

Beyond shaming the shameless

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At a chance meeting with Dharmendra Pradhan, the minister for petroleum and natural gas, at a wedding reception in late February 2015, I remarked that I was being bombarded by SMSes asking for my bank account number to deliver LPG subsidy. As a life-long opponent of the universal petroleum subsidy, I did not think it right for me to take the subsidy and ignored the messages. But the consequence was that the local distributor could not give me a cylinder at full price without "completion of the process". The distributor needed my bank account details. We suggested to the minister that there needs to be a mechanism where we can say no to the subsidy.

The day after our interaction, I received a call from the ministry of petroleum and natural gas (MoPNG) requesting my local distributor's name and asking when a representative could meet me. I insisted that no one needed to take the trouble to meet me; we merely wanted some options, either through a form or a website that would allow me to opt out of the subsidy. To their credit, the ministry did not leave it at that. I was at a function in Vigyan Bhavan on March 27, when Prime Minister Narendra Modi released a web-app through which citizens can give up their subsidy and said that this trend was already gaining momentum. The ministry made a promise to deliver that foregone subsidy to a needy family. Since then, in a short span of nine months, 5.75 million customers have given up their subsidy. The ministry realised that those who gave up also included retired soldiers, senior citizens and others who cared for those toiling and scrounging for biomass to cook.

Now comes news that the benefit of the LPG subsidy will not be available to consumers if the consumer or his/her spouse had taxable income of more than ₹10 lakh during the previous financial year, computed as per the Income Tax Act, 1961. India has less than 1.8 million such people. Given India's inequity, there would be around 300,000 families with more than two such persons per family. That leaves 1.5 million families. Hopefully, 50 per cent may have given up already and the rest who are either lazy or too busy or stingy who would be now shamed to contribute. Thus, an additional 750,000 is a much smaller number compared to the 5.75 million from the give-up scheme. Though not a substantial addition, this group has important symbolic value.

However, the ministry needs to ensure that the "give-it-up" programme remains successful. It is a broad-based and participatory movement, and needs to continue if it is to have a bigger impact. In fact, there is a worry that the non-contributing rich may discourage simple people from contributing, as they did so far.

The above two measures, though significant, are small steps in a long journey.

Whether it is COP 21 at Paris or UN discussions on Sustainable Development Goals, India mentions at every platform that millions of persons have no access to energy. Yet, for more than 65 years, the only measure taken was to give subsidised LPG to all! In 1980, when we were projecting energy demand till 2000 in the Planning Commission, we thought the problem would be reduced substantially by 2000. But the 2001 census showed only 13 per cent LPG coverage. The 2011 census was disappointing at 28 per cent coverage. Even assuming some progress till 2015, close to 160 million households have partial or no coverage. Clearly, the trickle-down theory is not working.

We need to chalk out a more aggressive, time-bound plan. The logical extensions for the MoPNG can be divided into two sets of measures.

To target the subsidy even better, reduce the number of subsidised cylinders from 12 to nine per family (surveys by Integrated Research and Action for Development or IRADe show this is the average demand for a lower middle class family, which is not too poor); consider stopping the subsidy by clubbing family income to ₹10 lakh instead of individual income at ₹10 lakh, by including the income of all earning members; and more ambitiously, reduce that to ₹5 lakh per family over the next few years.

To increase reach and access to new deserving families, ensure the presence of more LPG distributors in the rural areas, promote five-kg and even two-kg cylinders to suit their pocket and add free stoves for people below the poverty line. For consumers in large cities, a network of piped natural gas (PNG) is a feasible solution and avoids transport of heavy cylinders. It has reached nearly three million customers but more is possible with better campaigns and infrastructure.

In some rural areas, where electricity is more easily available, cooking through electric kettles, electric hot plates and efficient induction cookers may be promoted. These appliances also reduce women's work and can be afforded by some well-off rural households. These solutions cost ₹3000 or less, and may be easier than LPG, as electricity coverage at 70 per cent families in the country is much higher than that of clean fuels. Energy-saving cooking practices are also needed for all income categories.

If India is to attain rapid economic growth, women need to be empowered through healthy indoor environments, and lives free from the drudgery of collecting fuels. LPG or a multi-fuel strategy can change lives and even save lives from pollution.

A time-bound blueprint for the transition to clean cooking solutions for all needs state-wise programmes and annual budgets. This must be the government's vision. As women have started to vote aggressively, there will not be a choice in future.

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