



Mains Practice Question

Case Study

You are a government employee working in the Ministry of Finance. You are responsible for reviewing and approving financial transactions. One day, you receive a request for approval to transfer a large sum of money to a foreign bank account. The request is made by a senior official in your ministry. You are suspicious of the request and ask the official to explain why the money is being transferred. The official tells you that the money is for a secret project that is being carried out by the government. You are not satisfied with this explanation and ask the official to provide you with more information. The official refuses to provide you with any further information and tells you that you must approve the transfer of the money, or you will be fired.

Q. What should you do in this situation?

07 Apr, 2023 GS Paper 4 Case Studies

Approach

- Start your answer by briefly explaining the case.
- Discuss various stakeholders and ethical issues involved in the case.
- Discuss the various options available and mention the pros and cons of each option.
- Conclude accordingly by selecting one or a combination of options.

Introduction

The case involves a request for the transfer of a large sum of money to a foreign bank account by a senior official in the Ministry of Finance for a secret government project. The government employee responsible for reviewing and approving financial transactions is suspicious of the request and asks the official for more information, but the official refuses and threatens to fire the employee if they do not approve the transfer.

Body

- **Stakeholders Involved**
 - The employee responsible for reviewing and approving financial transactions
 - Senior official making the request
 - Other stakeholders in the Ministry of Finance
 - Taxpayers and public at large
- **Ethical Issues Involved**
 - Integrity
 - Corruption
 - Misuse of government funds
 - Lack of Transparency
 - Conflict of Interest between Accountability and Confidentiality
- **Options Available:**
 - **Approve the Transfer of Money:** He/she can approve the transfer of the money despite the suspicions and the lack of information, which could potentially lead to negative

consequences for the government and taxpayers.

- **Pros:**
 - It could avoid confrontation with the senior official and potential job loss.
 - It could potentially support the completion of a vital project for the government.
- **Cons:**
 - It could enable corruption and misuse of government funds.
 - It could be considered a breach of the employee's ethical and professional obligations.
 - It could damage the public trust in the government if it is later discovered that the transfer was not made for a legitimate purpose.
- **Refuse to Approve the Transfer:** He/she can refuse to approve the transfer and potentially face the threat of being fired.
 - **Pros:**
 - It could uphold ethical standards and prevent misuse of government funds.
 - It could uphold ethical standards of transparency, accountability, and responsible use of public funds
 - **Cons:**
 - It could lead to legal consequences for the employee if it is found that they acted against the interests of the government.
 - It could also impact the progress of the secret project and its ability to meet its objectives.
- **Escalate the Issue to Higher Authorities:** He/she can escalate the issue to higher authorities within the Ministry or report it to the relevant anti-corruption agency.
 - **Pros:**
 - It could ensure transparency and accountability.
 - **Cons:**
 - It could also lead to retaliation and potential job loss.
- **Take Stand to Investigate the Issue at his/her Capacity:** He/she can take a stand to investigate the matter further at his/her capacity and withholding approval until they are satisfied that the transfer is legitimate. If anything, suspicious is found, the employee can also request a meeting with higher authorities to discuss the matter.

Conclusion

In this situation, it is recommended that the government employee should take stand to investigate the matter further at his/her capacity and withholding approval until they are satisfied that the transfer is legitimate. If anything suspicious is found, the issue can be escalated to higher authorities within the Ministry and report it to the relevant anti-corruption agency. This option upholds ethical standards and ensures transparency and accountability while also protecting the employee from potential retaliation. It is important for government employees to prioritize the public interest and ethical standards over personal interests or threats of job loss.