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## The Economics of Road Safety

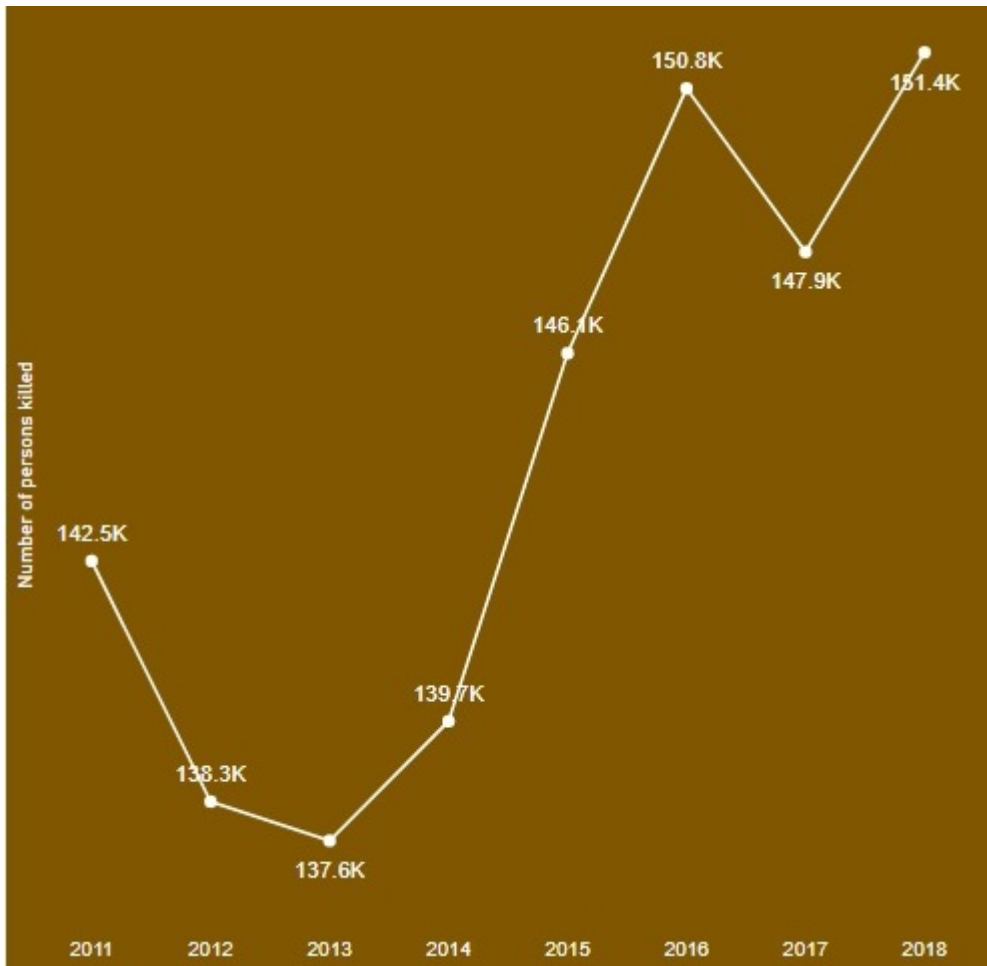
### Why in news?

Recently, the Ministry of Road Transport and Highways had announced the minimum six-airbag rule for vehicles that can carry up to eight passengers.

### What is the government initiative about?

*India ranks first in the number of road accident deaths across 199 countries and accounts for almost 11% of all accident related deaths in the world.*

- **Government's demand-** The Centre has planned to mandate six airbags across all cars from October 1, 2022 for the safety of the individuals.
- In India, about 1,50,000 people die due to road accidents and about 60% of those deaths are in the 18-24 age group.
- The loss to India's GDP due to accidental deaths would be in the range of 3 %.
- **Criticisms-** Demanding additional airbags will push up prices of entry-level cars.
- It will result in further weakening the demand for cars in the price-sensitive segment that is already facing a sales slump over the last four years.
- The government's intervention in the market can destroy the business model of car companies.



### What are the major reasons for increasing death tolls?

- **Preferences-** Indians base their choice on several factors such as initial price, mileage, creature comforts etc. instead of safety.
- **Wearing helmets and seatbelts-** There is a reluctance among Indians in wearing helmets and seatbelts.
- **Carelessness-** In most of the cases crashes occurs due to carelessness of the road user.
- **Lack of road safety awareness-** Most of the people has no road safety education.

### What about the picture in other countries?

- **High-income countries-** Traffic deaths were rising in high-income countries before the 1960s but began to decline shortly afterwards.
- The problem shifted from being driver-oriented to a more balanced approach, which later came to be known as the 'Safe System' approach.
- It included interventions that focused on vehicles, road infrastructure, and post-crash care, in a broad view of the environment in which crashes happen.
- US Congress passed two key pieces of legislation in 1966 which authorized the government to play a key role in road safety
  - The National Traffic and Motor Vehicle Safety Act
  - The Highway Safety Act
- This in turn led to the establishment of the National Highway Safety Bureau (later National Highway Traffic Safety Agency (NHTSA)).

- **Low and middle income countries-** In contrast, traffic injuries in most low and middle income countries (LMICs) are continuing to rise or are stable at a high level.
- **Reason-** Traffic death rates are a function of income growth i.e. there is a general relationship between income growth and road traffic injury.
- When countries are poor, growth in income is closely tied to increase in motorization, which leads to higher exposure to road traffic injuries.
- At this stage, it is assumed that countries are too poor to invest in harm reduction.
- After a certain level of economic development has been achieved, countries begin to invest in road safety programs and reduce their road traffic injury rates.

*The World Health Organization declared the year 2004 as the Year of Road Safety.*

### **What steps have been taken to prevent road accidents?**

- The Government has approved a **National Road Safety Policy** to promote awareness, establish road safety information data base, encourage safer road infrastructure, enforce safety laws etc.
- The Government has constituted the **National Road Safety Council** as the apex body to take policy decisions in matters of road safety.
- Based on the recommendation of Group of Minister, the Ministry introduced **Motor Vehicle (Amendment) Bill 2017** covering entire gamut of road safety.
- The Ministry has formulated a multi-pronged strategy to address the issue of road safety based on 4 'E's viz. Education, Engineering (both of roads and vehicles), Enforcement and Emergency Care.
- **Road Safety Audit** of selected stretches of National Highways has been taken up.
- Tightening of safety standards for vehicles like Seat Belts, anti-lock braking system etc.
- High priority has been accorded to identification and rectification of black spots (accident prone spots) on national highways.
- Ministry of Road Transport has constituted a **District Road Safety Committee** in each district of the country to promote awareness amongst road users.
- The Government constituted **Sundar Committee** in 2005 to deliberate and make recommendations on creation of a dedicated body on road safety and traffic management.

### **How about India's case?**

- While it is true that there is a broad correlation between income levels and road safety, India do not have to wait until their per capita income level improves before achieving improvements in road safety.
- The solution lies not in temporary governmental interventions but in creating an institutional framework which has a nationwide mandate to bring about systemic changes.

## References

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