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## Public transport fare waiver: Faux empowerment?

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This article is based on “Metro bonanza” that appeared in Indian Express on 15 June 2019. It analyses the rationale and drawbacks of Delhi government’s decision to waive off public transport waiver for women.

The Delhi Government’s decision to make public transport free for women in the national capital has ignited a welcome debate on the safety and mobility of women in Indian cities. So the bigger question is whether this subsidy or freebies is desirable or if not hat should be way forward?

### What is the rationale of metro waiver for women?

India shockingly represents a huge gender gap, which can be depicted in:

- India ranks very low at **95 out of 129 countries** in the recently released SDG Gender Index.
- India is among the few countries globally that have seen decreasing participation of women in the workforce in the past decade, despite stellar economic growth.
- The official data show that crimes against women in Delhi have seen a phenomenal increase of 83% between 2007 and 2016 and reasons being: ineffective policing, poor conviction rates, dark spots, unsafe modes of transport, social norms towards women, among others. However, there is hardly any talk of transformative solutions.
- A survey by Thomson Reuters Foundation in 2017 ranked **Delhi as the most unsafe megacity in the world for women**
- Sustainable Urban Transport Project (SUTP) and backed by the Government of India shows how **women forego opportunities to work outside their neighbourhoods** if they perceive transport fares and services to be expensive and unreliable.

### Possible Advantages of the Government’s Decision

- The Delhi government’s decision of waiving metro and bus fare for women solves an important part of this problem by **making public transport the default mode of**

### **transport for the city's women.**

- As across the globe, it is widely accepted that **public transport is the safest mode of transport.**
- A report prepared by the Delhi Labour Department in 2018 found that of the 19.6 lakh workers engaged in trading, service and the manufacturing sector in the city, only 11.4% were women, and nearly half of them worked as “informal hired workers”
- Also, the study shows that female students are willing to choose a lower quality college, travel longer and spend much more than men in order to travel by safer route.
- **So by waiving off public transport fare for women provides them unrestricted access to public transport, which serves twin benefits:**
  - **It provides safety**, as now it will be easier for women to move from informal and more unsafe modes of transport such as shared autos and cabs to more formal and safer modes such as the Metro.
  - It also leads to **economic empowerment of women** by significantly improving access to education and helping them to enter the workforce.
  - It will **incentivise the use of public transport** that can tackle congestion on the roads.
- Also, this decision of making public transport free for women is designed in Delhi government's narrative of **“Trickle Up Economics”**. **It seeks to build the economy from below by investing in people**, through carefully-targeted subsidies and an unprecedented expansion of social infrastructure such as schools, hospitals and now public transport.

However, apart from terming this waiver as an election gimmick, many experts have invoked economic theories like **“Broken window fallacy”** against this move.

- In this case waiver of public transport fare for women is like subsidies or freebies that represents the broken window fallacy.
- According to the Delhi government, the cost of subsidising women's travel will be around Rs 1,200 crore annually.
- But the public transport in Delhi is in very dismal condition, for example, the number of buses in Delhi has halved in the last 8 years.
  - According to Supreme Court, to tackle Delhi's pollution problem a fleet to 11,000 buses is required but currently Delhi bus fleet numbered below 4000.
- Public transport in Delhi lacks last-mile connectivity, women have to travel to these access points, and exactly these are areas where women's safety is most vulnerable.
- Thus, despite waiver of public transport fare, Delhi government must spend public money on buying more buses and improving their reliability along with improving last mile connectivity.

## What is Broken window fallacy?

- The broken window fallacy was first expressed by the great French economist, Frederic Bastiat.
- Bastiat used the parable of a broken window to point out **why destruction doesn't benefit the economy.**
- In Bastiat's tale, a man's son breaks a pane of glass, meaning the man will have to pay to replace it. But the breaking of the glass was not an utterly wrong thing as it provides the community with a service because his father will have to pay the glazier (window repairman) to replace the broken pane. The glazier will then presumably spend the extra money on something else, jump-starting the local economy.
- Thus breaking windows (destruction of the economy) stimulates the economy, **but Bastiat points out that further analysis exposes the fallacy.**
- By breaking the window, the man's son has reduced his father's disposable income, meaning his father will not be able to purchase new shoes or some other luxury good.
- **In short, Bastiat suggests that destruction - and its costs - don't pay in an economic sense.**
- The broken window fallacy is often used to discredit the idea that going to war stimulates a country's economy.

As with the broken window, war causes resources and capital to be funnelled out of industries that produce goods to industries that destroy things, leading to even more costs. According to this line of reasoning, the rebuilding that occurs after the war is primarily maintenance costs, meaning that countries would be much better off not fighting at all.

## Other Issues in Implementing Public Transport Waiver

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- Metro man E. Sreedharan has warned against this fare waiver as it will lead to the **bankruptcy of Delhi metro.**
- Studies show that **operational costs frequently rise in the long run**, and schemes become increasingly less viable.
  - Hasselt, Belgium, made public transport free in 1996, a decade later, a study reported a tenfold increase in ridership however with rising operational costs forced Hasselt to do away with the scheme in 2014.
- **Substitution effects:** It will have a negative effect on auto rickshaws and car operator services.
- The **scheme might not reach the targeted beneficiaries.**
  - While women who can afford to pay the full fare will form a larger proportion of female travellers on the metro, women who should ideally benefit from free rides might still not use the metro or the buses, simply because such modes of transport do not connect their place of residence and place of work.
  - Domestic helps who walk 2-6 km daily fall in that category.

- Also, the scheme **discriminates against poor men and boys.**
- The subsidy can lead to immediate demands from other sections such as students, handicapped, senior citizen as well.
- **Implementation issue:** A mechanism have to be devised to register the number of women who avail free rides and those who don't.

Metro has automated fare collection (AFC) gates that require tokens or Metro cards — the Metro will have to either isolate entry and exit points for women where AFC gates can be done away with or come up with special cards or tokens for women.

Public transport fare waiver represents the case of faux empowerment as women in metropolitan cities like Delhi are comparatively more financially sound; the need of the hour is a more intersectional approach. Clean environment, which is augmented by the creation of public sustainable transport infrastructure, might matter more to the people in Delhi than a public transport fare waiver.

***Drishti input:***

Government policies like public transport fare waiver represent the case of developmental politics or a case of broken window fallacy. Analyse.

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