient allocation of resources.

Traditional audit emphasises compliance to rules, whereas performance audit emphasises performance or utilisation of resources (Man, Material, Machine, Money). Performance Audit is an independent assessment of whether and to what extent an organisation is managing its resources with Economy, Efficiency and Effectiveness (known as the three E's).

The term 'economy' implies that inputs (resources) should be procured at minimum cost keeping in view the organisational objective. The term 'efficiency' implies whether inputs are processed into outputs (goods and services) keeping an eye on standard. For example, if an auditor can pass three gazetted officer's pay-bills in an hour, that is his capacity or productivity, but, say, the standard is five bills per hour, the output is the passing of bills. The term 'effectiveness' implies the extent to which the objective of the organisation is being achieved. By way of example let us suppose, G M (Audit) of Bangladesh Shipping Corporation (BSC) was instructed to hand over a highly confidential letter from the M.D. B.S.C. Chittagong to Secretary, Ministry of Shipping, Dhaka by 7:30 am on 7-12-1998 with the additional information that the secretary would leave Dhaka by air at 9:30 am on the same day for Bangkok to work out an agreement with the Thai government. The G M was provided with necessary inputs, viz car, driver, P.O etc. But the G M

reached Dhaka at 11:00 am when the secretary had already left for Bangkok. So the use of the resources was a waste because the target or objective of reaching Dhaka by 8:30 am on 7-12-98 was not achieved. So the G M is not effective although he was economical (because the cost of P.O.L was normal) and efficient (the car ran 8 km per litre). So in addition to usual financial audit, Audit also checks whether the particular organisation fulfills the three E's criteria in incurring expenditure or even in earning revenue.

The Comptroller and Auditor-General: Audit is carried out on behalf of the Comptroller and Auditor-General (CAG). He is the head of the Supreme Audit Institution (SAI). The Auditor-General derives his powers from the Constitution — the supreme law of the land. He has been accorded power, prestige and independence so that he can perform his functions without let or hindrance. But unfortunately many high officials of Bangladesh government do not know the exact status of the Auditor-General. As per the Constitution (Article 127 to 132) and Comptroller and Auditor-General's (Additional Functions) Act, 1974 and 1975, the Auditor-General has the following responsibilities:

• He audits the public accounts of the Republic.

• He has access to all records, books, vouchers, stamps, etc of the auditee organisation.

• He is not subject to control from any authority with regard to auditorium function.

• He makes rules regarding audit.

• He can inspect any office (government, statutory and public enterprises).

• He decides the form and manner of public accounts with the approval of the President.

Auditor General's Reports: Nine directorates of audit function under the Auditor-General. These directorates are organised on a functional basis (not on geographical basis). The total auditable units under the nine directorates are 22,250, in number. Because of the huge number of auditable units vis-a-vis a relatively small number of audit personnel, audit is always carried out on a test-check basis. Depending on the size, transaction, budget and risk, organisations are grouped into categories 'A', 'B' & 'C'. 'A' category organisations are audited yearly, 'B' category organisations are audited once in 2 years and 'C' Category units are audited once in 3 or more years. In addition to routine audits, special audit and issue-based audits are also undertaken at the best of the Auditor-General or the Ministry or because of

third party evidence or newspaper report.

Completion of audit, inspection report is issued to the auditee organisation. Minor irregularities are disposed of quickly. But if a serious financial irregularity is detected and no satisfactory reply is received within 90 days of issue of observation (60 days in case of special report) from the Principal Accounting Officer (Secretary) the irregularity is established and if the Auditor-General approves it, it is published in the Audit Report.

Parliament The ultimate goal of the Auditor-General's Reports is the Legislature. As per Article 132 of the Constitution, the reports of the Auditor-General are submitted to the President who shall cause them to be laid before Parliament. Parliamentary Control and Supervision of public expenditure/revenue are exercised through a number of Parliamentary Committees: (a) Public Accounts Committee (Main Committee); (b) Public Undertakings Committee (for Commercial undertakings); (c) Public Estimate Committee (for budgetary control).

Audit Reports bring to light the unusual features of financial administration and important financial irregularities to the attention of the Committees. The reports are discussed threadbare in the Parliamentary Committees. In the meeting the Auditor-General remains present. Secretary of the administrative ministry as the Principal Accounting Officer (PAO) has to account for the irregularities or observations shown in the reports.

The Committees, after examining the audit reports, recommend actions for settlement of the observations/irregularities. The Ministry communicates to the audit office all orders issued by the government on the recommendations of the legislature or Committee including irregularities of excess over grants and appropriation. The general responsibility for watching the action taken upon audit reports rests with the audit office. Because of audit findings, irregularities are unearthed and executive performance is made transparent to the electorate. The effectiveness of the Committees depends, to a large extent, on the nature and quality of information made available through the reports of the Auditor-General. Thus the Auditor-General plays a dominant role in enhancing accountability and transparency in government operation.

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