Poor state

of India's

subsidies

Manu

Joseph

LETTER FROM INDIA

NEW DELHI The latest economic sur-

vey of India contains cheerful prose. In-

dia's immediate future is "propitious."

But there are grim bits, too. If the rich reach the third chapter of Volume

1, they may groan with exasperation,

because it addresses subsidies for the

elite would translate as "Using cash as

If they continue to read, however, it

about the abject inefficiency of India's attempts to subsidize the lives of the

poor, but an argument that these huge

the poor. The assistance meant for the

poor has in fact contributed to the real-

The survey was an analysis by India's

ity that it is cheap to be rich in India.

chief economic adviser, Arvind Sub-

subsidies benefit the rich more than

tissues for the poor." There is a view

among the urban upper classes that

may change their inner emoticons. The chapter is not just a lament

such subsidies are wasteful.

poor. The chapter is titled "Wiping every tear from every eye," which the

PAGE TWO

IN YOUR WORDS

Netanyahu faults deal with Iran Benjamin Netanyahu could be the Israeli prime minister who made history. He is in an ideal position to bring about a two-state solution with many of the Israeli conditions being met and most settlements remaining within Israel. He could also be the PM who brought about peace with Iran and its proxies in the Middle East. Instead there is the same old line of warmongering and short-term politics which makes lots of noise but solves nothing. OLI, LONDON

Don't like Bibi. But his speech was inspiring. The Iranian leadership will have to take into account a hostile Congress. May lead to them agreeing to things now that they didn't agree to yesterday. I can't get out of my mind that Obama and Kerry really don't understand the Iranian mullahs' mind-set CLAP HAMMER, ISRAEL

It was nothing short of nauseating to see the members of Congress fawning over an overseas prime minister. What happened to self-respect, pride in your own country, respect for your own government? Because if you cannot respect your own country and your own government, do not expect others to do it either. DARIUS, U.K.

Basketball team's colors cleared Wearing a different color uniform, while technically against the rules, should not cost the players a win, because wearing the color did not contribute to the win. Using an ineligible player or otherwise cheating? Yes, that should cost a win. A proportional response would be a fine, or a penalty, like ineligibility at a future tournament. ALEX. NEW ORLEANS

It is hard to believe that administrators are so stupid and petty. DAVID, N.Y

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IN OUR PAGES International Herald Tribune

1890 Forth Bridge Is Completed EDINBURGH The great railway bridge that now spans the Firth of Forth, to-day [March 4] received from the Prince of Wales its formal dedication. Here, amid wind and a drizzling rain the last rivet was driven home, the Prince using a silver key to turn the valve of the hydraulic riveting machine. The Prince, with some difficulty, made his way to the end of the platform and declared the bridge open. The Forth Bridge, without doubt, is the highest effort of engineering skill in metal construction that the world has seen. An international significance attaches to the event from the presence of a large number of distinguished foreign guests.

Insider views of Selma



ramanian. He considered a set of com-The wealthy are better placed to take advantage of government assistance.

modities and utilities that India subsidizes, including rice, wheat, sugar, fuel, electricity, water, fertilizers and rail travel. The cost of these subsidies in fiscal 2014-15 was 3.78

trillion rupees, or \$61 billion — almost enough, he implied, if distributed wisely, to lift every Indian household above the official poverty line.

While subsidies protect the poor from price volatility of essential goods, the benefits, Mr. Subramanian argued, are chiefly for the rich, because they consume more or are more able to exploit the services.

For instance, rich households gain more from the electricity subsidy than the poor because they have the means to consume more. Most of the poor households do not have electricity in the first place, or use very little of it. Indian Railways loses money on every passenger because the price of train tickets is kept artificially low. But, the survey pointed out, the poorest 80 perent of Indian nouseholds constitute less than 30 percent of the railways' income through fares. The subsidy for liquefied petroleum gas, which is widely used for cooking, also benefits the richer, because the wealthiest 50 percent of Indian households consume 75 percent of the gas. The rich have not cornered the highcarb diet that the government subsidizes in the form of cheap or free wheat and rice. But significant portions of these grains never reach the poor because of "leakages," which is a euphemism for theft and inefficiencies in the distribution system. The survey estimated that about 54 percent of the wheat and nearly 50 percent of the sugar meant for the poor never get there. Although Mr. Subramanian has contempt for subsidies, he does not dispute that the poor need help. He suggests that India replace subsidies with direct cash transfers to the poor, an idea that has been debated over the past few years. There are concerns among intellectuals that this might lead to inflation, or undesirable domestic situations where, for instance, the rogue man of the house would use the cash to buy inessential, though pleasurable, goods like liquor. Also, some worry that once the state starts putting money into bank accounts, the poor will never let it be stopped or reduced. And, democracy forces politicians to be so populist that India might end up with the burden of both price subsidies and cash transfers. After decades of spending trillions of rupees on subsidies, India still has a vast population that is impoverished, undernourished and hopeless. India's failed economic experiments, its bleak prospects in agriculture and the economy's inability to create low-skill manufacturing jobs have ensured that hundreds of thousands of rural migrants head to cities every year. They are usually fleeing the fate of becoming poor farmers. So, they instead become drivers, guards and maids in the city at low wages, further subsidizing the charmed lives of India's upper classes. When the new Indian elite say, "I love India," it does mean "I love India." But it also means, in no small part, "I love my subsidies."







1940 French Develop Pursuit Planes

The French aviation industry has developed a pursuit plane whose speed exceeds that of the renowned Messerschmitt 110, it was learned yesterday [March 4]. According to an official source the plane will be in mass production by the end of June. A spokesman of the Air Ministry said the development of this craft would not mean the curtailment of purchases of Curtiss pursuit planes in the United States. He said the Curtiss ships are equal in speed to the Messerschmitts and far more maneuverable and would supplement the French production.

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ORCHESTRATING THE PROTESTS "Selma March 1965." a new show at the Steven Kasher Gallery in New York that commemorates the 50th anniversary of the civil rights marches from Selma to Montgomery, Ala., includes photos from James H. Barker, who provided rare and intimate images of the volunteers

daily activities. At top, march participants sat low when car-pooling to avoid calling attention to visiting demonstrators; above and center left, the basement of Brown Chapel in Selma, which functioned as an operations center; and at left, a marcher on his way to Montgomery **More photos** at lens.blogs. nvtimes.com

> Follow Manu Joseph, the author of the novel "The Illicit Happiness of Other People," on Twitter at @manujosephsan.

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M. Stanton Evans, unifying force of conservatism, dies at 80

BY ADAM CLYMER

M. Stanton Evans, an early leader of the conservative movement in American politics and an author of its central manifesto, the Sharon Statement, died on Tuesday at a nursing home in Leesburg, Va. He was 80.

A longtime friend, Patrick S. Korten,

OBITUARY

said the cause was pancreatic cancer.

Mr. Evans was the editor of The Indianapolis News, the chairman of the American Conservative Union, a radio and television commentator, a journalism teacher and the author of a raft of books, including a defense of Senator Joseph R. McCarthy, Republican of Wisconsin, in his anti-communist crusade.

Mr. Evans said he became a conservative in 1949, as a teenager, after reading George Orwell's dystopian novel "1984" at the height of the Cold War

"It was about communism," he said in an interview for this obituary in 2010. "I said: 'Well, I'm against communism. What am I for?'

One of his first contributions to the

conservative cause was perhaps the most significant. At 26, he drafted the statement of principles upon which Young Americans for Freedom, the first substantial national conservative organization, was created in September 1960. He was chosen for the task because of his editorial writing in Indianapolis.

The Sharon Statement - so-called because the founding meeting was held at William F. Buckley Jr.'s home in Sharon, Conn. — drew on the major streams of conservative thought, including religious freedom, free-market economics and an unbending resistance to communism

The statement began by asserting "foremost among the transcendent values is the individual's use of his Godgiven free will."

It viewed the United States Constitution as the consummate prescription for limited government, calling it "the best arrangement yet devised for empowering government to fulfill its proper role, while restraining it from the concentration and abuse of power.'

When government interferes with the market economy, the statement said, "it tends to reduce the moral and physical

strength of the nation."

Finally, it said, "the forces of international communism are, at present, the greatest single threat" to liberty. "The United States," it added, "should stress victory over, rather than coexistence with, this menace."

More than a manifesto for young conservatives, however, the document proved to be a seminal document in bringing different kinds of conservatives together.

Mr. Evans worked to unify conservatives for many years, especially as head of the American Conservative Union from 1971 to 1977. Under Mr. Evans, the conservative union, which sought to function as an umbrella organization for the right, took a hard line in dealing with the White House, even when a Republican occupied it.

The union and other conservatives were disillusioned by President Richard M. Nixon's wage and price controls and his opening to China. They were equally disheartened when Nixon's successor, Gerald R. Ford, picked Nelson A. Rockefeller, the former governor of New York and a longtime enemy of conservatives, to be vice president.



Mr. Evans drafted the Sharon Statement. a manifesto for conservative Americans

Mr. Evans's career as an author or coauthor began in 1961 with "Revolt on the Campus," an account of rising college conservatism. His most recent book was "Stalin's Secret Agents: The Subversion of Roosevelt's Government.' written with Herbert Romerstein and published in 2012.

His 2007 book, "Blacklisted by History: The Untold Story of Senator Joe McCarthy and His Fight Against America's Enemies," argued that while McCarthy might have made mistakes and occasionally gone too far in his campaign to root out communists from government, he did identify many subversives and "summoned the nation to a firm-willed resistance to the communist challenge, both abroad and on the home front.'

Mr. Evans left The Indianapolis News after 15 years in 1974 (it ceased publication in 1999), but he continued to comment widely on CBS Radio, National Public Radio and the Voice of America.

Medford Stanton Evans was born in Kingsville, Tex., on July 20, 1934. He grew up in Oak Ridge, Tenn., where his father worked in security for the Manhattan Project, and in Mount Rainier, Md., where his father had a similar role with the Atomic Energy Commission. Mr. Evans graduated from Yale University in 1955 and worked for the conservative magazines National Review, founded that year by Mr. Buckley, and Human Events before going to Indianapolis.

Mr. Evans, who lived in Hamilton, Va., about 50 miles west of Washington, had no immediate family survivors. He married Sue Ellen Moore in 1962. They divorced in 1974.

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