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Resilient nations.*

# MGNREGA Sameeksha II

AN ANTHOLOGY OF RESEARCH  
STUDIES (2012-2014)



United Nations  
Development Programme





MGNREGA  
**Sameeksha II**

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# Acknowledgements

MGNREGA Sameeksha II is an anthology of research conducted by several academicians, scholars and policy analysts. We would like to acknowledge all of them and express our gratitude for their contributions.

We are grateful to Prof. Jean Dreze, Dr. Sudha Narayanan, Indira Gandhi Institute of Development Research and Mr. Nikhil Dey, Mazdoor Kisan Shakti Sangathan for their critical review of the manuscript which helped shape this report.

Our special thanks to Mr. J. K. Mohapatra, Secretary, Ministry of Rural Development, Mr. S. M. Vijayanand, Secretary, Ministry of Panchayati Raj and Mr. R. Subrahmanyam, Joint Secretary, MGNREGA, Ministry of Rural Development for their valuable insights and guidance throughout the process.

Dr. Shilpa Pandit provided overall guidance for the compilation and edit of this Report. We would like to acknowledge the contributions of our colleagues from the Governance and Accelerated Livelihoods Support project, Ms. Hemlatha, Ms. Anindita Adhikary, Mr. Ashutosh Gupta, Mr. S Ajai Kumar, Ms. Inayat Sabhikhi, Ms. Rakshita Swamy.

We hope Sameeksha II will be a useful guide for those engaged in implementing this important scheme.



Chapter One

# **Mahatma Gandhi National Rural Employment Guarantee Act**





## Objectives and salient features

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on 7 September 2005. The mandate of the Act is to provide 100 days of guaranteed wage employment in a financial year (FY) to every rural household<sup>1</sup> whose adult members volunteer to do unskilled manual work. The objectives of the programme include:

- Providing at least 100 days' work as per demand resulting in the creation of **productive assets** of prescribed quality and productivity;
- Strengthening the **livelihood resource** base of the poor;
- Proactively ensuring social inclusion; and
- Strengthening Panchayat Raj Institutions (PRIs).

<sup>1</sup> A household is defined as members of a family related to each other by blood, marriage or adoption, and normally residing together and sharing meals.

## Coverage

The Act was notified in 200 rural districts in its first phase of implementation (with effect from 2 February 2006). In FY 2007–08, it was extended to an additional 130 rural districts. The remaining districts were notified under MGNREGA with effect from 1 April 2008. Since 2008, MGNREGA has covered the entire country with the exception of districts that have 100 per cent urban population.

## Salient features of the Act

**Registration:** Adult members of a rural household willing to do unskilled manual work, may apply for registration either in writing, or orally to the local Gram Panchayat (GP).<sup>2</sup> The unit for registration is a household. Under the Act, each household is entitled to 100 days of employment every year. FRA beneficiaries are entitled to 150 days of employment. In states like Rajasthan, communities like the Sahriyas have been given an entitlement of 200 days.

**Application for Work:** A written/oral application seeking work is to be made to the GP or block office, stating the time and duration for which work is sought. The GP will issue a dated receipt of the written application for employment against which the guarantee of providing employment within 15 days operates.

**Job Cards:** After due verification of place of residence and age of the member/s (only adult members are eligible for employment), the registered household is issued a job card (JC).

A job card forms the basis of identification for demanding employment. A JC is to be issued within 15 days of registration. Each JC has a unique identification number. The demand for employment in the GP or at block level has to be made against the JC number. JCs are also

<sup>2</sup> Gram Panchayat is the primary unit of the three-tier structure of local self-governance in rural India, the Panchayati Raj System. Each Gram Panchayat consists of one or more villages.





supposed to be updated with days of work and payment made to the beneficiary as and when the work is undertaken.

**Unemployment Allowance:** In case work is not provided within 15 days of the date from which demanded, the state (as per the Act) will pay an unemployment allowance to the beneficiary.

**Provision of Work:** While allocating work, the following considerations are followed:

Work is provided within a 5 km radius of the village. In case, work is provided beyond 5 km, extra wages of 10 per cent are payable to meet additional transportation and living expenses. Priority is given to women, such that at least one-third of the beneficiaries under the scheme are women. At least 50 per cent of the works in terms of cost are to be executed by the GPs. Sixty per cent of the costs incurred have to be on agriculture related works.

**Wages:** The wage rate is notified state-wise by the Government of India and this is indexed to the inflation as measured by the Consumer

The mandate of the Act is to provide 100 days of guaranteed wage employment in a financial year (FY) to every rural household whose adult members volunteer to do unskilled manual work

Price Index (AL). Wages are also to be paid according to piece rate, as per the Schedule of Rates (SoRs).<sup>3</sup>

**Timely Payment:** Payment of wages has to be done on a weekly basis and not beyond a fortnight in any case. Payment of wages is mandatorily done through individual/joint

<sup>3</sup> The details of the productivity norms are listed in the Schedule of Rates (SoRs). SoRs are calculated through Work Time and Motion Studies. SoRs under the Act have to be such that an average person working for nine hours, with one hour of rest, is able to earn the notified MGNREGA minimum wage.

bank/post office beneficiary accounts. The MGNREG Act mandates that it is the obligation of the state to address a delay in payments for the works, if any.

**Planning:** Plans and decisions regarding the nature and choice of works to be undertaken in a financial year are to be decided in open assemblies of a Gram Sabha (GS).<sup>4</sup> Works can also be identified at the block and district levels which have to be approved and assigned priority by the GS before administrative approval can be given.

GoI bears the 100 per cent wage cost of unskilled manual labour and 75 per cent of material cost, including the wages of skilled and semi-skilled workers and administrative costs at 6 per cent of the total expenditure

**Cost Sharing:** GoI bears 100 per cent wage cost of unskilled manual labour and 75 per cent of material costs, including the wages of skilled and semi-skilled workers and administrative costs at 6 per cent of the total expenditure. The State Government meets the rest of the expenditure.

**Work Site Management:** To ensure that the workers benefit directly under the scheme, the Act prohibits the use of contractors or machinery in execution of the works. To ensure that the spirit of the Act is not diluted and wage employment remains its main focus, MGNREGA mandates that in the total cost of

works undertaken in a GP, the wage expenditure to material expenditure ratio should be 60:40. Worksite facilities such as crèches, drinking water and shade have to be provided at all worksites.

**Transparency and Accountability:** Transparency and accountability in the programme is ensured through:

- A social audit<sup>5</sup> to scrutinize all the records and works under the scheme is to be conducted once in six months in every GP. The social audit is to be conducted in the manner prescribed in the Audit of Scheme Rules 2011.
- Every district shall have an ombudsman who is mandated to receive complaints, verify them and pass awards which are to be complied with by the administration.
- There shall be proactive disclosure of all the information regarding implementation using the web portal.

## A paradigm shift

MGNREGA marks a paradigm shift from previous wage employment programmes through its rights-based framework that provides a legal guarantee of wage employment, and its measures for empowerment of stakeholders. It is also marked by its scale; and with an approximate annual expenditure of Rs 40,000 crore (\$6.7 billion), is the biggest public works programme in the world. It has an integrated natural resource management and livelihoods generation perspective. The transparency and accountability mechanisms under MGNREGA create a scope for unprecedented accountability of performance, especially towards immediate stakeholders.

<sup>4</sup> A Gram Sabha is a body of all persons entered as electors in the electoral roll for a Gram Panchayat. All the meetings of the Gram Sabha are convened by the Gram Panchayat to disseminate information to the people as well as to ensure that the development of the village is done through participation or consent of all households.

<sup>5</sup> A social audit refers to an audit of all the processes and procedures under the scheme, including wage payments and muster rolls. It normally involves scrutiny of all documents and records of works done.

Some of its other unique aspects are:

- A bottom-up, people-centred planning exercise.
- It is a demand-driven programme where provision of work is triggered by the demand for work by wage-seekers.
- It has legal provisions for allowances and compensation in case of failure to provide work on demand and delays in payment of work undertaken. In case work is not provided on time, the states bear the cost of the unemployment allowance.
- It overcomes problems of targeting through its self-targeting mechanism of beneficiary selection.
- With GPs implementing 50 per cent of the works in terms of cost, it empowers grassroots democratic institutions.
- It has a completely transparent MIS system, where data from all the

implementation sites on different aspects of implementation can be viewed in real time.

### MGNREGA's performance

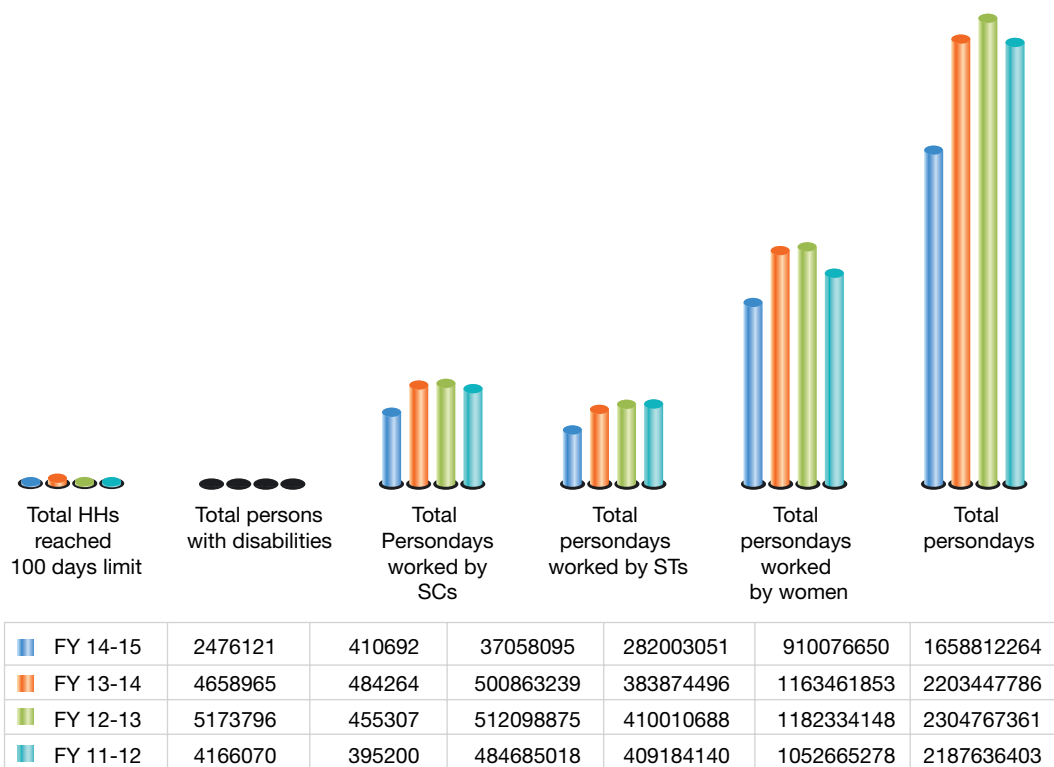
In summary, MGNREGA shifts the focus from the administration to the people, who are the ultimate stakeholders of the Act. By mandating gender sensitive SoRs and worksite facilities, it abides by the principles of 'decent work'. An overview of the performance of MGNREGA's on selected parameters is presented in the following section. This is in two parts: First, data from the administrative MIS is presented on key parameters (Figures 1.1 and 1.2). Secondly, since there are several aspects of the implementation of this Act which cannot be truly captured in terms of measurable indicators, a case study is also presented to showcase MGNREGA's impact on the ground.

**FIGURE 1.1: AN OVERVIEW OF THE PERFORMANCE OF MGNREGA ON DEMAND (DATA AS ON 5 MAY 2015)**





**FIGURE 1.2: AN OVERVIEW OF MGNREGA'S PERFORMANCE IN TERMS OF PERSONDAYS (DATA AS ON 5 MAY 2015)**



## CASE STUDY: KERALA

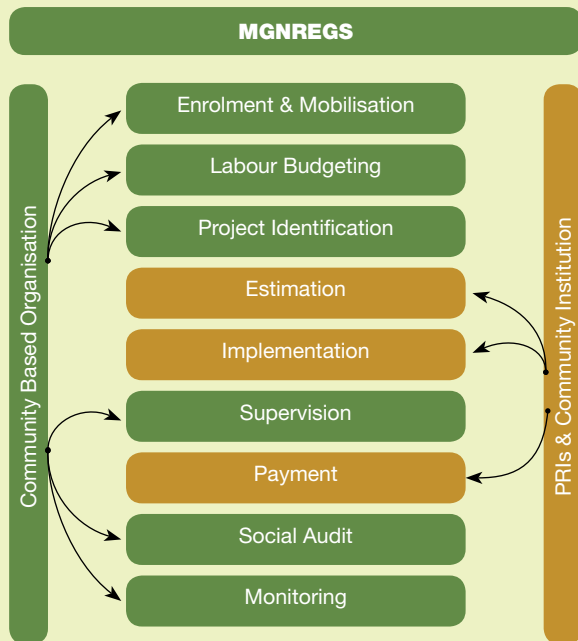
### THE MISSING PIECE OF THE DEVELOPMENT PUZZLE



The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) is the first programme of its kind and scale that views entitlements not as a limited benefit to be dispensed with, but as a matter of right for anyone willing to do manual labour. The influx of funds for work in every Panchayat opens up possibilities for local planning and assetization in favour of the poor. These possibilities have not been fully realized on account of many reasons— which mainly stem from the inability of the poor to exercise their citizenship and make local governance responsive.

**Aajeevika:** The National Rural Livelihoods Mission (NRLM) community based organizations (CBOs) of poor women as a tool that enables the poor to access micro-credit and manage capital for livelihood and social security planning. The wage based employment offered through MGNREGS becomes a strong





complement to the initiative for self-employment and skilling that NRLM engages with. Collectivization is seen to help the poor channelize public service delivery, and the core activity of NRLM is to create and support strong institutions of the poor. It would be interesting to see whether having a strong and vibrant CBO involved in the planning and implementation of MGNREGS could change the terms of engagement of the programme.

### CBO interface with MGNREGS in Kerala

Kudumbashree, the State Rural Livelihood Mission of Kerala under Aajeevika, has federated neighbourhood groups (NHGs) of poor women into ward and Panchayat level citizen bodies that work for poverty reduction and local governance. The ward level federation is called Area Development Society (ADS) and the Panchayat level federation is the Community Development Society (CDS).

The typical dynamics of CBO participation in MGNREGS in a Gram Panchayat (GP) are:

#### Awareness and Mobilization

- Conducting awareness and publicity campaigns: Ward (ADS) level conventions of neighbourhood groups (NHGs), house visits etc.
- Special GPs to discuss MGNREGS in all wards: Active involvement of CDS members.
- Facilitation of registration of workers and distribution of job cards.

A study by the Centre for Development Studies found that after the involvement of Kudumbashree, the registration in MGNREGS in Panchayat Aryanad, went up from 30 to 4,607 people. In Aryanad Panchayat 90 per cent of the workers were members of the Kudumbashree network.

#### Provision of mates

The state government took the initiative to train 1.2 lakh women mates (from ADS) who then proceeded to identify work opportunities, mobilizing SHGs for work and preparing estimates in consultation with the overseer or engineer. The mates from ADS also supervised work and were made responsible for providing amenities and work implements at the worksite, preparing and submitting muster rolls and handling emergencies at work. It was the responsibility of the CDS to coordinate the work of the mates. Nearly every Panchayat in the state tapped into the resource pool of mates offered by the CBO and used it to develop projects, coordinate workers and make necessary arrangements at worksites. Pressure from SHGs ensured that these mates followed up on field checks and measurements, sanctions and release of wages. The work they did was regularly reviewed by CDS.

#### Demand generation and work implementation

The role of the CBO in the implementation of works included:

- Identifying works and sites for MGNREGS
- Preparing rough cost estimates by the mates— sizing up projects, gauging the number of persondays required and preparing estimates for the work.
- Participating in labour budgeting and in the preparation of the CDS action plan that identified convergence opportunities for livelihood augmentation in agriculture.
- Participating in project meetings and taking up work as per the muster roll.
- Providing facilities at the site.
- Participating in preparing the Watershed Master Plan.

In many Panchayats, involvement of CBOs in MGNREGS's implementation led to the conversion of fallow lands for cultivation and creation of joint liability groups (JLGs) of women farmers who

cultivated both public and private tracts of land. Convergence platforms were set up at the Panchayat level that enabled the poor to access schemes (like Agricultural Technology Management Agency (ATMA)) and services. Today there are 59,769 JLGs of women farmers in the state.

### Social security and inclusion

In Panchayats with extremely vulnerable populations, transitional support was provided by CDS by way of a corpus fund that was used exclusively as part wage payments to tide over the delays in the way of participation of tribal and migrant families in the programme. Yashoda, a Scheduled Tribe (Mavilan community) Kudumbashree member from Ballal Panchayat, who had availed of the corpus advance payment bears testimony to its impact. She says that not only did it draw her into MGNREGS, but it also helped her to become regular in putting in her weekly thrift. Surprisingly she used the money to buy provisions for the ultra-poor in her group who were not Scheduled Tribes. She later became a mate. An exclusive ADS for Scheduled Tribes was formed in her ward in addition to the regular ADS, and she notes that the participation of Scheduled Tribes in the programme improved perceptibly after the exclusive ADS for Scheduled Tribes became functional.

### Skill development and the labour market

The interest generated in women labourers who have been skilled through MGNREGS has led to the creation of another instrument—the women's labour collective.

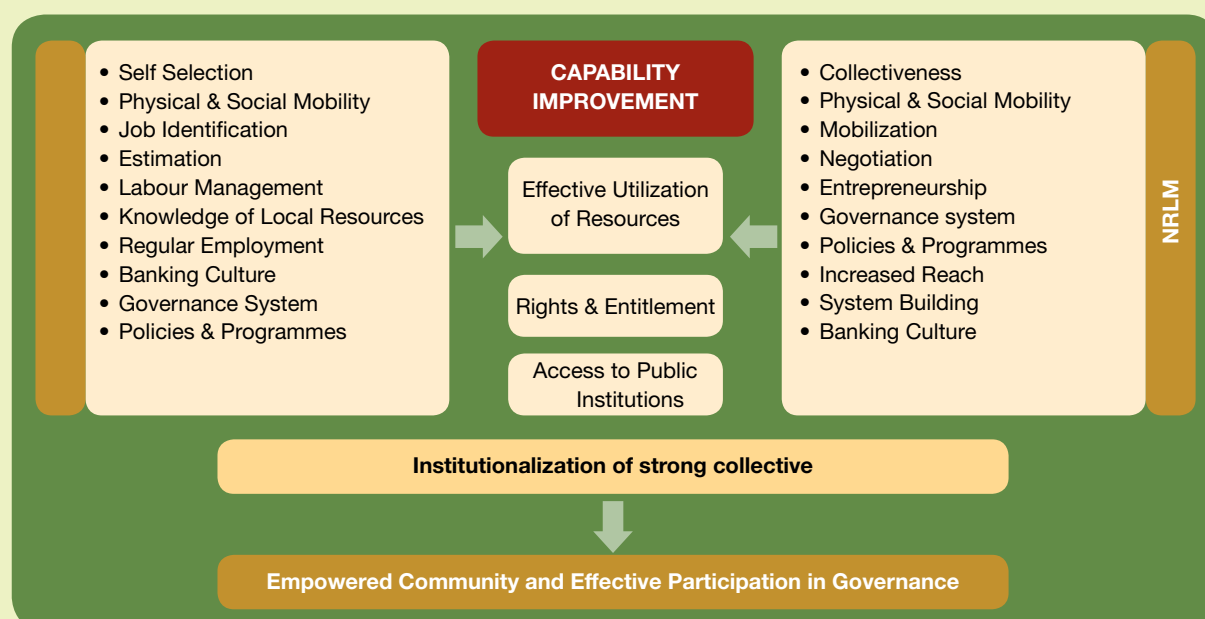
Estimation and accounting skills of the mates have also come in handy for this. Across the state MGNREGS workers have been coming together on their own to form labour groups that take on agricultural work and work on homesteads and plantations. This work is also supported and coordinated by CDS.

One of the thematic modules of Kudumbashree's gender self-learning programme was on women and work in the context of MGNREGS. It touched on issues like entitlements and equal wages and safety and hygiene at the work place, and helped cement the understanding of the SHG network on the rights aspects of MGNREGS.

### Lessons for convergence

The space for CBOs in MGNREGS has played its part in evolving the economic identities of poor women as skilled labourers and farmer cultivators and in creating a development interface for women to negotiate with local governments and power structures, giving new meaning to participatory governance. The nature of this dynamics has certainly played a central role in the effort to realize the objectives of MGNREGS.

There are lessons to be learnt about the opportunities for community organizations to strive for organizational empowerment through participation in governance. These are lessons that could have far-reaching implications for improving the quality of life of the poor, for transforming agriculture and the labour market and for ushering in a new dialogue of women empowerment.





Chapter Two

## **Analytical Framework in the Present Review**



## **MGNREGA Sameeksha to MGNREGA Sameeksha II: An introduction**

MGNREGA Sameeksha was an effort to synthesize the results and the findings emerging out of the research interest that the enactment of the largest public works<sup>1</sup> programme in the world generated among researchers and scholars in India and abroad. The implementation of MGNREGA has consistently been responsive as it faced challenges. This is also reflected in MGNREGA Sameeksha, which is an analytical review of the research published on various aspects of the implementation of MGNREGA and the way forward.

MGNREGA Sameeksha remains a path-breaking documentation effort and reflects the administrative commitment to be transparent and forward looking in the assessment of the programme.

<sup>1</sup> Public works are development works/projects that are undertaken for public use and which are owned by the government.

In summary, MGNREGA Sameeksha underscored, tense MGNREGA's potential to impact the quality of life of vulnerable and marginalized households and communities. Further, MGNREGA Sameeksha documented the impact of MGNREGA on sustainable assets and it also emphasized on the responsive nature of the programme's implementation by recording new initiatives like changes in permissible works and use of technology to ensure transparency.

MGNREGA Sameeksha II is a continuation of this effort; it departs from Sameeksha in its attempt to arrive at a conceptual research framework as it consolidates the research published and the administrative initiatives undertaken, emphasizing that 'MGNREGA today is different from when it was rolled out years ago because of the learning process, better systems in place and the benefit of hindsight and experimentation' (Narayanan, personal communication, 2015).



## Objectives of MGNREGA Sameeksha II

MGNREGA Sameeksha II is proposed as a continuation of the objective of nurturing a discourse around MGNREGA which is open, scientific, critical and constructive. It reviews research studies carried out and published over the last two years (2012–14) to foster reflection and understanding about MGNREGA and its impact. It is hoped that this will bring the various studies together for focused discussions, leading to an authentic conversation between policymakers, researchers, practitioners, activists and the administration. The document addresses citizens, development practitioners, researchers, policymakers and administrators. To that end, it tries to align the different perspectives that each of these audiences hold.

The specific objectives of MGNREGA Sameeksha II (2015) are:

- Document and cohere various research themes and studies conducted in 2012–14 and thereby invigorate the research discourse around issues of social justice, dignity of work and the productivity and sustainability of individual and community assets anchored as they are in the spirit and implementation of MGNREGA.
- Expand the circles of engagement with MGNREGA to include academicians, researchers and practitioners of different academic disciplines and arrive at a common vocabulary and understanding.

One of the core concerns of MGNREGA Sameeksha II is to carry forward a dialogue on the issues of social justice, the rights based approach of this landmark legislation and the participatory process through which the livelihood of a household is to be secured and enhanced. The review document also seeks to enquire about the sustainability of individual and community assets that are created

through MGNREGA. Through this effort, facts and evidence regarding various aspects of MGNREGA are presented; information and knowledge is synthesized and an informed and constructive debate is proposed.

## Research framework and themes

Conceptualization and Scope: Peer-reviewed, published research studies from 2012 to 2014 are analysed following three broad analytical approaches for human development. Some critical and/or landmark studies before 2012 are also included so that there is continuity in the dialogue.

**MGNREGA Sameeksha documented the impact of MGNREGA on sustainable assets and it also emphasized on the responsive nature of the programme's implementation by recording new initiatives**

The document sets an analytical framework to analyse and organize the research themes. This analytical framework reflects throughout the text and is technically called a 'lens'. The choice of a particular lens is itself open to criticism and informed disagreements by stakeholders. However, a lens is required to cohere and analyse the themes.

The broad analytical frameworks used are: the systems approach of human development within social and politico-economic systems.<sup>2</sup>

<sup>2</sup> Bronfenbrenner (1977, 1979) first proposed a nested human development approach, where and individual was nested within larger and larger systemic whorls. This approach has been used extensively in understanding lifespans. Researchers later analysed 'risk' and 'protective factors' within these systems thereby giving a granular

A systems approach means that an individual/ social actor is not viewed in isolation but is instead viewed as embedded in collectives and the systems that these collectives create around themselves. Each system has its own constraints and possibilities. Within this framework, human development as such is viewed as nested; as systems within systems, where at the core, a person or a household is embedded in the whorls of the environment.

One of the core concerns of MGNREGA Sameeksha II is to carry forward a dialogue on the issues of social justice, the rights based approach of this landmark legislation and the participatory process through which the livelihood of a household is to be secured and enhanced

At the macro level are the overarching systems of political, administrative, social, economic and legal histories and contemporaneity of the communities. These can be analysed in linear as well as cross-sections of time. Research and analysis on macro systems include policies, changes in policies, legal mandates, comparisons of implementation issues across states and changes in political and economic climates.

The meso-level research themes include challenges in implementation, the social audit processes, the capacity of PRIs, the 'local' social influences and the challenges related to

convergence and state specific administrative and political processes.

Conceptually, at the centre of the discourse is the household and the phenomenology of work, the lived experience of vulnerability, the right to dignity, work and livelihood and a good quality of life. These themes form the textures of the micro-level research.

The connection between micro and macro systems is the key in analysing 'change', particularly as it gets transferred and translated between systems. For example, broad macro-level changes affect households while micro-level actions of the households or individuals also affect broad structures. An analysis of inter-linkages between micro and macro systems is not linear or explained by a mere statistical aggregation. For example, delay in wage payments may be context specific. Different districts/states may have their specific 'reasons' for delay in wage payments. Or, the meaning of an order at the national/state level is frequently re-interpreted at the level of the state, district and finally at the level of the field assistant, due to the increasing specificity of the context.

In this document, the bi-directional linkage between macro and micro system is viewed through the 'structuration' lens. Giddens's Structuration theory<sup>3</sup> offers an insight into the linkages between micro systems, say individuals or households and macrosystems, say large structures of governance, law and the political economy. According to Giddens (1979), agents (where agents are understood as purposeful actors/persons) by repeating acts/behaviours create structures (structuration) as much as structures determine and (constrain) agentic acts. This insight is essential for understanding the relationship between the agent (which is an individual/household) and the larger whole.

understanding of both resilience and vulnerability. See U. Bronfenbrenner (1977), 'Towards an Ecology of Human Development', *American Psychologist* 32: 513-31 and U. Bronfenbrenner (1979), *The Ecology of Human Development*. London: Harvard University Press.

3 Giddens, Anthony (1979), *Central Problems in Social Theory: Action, Structure and Contradictions in Social Analysis*. Berkeley, California: University of California Press.



Now, the question arises: Is the individual agent, the wage seeker alone? Individuals in structuration importantly also mean the MGNREGA implementing officials and the PRI officials. These form the meso-level in the systems framework mentioned earlier. Therefore, it can be said that the micro and mesosystems 'structure' MGNREGA through their implementation of it as much as the policies and advisories from the Ministry of Rural Development (MoRD).

The meso-level challenges are critical in analysing MGNREGA's implementation. For example, utilizing a structuration framework helps us understand the state specific differences in the implementation of MGNREGA. Structures constrain as well as enable actions by the actors/agents, which include MGNREGA officials as well as wage seekers. Therefore, the balance between constraining provisions and enabling provisions under MGNREGA is a crucial task. When leading economists like Dreze (2014, in personal conversation) have

ideated for the 'simplification' for MGNREGA from the perspective of worker households, the enabling and constraining provisions that facilitate this at the meso-systems sometimes complicate the implementation at the micro-level or for the worker/household. This underlines the crucial and finely balanced act that implementation has to be consistently responsive to.

Finally, the third broad perspective used in MGNREGA Sameeksha II are the various understandings of social power, especially Habermas's idea of a 'dialogic democracy' and his well-known articulation of 'communicative rationality'. MGNREGA is an important element of the Indian democracy, its debates and discussions as well as the research evidence presented and analysed in MGNREGA Sameeksha and MGNREGA Sameeksha II reflect its location in the co-construction of a progressive critique to the mainstream notions of development.



## A selection of studies for the review

The first step in the process followed for selecting the studies for review was setting the inclusion and exclusion criteria based on the rigour of the research like sampling and design frameworks for the studies published in 2012–14. As far as possible, newspaper reports and opinion pieces were not considered for this review, although they reflect popular perception about MGNREGA. These popular perceptions are discussed where appropriate.

Sameeksha used the administrative MIS and research studies in its analysis. This was followed in MGNREGA Sameeksha II as well

However, newspaper reports are not analysed. Each draft chapter was reviewed internally. The first draft of MGNREGA Sameeksha II was circulated among external experts for their reviews and comments. In chapters, wherever applicable, policy insights were gleaned, while further questions were woven in the text for researchers to consider in future research.

## Chapter structure

The chapter sequence and titles of MGNREGA Sameeksha II broadly follow those in MGNREGA Sameeksha. Sameeksha used the administrative MIS and research studies in its analysis. This was followed in MGNREGA Sameeksha II as well.

All chapters begin with an introduction and overview of the theme. Wherever possible, data from MGNREGA MIS is presented with a discussion followed by published research evidence and results. Both the administrative

data and the research evidence is analysed and gaps and strengths are identified as appropriate. Finally, policy insights and suggestions for future research are listed at the end of each chapter.

## Review questions for MGNREGA Sameeksha II

As we aggregated the studies under various chapter headings, we started by formulating the review questions that guide MGNREGA Sameeksha II. These review questions set the tone of the chapters and sought to indicate future directions. The review questions are equidistant from the administrative data, popular perceptions and the research narratives and are an attempt to address and align the issues experienced by various stakeholders.

The review questions themselves can be first order questions like, ‘Does MGNREGA target the vulnerable communities or not?’ While these broad questions are important and need to be consistently pursued to inform policy and implementation it is pertinent to look for the second order review, that is, ‘How and why implementation on ground is successful?’ or ‘Where/in what contexts, under what conditions do initiatives work or they do not?’ Several research gaps may present themselves in this process of sifting the first and second order review questions. This second order review is important to deepen an understanding about both policy insight and the directions for further research thereby representing a dialogue. These questions and their discussions are woven into the text and summarized at the end of each chapter.

## References

(in the order in which they appear in the chapter)

1. Giddens, Anthony (1979), *Central Problems in Social Theory: Action, Structure and Contradictions in Social Analysis*. Berkeley, California: University of California Press.





Chapter Three

## **MGNREGA: Entitlements to the Rural Poor and Impact on Livelihood Security**



## Introduction

Justice is at the core of social policy frameworks, governance and implementation. It is commonly understood that justice can be distributive (denoting principles in allocation of resources), procedural (denoting principles in methods adopted and the procedures followed), retributive and restorative (denoting the consequences of committing wrongs and grievance redress and restoration of rights of the victims).

The enactment of the legal guarantee to a minimum 100 days' work reflects the will of the citizens of India and recognition of the

right to work as a justiciable right, where the poor and vulnerable are proactively engaged with. Entitlements under MGNREGA therefore indicate the distributive justice envisioned in the design of this landmark act.

Over the nine years of the implementation of the MGNREG Act, some questions have been raised in the public domain which relate to:

- Whether the entitlements are reaching the poor or how is the targeting of the programme?
- If the programme is reaching the poor, then what is the impact of MGNREGA on incomes and livelihood security?

Some aspects of these questions have been answered by independent researchers which are presented in this chapter. Evidence is presented along with data from the administrative MIS wherever appropriate.

## Has there been right targeting of the poor, vulnerable and the marginalized?

Nine years of MGNREGA's implementation and research evidence thereof suggests that despite implementation gaps, MGNREGA provides the choice to demand work to a large number of rural households and persons. Table 3.1 shows that over the last three years, 39.2 crore

**TABLE 3.1: CARDS ISSUED OVER THE LAST THREE YEARS UNDER MGNREGS (2012–15)**

| All India | Cumulative No. of HH provided employment | No. of HH working under NREGA during the reporting month (Crores) | LB: Projected Person-days up to the month (Crores) | Cumulative Persondays generated |             |           |               |               | Cumulative No. of HH completed 100 days | No. of HH which are beneficiary of land reform/IAY | No. of Disabled beneficiary individuals |
|-----------|--|---|--|---------------------------------|-------------|-----------|---------------|---------------|---|--|---|
|           |  |   |  | SCs                             | STs         | Others    | Total         | Women         |   |  |   |
| 2012-2013 | 4.9                                      | 1.8   | 27.27  | 51.20 crore                     | 410,010,688 | 138 crore | 2,304,767,361 | 1,182,334,148 | 5,173,796                               | 2,389,185  | 455,307                                 |
| 2013-2014 | 4.7                                      | 1.9   | 25.03  | 50.27 crore                     | 386,158,956 | 131 crore | 22,035,58688  | 1,163,972,569 | 4,659,447                               | 2,426,497  | 486,496                                 |
| 2014-2015 | 4.1                                      | 1.2   | 48.70  | 37.09 crore                     | 2,820,08051 | 100 crore | 1,658,812,264 | 910,076,650   | 2,476,121                               | 2,218,379  | 410,692                                 |



job cards have been issued under MGNREGS, providing employment to a large number of households.

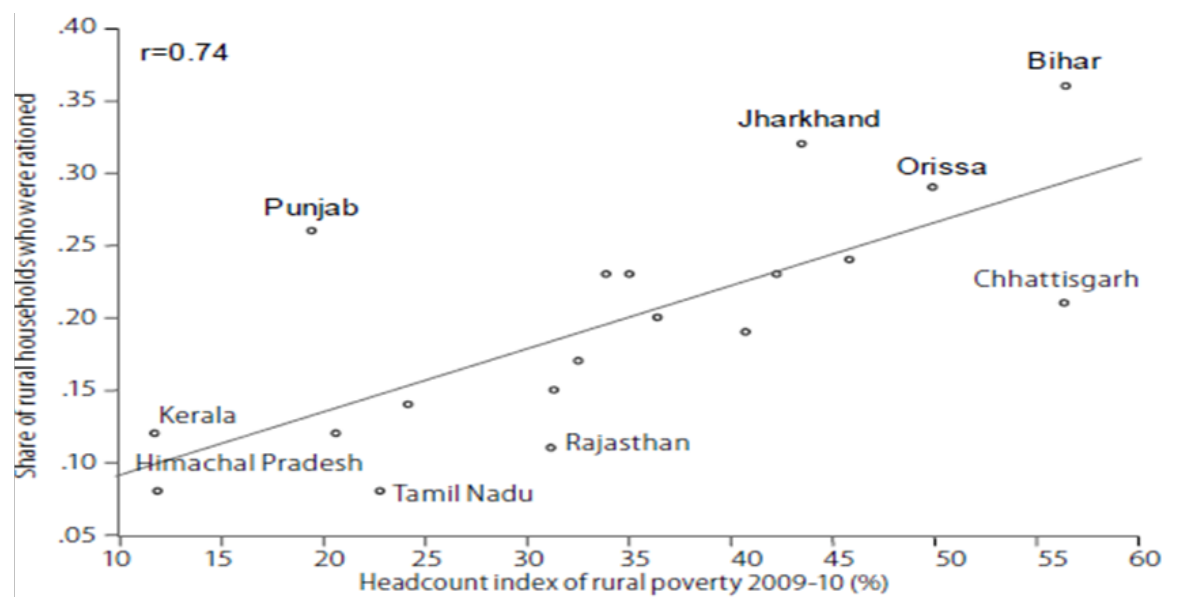
What does independent research say about the targeting and thereby the impact of MGNREGA on incomes and livelihood security? In continuation with the earlier research evaluations published in MGNREGA Sameeksha, independent research substantiates the claims of a right targeting of the poor and marginalized.

**Joshi, Desai, Vanneman and Dubey (2014)**<sup>1</sup> in their working paper on the **India Human Development Survey** that mapped about 42,000 overall sample through a nationally representative survey data, find that poor households with low asset bases and membership to vulnerable communities are more likely to participate in MGNREGA. The sample for the rural households was 27,579

1 Joshi, Omkar, et al. (2014), *MGNREGA: Employer of the Last Resort?* New Delhi: India Human Development Survey, Working paper 2014-1, NCAER and University of Maryland, December.

households, where at least one member of the household was surveyed. As can be seen, about two-third of the sample was rural households who were asked specific questions on MGNREGA and household well-being. In line with the evaluation research question, the study found that education status was negatively correlated with participation in MGNREGA. The authors utilized this result to buttress their finding that MGNREGA is targeting the poorest, vulnerable and those with 'fewer opportunities'. Note that the research (IHDS-II) is a nationally representative survey (with the exception of Andaman and Nicobar Islands and Lakshadweep) and covered 384 districts and 1,420 villages. The inter-state distribution of the sample was adequate in its coverage. The research used a binary logit regression with state and village level controls (statistically). The results show that the programme is well targeted for SCs and STs. Between these communities, the SCs were better targeted. The results clearly suggest that as the education rises, participation in MGNREGA decreases.

**FIGURE 3.1: THE CORRELATION BETWEEN SHARE OF RURAL HOUSEHOLDS WHO DEMANDED WORK BUT WERE DENIED AND HEADCOUNT INDEX OF RURAL POVERTY**



Source: Datta, Murgai, Ravallion and Walle (2012).

In a policy brief by **NCAER and University of Maryland**, research on Indian Human Development Surveys, Desai, (2014)<sup>2</sup> analysed the question of whether restricting MGNREGA to 200 districts would improve its targeting. According to the policy brief because the poor and the marginalized are spread across the country, with most of the poor living outside the poorest districts, limiting MGNREGA to the poorest districts would not be productive. Further, it must be noted that governance challenges at the state and district levels remain, regardless of whether it is limited or not. Therefore, the poorest districts in the laggard states would still have to work with the same challenges in implementing MGNREGA.

**Datta, Murgai, Ravallion and Walle (2012)**<sup>3</sup> analysed the National Sample Survey data for 2009-10 (66<sup>th</sup> NSSO Round) which included questions on participation and

demand for work; three of these questions had to do with MGNREGA: (i) whether the household had a jobcard; (ii) whether it had got work under the scheme during the last 365 days for which responses were coded under three options: got work, sought but did not get work and did not seek work under MGNREGS; and (iii) if the household got work, the number of days of work and the mode of payment. While the authors confirmed that the poorer states had more demand for work under MGNREGS, the study found considerable unmet demand for work in all states, albeit more so in the 'poorest' ones where the scheme was needed the most. Regardless of these variations, the authors confirmed that the scheme was reaching the rural poor, the marginalized and the vulnerable and was attracting poor women into the public works programme. Their key results are shown in Figure 3.1 and Table 3.2.

**Datta, Murgai, Ravallion and Walle (2014)**<sup>4</sup> reported on a detailed panel survey of

2 Desai, Sonalde (2014), Available at: [http://www.ncaer.org/publication\\_details.php?pid=240](http://www.ncaer.org/publication_details.php?pid=240). [www.ncaer.org](http://www.ncaer.org). [Online] December.

3 Datta P., R. Murgai, M. Ravallion and D. Walle (2012), Does India's Employment Guarantee Scheme Guarantee Employment? *Economic and Political Weekly* XLVII (16).

4 Datta, Pooja, et al. (2014), *Right to Work? Assessing India's Employment Guarantee Scheme in Bihar*. Washington DC: The World Bank.



**TABLE 3.2: REGRESSION FOR PARTICIPATION RATE IN MGNREGS ACROSS STATES IN INDIA**

|                                  | Ordinary Least Squares | Instrumental Variables<br>Estimate |
|----------------------------------|------------------------|------------------------------------|
| Constant                         | -0.074<br>(-1.639)     | -0.064<br>(-1.197)                 |
| Demand for work                  | 1.109<br>(13.798)      | 1.178<br>(9.880)                   |
| Headcount index of rural poverty | -0.501<br>(-4.922)     | -0.619<br>(-4.581)                 |
| R <sup>2</sup>                   | 0.902                  | 0.894                              |
| SEE                              | 0.056                  | 0.058                              |
| N                                | 18                     | 18                                 |

**Note:** The dependent variable is the participation rate, defined as the share of the population of rural households who did any work on MGNREGS. Demand for work is the share of rural households saying they want work on the scheme. Headcount index of rural poverty is the percentage of population below the poverty line. The t-ratios in parentheses are based on white standard errors. The IVs were log SDP per capita and its squared value.

**Source:** Authors' estimates from NSS (2009-10).

3,000 households and a small field experiment in Bihar which confirmed their earlier research results on unmet demand in poorer states, in this context Bihar. The authors view MGNREGA as a scheme with a potential to reduce poverty in Bihar. They found a pro-poor rationing and confirm that the scheme was reaching the poor, even as the 'richer households also share in the gains'. The authors document that under ideal conditions, the implementation of the scheme would result in bringing down poverty rates by 14 per cent or more. However, due to implementation gaps, 10 per cent was attributable as 'lost impact.' These implementation gaps existed mainly due to unmet demand.

**Liu and Barrett<sup>5</sup> in 2013** analysed the pro-poor targeting of MGNREGA using the NSSO Round 66 Data from 2009-10 and found that at the national level, the self-targeting design of MGNREGS led to greater rates of self-selection into the programme by poorer and ST and SC households. However, the authors also report the mediating effect of administrative pro-poor commitment or the lack of it where the

administrative rationing of MGNREGS jobs is not pro-poor but, rather 'exhibits a sort of middle-class bias'. At the state level, roughly half of the 27 states exhibited participation profiles that signalled effective pro-poor targeting. The other half of India's states appeared to be struggling to avoid high rates and regressive patterns of administrative rationing of MGNREGS jobs 'to which the poor have a legal right'. The authors report four variations of pro-poor targeting performance. The 'ideal' pattern is exhibited by states such as Sikkim, Mizoram, Tripura and Rajasthan. Other states show less than ideal patterns of: i) low participation rates among the poor, ii) flat or regressive participation and rationing rates, and iii) high rationing rates among the poor. Eleven of the states (Assam, Bihar, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Maharashtra, Odisha, Punjab and Uttar Pradesh) had both low MGNREGS participation rates and high rationing among the poor. According to the authors, Uttarakhand was an additional casewhere, 'In this state, rationing is statistically significantly higher among poor households than among those households that are better off, while the overall participation rate was below 50% for all households.'

5 Liu, Y. and C. Barrett (2012), *Heterogeneous Pro-Poor Targeting in India's Mahatma Gandhi National Rural Employment Guarantee Scheme*. Delhi: IFPRI.

**Rao and Madhusudan (2013)**<sup>6</sup> studied works on individual lands and found that about 79 per cent of the sample beneficiaries belonged to the 'other' category while the SC and ST beneficiaries constituted 16 and 5 per cent of the sample respectively. The authors feel that the low coverage of SC and ST beneficiaries under individual land development works seems to point to the disturbing view that the expansion (inclusion of small and marginal farmers etc.) of eligibility criteria to include other categories had had an adverse impact on socially and economically disadvantaged groups.

Given that despite limitations in implementation the scheme is indeed reaching the target population, a question that is asked is: What are the direct and indirect effects of the pro-poor targeting? Existing research evidence has looked at only some of the issues, the most direct being an effect on wages, labour markets, agricultural productivity and migration and indirect effects being on quality of life and capability.

### What is the impact of MGNREGA work on the incomes and livelihoods of the poor and vulnerable households?

Studies reveal that MGNREGA has helped rural households (HHs) in a sustained manner to smooth consumption between the agricultural peak season and lean season. **Klonner and Oldiges (2013, 2014)**<sup>7</sup> report in their research that the poverty gap between Phase I and Phase II districts has decreased. Among SC/ST households both Phase 1 and Phase 2 districts

experienced a decline in inequality with the effect being more for Phase 1 districts. The authors used a fuzzy regression discontinuity design to estimate programme effects using NSSO data and also present a detailed descriptive analysis from 2003 to 2011. They construct a district wise panel and found that while there were no statistically significant differences for **all** rural households, the vulnerable households as a sub-set showed statistically significant large effects on consumption and consumption based poverty measures for the agriculture lean season while no such effect was revealed in the agriculture peak season. This demonstrates two significant results: Firstly, the poor and the vulnerable are indeed 'targeting' themselves and secondly, the programme is smoothening consumption for these households. Therefore, the main conclusion of their study is that the programme has been successful not only in increasing consumption levels of particularly vulnerable HHs but also in reducing these HHs' exposure to the risk of seasonal drops in consumption. The pattern of these effects is consistent with the pattern of MGNREGS expenditure. According to the authors, the Act appears to have successfully delivered on its two goals, improving livelihood security and reaching out to most vulnerable rural inhabitants. They substantiate their findings with similar analysis by Ravi and Engler (2009), which used a smaller dataset but a robust analysis; Liu and Deninger (2013) who used a panel data for 4,000 households and Bose (2013) who also used NSS data, but the DiD method for analysis.

Further, some research focused on the effect of rainfall deficit on participation in MGNREGA and found a negative relationship between the amount of deficit in the rainfall and MGNREGA participation, concluding that MGNREGA has been used by farmers for income smoothening.

Similarly, in a search study conducted in the coastal areas of Andhra Pradesh, **Johnson**

6 Rao, Srinivas Kumar Alamuru and B.V. Madhusudhan (2013), *Role of MGNREGA in Improving Land Productivity*. Centre for Budget & Policy Studies, Bangalore for Department of Rural Development, Government of Karnataka.

7 Klonner, S. and C. Oldiges (2014), *Employment Guarantee and its Welfare Effects in India*. Mumbai: IGIDR, 'MGNREGA -Taking Stock and Looking Ahead Proceedings of the International Conference on MGNREGA', 26-28 March.



(2009)<sup>8</sup> used secondary data provided by the Andhra Pradesh government to estimate the responsiveness of programme participation to changes in rainfall. In order to control for other potential direct impacts of rainfall on participation, the author analysed the impact of rainfall in each agricultural season on NREGA participation in the following non-agricultural (lean) season, the assumption being that NREGA participation in the lean season would increase after a particularly bad agricultural season. Regression estimates of the impact of rainfall (as measured by different weather indicators) on wages per working age adult were done. The findings support the conclusion from other studies that non-normative rainfall during the agricultural season leads to higher overall participation in NREGA programmes during the following lean season and vice versa; good weather leads to lower participation levels. This study too confirmed the impact of MGNREGS as a risk

mitigating mechanism for households.

In a robust econometric analysis, **Zimmerman (2014)**<sup>9</sup> showed the labour-market impacts of MGNREGS. Firstly, in a household time-allocation model,<sup>10</sup> the author shows that the flexibility in demand allows households to use the programme 'both as an alternative form of employment and as a safety net after economic shocks.' The author used a regression-discontinuity design to estimate the programme's effects to suggest that MGNREGS is used more as a safety net rather than as an alternative form of employment. The author estimated a base model which did not include MGNREGA and later introduced MGNREGA in the second model specification. However, it must be noted that the presence of a safety

8 Johnson, Doug (2009), Available at: <http://ifmrlead.org/can-workfare-serve-as-a-substitute-for-weather-insurance-the-case-of-nrega-in-andhra-pradesh/.ifmrlead.org>. [Online].

9 Zimmerman, Laura (2013), 'Why Guarantee Employment? Evidence from a large public works program', paper presented at IGIDR conference on MGNREGA, University of Michigan, February.

10 Household Time Allocation Model used by Zimmerman estimates how the households allocate their time between private sector jobs and self-employment. MGNREGA introduces a third option as a safety net.





net influenced a household's decision on several parameters. The author concludes, 'Overall, these results suggest that MGNREGA is ineffective at raising private-sector casual wages through increased competitiveness in rural labor markets or a better enforcement of minimum wage laws. The program seems to work better at providing a safety net for rural populations.'

That MGNREGS works as a safety net has been addressed with different implications. Evidence shows that MGNREGS as a safety net has affected cropping decisions, alternative employments and increase in the productivity of land.<sup>11</sup> A study by the independent research consulting organization, Sambodhi Research Organization, was primarily undertaken to evaluate the effects of the creation of assets on lands of small and marginal farmers, SCs/STs and IAY beneficiaries in the six states of Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. The study not only confirmed that MGNREGA work on individual beneficiaries' lands have had a

11 Sambodhi Research and Communications Pvt. Ltd. (2012-13). *Impact Assessment of assets Created on Individual Land under Mahatma Gandhi National Rural Employment Guarantee Act*. A Report submitted to UNDP

significant impact on improving the quality of their land and generating extra incomes but that this has also aided small and marginal farmers in moving to dual and multi-cropping and in creating alternative sources of livelihood for these households. Similar evidence is provided by **Gehreke (2013)**,<sup>12</sup> who demonstrates that households with access to MGNREGA found an increase in the share of inputs allocated to more profitable crops. According to the author, MGNREGA, by enabling a shift to high risk-profitable crops, raised incomes of small marginal farmers.

There have been frequent references in popular media and in perceptions that MGNREGS has led to casualization of labour and non-farm work. On the basis of multivariate analyses, **Jatav and Sen (2013)**<sup>13</sup> report two major findings. One, that though non-farm employment in rural areas is primarily distress-driven, there are some significant entry barriers for rural workers in the non-farm sector in terms of education, age and gender. The authors emphasize the importance of the scheme and indicate that the crisis of joblessness in rural labour markets would have been more acute without it.

**Liu and Deninger (2013; presented in 2014)**<sup>14</sup> looked at the short and medium-term impact of MGNREGS employment on various development indicators in Andhra Pradesh, which is widely credited with a good performance record. As the authors acknowledge, this clearly shows the potential of MGNREGA if implemented with administrative commitment. The authors find that in the short-term, participants' caloric

12 Gehrke, G. (2013), *Does the Indian Employment Guarantee reduce households' risk exposure? Assessing the effects of the NREGA on crop choice*. German Development Institute.

13 Jatav, Manoj and Sucharita Sen (2013), Drivers of Non Farm Employment in Rural India- Evidence from 2009-10 NSSO Round. *Economic and Political Weekly XLVIII* (26-27).

14 Liu, Yanyan and Klaus Deninger (2014), 'Welfare and Poverty Impacts: The Mahatma Gandhi National Rural Employment Guarantee Scheme', MGNREGA-Taking Stock and Looking Ahead. Proceedings of the International Conference on MGNREGA. Mumbai: IGIDR, 26-28 March.



**TABLE 3.3: PROGRAMME EFFECTS AS ESTIMATED BY LIU AND DENINGER (2013)**

|                               | DDD                   |         |     | DDD and PSM           |         |     |
|-------------------------------|-----------------------|---------|-----|-----------------------|---------|-----|
| <b>PHASE 1 DISTRICTS</b>      |                       |         |     |                       |         |     |
| Consumption (Rs/year)         | 1261                  | (428)   | *** | 943                   | (377)   | **  |
| Energy intake (Kcal/day)      | 252                   | (79)    | *** | 152                   | (94)    |     |
| Protein intake (g/day)        | 3.25                  | (1.44)  | **  | 2.07                  | (1.54)  |     |
| Nonfinancial assets (Rs/year) | 623                   | (443)   |     | 772                   | (403)   | *   |
| Consumption (log)             | 0.107                 | (0.039) | *** | 0.068                 | (0.042) |     |
| Energy intake (log)           | 0.094                 | (0.036) | *** | 0.056                 | (0.036) |     |
| Protein intake (log)          | 0.060                 | (0.032) | *   | 0.034                 | (0.037) |     |
| Nonfinancial assets (log)     | 0.405                 | (0.111) | *** | 0.359                 | (0.118) | *** |
| Number of observations        | 1,017 + 1,410 = 2,427 |         |     | 1,000 + 1,345 = 2,345 |         |     |
| <b>PHASE 2 and DISTRICTS</b>  |                       |         |     |                       |         |     |
| Consumption (Rs/year)         | -24                   | (594)   |     | 822                   | (621)   |     |
| Energy intake (Kcal/day)      | 100                   | (112)   |     | 253                   | (116)   | **  |
| Protein intake (g/day)        | 2.47                  | (2.11)  |     | 5.80                  | (2.07)  | *** |
| Nonfinancial assets (Rs/year) | -412                  | (507)   |     | 113                   | (481)   |     |
| Consumption (log)             | -0.032                | (0.059) |     | 0.072                 | (0.062) |     |
| Energy intake (log)           | 0.043                 | (0.051) |     | 0.108                 | (0.049) | **  |
| Protein intake (log)          | 0.060                 | (0.048) |     | 0.127                 | (0.050) | **  |
| Nonfinancial assets (log)     | -0.144                | (0.229) |     | -0.113                | (0.241) |     |
| Number of observations        | 439 + 1,345 = 1,784   |         |     | 424 + 1,165 = 1,589   |         |     |

**Notes:** All figures in per capita terms using the 2004, 2006 and 2008 panel data.

DDD = triple difference estimation; PSM = propensity score matching; Rs = Indian rupees; Kcal - kilocalorie; g = gram.

Significance level:- \*, 10%, \*\*, 5%, \*\*\*, 1%. Robust standard errors are in parentheses.

**Source:** Authors' computation from household survey and administrative data.

and protein intakes increased, indicating that one of the most important immediate effects of MGNREGS employment was an improvement in participants' food security and nutrition. Medium-term effects, on the other hand, seemed to centre around more generalized investments, particularly the accumulation of land. Overall, participants from SC and ST households, as well as those who relied on casual labour, benefited the most from MGNREGS employment. Interestingly, the authors report that, 'We also do not find evidence that the MGNREGS program discourages other forms of employment, as has been suggested by the program's critics. In fact, we find that in Andhra Pradesh, increased expenditures on the MGNREGS program translate almost directly into an increase in additional employment opportunities.'

The researchers used the analysis techniques of Triple Difference in Difference<sup>15</sup> as well as Propensity Score matching. These analytical strategies are often used in social and economic research. The results are shown in Table 3.3.

### Impact of MGNREGA on human development indicators

Over the last nine years researchers have turned their gaze at not just the direct effect of MGNREGS on economic indicators but on human development indicators as well.

<sup>15</sup> The Difference in Difference (DiD) method is a quasi-experimental technique used in econometrics and sociology to measure the effect of treatment at a given period in time. DiD measures a pre-post, within subjects' differences for treatment and comparison group.

Poverty and deprivation are intricately linked to political and governance systems, health and education as well as other opportunities and (un)freedoms that affect the capability of persons. Evidence shows that MGNREGA impacts some aspects of human capability. This research evidence and direction though promising, clearly needs more research effort to arrive at definitive conclusions.

While assessing the role of MGNREGA on human development indicators, it is important to note that snapshot studies give a quick assessment of the impact of MGNREGS wages on the livelihood security of worker families. However, the long-term impact as in the case of human development and/or livelihood security can be best assessed by longitudinal studies that map the journey of a household over a period of time.

**Ravi and Engler (2015)**<sup>16</sup> analysed MGNREGA's impact on rural poor households. The authors studied the impact of the programme on food security, savings and health outcomes by constituting a panel data of 1,064 households from 198 villages in erstwhile Andhra Pradesh. Note that Andhra Pradesh is a high performance state for MGNREGA. The research indicated that MGNREGA significantly increased monthly per capita expenditure on food and non-food items. It improved food security by reducing the number of meals foregone. Further, participation in MGNREGA increased the probability of savings by households.

Similarly, evidence by **Dasgupta (2013)**<sup>17</sup> exploiting the spatial and temporal variation in NREGA coverage, estimated the extent to which nutritional shocks in early childhood

can be offset by access to MGNREGS. The study found that while the policy did not help correct for long-term past health deficiencies it was useful in buffering recent drought shocks, the effect size of which varied by policy relevant sub-groups. The availability of the programme provided a buffer for the children of marginalized and socially excluded caste groups. The findings highlight the extreme vulnerability faced by rural poor households particularly by education level and ethnicity which further underscore the importance of social protection schemes for these households to counter negative shocks. Also, when the food supplement variable was included in the data analysis, the study found a strong positive and significant impact on children's health and nutrition.

Using panel data in Andhra Pradesh to assess the impact on schooling and 'intellectual human capital' **Mani et al. 2013**<sup>18</sup> found that access to the programme had large and positive effects on children's performance on reading comprehension tests, math tests and tests of verbal ability (Peabody Picture Vocabulary test). A comparison of the post-intervention households' monthly per capita consumption expenditure between the early phase-in and late phase-in districts suggested that on average children residing in the early phase-in districts experienced an almost 40 per cent increase in test scores relative to children residing in the late phase-in districts. This is a significant study which substantiates that children in a household are benefiting from the wages earned by adult family members. This is a promising result and has potential for further research that will broaden the impact of MGNREGA to include human development indicators like health and education.

Further support to this line of research is given

<sup>16</sup> Ravi, Shamika and Monika Engler (forthcoming), *Workfare as an Effective Way to Fight Poverty: A case of India's NREGS*. World Development.

<sup>17</sup> Dasgupta, Aparajita (2013), *Can the Major Public Works Policy Buffer Negative Shocks in Early Childhood? Evidence from Andhra Pradesh*. MGNREGA-Taking Stock and Looking Ahead; Proceedings of the International Conference on MGNREGA, IGIDR, Mumbai.

<sup>18</sup> Mani, Subha, et al. (2013), *Impact of the NREGS on Schooling and Intellectual Human Capital*. Bill and Melinda Gates Foundation. MGNREGA-Taking Stock and Looking Ahead; Proceedings of the International Conference on MGNREGA, IGIDR, Mumbai.



by **Islam and Sivasankaran** (2014)<sup>19</sup> where evidence indicates that availability and work by adult household members in MGNREGS inversely affects child labour and positively impacts children's schooling. The authors conclude that MGNREGA helps in additional resources being spent on children.

Clearly this is a promising line of research for further studies to answer questions relating to various sub-groups like women headed households or tribal households. Some concerns relating to vulnerable women have been pointed out by **Narayanan and Das** (2014)<sup>20</sup> which need to be explicated by further research. Further, the impact of MGNREGS

<sup>19</sup> Islam, Md. and A. Sivasankaran (2014), 'How does Child Labor respond to changes in Adult Work Opportunities? Evidence from NREGA', paper presented at an international conference on MGNREGA. Mumbai: Impact Indira Gandhi institute of Development Research.

<sup>20</sup> Narayanan, Sudha and Upasak Das (2014), 'Women Participation and Rationing in the Employment Guarantee Scheme', *Economic and Political Weekly* XLIX (46).

wages on the quality of life of the elderly can also be an area for future research. To conclude, more research needs to be done in areas where we are able to conceptualize the 'well-being' of households as defined by the households themselves and then view the impact that MGNREGA has had in general on all the households.

### MoRD's initiatives

In order to address the challenge of accurately capturing demand in several states and for improving the implementation of MGNREGA, several initiatives have been taken up consistently by the Ministry of Rural Development which include the Kaam Maango Abhiyan and interventions related to the Intensive Participatory Planning Exercise (IPPE) conducted during 2014-15 for preparation of the labour budget for 2015-16.

The Kaam Maango Abhiyan was initiated by MoRD in 2013, when it was analysed that falling demand for work actually represented a huge





unmet demand and the contradiction was due to inaccurate capture of the demand in states. In the initial phases, this campaign to proactively register demand for work was launched in six districts on a pilot basis. The campaign was anchored on collaboration between civil society organizations and the state and national governments. The methods adopted were *padyatras*, ward level awareness drives and institutionalizing *rozgar divas* every month to capture demand. As Chopra (2014) states, the self-selecting demand driven nature of MGNREGA becomes a weakness if the demand is not registered. Demand is not registered due to a variety of factors, one of which may be lack of awareness about the guarantee to work. The ‘demand’ may still be understood in the social context as a ‘request’ or a ‘favour’.

The government conducted the Kaam Maango Abhiyan from November 2013 to January 2014 in six districts—Katihar (Bihar), Sitapur (Uttar Pradesh), Raichur (Karnataka), Nashik

(Maharashtra), West Singhbhum (Jharkhand) and Sundergarh (Odisha). As mentioned, this was aimed to increase awareness about entitlements under MNGREGA, getting the scheme to reach out to excluded vulnerable sections to effectively capture their demand and for institutionalizing *rozgar divas*. MIS data shows that the *abhiyan* was effective. The demand for work increased substantially in the six districts during the *abhiyan* period (November 2013 to January 2014) as compared to the same time period in the previous year (November 2012 to January 2013). An increase of 57 per cent in demand was noted in the six districts.

Identifying the key gap of exclusion in the planning process, pointed out by several research studies especially in reference to the participation of women, MoRD initiated IPPE in July 2014 for the preparation of the labour budget for FY 2015-16. IPPE interventions were carried out in 2,500 backwards blocks



and around 100,000 lakh gram Panchayats attempted to address the issue of *exclusion* in the planning process of works and therefore, distributive justice. The hypothesis appears to be that social inclusion in the micro-planning process would lead to inclusive outcomes as well as better implementation.

In order to prepare for IPPE, an expert resource group conducted a workshop where the objective and process of IPPE were identified. A manual that described the objectives, training and the process of IPPE was written. Further, a cascading model of training was selected, whereby national level trainers, trained selected state resource teams (SRTs), who in turn were expected to train and capacitate district and block teams. The Block Planning Teams (BPTs) which utilized the PRA tools were formed of youth from worker families as well as technical personnel from MGNREGA. According to a predetermined calendar, all the GPs in the identified backward blocks went through an IPPE process to generate accurate demand. The IPPE process included four participatory tools: social mapping for who should get the priority of MGNREGS implementation, seasonality mapping for when demand for work would be high or low in each habitation of the GP and what type of works could be done in different seasons. Transect walk to animate the BPTs' sense of the human geography of the village and finally, resource mapping, which essentially identified the type of works most suitable and relevant for the villagers themselves using the Natural Resource Management Approach (NRM). In addition, an individual household survey was also conducted to capture demand and seasonality per household.

As mentioned, the hypothesis is that IPPE by including the vulnerable and marginalized in the planning process should lead to more ownership of MGNREGA work and therefore, more relevant works, higher demand and better implementation of MGNREGA. All these data points are mandatorily entered in the MIS and

therefore researchers can look at the MGNREGA MIS on several pre- and post-IPPE variables to model whether and how IPPE has impacted the implementation of MGNREGA. It is important to note that there would be wide variations between and within states on these parameters as compared to time trends as well as between IPPE and non-IPPE blocks within the states.

Further, there are several other interventions which invite critical and constructive research attention; these are the institutionalization of *rozgar divas* and public reports on unemployment allowances and delay compensations.

## Summary and conclusions

1. Evidence clearly points towards the fact that the self-selecting nature of MGNREGA ensures that it targets the poor and the marginalized. Independent research overwhelmingly supports this conclusion while critically identifying several gaps in implementation.
2. Various governance contexts and the capacity and commitment of the local official machinery, unmet demand and other context specific realities like leakages affect the implementation of MGNREGA. This is addressed in subsequent chapters.

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Chapter Four

## **MGNREGA and Agriculture**



## Introduction

At the core of MGNREGA's design and implementation is recognition of some fundamental features of the rural Indian economy.

First, there is the centrality of agriculture as a livelihood in the country, and second its persistent distress which has been commented upon by several researchers.<sup>1,2,3</sup>

**The performance of the agriculture sector is crucial** because it contributes to the overall growth of the economy and provides livelihood and food security to a majority of the population. However, there are critical gaps in agriculture practices such as periods between cropping seasons during which agriculture labour do not get any employment opportunities. This and several

other contextual features such as droughts, floods, natural disasters and soil and terrain features result in distress migration. Over the years, agrarian households have attempted various strategies to ensure livelihood security and managing seasonality as well as distress. Therefore, migration by members of rural households as a third critical issue has been addressed indirectly in MGNREGA's design. These arrows of migration within districts, within states and outside states by members of households can be seen both as coping responses to distress in agriculture as well as coping responses to larger realities of the crisis in the development paradigm.

MGNREGA has been designed to address seasonal unemployment in the agricultural economy and therefore its performance is organically linked to agriculture. This is so because:

- MGNREGA provides livelihood security to rural households with a focus on landless/small and marginal farmers. Research on targeting provides evidence about how this has performed.
- The core focus of MGNREGA works relates to agriculture and agriculture allied activities, especially diversification into fisheries, horticulture etc.

However, questions have been raised in public discourse on MGNREGA's performance and its relevance to agriculture incomes and livelihood security:

- How is MGNREGA's performance related to the agriculture sector? Has it increased productivity?
- Has MGNREGA resulted in shortage of labour for agriculture?
- Has it led to increased cost of cultivation and increased vulnerabilities in agriculture?

1 Dev, Mahendra S. (2010), 'Structural Reforms and Agriculture: Issues and Policies', Keynote paper for the 92nd National Conference for the Indian Economic Association. Bhubaneswar.

2 Matthew, Leemamol (2010), 'Coping with Shame of Poverty', *Psychology and Developing Societies*, pp. 385-407.

3 Mishra, Srijit (2008), 'Risks, Farmers' Suicides and Agrarian Crisis in India: Is There a Way Out?' *Indian Journal of Agricultural Economics* 63 (1): 38-54.





Some of these questions have been addressed by researchers and for some more research is invited. In the following sections, published independent research is discussed along with supporting data from MIS. Finally, policy recommendations and questions for future research are presented in the summary. Questions relating to labour markets, migration and wages are addressed in the subsequent chapter, which is interlinked with this chapter on agriculture.

### **MGNREGA and its impact on agricultural productivity**

Even as the core focus of MGNREGA's implementation has been work entitlement for rural households, key aspects of permissible works under MGNREGA has been works related to agriculture and allied activities. Table 4.1 shows the expenditure on agriculture and agriculture related works done under MGNREGA since its inception.

**TABLE 4.1 EXPENDITURE ON AGRICULTURE AND AGRICULTURE ALLIED WORKS THROUGH MGNREGA PERMISSIBLE WORKS SINCE ITS INCEPTION**

|   |          |
|---|----------|
| <b>Total Expenditure (in Rs)</b>                            | 12454951 |
| Expenditure on Agriculture Works                            | 6494024  |
| % of Expenditure on Agriculture Works                       | 52       |
| Expenditure on Agriculture Allied Works                     | 622906   |
| % of Expenditure on Agriculture Allied Works                | 5        |
| Total Expenditure on Agriculture & Agriculture Allied Works | 7116931  |
| % of Expenditure on Agriculture & Agriculture Allied Works  | 57       |





This data is subject to inter-state variations. Whereas some states like Kerala, Uttarakhand and Tamil Nadu have been able to utilize MGNREGA's design for implementation for agriculture and agriculture allied activities, there is scope for further work in agriculture allied activities like fisheries, livestock and horticulture. There is also scope for improvement in agriculture works in other states such as those in the North East.

As questions are raised about the impact of

MGNREGA on agriculture, it is also important to see what the agriculture census notes on any changes in variables related to the agriculture sector:

- Very briefly, due to broad-based changes in the Indian economy and the growth of the services sector, the percentage share of agriculture in overall GDP has been steadily declining as shown in Table 4.2. Regardless of this, researchers note that the agriculture sector did grow, albeit at a

**TABLE 4.2: PERCENTAGE CONTRIBUTION OF THE AGRICULTURE SECTOR IN OVERALL GDP**

| Year         | Over - All GDP (Cr Rs) | GDP - Agri (Cr Rs) | % Share of agriculture |
|--------------|------------------------|--------------------|------------------------|
| 2004-05      | 2971464                | 565426             | 19.0                   |
| 2005-06      | 3253073                | 594487             | 18.3                   |
| 2006-07      | 3564364                | 619190             | 17.4                   |
| 2007-08      | 3896636                | 655080             | 16.8                   |
| 2008-09      | 4158676                | 655689             | 15.8                   |
| 2009-10      | 4516071                | 660987             | 14.6                   |
| 2010-11 (RE) | 4937006                | 713477             | 14.5                   |

Source: Agriculture Census.

slower rate during the post-liberalization era. Also note that agriculture continues to be a major sector in the Indian economy.

As a very broad measure to understand the performance of the agriculture sector, the gross value of output for agriculture products and livestock has not changed significantly and has increased in some cases from 2004-05 to 2010-11 as estimations of the Ministry of Statistics show. These estimations are based on calculations of land use, area and out turn of principal crops. Table 4.3 shows that the value of output of selected crops decreased in the case of cereals but remained stable for other crops. The value of output of livestock, forests and fisheries also increased.

A more detailed analysis is beyond the scope of this document but two points need to be underlined. Firstly, as a whole the changes in the agriculture sector are due to a variety of factors and second, no drastic adverse change which can be attributed to MGNREGA is visible. There is a clear need for a detailed study on the inter-linkages between agriculture sector data on variables such as the gross value of agriculture and livestock per hectare of

gross cropped areas (GVOAL/ha) with selected variables of MGNREGA's performance, before any definitive conclusion can be drawn. The data given earlier simply show that there is no evidence of an obvious negative inter-relationship between agriculture productivity and MGNREGA.

However, it is extremely significant to note that there are several micro-studies which have analysed this question in detail and which report that due to the MGNREGA intervention, there are several positive impacts on agriculture such as livelihood diversification, increased cropping intensity and multi-cropping/dual cropping, which have improved the livelihood security of beneficiary households. Several studies provide evidence that MGNREGA works on land development and water related assets bring clear benefits to farmers/beneficiaries.

A study by **Rao and Madhusudan** (2013) conducted in two districts of Karnataka, Dharwad and Gulbarga, concluded that the benefits of effective utilization of labour and increased productivity were reported by the sample beneficiaries. About 55 per cent of the sample beneficiaries reported increased labour utilization while 40 per cent of the beneficiaries

**TABLE 4.3: VALUE OF OUTPUT OF SELECTED CROPS**

| Value of Output selected Crops (At constant price) |                    |         |         |         |         |         |         |         | (Rs '00 Cr)        |
|--|--------------------|---------|---------|---------|---------|---------|---------|---------|--------------------|
| Item   | % Share<br>2004-05 | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | % Share<br>2010-11 |
| Cereals  | 30                 | 1398    | 1451    | 1527    | 1607    | 1639    | 1525    | 1660    | 29                 |
| Pulses   | 04                 | 202     | 206     | 214     | 228     | 223     | 221     | 263     | 5                  |
| Oilseeds   | 10                 | 461     | 528     | 496     | 545     | 492     | 481     | 602     | 10                 |
| Sugar  | 06                 | 284     | 313     | 367     | 367     | 326     | 335     | 368     | 6                  |
| Fruits &<br>Vegetables                             | 25                 | 1133    | 1220    | 1278    | 1350    | 1373    | 1476    | 1572    | 27                 |
| Item   |                    | 2004-05 | 2005-06 | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 |                    |
| All agricultural crops*                            |                    | 4585    | 4846    | 5031    | 5326    | 5250    | 5241    | 5761    |                    |
| Livestock products                                 |                    | 1800    | 1878    | 1958    | 2045    | 2176    | 2267    | 2390    |                    |
| Forest products                                    |                    | 730     | 743     | 768     | 778     | 793     | 816     | 834     |                    |
| Fishery products                                   |                    | 320     | 340     | 357     | 377     | 389     | 400     | 420     |                    |

Note: \* Includes other items not covered in the table.





reported increased production and 32 per cent confirmed increase in incomes. Improved land productivity was found in Athani and Hublitaluk as in the study areas. In terms of methodology, the study surveyed beneficiaries of individual land works under MGNREGS, enquired about compliance with the conditions stipulated for the implementation of individual land works and the impact of individual land works on productivity of land. In this study, two talukas from each of the two districts and two Gram Panchayats (GPs) within each taluka (total eight GPs) with the highest proportion of individual land works to the total works under MGNREGS were selected. A sample of eight works was selected at random from the list of works through the website and these works were traced at each sample GP through an examination of work files followed by a visit to the field accompanied by the beneficiary.

A more limited, micro study conducted on wells in one GP in Jharkhand by **Agarwal, Gupta and Kumar (2012)**<sup>4</sup> found that the wells constructed under MGNREGA increased cropping intensity, crop productivity and a decrease in cultivation costs for individual beneficiaries. In a more rigorous study, **Bhaskar (2015)**<sup>5</sup> reported, 'We found that the NREGA assets, specifically wells, can lay the foundation stone for improvements in agricultural production, increased income and better livelihood. This is true not only for the completed wells but also the half dug, water filled wells, from which people are able to reap the benefits. NREGA wells are able to give about 5.3% of average rate of return on the total cost of construction of the wells. Their average rate of return on the public expenditure (government expenditure) for construction of wells is 6.34%. It is worth noting that the estimate of rate of return obtained through our survey is significantly larger (nearly double) the estimate obtained by Aggarwal et al. (2012) through their pilot study in Ratu block in Ranchi district. It is also worth noting that this estimate of RoR is a much more reliable estimate since it takes into account the fact that a number of wells do not get completed—the expenditure on them is thus wasted. The RoR estimated here is thus a comprehensive estimate of the average annual return from an investment (private and public combined) on the well. It shows that an investment of Rs. 100 on an NREGA well, on average, reaps a return of Rs. 5.3 per annum. In other words, an investment on NREGA wells pays for itself in about 19 years.'

Further, the author notes that, 'It is, however, important to note that these measures of RoR are largely underestimates of the actual RoR.

4 Ankita Aggarwal, Ashish Gupta and Ankit Kumar (2012), 'Evaluation of NREGA wells in Jharkhand', *Economic and Political Weekly* XLVII (35).

5 Bhaskar, Anjor and Pankaj Yadav (2015), 'All is Well that ends in a Well: An Economic Evaluation of MGNREGA Wells in Jharkhand', Report Submitted to National Institute for Rural Development Hyderabad by the Institute for Human Development, Eastern Centre, Ranchi, Jharkhand.



This is because we have only measured the change in income experienced by the owner of the well and have ignored the change in income experienced by others with neighbouring fields who may be using the well's water. We found that, on average, an NREGA well is used by 5 households. In many cases, we found that the wells led to massive changes in incomes and fortunes of neighbouring households but not that of well owners. However, we have only obtained information regarding the impact upon the well owning household. If the change in income experienced by all households making use of the NREGA wells is included, the average RoR is likely to be significantly higher.'

In terms of completion of the wells and the quality of assets, the author concludes that, 'Most sanctioned NREGA wells do get completed. Nearly 70% of the sanctioned wells do get completed (with or without parapet) and nearly 60% of the wells are complete with parapet. As far as the quality of government data is concerned, it was found to be mostly accurate for completed NREGA wells. 75% of the "officially" completed wells (according to the NREGA MIS) were actually complete (with parapet). 82% of the officially complete NREGA wells were complete (include those without parapet). We found that nearly 10% of the wells did not have a parapet. This is a serious issue and shows that functionaries and beneficiaries alike are unaware of the risks associated with it. Lack of a parapet is also likely to reduce the life of wells since mud would slide into the well, slowly filling it up.'

The author's conclusions show evidence of the positive impact of MGNREGA on agriculture, but more importantly, he also identifies issues for further improvement.

Further, a multi-state, systematic study on assets created under MGNREGA conducted by Sambodhi Research and Communications Pvt. Ltd.,<sup>6</sup> conducted on individual works done



during 2008-09 in the six states of Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh. The study concluded several positive findings on the impact of works on agriculture and land. The works under MGNREGA improved land productivity and the results indicate that:

- 85 per cent of the beneficiaries in the study reported an improvement in the quality of their lands post creation of MGNREGA assets.
- 42 per cent of the respondents reported that after construction of assets they did not demand employment under MGNREGA.
- Some small and marginal farmers shifted to more remunerative crops, for

(2012-13), *Impact Assessment of assets Created on Individual Land under Mahatma Gandhi National Rural Employment Guarantee Act.*

6 Sambodhi Research and Communications Pvt. Ltd.

instance, 11 per cent of the respondents moved away from traditional crops to horticulture plantations.

- 12 per cent of these respondents reported an increase in cultivable land and 36 per cent reported an increase in the number of crops sown.
- There was no significant evidence of rationing or denial of work on demand to households; 94 per cent of the households received employment after placing a demand in the past 12 months.
- 90 per cent of the respondents had correct knowledge of the main provisions of the Act, including number of days of work and wage rates.
- 49 per cent of the overall respondents felt that their access to credit for agricultural

loans had improved due to improvement in the quality of land and additional incomes.

- 34 per cent of the respondents had taken up alternate sources of livelihood due to creation of assets and income generated, for example, some of the farmers reported opening their own grocery shops and better linkages to markets.

The next two questions related to whether MGNREGA resulted in shortage of labour for agriculture and whether it has increased the cost of cultivation and increased vulnerabilities in the agriculture sector. These are addressed in the chapter on migration and labour markets.

## CASE STUDY: ODISHA

### Integrated Natural Resource Management in Kandhamal

#### Summary

In 2009–10, a project titled Integrated Natural Resource Management (INRM) under MGNREGA was pilot tested in Kandhamal district in Odisha. This initiative under MGNREGA was the first of its kind in the district that aimed at ensuring integrated land and water management for securing livelihoods. With the active involvement of non-governmental organizations (NGOs), 300 villages were identified for implementing this innovative initiative. Vigorous social mobilization processes were adopted and mass public campaigns about the initiative were carried out not only to generate awareness about its benefits but also to ensure active participation of local communities. Considering the socioeconomic situation of the potential beneficiaries, the initiative envisaged to ensure participation of about 60–70 per cent of the rural families spread across 300 selected villages and to help secure the completion of 100 days of wage employment per household for at least 30 per cent worker households. The villagers, who were initially unconvinced about

the benefits of this integrated initiative, showed their unflinching interest in identifying appropriate INRM related works and came forward to involve themselves in the planning, execution and monitoring of such works thanks to the relentless social mobilization and sustained awareness generation campaign. This initiative has opened rightful avenues for sustainable livelihood by creating productive assets in one of the most backward districts in Odisha.

#### The challenges

Kandhamal, a district in central Odisha, lies in a high altitude zone, inter-spread with an inaccessible terrain of hilly ranges and narrow valley tracts. The remoteness of the district is responsible for its low socioeconomic progress vis-à-vis other districts. The district not only witnessed vast depletion and degradation of its natural resources but also suffered from low agricultural productivity due to ineffective management of soil, water and vegetation resources. The immediate need was to bring in a community

culture of effective natural resource management and improving the productivity of agriculture and the allied sector in the district.

### Need for the intervention

The district was home to a large number of landless wageearners. An integrated approach to natural resource management was necessary not only to focus on the restoration of degraded and depleting natural resources but also to ensure optimal and efficient use of scarce natural resources for securing livelihoods of the rural wage earners sustainably. With this innovative integrated management approach, it was expected that the landless wage earners would benefit from non-farm activities following appropriate restoration and management of natural resources.

### The intervention

After a detailed inter-departmental meeting the district administration decided to pilot test an INRM project in select 300 villages with dense ST populations. It was decided to socially mobilize the inhabitants of the villages on the initiative along with taking up intense awareness campaigns disseminating right-based provisions under MGNREGA. Since the potential beneficiaries were either illiterate or less literate,

support from reputed NGOs was taken to take this initiative forward.

PRADAN was selected as the nodal NGO for implementing this initiative as it had adequate experience in working mostly with STs and poor people who live near forests and for whom forests and natural resources in and around forests have traditionally been an important source of livelihood. Seven other local NGOs—SWATI, PRADATA, JAGRUTI, KALPAVRUKHYA, SEVA BHARTI, CPSW and SAMANWITA were also selected to supplement the nodal NGO. The NGOs were asked to adopt on an average 40 villages for proper implementation of the activities of the project. Considering the socioeconomic situation of potential beneficiaries, the initiative envisaged to ensure the participation of about 60–70 per cent of the rural families spread across 300 selected villages and to help secure the completion of 100 days of wage employment per household for at least 30 per cent worker households.

The NGOs, after surveys of the villages, prepared micro plans comparing the survey data with the baseline data collected earlier from these villages. Here, a comprehensive micro-plan for each village was prepared taking into account all the available





physical, financial and natural resources. A ridge to valley approach was adopted while treating the lands so identified in villages. The works that are taken under INRM were plantation, water harvesting, staggered trenching, gully plugging, diversion channel, field levelling and bounding, 30 x 40-model irrigation well, seepage pond and low land pond. On an average, the estimated cost of one project ranged between Rs10–15 lakh per village for 2–3 years covering about 40 families and ensuring wage employment generation of about 10,000 person days in a village.

The next step was to orient village households on the rights-based provisions of MGNREGA. The stakeholders—block development officers (BDOs), assistant engineers (AEs), junior engineers (JEs), project staff of NGOs and Gram Sanjojaks (coordinators) were also oriented about the benefits of INRM in a district level workshop. During the process, role clarity emerged and all the stakeholders knew the tasks that they were responsible for.

As per the design, the progress of INRM was monitored at different levels. The progress of work was reviewed fortnightly at the GP and block levels in a meeting in which all block officials, village level workers (VLWs), gram *rozgar sewaks* (GRS) and NGOs took part. In the block level review meetings, all senior officials consisting of project director, assistant project director, sub-collector and the executive engineer participated to make this initiative a success.

## Output and outcome

Though the work is still in progress in about 100 of the 300 selected villages, the people who were unconvinced about the effectiveness of the initiative have shown their interest in becoming stakeholders in executing INRM related works under MGNREGA. Continuous social mobilization and relentless awareness generation campaigns have made the community conscious about democratic decentralized planning of development works and their effective implementation. In Mahasingi, Bataguda and Barkhama Gram Panchayats (GPs), all the villages have developed their own plans, got these approved in Palli Sabhas and Gram Sabhas before finally executing them on the ground. This initiative has attracted the attention of willing wage earners as 70–80 per cent of wage seeker households are now working for more than 80 days per household in a financial year. Villagers have changed their cropping styles and cropping patterns and are now resorting to cultivation of vegetables in their 30 x 40 model plots and doing fishery in their farm ponds. This initiative has not only helped the community in promoting the execution of INRM related works under MGNREGA but has also opened avenues for sustainable livelihood by creating productive assets in one of the backward districts in Odisha.



## Collective efforts bring fruits of success

### Summary

MGNREGA's focus in Mayurbhanj district has been on creating sustainable livelihoods in convergence with the Horticulture Department, Integrated Tribal Development Agency (ITDA), schemes like the National Horticulture Mission (NHM) and Jalnidhi. Developing horticulture activities in the district was the biggest challenge since 58 per cent of the population is tribal and 47 per cent of the total cultivable land is upland. However, since horticulture is taken up on private lands of poor tribal people who are not agriculturist in all cases they require intensive hand holding at every step—training, information about plant rearing and marketing etc.

However, due to the determined efforts of the district administration, the initiative has met with considerable success; mango and other fruits have been planted in around 8,226 hectares of area on the lands of 12,556 individual beneficiaries under MGNREGA. The district has also ensured regular irrigation for most of these areas through bore wells, farm ponds, drip irrigation etc. These plantations were taken up in 2011–12; the survival rate is 96 per cent. The average estimated income per beneficiary from these plantations is Rs 30,000/annum from the fourth year.

The real challenge for Mayurbhanj district was ensuring that wage employment under MGNREGA created sustainable assets that also generated livelihoods. A regular source of income close to the houses of the beneficiaries would also minimize migration to other villages and cities. Most importantly, MGNREGA also provided an opportunity to develop barren lands of the tribal community.

Before taking up the activity, awareness was created about the benefit and mode of execution by the Horticulture and Soil Conservation Department in the Gram Sabhas. Cultivable wasteland patches were identified in consultation with Gram Sanjojaks. Finally, beneficiaries were identified through Palli Sabhas organized in the Gram Sabha Shashktikaran Programme (GSS). Technical and financial sanctions were given to the project well in advance and the work of land clearance, development and pit digging was taken up from April to complete the plantations before

the end of August. For every patch of 50 hectares one para-worker was identified as an Udyan Sathi for coordination and execution of the work on time.

Following land development and excavation activities, commercial crops like mangoes, cashew, bamboo and rubber were planted in this area in convergence with the horticulture, soil conservation and ITDA departments. While these plants would provide sustainable income for several years to the beneficiaries, the immediate challenge was to find a way to generate livelihoods for them in the gestation period.

To provide regular incomes, vegetables and cash crops like maize and ground nut were planted in the patches where plantation work had been taken up. The Agriculture Department was involved in planning inter cropping in plantation patches. The Odisha Livelihood Mission (OLM) also gave complete support to this project. OLM helped build social capital and organize the tribal population into producer groups to train the beneficiaries on crop rearing etc. It also provided the remaining infrastructure that was required and identified avenues for marketing the produce from these lands.

A perennial source of irrigation was the next issue to be dealt with. The district administration in convergence with the Lift Irrigation Department under the state scheme Biju Krishak Kalyan Yojana having 90 per cent subsidy for a cluster of bore wells helped deal with this. Thus bore wells were provided with drip irrigation. Wherever bore wells failed, dug wells were provided under the state scheme Jalnidhi.

Due to concerted efforts of the district administration, the initiative has met with considerable success. Mango and other fruits have been planted in around 8,226 hectares on the lands of 12,556 MGNREGA beneficiaries. The district has also ensured regular irrigation for most of these areas through over 130 bore wells and farm ponds. Drip irrigation in convergence with the Horticulture Department has been provided in around 1,400 hectares. These plantations were taken up during 2011–12 and 2012–13 and the survival rate currently is 96 per cent. The average estimated income per beneficiary from these plantations is Rs 30,000/annum from the fourth year.

**Source:** Inputs from Mr Rajesh Patil, District Collector, Mayurbhanj, Odisha.





## Summary and conclusions

Some of the key points that emerge are:

- The inter-linkage between the macro aspects of the agriculture sector as such and its link with micro levels needs to be further researched before any evidence based conclusions can be drawn. As such no negative evidence is apparent.
- Several studies emphatically indicate that there is evidence of positive impact on agrarian households in particular.

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Chapter Five

## **Labour Markets, Migration and Wages**



## Introduction

Rural labour markets are constrained by several mechanisms that are skewed in favour of the socially and economically powerful and so the poor and landless labour is unable to negotiate in an equitable manner.

Migration, especially of vulnerable groups such as landless and small farmers, is necessarily seen as a coping mechanism of individuals and households largely as a response to the crisis in rural labour markets. In this manner, wages, rural labour markets and migration are intrinsically linked to MGNREGA interventions.

Popular perceptions and discourse around these themes articulate several doubts:

- Has MGNREGA adversely affected the agriculture sector by raising agriculture wages and made the labour unavailable during the agriculture season?
- Does MGNREGA have an impact on risk and distress migration?
- Has MGNREGA impacted risk resilience, especially of small and marginal farmers?

This chapter considers available literature on the inter-linkages between MGNREGA and rural labour markets, wages and migration. Data from the MGNREGA MIS is presented along with the evidence provided by several published research studies. Future research questions are suggested and policy recommendations, wherever applicable are presented.

## Does MGNREGA adversely impact the availability of agricultural labour?

Rural labour markets are sensitive to the forces that shape the primary sector as such like soil, water and irrigation, land usage as well as events like droughts, floods etc. Regardless of the crises in agriculture in the last decades dovetailing on the overall economic growth, agriculture itself has seen a marginal sectoral growth in the last ten years. Due to the impact of globalization, industrialization and growth of several sectors proximate to the rural contexts, there is an increasing connect between rural and urban contexts (see, IDFC report on Rural India, 2013, pp. 14–16, on the increasing rural-urban

connect).<sup>1</sup> Some research also advocates that ‘the new drivers of poverty reduction-urban growth and non-farm work growth-have emerged since the 1990s’ (The World Bank 2011).<sup>2</sup>

At the macro level, industrial policies and sector wise growth has meant that agriculture labour may get ‘pulled’ into other non-farm work. Agricultural labour may be pulled into non-agricultural work if employment is available at higher wages in the surrounding areas. Research shows that increase in non-farm wages causes a diversion of agricultural labour into non-farm work.<sup>3</sup> This may be especially true of fast urbanizing or industrializing blocks which are proximate to developing towns and cities where industrial units have been set up or are proposed to be set up. The conversion of agricultural land for non-agricultural purposes including for real estate and tourism creates a class of marginal or casual workers who shift their occupational structure. A discussion paper by Gulati, Jain and Satija<sup>4</sup> points out that the growth of the construction industry has been a significant ‘pull’ factor for labour. According to the econometric model by the authors, employment in the construction sector jumped up four times from the 1990s to 2010, while the share of agriculture in total employment fell from 64 per cent during the 1990s to 53.2 per cent in 2009–10. Further, the authors cite the NSSO report on migration patterns in India (2007–08) and show that since 43 per



cent of all short term migrants are engaged in the construction sector, wages in this sector compete with farm wages for rural labour. Further, the authors find that rising farm wages in the last decade were significantly due to macroeconomic factors like economic growth and growth of sectors like construction and was less significant (albeit still significant) because of MGNREGA. The authors also found an increase in farm wages in the 1990s and a steep ‘V’ curve during 2000–10, when farm wages dropped significantly just before the roll-out of MGNREGA. After MGNREGA was rolled out, farm wages rose but wages for non-farm work, especially in the construction sector remained higher than farm wages. In light of this, it is significant to note that migration studies show that MGNREGA work in fact mitigates short term distress migration which is discussed in detail in later sections.

Gulati, Jain and Satija (2013) assess that while growth variables like GDP and construction and agriculture sectors have an impact on real farm wages, the impact of these growth variables is 5–6 times higher than that of MGNREGA. Thus, according to the authors, the growth variables

1 India Rural Development Report. *Orient Blackswan* (2013), Available at: [orientblackswan.com/ebooksfree/.../content/irdr%20full%20book.pdf](http://orientblackswan.com/ebooksfree/.../content/irdr%20full%20book.pdf). [Online]

2 Peter Lanjouw and Rinku Murugai (Principal Co-authors) (2011), *Perspectives On Poverty in India: Stylised Facts from Survey Data*. New Delhi: Oxford University Press.

3 Indumathi, S. and P. M. Srikantha (2011), ‘Economic Analysis of MGNREGA in the Drought-prone States of Karnataka, Rajasthan’, *Agricultural Economics Research Review* (24): 531-36.

4 Gulati, Ashok, Surbhi Jain and Nidhi Satija (2013), *Rising Farm Wages in India: The Pull and the Push factors*. New Delhi: Commission for Agricultural Costs and Prices, Department of Agriculture and Cooperation, Ministry of Agriculture.





are important for alleviating poverty. In a detailed analysis, the authors construct a series of state-level nominal farm wages for operations that accounted for 93 per cent of farm labour. This was then converted using the CPI-AL and weighted according to the state-level share of farm labour to arrive at a picture of farm wages from 1990–91 to 2011–12. The authors reveal that farm wages increased at a higher rate of 3.1 per cent during the 1990s than they did in the 2000s. According to the authors, if real wages had followed the 1990s' trend then current farm wages would have been higher than MGNREGA wages. The authors also report that after 2007, farm wages that had been decreasing till then increased rapidly which 'seems to be the result of MGNREGA.'

This analysis of real farm wages shows that the availability of agricultural labour is dependent on several factors. Furthermore, climatic variations like rainfall, droughts or deficit rainfall years, presence of industrial and mining units and proximity to urban centres also affect agriculture labour. Agricultural labour is a functional analytical category that is shifting and is not as frozen say like caste or gender. Therefore,

there is a need to reconsider the argument that MGNREGS alone affects the supply of labour for agriculture, assuming it does.

Further, different states have different industrialization priorities and capacity to attract industry; the agriculture sector scenario and urbanization varies according to states. In light of the complexities and a lack of comprehensive all-state assessment of several factors that impact a household, it is a research question for scholars whether the impact of MGNREGA is more a poverty alleviation strategy or a risk mitigation strategy for a household. It is seen that this depends on the state/district contexts, governance and implementation of MGNREGA and the opportunity of employment available nearby and in the state as well.

Issues of land and its conversion to non-agricultural uses were discussed by Vasavi in a provocative 2010 paper,<sup>5</sup> 'The Unanswered

5 Vasavi, U. (2010), 'The Unanswered Question: The Nation as Real Estate', electronic essay, *India in Transition*, Center for Advanced Studies of India, University of Pennsylvania, February.

Land Question: Nation as a Real Estate', where she talked about how land has become the most important commodity in present day India. The point to note with reference to MGNREGA is that un-skilling and casualization may also be occurring due to changes in occupation patterns and conversion and selling of agricultural land due to urbanization and industrialization. Agricultural labour, whether landed or landless as well as those who have sold their lands/rented them for non-agricultural purposes, must necessarily look at other avenues to smoothen their consumption. With reference to the growth of the construction sector, the agriculture sector and the role of MGNREGA within these changes, MGNREGA and its re-setting of rural wages provides a point of contestation for workers.

Evidence on whether there has been a structural break in rural labour markets due to MGNREGA has been mixed and one may conclude that depending on the development indices in a state and the variations in the rural-urban connect thereof, rural labour market systems may exist in a state/country in a continuum where three situations exist and which may overlap substantially. First, is a rural labour market context, where MGNREGS is still attempting to breakthrough feudal contracts; where the socially powerful, the middlemen and others actively resist the rigorous implementation of MGNREGA. Here, the role of civil society organizations is crucial and may necessarily have to be confrontational. The implementation of MGNREGS and the wages may be received after severe struggle and intervention by civil society organizations.

Second is the rural labour market context, where due to several initiatives through administration and governance and a history of proactive administrative commitment, MGNREGS may represent a bifurcation point. A point of contestation for wage labour, and in these contexts distress migration, will show an



impact as several research studies suggest.<sup>6,7,8,9,10</sup>

Third, would be a utopian situation which is here interpreted as an ideal situation that is not an elusive possibility, where demand for work under MGNREGS will drop not because of gaps in its implementation but due to the essential self-selecting nature of this landmark scheme. Changing this will require a positive focus on strengthening agriculture and improving governance. Gulati, Jain and Satija (2013) indicate to fusion and say, 'If MGNREGA raises

6 Das, Upasak (2014), 'Can the Rural employment Guarantee Scheme reduce the short term migration: Evidence from West Bengal, India', paper presented at the International Seminar on MGNREGA at Indira Gandhi Institute of Development Research (IGIDR).

7 Imbert and J.Papp (2012), *Labour Market Effects of Social Programs: Evidence from India's Employment Guarantee Act*.

8 Shah, V. D. and M. Makwana (2011), *Impact of NREGA on wage rates, food security and rural urban migration in Gujarat*. Sardar Patel University.

9 Klonner, S. and C. Oldiges (2014), 'Employment Guarantee and its Welfare Effects in India', MGNREGA -Taking Stock and Looking Ahead Proceedings of the International Conference on MGNREGA, 26-28 March.

10 Mann, Neelakshi and Varad Pande (compiled by). Mihir Shah (ed.) (2012), *MGNREGA Sameeksha: An Anthology of Research Studies on the Mahatma Gandhi National Rural Employment Guarantee Act, 2005. 2006-2012*. New Delhi: Ministry of Rural Development, Government of India.





farm wages without commensurate increase in labour productivity, it will make agriculture costly the best way to fully overcome this difficulty is to think of a fusion between MGNREGA scheme and agricultural operations with a view to raise agricultural productivity and growth.’

### **Does demand for work under MGNREGA affect agriculture work during the agriculture peak season?**

The first perception briefly reviewed and analysed in the light of available evidence is whether the agricultural labour market is adversely affected due to MGNREGA. The second perception is that agriculture labour is unavailable during the agricultural season. However, contrary to this perception, it is seen that MGNREGS is optimally utilized by households during the agriculture lean season. Data show that demand increases substantially during the non-agriculture season across state and year trends. Demand for work in MGNREGS

is also intricately linked with years of rainfall deficit or drought years. The perception that agriculture labour is unavailable causally due to MGNREGS assumes that all workers prefer to work on agriculture, even when they are landless and/or have other non-farm work available. This assumption needs a careful review. Even if there is no other work other than farm work available in the rural context, for those who are landless and have no other work available, demanding work under MGNREGS may indeed be necessary throughout the year to mitigate distress migration and ensure livelihood security. Research evidence, supports this conclusion.<sup>11,12</sup> As Tables 5.1 and 5.2 and Figures 5.1 and 5.2 show, demand for work from households as well as persons decreases during the agriculture peak season

Further substantiation for this point is provided as evidence by Makwana and Shah (2011)<sup>13</sup> who report that MNREGA was found to have successfully shortened the period of migration. The study also re-confirmed that there was a sizeable increase in wage rates for all types of labour activities during 2005 (the pre-MGNREGA period) and 2009. Among all activities, increase in wage rates was the highest (88.05 per cent) for non-agricultural labour by male workers. The increase in wage rates was the lowest (24.32 per cent) for labour work in mining by male workers. Wages for agricultural operations increased by 57.76 per cent whereas for construction work the wages increased by 54.81 per cent. For skilled workers such as electricians, plumbers and pump-set/boring operators wage rates increased between 50 and 64 per cent. The point emphasized here is that understanding wages across work like

11 Azam, M. (2011), The impact of Indian Job Guarantee Scheme on Indian Labour Market Outcomes: Evidence from a Natural Experiment. Available at: [SSRN:http://ssrn.com/abstract=1941959](http://ssrn.com/abstract=1941959). [Online].

12 Basu, A.K. (2011), *Impact of Rural Employment Guarantee Scheme on Rural Labour Markets: Optimum Compensation and Workers*. USA: Springer.

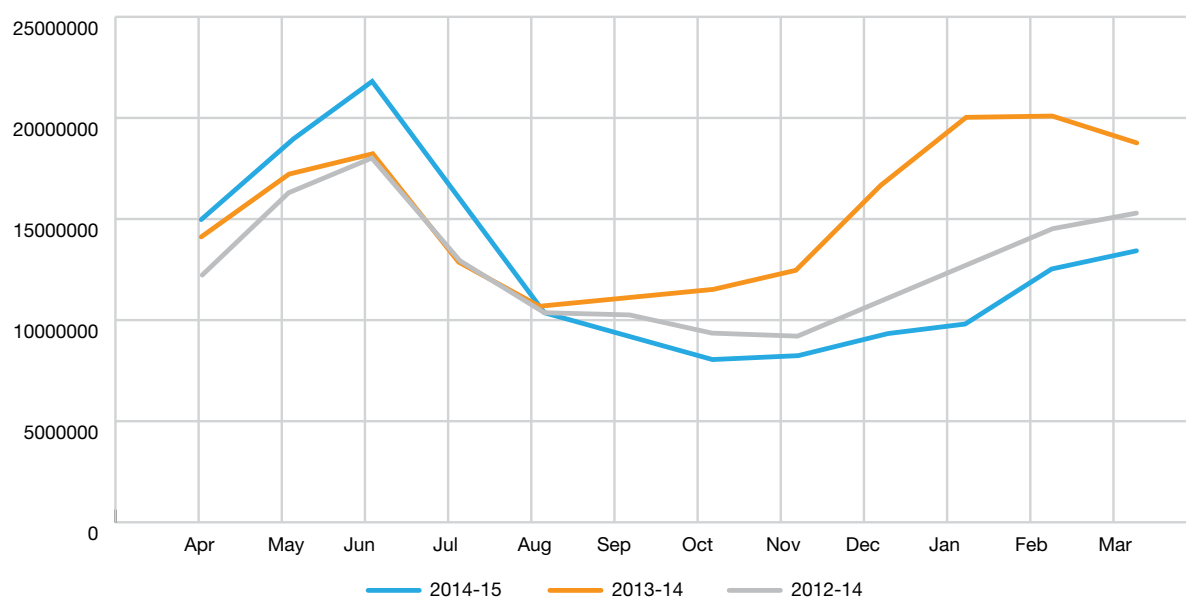
13 Shah, V. D. and M. Makwana (2011), *Impact of NREGA on wage rates, food security and rural urban migration in Gujarat*. Sardar Patel University.



**TABLE 5.1: MONTH-WISE TRENDS FOR DEMAND FROM NUMBER OF HOUSEHOLDS (IN CRORE) FY 2012-13 TO FY 2014-15**

| FY (Month) | Apr  | May  | Jun  | Jul  | Aug  | Sep  | Oct  | Nov  | Dec  | Jan  | Feb  | Mar  |
|------------|------|------|------|------|------|------|------|------|------|------|------|------|
| 2014-15    | 1.53 | 1.9  | 2.31 | 1.64 | 10.0 | .8   | .7   | .75  | .86  | .93  | 1.23 | 1.34 |
| 2013-14    | 1.4  | 1.78 | 1.91 | 1.28 | 10.4 | 10.8 | 1.13 | 1.22 | 1.72 | 2.11 | 2.11 | 1.96 |
| 2012-13    | 1.22 | 1.6  | 1.88 | 1.3  | .9   | .9   | .88  | .86  | 1.04 | 1.24 | 1.47 | 1.56 |

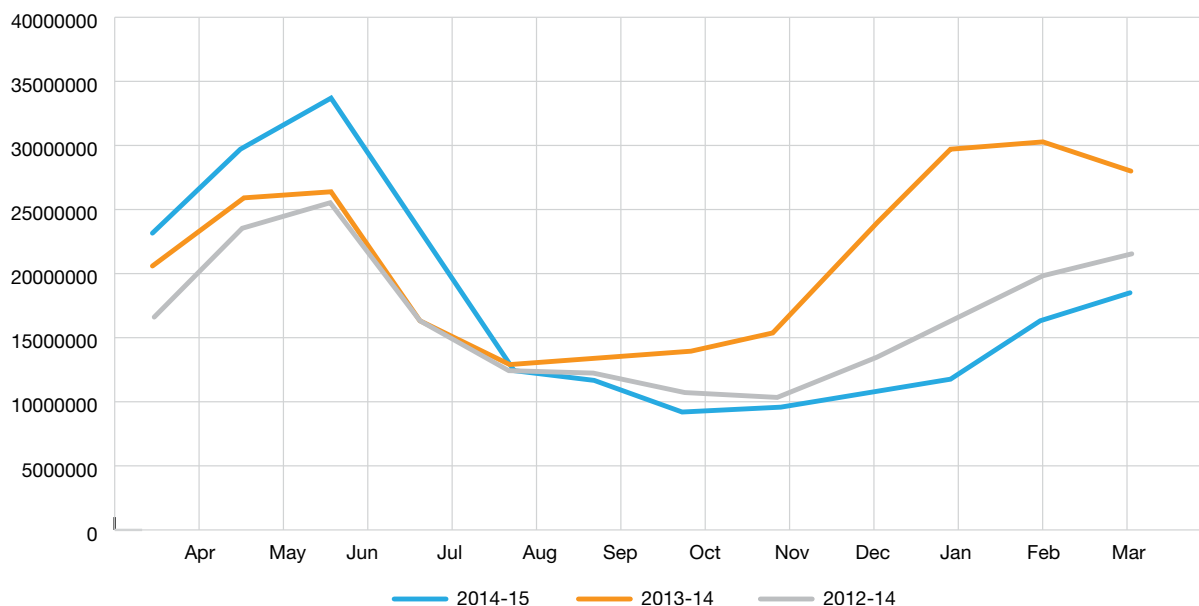
**FIGURE 5.1: MONTH-WISE HOUSEHOLD DEMAND FOR WORK UNDER MGNREGA**



**TABLE 5.2: MONTH-WISE TRENDS FOR DEMAND FOR WORK FROM PERSONS (IN CRORE) FOR FY 2012-13 TO FY 2014-15**

| Year (Month) | Apr       | May       | Jun       | Jul       | Aug       | Sep       |
|--------------|-----------|-----------|-----------|-----------|-----------|-----------|
| 2014-15      | 2.3592440 | 3.0083771 | 3.4299836 | 2.2676672 | 1.3153818 | 1.1726248 |
| 2013-14      | 2.1231838 | 2.6195548 | 2.7083067 | 1.6874613 | 1.3152553 | 1.3654128 |
| 2012-13      | 1.6939393 | 2.3955000 | 2.6048108 | 1.6801464 | 1.2721496 | 1.2388724 |
| Year (Month) | Oct       | Nov       | Dec       | Jan       | Feb       | Mar       |
| 2014-15      | .9506968  | .9742808  | 1.1070897 | 1.2246341 | 1.6606424 | 1.8529647 |
| 2013-14      | 1.4333125 | 1.5607499 | 2.3340476 | 3.0157686 | 3.0677847 | 2.8515094 |
| 2012-13      | 1.0971779 | 1.0793949 | 1.3294059 | 1.6338009 | 2.0169176 | 2.2079101 |

**FIGURE 5.2: MONTH-WISE DEMAND FOR MGNREGA WORK BY PERSONS (IN CRORE) FOR FY 2013-14 TO FY 2014-15**



non-agriculture work (mining, construction etc.), agriculture work, rural labour markets and availability of labour is complex and more research is needed.

Having discussed the availability of labour and wages, we now shift focus to whether implementation of MGNREGS has improved the status of households due to the number of days of work or not. Several research studies with robust econometric models seem to support the thesis that MGNREGS significantly impacted the status of households.

As discussed in the chapter on entitlements as well, Klonner and Oldiges's study (2013; presented in 2014)<sup>14</sup> with data from 504 districts in all major Indian states, including Jammu and Kashmir and Assam but excluding all other North Eastern states and union territories, conducted secondary data analysis of several NSSO rounds on household consumption with information on the district-wise roll-

out of MGNREGA. A district-level panel was used with the Fuzzy Regression Discontinuity Design in contrast to difference in differences (DiD)<sup>15</sup> estimations. The econometric findings for 2006-08 have been combined with patterns emerging from descriptive statistics for 2003-12. The study clearly brings out that MGNREGA has helped rural households in a sustained manner to smooth consumption between the agricultural peak season and lean season. The study reports that the poverty gap for Phase 1 and Phase 2 decreased. Among SC/ST households both Phase 1 and Phase 2 districts experienced a decline in inequality with the effect for Phase 1 districts being significantly more than that for Phase 2. The main conclusion of the study is that the programme has been successful not only in increasing consumption levels of particularly vulnerable households but also in reducing these households' exposure to the risk of seasonal drops in consumption. According to the authors, 'the MGNREGS appears to have successfully delivered on its two goals,

14 Klonner, S. and C. Oldiges (2014), 'Employment Guarantee and its Welfare Effects in India', MGNREGA -Taking Stock and Looking Ahead Proceedings of the International Conference on MGNREGA, Mumbai: IGIDR, 26-28 March.

15 Difference in difference method is a quasi-experimental technique use in econometrics and sociology to measure the effect of a treatment at a given period in time. DiD measures a pre-post, within subjects' differences for treatment and comparison group.

improving livelihood security and reaching out to most vulnerable rural households.’

Finally, if there is a resistance to MGNREGA, the rural socioeconomic systems can be expected to redraw the formal and informal employment contracts over time to be more equitable and fair. Research on wages and changes in wage rates due to MGNREGA show that implementation of MGNREGA reset wage rates where decadal data shows a ‘V’ shaped curve in wage rates over 2001–10 and significantly setting the parity in wage rates for male as well as female workers; MGNREGA forced rural markets to respond dynamically. In fact, NSSO data for 2010–11 show that agriculture labour force participation had been on a decline *preceding* the implementation of MGNREGA. Further, research evidenced earlier (see MGNREGA Sameeksha I)<sup>16,17,18</sup> also shows that the government’s provision of public works increased participation of rural labour in government works. In two studies that analysed MGNREGA and non-MGNREGA districts during Phase 1 of the roll-out of MGNREGA using a technique called Propensity Score Matching (PSM) it was found that the probability of a casual worker being engaged in a public works programme increased by 2.5 percentage points in the MGNREGA districts as compared to the non-MGNREGA districts. Sameeksha I also notes that a ‘large part of this can be attributed to female labour force participation directly into the scheme.’

To re-emphasize, the utilization of a public works programme by workers meant that

16 Mann, Neelakshi and Varad Pande (compiled by). Mihir Shah (ed.) (2012), *MGNREGA Sameeksha: An Anthology of Research Studies on the Mahatma Gandhi National Rural Employment Guarantee Act, 2005. 2006-2012*. New Delhi: Ministry of Rural Development, Government of India.

17 Azam, M. (2011), The impact of Indian Job Guarantee Scheme on Indian Labour Market Outcomes: Evidence from a Natural Experiment. Available at: [SSRN:http://ssrn.com/abstract=1941959](http://ssrn.com/abstract=1941959). [Online].

18 Basu, A.K. (2011), *Impact of Rural Employment Guarantee Scheme on Rural Labour Markets: Optimum Compensation and Workers*. USA: Springer.



MGNREGA set a ‘point of contestation’ in the rural markets thereby providing the workers a choice. To further underline these conclusions, research also says that work under MGNREGS mitigated the distress response of the marginalized and the poor to migrate.

## Migration and MGNREGA

Economic distress in a household is due to multiple reasons. Studies reveal that economic distress may not only be due to extreme poverty and several seasonal trends and factors might push the households to acute distress. Further, studies also reveal that pathways to escaping poverty may be different from the pathways for managing distress. Simply said, for example, livelihood diversification is viewed by households as a pathway to escape poverty, while crop failure and/or continuing debt is clearly a cause for acute distress and is managed differently. What this means is that removing debt will alleviate distress but it is not a pathway out of chronic poverty. Some household strategies like migration present an overlap of both distress and escape from poverty.



Migration is a contested issue for policymakers as well as practitioners and researchers as it is viewed from multiple ideological and disciplinary positions. However, for a household it represents a choice to cope with distress or is a hope to enhance well-being.

Who is migrating is a core as well as a complex question. Yet some trends can be seen. In the human developmental span, young children and elderly may necessarily migrate out of distress. Gender and migration also present a complex picture. Several stereotypes are perpetuated in our understanding of migration. Women migrate and through migration patterns change status quoist power relations within households at origin and destination points as well as in transit.

Education or community specific skill sets like masonry are also markers for understanding migration. Similarly, landholdings or ownership of a house, opportunity and access

to work (or the lack of it) in proximity as well as caste and community networks also give an insight into the likely patterns of migration in several studies. The point to note is that no single panel is valid in different state contexts because of the inherent diversity and as such conclusions cannot be homogenized.

Does MGNREGA represent a policy response to migration? Most certainly it does not approach migration directly through its design and implementation. However, by recognizing agricultural workers as workers and legislating an entitlement to work for agricultural labour, MGNREGA undeniably goes beyond a simple cash transfer programme and attempts to stem distress migration from rural to urban areas for the most marginalized and the vulnerable populations. Emphasizing this affirmation on ground reality is the following case study on MGNREGA's impact in West Bengal.

## CASE STUDY: WEST BENGAL

### Green Jobs for Greening the Sundarbans

#### Summary

Villagers in the South 24 Parganas district have successfully restored the mangrove forest cover in the Sunderbans region under MGNREGA and in collaboration with the Forest Department. The prime objective of the initiative was to eliminate the ill-effects of 'Cyclone Aila' of 2009 in this UNESCO heritage site which had witnessed vast depletion of the forest cover. The target was to restore mangrove cover in 6,000 hectares of forest area in the Sunderbans by planting various species of mangrove seedlings. So far, this unique convergence project has successfully restored the glory of the Sunderbans with the plantation of over one crore mangrove seedlings in an area covering about 2,485 hectares. This initiative has not only arrested distress migration of labourers from

the area by successfully generating more than 3.5 lakh persondays in the lean agriculture season but has also secured the lives of 25 lakh people in remote riverine habitats.

#### The challenges

South 24 Parganas, spread across an area of 8,165 sq. km, stretches from metropolitan Kolkata to the remotest riverine villages up to the mouth of the Bay of Bengal; 84 per cent of the population in the district lives in rural areas and 13 out of the 29 community development blocks (CDBs) in the district fall within the Sundarbans—the largest single block of tidal mangrove forest. The mangrove forest in the district was on the verge of extinction due to cyclone Aila in 2009. The depleting mangrove forest cover started

adversely impacting the lives and livelihoods of 25 lakh people in the remote habitats of the district. Further, the risk from resurfacing of such flurries or similar natural calamities loomed large in this tidal mangrove belt. Unprotected river embankments and earthen dams aroused fears about the loss of lives and property and destruction of crops. These issues provoked distressed migration from the district. Depletion of the mangrove forest, loss of lives, property and crops attracted the attention of the district administration and it started looking for a permanent solution.

### Need for the intervention

The devastating cyclone Aila in 2009 served as a wake-up call for the residents of this region. Post 2009, inhabitants of this vulnerable delta region slowly realized that global warming would drastically change their way of life forever, as the slowly rising sea levels started engulfing the islands. The fragile ecosystem had caused the influx of saline water rendering the soil unfit for agriculture and forced rural families to migrate to Kolkata and other urban/metro cities in search of livelihoods.

Acknowledging the need for timely and adequate protection of the mangrove forest cover across the coastline and provision of livelihood opportunities to local people, the district administration undertook a unique initiative—Green Sunderbans for ecological balance and employment generation through MGNREGS—in convergence with the Forest Department. Mangrove forests play an important role in mitigating risks related to climate change in coastal areas. Plantation of mangroves was one of the suggestive mitigating measures to address the ill-impact of climate change as they create a protection wall against cyclones and soil erosion related problems and also help in maintaining the ecological balance.

### The intervention

An initiative was taken under MGNREGA in convergence with the Forest Department to restore mangrove forests through a massive plantation exercise. Out of 29 CDBs in the district it was implemented in the eight blocks of Gosaba, Basanti, Kultali, Joynagar-2, Mathurapur-2, Patharpratima, Namkhana and Sagar. In order to ensure the ownership of Panchayati Raj Institutions, 64 Gram Panchayats (GPs) in these eight blocks were identified as programme implementing agencies (PIAs). The

basic objectives of this convergence project were to:

- Restore 6,000 hectares of mangrove forests.
- Secure the lives of 25 lakh people in remote habitats against natural calamities.
- Arrest outward migration during the lean season.

To start with, an integrated plan following a participatory approach was prepared in collaboration with the Forest Department. The project was included in the annual action plan for 2012–13. Gram Panchayats took up schemes consisting of mangrove nurseries and plantation activities under the active supervision of the Forest Department.

To ensure the systematic implementation of the project, field surveys and demarcation and alignment of sites were undertaken during March–April 2012. Trenches and pits were dug during May–June 2012. After completing these preparatory activities, plantation of mangrove seedlings was undertaken during September–October 2012. Simultaneously the collection of seeds for raising mangrove nurseries and sowing were also done during September–October 2012. Members of women self-help groups (SHGs) worked under the project as MGNREGA workers.

### Output and outcome

The convergence intervention has successfully restored the forest cover of the Sunderbans by planting over one crore mangrove seedlings covering an area of approximately 2,485 hectares. It has successfully restored the ecological lifelines of river embankments and earthen dams with mangrove plantations. The intervention of the district has witnessed participation of a very large number of women drawn from local women SHGs. Not only are the women getting paid for rearing mangrove saplings, they are also getting 100 days of assured employment as they plant them. This initiative has not only arrested distress migration of labourers from the area by successfully generating more than 3.5 lakh person days in the agriculture lean season but it has also secured the lives of 25 lakh people in remote riverine habitats against natural calamities.

*Source: Mr Dibyendu Sarkar, Commissioner, MGNREGA, West Bengal.*



The question is: Does MGNREGA mitigate risk or does it provide a choice in case of acute distress? Research conducted in several parts of the country supports the conclusion that MGNREGA does mitigate short-term distress migration.

Imbert and Papp (2012) using survey data from a high out-migration area at the border of Rajasthan, Gujarat and Madhya Pradesh document the effect of MNREGA on short-term migration. Using cross-state variation in public employment provision for identification and controlling for the demand for work, it is found that participation in MNREGA significantly reduced short-term migration. The authors document that workers engaged both in short-term migration and MNREGA employment report wanting more MNREGA employment, despite the fact that earnings outside the village were nearly twice as high as earnings from the programme. The authors suggest substantial migration costs as one of the deterrents and estimated that the flow cost of migration may be as high as 75 per cent of daily earnings outside the village.

Similarly, Das (2014) also provides evidence to substantiate the claim that MGNREGS wages mitigate the risks for distress migration. Das

(2014) used data from a field survey of 556 households conducted from January to April 2012 in two blocks in Cooch Behar district of West Bengal. Cooch Behar has among the highest number of migrants in the state with more than 22 per cent of the households migrating for casual labour.<sup>19</sup> Accounting for endogeneity, the key findings are: the programme is well targeted with SCs and STs; those engaged in agricultural labour and those with BPL cards have a higher probability of getting MNREGA work but also have a greater probability of migrating. The probability of households sending at least one member for short term migration decrease as the number of days of participation in MGNREGS increase and this is significant at a 95 per cent level of significance. As households work and get more incomes from the programme, it is found that the probability of migration decreases significantly.

In a different geographical context, Shah and Makwana (2011)<sup>20</sup> reported that MGNREGA was found to have successfully shortened the period of migration. Members of participating households on an average worked as migrant workers for about 148 days whereas members of non-participant households worked for 164 days. The study found that 41.50 per cent of the households believed that MGNREGA helped in reducing distress migration. Further, wage comparisons revealed that growth in wages for male workers was lower than growth in wages for female workers (except non-agriculture labour). This indicates that MGNREGA narrowed down the gap between wage rates for male and female workers. According to the authors, the uptrend in wage rates for females encouraged women for higher participation in MGNREGA.

<sup>19</sup> Casual labour relates to work on non-public works for a limited time without security and other entitlements. Public works are development works/projects that are undertaken for public use and are owned by the government.

<sup>20</sup> Shah, V. D. and M. Makwana (2011), *Impact of NREGA on wage rates, food security and rural urban migration in Gujarat*. Sardar Patel University.





Hypothesizing that mothers' migration would be inextricably linked with the children's well-being, Coffey (2011)<sup>21</sup> argues that given that the duration of a mother's migration is a strong predictor of children's migration, reducing mothers' migration could help bridge the gap in the education of migrant and non-migrant children while leaving them in the care of parents. The survey covered about 700 households in 70 villages in five districts. More than half the households were self-identified ST households. Moreover, the region under study was/is extremely poor—93 per cent of the households have dirt floors; 71.3 per cent do not have electricity; 60 per cent of the women who are 45 years and older have had a child who was born alive and later died; and on average adult women in the region had completed less than a year of schooling. This study did not focus on the direct impact of MGNREGA on migration but studied the impact of migration,

particularly among women and the subsequent impact on child welfare, particularly schooling. Drawing on a study by John Papp (2012) which found high demand for MGNREGA work among migrants in the same study area and evidence from her own research sample which showed that women were more likely to participate in MGNREGA work, Coffey extends her analysis to suggest that MGNREGA may be a useful way to convince parents, especially mothers, not to migrate. Coffey argues therefore that 'less migration would diminish the need for non-parental child care, and, if mother's migration leads to child migration, and if the relationship from migration to education is causal, it may improve education levels among children.'

### Summary and conclusions

Several conclusions emerge from this analysis. Some points are clear directions, while some need further research:

- The impact of MGNREGA on rural labour markets is complex and more research

<sup>21</sup> Coffey, D. (2013), 'Children's welfare and short-term migration from rural India', *Journal of Development Studies* 49: 1101-117.



is needed to understand rural contexts. Rural markets are transitioning due to inter-linkages between the sectoral growth of agriculture, industries and urbanization in different states. There is an increasing rural-urban connect and several factors pull agriculture labour in state-specific contexts. Research is not conclusive on this aspect.

- Related to transitioning rural markets is the issue of distress migration. Research shows that MGNREGA has a clear impact on distress migration, especially for women. Research also shows an initial inter-linkage between women's migration and its impact on their children's education parameters.

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Chapter Six

## **From Works to Productive and Sustainable Assets**





## Introduction

One of the key features of MGNREGA is that it is a 100 days wage employment entitlement programme with a significant possibility of asset creation for individuals as well as the community. Wage entitlement is a crucial aspect of the Act. The selection of works for wages that result in productive and sustainable assets does not exist in a socio-cultural vacuum. It is in this context that in the list of permissible works there is scope for individuals and the community to select works as relevant to their needs and utilities.

Popular perceptions and opinions expressed in the public domain have raised doubts regarding the nature of works undertaken and completed under MGNREGA. Some of these questions are:

- Most of the works undertaken and completed under MGNREGA do not exist or the works are of limited/little utility. Works completed under MGNREGA are not relevant to the beneficiaries or households.
- Because material use is capped on works

undertaken under MGNREGA, the works are of poor quality.

Research has attempted to address these questions. Broadly, it has looked at the relevance for community and impact of the works on households and livelihoods.

The chapter broadly follows the structure outlined for all the other chapters. Several published research findings are presented with supporting data from the MGNREGA MIS. Finally, an overview with future research questions is suggested and policy insights are presented in summary as appropriate.

## The question is – When do ‘works’ become ‘assets’? – Beneficiaries’ perceptions

The transition from the works completed to the creation of ‘assets’ to finally the sustainability and productivity of assets is a key issue. Even as the technical aspects of works present their own challenges, it is beneficiaries’ use and perceptions that transform a work to an asset.

Works under MGNREGA have several potential outcomes: economic, environmental and financial. The word technical therefore has different meanings for different disciplines. Further, it is difficult to do an expert evaluation of all the works as there are several types of works for which technical evaluation formats that are usable by other non-technical persons need to be created.

Regardless of these concerns, the subjective perception of end users is the keystone and cannot be denied, for it is the capability and quality of life of this person/household which the government programmes seek to address. It is indeed remarkable that most independent research evaluations on beneficiary perceptions support the view that if planned and executed well, works do give returns on investments and are perceived as useful by the beneficiaries.

In a beneficiary (n=2,381 households) perception survey done in the six states of Andhra Pradesh, Chhattisgarh, Madhya Pradesh, Odisha, Rajasthan and Uttar Pradesh,<sup>1</sup> it was confirmed that MGNREGA works on the lands of individual beneficiaries had a significant impact on improving the quality of their lands, generating extra incomes, aiding small and marginal farmers' move to dual and multi-cropping and in creating alternative sources of livelihood for these households.

A limited, micro study conducted on wells in one GP in Ranchi, Jharkhand,<sup>2</sup> found that the wells constructed under MGNREGA increased cropping intensity and crop productivity and led to a decrease in cultivation costs for individual beneficiaries. Adding to this evidence, Bhaskar (2015)<sup>3</sup> reports that, 'We



found that the NREGA assets, specifically wells, can lay the foundation stone for improvements in agricultural production, increased income and better livelihood. This is true not only for the completed wells but also the half dug, water filled wells, from which people are able to reap the benefits. NREGA wells are able to give about 5.3% of average rate of return on the total cost of construction of the wells. Their average rate of return on the public expenditure (government expenditure) for construction of wells is 6.34%. It is worth noting that the estimate of rate of return obtained through our survey is significantly larger (nearly double) the estimate obtained by Aggarwal et al. (2012) through their pilot study in Ratu block of Ranchi District. It is also worth noting that this estimate of RoR is a much more reliable estimate since it takes into account the fact that a number of wells do not get completed—the expenditure on them is thus wasted. The RoR estimated here is thus a comprehensive estimate of the average annual return from an investment (private and

1 Sambodhi Research and Communications Pvt. Ltd. (2012-13), *Impact Assessment of assets Created on Individual Land under Mahatma Gandhi National Rural Employment Guarantee Act*.

2 Aggarwal, Ankita, Ashish Gupta and Ankit Kumar (2014), *Evaluation of NREGA wells in Jharkhand*. Hyderabad: NIRD.

3 Bhaskar, Anjan and Pankaj Yadav (2015). 'All is Well that ends in a Well: An Economic Evaluation of MGNREGA

Wells in Jharkhand', Report Submitted to National Institute for Rural Development, Hyderabad by the Institute for Human Development, Eastern Centre, Ranchi, Jharkhand, 2015.



public combined) on the well. It shows that an investment of Rs. 100 on an NREGA well, on average, reaps a return of Rs. 5.3 per annum. In other words, an investment on NREGA wells pays for itself in about 19 years.’

Further, the author notes that, ‘It is, however, important to note that these measures of RoR are largely underestimates of the actual RoR. This is because we have only measured the change in income experienced by the owner of the well and have ignored the change in income experienced by others with neighbouring fields who may be using the well’s water. We found

A limited, micro study conducted on wells in one GP in Ranchi, Jharkhand, found that the wells constructed under MGNREGA increased cropping intensity, crop productivity and led to a decrease in cultivation costs for individual beneficiaries

that, on average, an NREGA well is used by 5 households. In many cases, we found that the wells led to massive changes in incomes and fortunes of neighbouring households but not that of well owners. However, we have only obtained information regarding the impact upon the well owning household. If the change in income experienced by all households making use of the NREGA wells is included, the average RoR is likely to be significantly higher.’

In terms of the completion of the wells and the quality of assets, the author concludes, ‘Most sanctioned NREGA wells do get completed. Nearly 70% of the sanctioned wells do get completed (with or without parapet) and nearly 60% of the wells are complete with parapet. As far as the quality of government

data is concerned, it was found to be mostly accurate for completed NREGA wells. 75% of the “officially” completed wells (according to the NREGA MIS) were actually complete (with parapet). 82% of the officially complete NREGA wells were complete (include those without parapet). We found that nearly 10% of the wells did not have a parapet. This is a serious issue and shows that functionaries and beneficiaries alike are unaware of the risks associated with it. Lack of a parapet is also likely to reduce the life of wells since mud would slide into the well, slowly filling it up.’

The conclusions by the author give evidence of the positive impact of MGNREGA on agriculture, but more importantly they also help in identifying issues for further improvement.

Narayanan et al. (2014),<sup>4</sup> surveyed over 4,100 works constructed under MGNREGA and 4,800 randomly selected beneficiaries across 100 villages in 20 districts in Maharashtra. This rapid assessment study found that 87 per cent works existed as cross-validated with the administrative data. Further, the study found that 75 per cent of the works that existed were directly related to agriculture. More significantly, an ‘overwhelming’ 92 per cent of the respondents found the works ‘very useful’ or ‘somewhat useful’; only 8 per cent felt that the works were ‘useless’. The authors found that the respondents felt that the selection of works was not inclusive; overall, the authors conclude that works done under MGNREGA were supportive of small and marginal farmers and related very well to agriculture. The authors recommend an inclusive process of selection of works, where all workers are involved in the planning of the works. This particular issue is discussed in more detail in the section on ‘why are works selected?’

In response to these and several earlier research insights, MoRD has initiated several measures

<sup>4</sup> Narayanan, Sudha et al. (2014), *MGNREGA works and their impacts: A Rapid assessment in Maharashtra*. Mumbai: Indira Gandhi Institute of Development Research (IGIDR).





and issued advisories to states reiterating and enhancing its focus on the Natural Resource Management approach towards the selection of works. Further, identifying the key gap of exclusion in the planning process which has been pointed out by several research studies, especially with reference to the participation of women, MoRD initiated the Intensive Participatory Planning Exercise (IPPE) in July 2014 for the preparation of the labour budget for FY 2015–16. IPPE interventions are currently being carried out in 2,500 backwards blocks and 92,177 Gram Panchayats have attempted to address the issue of *exclusion* in the planning process for works. The hypothesis appears to be that social inclusion in the micro-planning process will lead to inclusive outcomes as well as better implementation.

### **Biodiversity conservation and MGNREGA works**

Going beyond beneficiary perceptions, one of the significant impacts of MGNREGA works which recent research has accepted and substantiated with evidence is on biodiversity conservation. Research conducted by the Indian

Institute of Science (IISc) in collaboration with the Ministry of Rural Development and GIZ (2013)<sup>5</sup> came to several conclusions which validate the purpose of asset creation through MGNREGS works. The authors conclude that through the dominance of water and land related MGNREGS works, MGNREGS has contributed to improved or sustained groundwater levels, increased water availability for irrigation, increased irrigated area and finally, improved drinking water availability for humans and livestock. This study included assessments of ecological, socioeconomic and physical indicators such as groundwater, soil and organic carbon and biomass estimation, household surveys and PRA methods. The study was done in four districts of four selected states. Note that the IISc study remarks that assets built under MGNREGA are fail-proof. That is, no matter what the technical quality of the work the assets will still be useful and will benefit the environment. Some illustrative results of the study are given in Tables 6.1 to 6.3

5 Esteaves T., K.V. Rao, B. Sinha and S.S. Roy (2013), *Environmental Benefits and Vulnerability Reduction Through Mahatma Gandhi NREGS: A Synthesis Report*. Ministry of Rural Development, Government of India and Deutsche GIZ.

**TABLE 6.1: IMPACT OF MGNREGA WORKS ON IRRIGATION**

| District (state)        | No. of villages reporting increase in irrigated area | Increase in irrigated area (ha)* | No. of villages reporting increase in the number of days of water availability | Increase in the average number of days of water availability* |
|-------------------------|--|----------------------------------|--|---|
| Medak (Andhra Pradesh)  | 4  | 12.4 - 57.0                      | 10   | 13-88 days  |
| Chitradurga (Karnataka) | 8  | 1.7 - 44.1                       | 5  | 5-45 days   |
| Dhar (Madhya Pradesh)   | 10   | 0.9 - 5.8                        | 10   | 190-365 days  |
| Bhilwara (Rajasthan)    | 8  | 0.2 - 2.3                        | 7  | 30-90 days  |

**Note:** \* as reported by beneficiaries.

**Source:** Synthesis Report: Environmental Benefits and Vulnerability Reduction Through Mahatma Gandhi National Rural Employment Guarantee Act (Indian Institute of Science 2013).

**TABLE 6.2: IMPACT OF MGNREGA WORKS ON SOIL FERTILITY AND SOIL ORGANIC CARBON CONTENT**

| District (State)        | Number of sample villages | MGNREGS work selected       | Number of villages where works have been implemented | Number of sample beneficiary plots selected | Percentage of sample plots showing increased SOC (%) | Range of increase in SOC (%) |
|-------------------------|---------------------------|-----------------------------|--|---|--|------------------------------|
| Medak (Andhra Pradesh)  | 10                        | Silt application            | 10   | 50  | 33   | 0.30-1.13                    |
|                         |                           | Trench cum bund barrow pits | 4  | 61  | 64   | 0.30-1.48                    |
|                         |                           | Horticulture development    | 8  | 54  | 50   | 0.31-0.49                    |
| Chitradurga (Karnataka) | 10                        | Check dams                  | 10   | 264   | 85   | 0.49-1.65                    |
|                         |                           | Irrigation facility         | 3  | 68  | 88   | 0.59-1.03                    |
|                         |                           | Silt application            | 5  | 66  | 90   | 0.40-1.73                    |
|                         |                           | Land development            | 3  | 14  | 80   | 0.65-1.57                    |
|                         |                           | Other*                      | 5  | 10  | 90   | 0.65-1.46                    |
| Dhar (Madhya Pradesh)   | 10                        | Kapila Dhara                | 10   | 49  | 83   | .054-0.62                    |
|                         |                           | Percolation tanks           | 4  | 16  | 70   | 0.56-0.58                    |
|                         |                           | Plantations                 | 4  | 7   | 75   | 0.49-0.68                    |
|                         |                           | Pond works                  | 9  | 56  | 65   | 0.55-0.58                    |
| Bhilwara (Rajasthan)    | 10                        | Check dams                  | 10   | 119   | 62   | 0.38-1.16                    |
|                         |                           | Contour development         | 3  | 11  | 75   | 0.48-1.14                    |
|                         |                           | Canal construction          | 5  | 24  | 60   | 0.24-1.36                    |
|                         |                           | Pasture land development    | 6  | 18  | 88   | 0.24-1.02                    |
|                         |                           | Plantation afforestation    | 4  | 12  | 70   | 0.26-1.02                    |
|                         |                           |                             | Total  | 899   | 72   |                              |

**Note:** \* Other includes farm pond, pipeline, horticulture, feeder channel and outlet development.

**Source:** Synthesis Report: Environmental Benefits and Vulnerability Reduction Through Mahatma Gandhi National Rural Employment Guarantee Act (Indian Institute of Science 2013).

**TABLE 6.3: IMPACT OF MGNREGA ON AREA UNDER CULTIVATION**

| District (State)        | Percentage of farmers reporting increase in area under cultivation (%) | Percentage increase in area under cultivation (%) | Number of villages reporting increase in cropping intensity | Percentage of farmers reporting increase in cropping intensity (%) | Percentage increase in cropping intensity (%) |
|-------------------------|--|---|---|--|---|
| Medak (Andhra Pradesh)  | 7  | 2.0-16.9  | 9   | 25   | 0.9-15.9                                      |
| Chitradurga (Karnataka) | 22   | 0.9-1.2   | 3   | 1  | 5.8-26.7                                      |
| Dhar* (Madhya Pradesh)  | 98   | 43.5-101.2  | 10  | 100  | 53.9-123.1                                    |
| Bhilwara (Rajasthan)    | 10   | 0.9-9.2   | 0   | 0  | 0   |

**Note:** \* In Dhar district, the large increase in area under cultivation is due to cultivation of an additional crop in the Rabi season due to increased irrigation water availability.

which show positive changes on irrigated area, soil fertility, cropping intensity and area under cultivation.

A similar study done by the Indian Institute of Forest Management (2013)<sup>6</sup> on the Madhya Pradesh state specific Kapil Dhara wells also concluded that the Kapil Dhara wells had improved cropping intensity. However, the study also rightly noted that the Kapil Dhara wells by themselves were a short-term measure to manage the demand for water and a sustainable approach would be complementing these with water recharge works within MGNREGS. Even as the construction of wells is a visible asset, the study also identified critical planning issues like the distance between wells, location of the work site within the larger underground aquifer networks and larger convergence between various line departments of forests, watershed, agriculture and horticulture and technology.

An overview of works completed under MGNREGA and their linkages to biodiversity

conservation is explored by Sebastian and Azeez (2014).<sup>7</sup> The authors not only accept that MGNREGS works have created assets but also argue that these must be brought under the larger agenda of biodiversity conservation.

This analytical paper advocates that the green works undertaken under MGNREGA need not be limited to afforestation, forestry and related operations. They need to be directly integrated for biodiversity conservation. This recommendation is substantiated by an example of Pallakad district which is rich in species which are in the 'red list' of the International Union for Conservation of Nature (IUCN). These species generally grow on the roadside and are under threat because of regular stripping/cleaning activities. The paper recommends that the wild growth of medicinal plants is not stripped/cleaned under MGNREGA works. Further, the paper also recommends that during desilting, deepening and catchment treatment of water bodies, the existing vegetation within and outside the

6 Sinha, B. (2013), *Identifying the Scope for Enhancing Sustainability of Assets Created under MGNREGA*. Bhopal: Indian Institute of Forest Management.

7 Sebastian, Matthew K. and P.A. Azeez (2014), 'MGNREGA and Biodiversity', *Economic and Political Weekly* XLIX (10).





water bodies is not completely removed as it is precious to conserve the eco-system.

While these studies affirm the potential for greater inter-linkages between MGNREGA works and environment conservation they also show that more research needs to be done on the basis of available literature to build robust evidence about the productivity and sustainability of works under MGNREGA and their possible biodiversity benefits.

In a recent policy intervention it was reiterated that agriculture and agriculture related activities are the focus areas for MGNREGA works. In light of the renewed policy focus, it would be relevant if researchers continued to enquire about the linkages between agriculture and MGNREGA works.

## Technical components of works

From an economic perspective, one approach to assess sustainability of works is to estimate returns on investment (RoI).<sup>8</sup> In a study by Verma<sup>9</sup> (2011, see MGNREGA Sameeksha<sup>10</sup> that assessed 143 best performing assets in four states RoI was as high as 126 per cent for all assets. This study purposively sampled the 143 best performing assets and, therefore, represents the best case scenario for MGNREGA works from a return on investment perspective. One hundred and seventeen assets out of the 143 assets studied, had a RoI of over 100 per cent in the first year. According to the study, return on investment was the highest for Gujarat at 126 per cent, followed by 121 per cent for Bihar, 101 per cent for Kerala and 61 per cent for Rajasthan. It was found that micro-canal works were extremely useful where post renovation water was available for up to eight months in a year leading to better irrigation. A similar economic assessment was done by another study in one Gram Panchayat in Jharkhand on individual assets (wells); the study concluded that the change in income was significant for individual beneficiaries.

Technical components and expenditure on works also depend on eco-geographical contexts. Therefore, the other technical components of the works can be best assessed through objective measures like changes in the quality of groundwater, changes in cropping patterns and intensity and reduced cost of production and may show variations due to contexts.

<sup>8</sup> Return on Investment (RoI) estimates the expected returns on the built asset.

<sup>9</sup> Verma, S. S. (2011), *MG-NREGA Assets and Rural Water Security: Synthesis of Field Studies in Bihar, Gujarat, Kerala and Rajasthan*. Anand: Institute for Rural Management .

<sup>10</sup> Mann, Neelakshi and Varad Pande (compiled by). Mihir Shah (ed.) (2012). *MGNREGA Sameeksha: An Anthology of Research Studies on the Mahatma Gandhi National Rural Employment Guarantee Act, 2005. 2006-2012*. New Delhi: Ministry of Rural Development, Government of India.

## When works get complete – Completed works and expenditure

Different types of works have different outcomes and timelines. For example, fruit orchards and plantations have a different set of measurable parameters as compared to rural roads. Table 6.4 gives the number of works, expenditures and expected outcomes for FY 2015–16 and attempts to address the perceptions regarding ongoing and completed works. It is consistent with independent research and shows that a large number of works relating to water conservation and harvesting, micro-irrigation, agriculture related and allied sector works have been taken up. These along with works related to rural roads and sanitation indicate the assets that are created through MGNREGA works.

MoRD has taken steps with a view to improving the quality of the works. This includes technical



capacity building of its functionaries through certified programmes for field assistants and inclusive planning for works through IPPE in 2014. In order to substantiate the impact of works, presented here are case studies from different contexts.

**TABLE 6.4:** ABSTRACT SHOWING THE NUMBER OF WORKS, EXPENDITURES AND EXPECTED OUTCOMES FOR FY 2015–16

| S. No. | Work Category Name/Work Sub-Category Name/Work Type | Spillover+New |               |                 |             | No. of New Works | Unit     | Estimated Outcome | Estimated Cost (In Lakhs) |
|--------|---|---------------|---------------|-----------------|-------------|------------------|----------|-------------------|---------------------------|
|        |   | Total Works   | Ongoing Works | Completed Works | Expenditure |                  |          |                   |                           |
| 1      | Water conservation/ Harvesting                      | 14,87,197     | 5,27,217      | 3,542           | 18,366.79   | 4,18,849         | Hectares | 30,64,471         | 5,01,828.60               |
| 2      | Irrigation  | 14,13,408     | 5,31,151      | 3,212           | 23,497.26   | 3,89,558         | Hectares | 9,14,564          | 8,13,376.99               |
| 3      | Afforestation/ horticulture                         | 23,73,411     | 10,63,136     | 1,976           | 12,624.82   | 5,15,928         | Hectares | 6,21,161          | 6,25,046.36               |
| 4      | Agriculture   | 11,05,958     | 3,78,597      | 3,437           | 10,611.14   | 3,87,371         | Hectares | 2,01,524          | 3,06,128.12               |
| 5      | Allied sector                                       | 10,88,513     | 5,83,744      | 4,251           | 8,636.89    | 3,94,540         | Nos.     | 2,36,465          | 1,64,695.31               |
| 6      | Roads   | 22,24,694     | 11,03,256     | 5,771           | 46,275.58   | 3,99,763         | KM.      | 1,79,672          | 95,237.52                 |
| 7      | Sanitation  | 53,63,377     | 21,28,348     | 14,182          | 3,441.11    | 6,37,951         | Nos.     | 6,37,951          | 47,413.64                 |
| 8      | GP Bhawan/ BNRGSK                                   | 54,560        | 42,406        | 73              | 3,239.59    | 4,716            | Nos.     | 13,047            | 15,760.83                 |
| 9      | IAY/Housing Scheme                                  | 4,40,643      | 2,71,089      | 736             | 3,697.31    | 50,591           | Nos.     | 50,591            | 8,383.29                  |
| 10     | Any other works                                     | 74,13,274     | 15,35,461     | 2,249           | 14,623.20   | 8,71,760         | Nos.     | 8,71,760          | 54,222.64                 |
|        | Grand Total   | 2,29,65,035   | 81,64,405     | 39,429          | 1,45,013.69 | 40,71,027        |          |                   | 26,32,093.30              |

## CASE STUDY: UTTAR PRADESH

### Resurgence of an Extinct Rivulet

#### Summary

Sasur Khederi II, a defunct and dry 46 km long rivulet in Fatehpur district of Uttar Pradesh was resurrected under MGNREGA during April-May 2013. Enthusiastic community participation in planning and execution, apt and timely inter-departmental coordination, a judicious mix of sound engineering and local knowledge and ardent administrative acumen of the district implementing authority led to the restoration of the stream in its original shape and flow. This integrated water and soil conservation project not only provided gainful wage employment to 4,000 jobseekers every day for over two months, but also revived lake Thithaura—the source point of Sasur Khederi II and saved the catchment areas from the problem of waterlogging.

#### The challenges

##### Fatehpur

Fatehpur district in Uttar Pradesh is situated about 150 km south of Lucknow, the state capital. Though the district is situated in the doab region between the Ganga and the Yamuna, its inhabitants faced acute water crises. Sources of surface water started drying up due to excessive use, encroachment and steady siltation of the natural drainage system. Two such dried up river drainage systems in the district were Sasur Khederi I and II. These are two distinct small rivers but they shared the same name and similar problems. The immediate need was to treat the drainage system, catchment areas of the watercourse and massive desiltation of lake Thithaura, the originating point of one of the rivulets, Sasur Khederi II. This led to the conception of an integrated water and soil conservation project for this rivulet. The main challenges of the project were to track the course of the rivulet and to win the confidence of the community for successful completion of the activities proposed for the project.

#### Need for the intervention

Acting on a remote sensing report published in 2012–13, experts in the district resorted to a detailed water criticality analysis. Six community development

blocks (CDBs) in the district were found to be critical while seven others were found to be semi-critical. The report also categorized four CDBs as dark zones where the groundwater level could not be replenished. After the identification of problem areas, district authorities decided to plan and execute the first phase of an integrated soil and water conservation project in these four CDBs. The prime objective of the project was to revive the Sasur Khederi II rivulet.

Renovation of traditional water bodies and soil and water conservation activities are permissible activities under MGNREGA. Thus, the district authorities decided to revive this 46 km long rivulet that sourced from a lake in Thithaura village. Since the rivulet carves out its course through four blocks in the district and touches 42 villages before meeting the Yamuna, the project was aimed at providing a new life to the stream and to the inhabitants of 42 villages. The objectives of the project were to:

- Restore the original shape and flow of the rivulet
- Revive and restore the lake in Thithaura village which is the source of the rivulet.
- Save the adjoining villages from waterlogging.
- De-silt the lake and ensure retention of water by making a gated check dam.
- Plant trees around the source lake and the river so as to prevent further silting.

#### The intervention

The integrated project under MGNREGA was prepared by the lower Ganga canal division in the irrigation department. This project was discussed threadbare in an inter-departmental expert committee consisting of senior officers from the departments of Revenue, Irrigation, Social Forestry, Rural Development and Panchayati Raj. As per the plan, estimates made for executing the first phase of the project, were Rs 12 crore which were to be used with a labour material ratio of 75:25 to revive Sasur Khederi II. The task was to revive 7.4 hectares of the lake area and 38 km of the watercourse of the rivulet. Though the initial plan was



to treat the whole breadth of the river among its entire length, the inter-departmental committee discussed the planned course of action. The committee decided to modify the plan to work on one-third of the breadth of the rivulet which ranged between 5 to 38 m at different places. The aim was to clear the path of the rivulet and let it take its own course. Systematic and scientific reviews were also made after the first spell of rains to gauge the locations which required more deepening and widening.

Activities under the project were taken up on a mission mode. Extensive community level meetings and discussions were held in all the four blocks. Pradhans (presidents of Gram Panchayats) were requested to support this mission by motivating unskilled labourers who could come to the worksite. Block development officers (BDOs) organized village level meetings in every village alongside the river to sensitize communities about the benefits of this mission. To effectively disseminate the objective (s) behind this task of rejuvenating a dry rivulet, meetings and discussions with college principals, industries, social workers and the media were organized on a regular basis.

The estimated quantum of work was 500 m cross-sections with a natural gradient of 20 cm per km. Work on the rivulet was divided into small stretches of one km each and was allotted to a team comprising of secretary, a *rozgar sewak* and technical assistant. At every stretch of one km, worksite facilities, that

is, drinking water, crèche and shade were ensured. About 1,86,400 cubic m of soil was excavated during the process of the work on the watercourse of the rivulet. This activity successfully generated 96,900 person days. Further, about 78,200 cubic m of mud was excavated out of the source lake Thithaura by generating 38,000 person days.

### Output and outcome

The focus of this integrated project was on reducing the vulnerability and natural resource management through MGNREGA works to mitigate climate change issues. The resurrection of the rivulet has not only resulted in the generation of 1,34,900 person days but has also successfully revived the rivulet through scientific treatment of the entire watercourse. The activity has ensured sufficient water in the catchment areas by recharging the water aquifer. People have started cultivating water-intensive crops which they did not do earlier due to chronic shortage of water. The source lake of the rivulet has started retaining water. As on 16 July 2013, the lake had 90,000 cubic m of water. At one point, the discharge of water from the lake was estimated to be 600 cusecs. Today, this successful rivulet rejuvenation effort has brought great cheer to the villagers in the catchment areas of Sasur Khederi II as the villages are free from the fear of getting marooned due to its overflowing in the monsoon season.

*Source: Mr Abhay, District Magistrate, Fatehpur, Uttar Pradesh.*



## CASE STUDY: TAMIL NADU

### Institutionalizing Convergence Systems in the State

#### Summary

As a policy decision, the schemes implemented under MGNREGA in Tamil Nadu ensure 100 per cent unskilled manual works. To improve the quality of assets created under MGNREGA and to enhance livelihood opportunities for rural masses, the state has institutionalized an approach of resource convergence by inter-weaving MGNREGA with other public works programmes. The prime objective behind this approach is to create assets which can ensure livelihood security to the beneficiaries and to help in the regeneration of the natural resource base of the rural economy concerned. On the basis of state level inter-departmental meetings, detailed action plans have been prepared on convergence, clearly delineating roles and responsibilities of participating line departments. The state has successfully implemented MGNREGA in collaboration with the departments of Agriculture, Fisheries, Horticulture and Nirmal Bharat Abhiyan (NBA).

#### The challenges

The Tamil Nadu state government has introduced several innovations in the implementation of MGNREGA to maximize its wage-employment objective. These innovative approaches range from ensuring gender sensitive tools for workers to laying renewed focus on provision of childcare and other worksite facilities. As a policy decision, the state implements schemes under MGNREGA which ensure 100 per cent unskilled manual works. This is a positive step towards maximizing the welfare provisions as laid down under MGNREGA 2005. Upto 2010–11, the major works taken up were large water bodies and community assets. The impact of these works was realized by the entire community. However, focused attention to individual needs was not addressed. Irrigation facilities for individual farmers and sanitation facilities for households were also not addressed.

#### Need for the intervention

The Government of Tamil Nadu desired to institutionalize convergence of MGNREGA resources with other development programmes. The prime issue

was people realizing the impact of the programme by ensuring durability and productivity of rural assets by implementing an appropriate convergence approach between MGNREGA and other works implemented by various line departments. The plan was to use MGNREGA's resources for the unskilled component and the funds available with the line departments for material expenditure. The main objective of this approach was to optimize resources of all departments to create productive and durable assets, which would be useful for individual families. The assets so created were expected to ensure livelihood support to beneficiaries and to help in the regeneration of the natural resource base of the rural economy concerned.

#### The intervention

In a convergence project, effective coordination and ownership of implementation are vital. At the state level, inter-departmental meetings were held to discuss and decide on the convergence methodology and implementation procedures. Detailed action plans were prepared clearly delineating roles and responsibilities of participating line departments. Further, the decisions were institutionalized through formal orders and directives to districts.

The convergence initiatives taken by the state include:

- **Convergence with Agriculture, Fisheries and Horticulture Departments**

The Agriculture Department was given the responsibility of identifying lands of SC and ST farmers and small and marginal farmers (SMFs) for taking up works relating to excavation of farm ponds. The objective was to use these farm ponds for irrigation as well as for livelihood activities through convergence with departments like fisheries. Till date, out of the 24,684 farm pond related works that were started around 17,164 have been completed.

For interested farmers, pisciculture on farm ponds is being taken up with the Fisheries Department. The Fisheries Department provides subsidy and training to farmers on the methodology for fish fingerling culture. For example, for growing around

45,000 fish fingerlings, the Fisheries Department provides a 50 per cent subsidy at an estimated cost of Rs60,000. At a survival rate of 40 per cent, 18,000 fish fingerlings can be obtained in 60 days. This means an annual income of around Rs 70,000-80,000 can be ensured. So far, 2,396 farm ponds have been stocked with fingerlings. In fact, multipurpose farm ponds have also been developed by involving fish rearing, gardening etc.

- **Convergence with Nirmal Bharat Abhiyan (NBA)**

Low cost toilets under the Total Sanitation Campaign in Tamil Nadu were facing issues of poor maintenance and inadequate waste disposal. Thus, the resource convergence between MGNREGA and NBA was looked at as a useful opportunity by the state to change this situation.

The main objectives of converged project on sanitation were to:

- Bring about an overall improvement in the health status and quality of life in rural areas.
- Generate bottom up demand for sanitation facilities through awareness creation and health education.
- Eliminate open defecation to minimize risk of contamination of drinking water sources and food.
- Convert dry latrines to pour flush latrines and eliminate manual scavenging wherever it existed in the rural areas.

To operationalize this, the state prepared extensive guidelines for convergence of NBA with MGNREGA including model estimates and costs. As per field assessments, the average persondays involved in the construction of an individual household latrine (IHHL) were calculated as 20 unskilled persondays and six skilled persondays; these were funded under MGNREGA. The material component of Rs6,600 (with a state share of Rs 2,500) was supported under NBA. It is relevant to note that Tamil Nadu increased the state contribution to IHHLs from Rs1,400 (as suggested by the Government of India) to Rs2,500—a forward looking initiative.

To begin with, the state administration undertook public campaigns to disseminate information and generate demand. Besides, wall paintings and radio messaging, a door to door campaign was undertaken to expand the outreach of this initiative. A beneficiary

list was prepared which was approved by the respective Gram Sabhas.

Besides constant monitoring, appropriate policy decisions by the state also ensured that administrative delays were avoided for timely execution of this initiative. First, the entire IHHL unit is treated as one MGNREGA work and given a unique work identification number and a muster roll. Second, the muster rolls are designed exclusively for use in the execution of IHHL works. Third, on completion of each such work, a certificate is required from the worksite facilitator and a technical completion certificate from the overseer for release funds by block authorities. Fourth, a worksite facilitator is appointed for every 15–25 IHHL units. Fifth, in several districts a target oriented 15-day period is given for the completion of the toilet from the start date. Lastly, the district programme coordinator/district collector is directed to issue administrative sanctions under MGNREGA for all the IHHLs that are approved by Gram Sabha for that year, clearly indicating (a) the labour portion under MGNREGA and (b) the material portion to be converged from NBA.

### Output and outcome

At the state level, around 6 lakh such toilets were sanctioned and 1.5 lakh toilets have been completed so far. Out of 11,304 compost pits sanctioned in 766 GPs for maintenance and waste disposal activities, 1,889 works have been completed. These compost pits will be used for converting bio-degradable waste into manure.

The Government of Tamil Nadu has not only ensured dissemination of the core message of convergence to the lowest level of project implementation but also stressed on community-centric convergence planning, execution and monitoring of public works. The state's keen interest in fine-tuning the process and streamlining this convergence approach has ensured efficient and effective implementation of all convergence projects.

**(Note:** Right before the publication of this document, the Ministry of Rural Development took a decision to increase the contribution of MGNREGA to Rs 5,400 for IHHLs constructed in convergence with NBA and Rs 10,000 for IHHLs constructed independently, that is, entirely under MGNREGA).

**Source:** Department of Rural Development, Tamil Nadu: Presentation made at a national workshop on convergence on 17 September 2013, organized by Ministry of Rural Development, Government of India, New Delhi.



## Expenditure – Wage and material costs

Expenditure includes wage as well as the material costs. Whether there is any directional causal relationship between expenditure on works and the quality of assets constructed needs a research enquiry but a perception persists that because material expenditure is capped, the quality of works is not up to the mark. This is questionable and evidence is needed to arrive at such a conclusion. The wage-material costs ratio

is designed to address the most necessary material expenditure during works and not displace the wage component of works noting that MGNREGA is a rights based employment guarantee legislation.

Table 6.5 shows the material expenditure percentage for the states for 2013–14 to 2015–16. It is seen that very few states spent more than 30 per cent on the material component and most states did not utilize the available ratio, which can be used for certain types of work alone.

**TABLE 6.5: YEAR-WISE, STATE DISAGGREGATED WAGE AND MATERIAL EXPENDITURE**

Rs (in lakh)

| All India            | 2015-2016          |                    |         | 2014-2015            |                     |           | 2013-2014            |                      |           |
|----------------------|--------------------|--------------------|---------|----------------------|---------------------|-----------|----------------------|----------------------|-----------|
|                      | Component          |                    |         | Component            |                     |           | Component            |                      |           |
|                      | Labour (%)         | Material (%)       | Total   | Labour (%)           | Material (%)        | Total     | Labour (%)           | Material (%)         | Total     |
| Andaman And Nicobar  | 0<br>(0)           | 0<br>(0)           | 0       | 745.13<br>(98.52)    | 11.17<br>(1.48)     | 756.3     | 1610<br>(99.24)      | 12.32<br>(0.76)      | 1622.32   |
| Andhra Pradesh       | 1229.01<br>(40.37) | 1815.13<br>(59.63) | 3044.14 | 160618.69<br>(71.7)  | 63406.63<br>(28.3)  | 224025.32 | 331450.42<br>(70.45) | 139054.33<br>(29.55) | 470504.75 |
| Arunachal Pradesh    | 168.35<br>(67.65)  | 80.5<br>(32.35)    | 248.85  | 1766.53<br>(65.15)   | 944.82<br>(34.85)   | 2711.35   | 5948.85<br>(64.76)   | 3236.53<br>(35.24)   | 9185.38   |
| Assam                | 1448.13<br>(65.34) | 768.25<br>(34.66)  | 2216.38 | 33607.45<br>(70.28)  | 14208.64<br>(29.72) | 47816.09  | 45386.38<br>(68.63)  | 20748.74<br>(31.37)  | 66135.12  |
| Bihar                | 3848.27<br>(59.28) | 2642.98<br>(40.72) | 6491.25 | 52468.46<br>(54.75)  | 43368.67<br>(45.25) | 95837.13  | 108385<br>(55.63)    | 86451.51<br>(44.37)  | 194836.51 |
| Chandigarh           | 0<br>(0)           | 0<br>(0)           | 0       | 0.71<br>(100)        | 0<br>(0)            | 0.71      | 0.55<br>(100)        | 0<br>(0)             | 0.55      |
| Dadra & Nagar Haveli | 0<br>(0)           | 0<br>(0)           | 0       | 0<br>(0)             | 0<br>(0)            | 0         | 0<br>(0)             | 0<br>(0)             | 0         |
| Daman & Diu          | 0<br>(0)           | 0<br>(0)           | 0       | 0<br>(0)             | 0<br>(0)            | 0         | 0<br>(0)             | 0<br>(0)             | 0         |
| Goa                  | 5.16<br>(88.36)    | 0.68<br>(11.64)    | 5.84    | 339.21<br>(76.34)    | 105.13<br>(23.66)   | 444.34    | 204.68<br>(70.34)    | 86.29<br>(29.66)     | 290.97    |
| Gujarat              | 821.24<br>(63.07)  | 480.93<br>(36.93)  | 1302.17 | 27936.55<br>(63.91)  | 15776.64<br>(36.09) | 43713.19  | 28982.16<br>(64.57)  | 15905.33<br>(35.43)  | 44887.49  |
| Haryana              | 31.42<br>(97.46)   | 0.82<br>(2.54)     | 32.24   | 16116.94<br>(77)     | 4814.54<br>(23)     | 20931.48  | 24729.21<br>(67.11)  | 12119.21<br>(32.89)  | 36848.42  |
| Himachal Pradesh     | 7.92<br>(68.28)    | 3.68<br>(31.72)    | 11.6    | 28831.14<br>(74.47)  | 9885.39<br>(25.53)  | 38716.53  | 37709.06<br>(69.39)  | 16637.71<br>(30.61)  | 54346.77  |
| Jammu And Kashmir    | 12.94<br>(32.27)   | 27.16<br>(67.73)   | 40.1    | 16824.22<br>(52.03)  | 15513.1<br>(47.97)  | 32337.32  | 40047.48<br>(54.59)  | 33317.07<br>(45.41)  | 73364.55  |
| Karnataka            | 977.4<br>(59.58)   | 662.97<br>(40.42)  | 1640.37 | 100337.91<br>(62.29) | 60756.1<br>(37.71)  | 161094.01 | 142392.38<br>(71.18) | 57659.94<br>(28.82)  | 200052.32 |

Rs (in lakh)

| All India      | 2015-2016           |                     |          | 2014-2015            |                      |           | 2013-2014            |                      |           |
|----------------|---------------------|---------------------|----------|----------------------|----------------------|-----------|----------------------|----------------------|-----------|
|                | Component           |                     |          | Component            |                      |           | Component            |                      |           |
|                | Labour (%)          | Material (%)        | Total    | Labour (%)           | Material (%)         | Total     | Labour (%)           | Material (%)         | Total     |
| Kerala         | 13940.7<br>(98.38)  | 229.26<br>(1.62)    | 14169.96 | 150173.79<br>(96.97) | 4692.84<br>(3.03)    | 154866.63 | 120293.39<br>(96.98) | 3743.33<br>(3.02)    | 124036.72 |
| Madhya Pradesh | 2301.42<br>(29.2)   | 5580.93<br>(70.8)   | 7882.35  | 183681.94<br>(66.79) | 91341.21<br>(33.21)  | 275023.15 | 165695.16<br>(68.35) | 76722.87<br>(31.65)  | 242418.03 |
| Maharashtra    | 6187.54<br>(63.1)   | 3619.08<br>(36.9)   | 9806.62  | 103350.22<br>(68.63) | 47238.89<br>(31.37)  | 150589.11 | 80887.01<br>(68.25)  | 37629.36<br>(31.75)  | 118516.37 |
| Lakshadweep    | 0.24<br>(100)       | 0<br>(0)            | 0.24     | 21.91<br>(63.75)     | 12.46<br>(36.25)     | 34.37     | 33.84<br>(72.09)     | 13.1<br>(27.91)      | 46.94     |
| Manipur        | 235.39<br>(94.88)   | 12.7<br>(5.12)      | 248.09   | 17405.35<br>(69.35)  | 7692.26<br>(30.65)   | 25097.61  | 17442.16<br>(73.49)  | 6291.95<br>(26.51)   | 23734.11  |
| Meghalaya      | 3.79<br>(100)       | 0<br>(0)            | 3.79     | 20767.68<br>(70.68)  | 8614.97<br>(29.32)   | 29382.65  | 24557.82<br>(80.52)  | 5941.85<br>(19.48)   | 30499.67  |
| Mizoram        | 321.67<br>(98.2)    | 5.91<br>(1.8)       | 327.58   | 7411.48<br>(69.43)   | 3262.52<br>(30.57)   | 10674     | 20430.46<br>(83.92)  | 3913.86<br>(16.08)   | 24344.32  |
| Nagaland       | 0<br>(0)            | 0<br>(0)            | 0        | 8489.43<br>(64.53)   | 4666.46<br>(35.47)   | 13155.89  | 20101.31<br>(70.98)  | 8217.97<br>(29.02)   | 28319.28  |
| Odisha         | 19967.35<br>(62.01) | 12230.51<br>(37.99) | 32197.86 | 71710.4<br>(70.45)   | 30073.92<br>(29.55)  | 101784.32 | 92605.33<br>(75.4)   | 30215.49<br>(24.6)   | 122820.82 |
| Puducherry     | 0<br>(0)            | 0(0)                | 0        | 530.31<br>(100)      | 0<br>(0)             | 530.31    | 1041.48<br>(100)     | 0(0)                 | 1041.48   |
| Punjab         | 36.72<br>(85.89)    | 6.03<br>(14.11)     | 42.75    | 15829.65<br>(75.77)  | 5061.26<br>(24.23)   | 20890.91  | 17081.44<br>(69.07)  | 7650.59<br>(30.93)   | 24732.03  |
| Rajasthan      | 6290.11<br>(64.66)  | 3437.64<br>(35.34)  | 9727.75  | 210956.31<br>(69.21) | 93850.59<br>(30.79)  | 304806.9  | 181722.29<br>(74.8)  | 61213.35<br>(25.2)   | 242935.64 |
| Sikkim         | 97.2<br>(58.8)      | 68.1<br>(41.2)      | 165.3    | 3413.01<br>(50.1)    | 3399.79<br>(49.9)    | 6812.8    | 5849.65<br>(57.19)   | 4378.75<br>(42.81)   | 10228.4   |
| Tripura        | 7072.92<br>(79.63)  | 1809.28<br>(20.37)  | 8882.2   | 69473.56<br>(89.75)  | 7936.84<br>(10.25)   | 77410.4   | 69714.96<br>(68.22)  | 32480.71<br>(31.78)  | 102195.67 |
| Uttar Pradesh  | 11117.82<br>(61.7)  | 6902.58<br>(38.3)   | 18020.4  | 198161.42<br>(66.65) | 99158.67<br>(33.35)  | 297320.09 | 222756.08<br>(68.43) | 102755.7<br>(31.57)  | 325511.78 |
| West Bengal    | 5797.36<br>(98.79)  | 70.77<br>(1.21)     | 5868.13  | 274775.28<br>(71.76) | 108139.66<br>(28.24) | 382914.94 | 249379.63<br>(70.19) | 105937.03<br>(29.81) | 355316.66 |
| Chhattisgarh   | 238.92<br>(3.28)    | 7054.68<br>(96.72)  | 7293.6   | 124080.77<br>(75.48) | 40312.86<br>(24.52)  | 164393.63 | 147203.34<br>(76.98) | 44019.58<br>(23.02)  | 191222.92 |
| Jharkhand      | 2291.98<br>(78.28)  | 635.83<br>(21.72)   | 2927.81  | 70780.66<br>(72.52)  | 26825.67<br>(27.48)  | 97606.33  | 58001.31<br>(67.69)  | 27682.29<br>(32.31)  | 85683.6   |
| Uttarakhand    | 53.63<br>(71.54)    | 21.33<br>(28.46)    | 74.96    | 19386.27<br>(64.35)  | 10741.24<br>(35.65)  | 30127.51  | 23116.12<br>(62.95)  | 13605.8<br>(37.05)   | 36721.92  |
| Telangana      | 4271.56<br>(88.96)  | 530.03<br>(11.04)   | 4801.59  | 98396.12<br>(66.16)  | 50336.06<br>(33.84)  | 148732.18 | 0<br>(0)             | 0<br>(0)             | 0         |
| Tamil Nadu     | 24798.13<br>(94.7)  | 1389.17<br>(5.3)    | 26187.3  | 312763.34<br>(84.49) | 57415.03<br>(15.51)  | 370178.37 | 364088.42<br>(96.89) | 11684.07<br>(3.11)   | 375772.49 |

Source: MIS report as on May 2015. Data is provisional for 2015-16 as data entry is continuing.

## Political economy – Systems and works

The political economy and local contexts are key in assessing the success or failure of MGNREGA not only in terms of demand generation but also in terms of works selected, completed and the assets created.

**Sen** (2014)<sup>11</sup> in a study that looked at success and failure in MGNREGA's implementation, identified several factors within the political economy that affect the implementation of MGNREGA. One of the key factors identified is state capacity and commitment towards the implementation of MGNREGA. The policy brief (Sen 2014) cites the example of Chhattisgarh, which is a poor state in terms of its economic and organizational capacity, yet is one of the better performers because of the commitment of the state and administration which are linked to the presence of active civil society organizations and awareness about MGNREGA thus capturing demand accurately. This initiates a cycle of virtue, where again the state is obligated to fulfil the demand by providing 100 days of wage employment. A similar analysis was done by **Chopra** (2014).<sup>12</sup> Using field research and secondary data, the author attempted to 'unpack' the reasons for a decline in Rajasthan's performance, which was one of the best performers on MGNREGA till 2010. The author argues that the biggest strengths of MGNREGA such as the demand driven, self-selecting nature of the programme have become its biggest weaknesses. After analysing why fall in 'demand' cannot be explained by factors like alternative employment opportunities etc. the author looks at capacity challenges like vacancies, gaps in record keeping and monitoring of works as well as the 'motivation'

of the official machinery to accurately capture unmet demand. According to the author's field research and interviews with local power centres—officials and Panchayat officials:

'There has thus been a three-sided negative cycle that has been initiated by supply-side factors. First, local power holders do not want to implement MGNREGA, instead masking their reluctance to engage in the MGNREGA by claiming that the state government does not provide work or wages in time. Secondly, workers have lost trust in obtaining MGNREGA work, and hence do not put pressure on local functionaries to register demand. Lastly, state functionaries have either inadvertently or consciously sent the message that demand needs to be captured in a controlled manner, because they do not have the capacity to deliver work or wages in time, and do not want to be caught out paying unemployment allowance from their state coffers. Instead they use the argument that there is no demand...'

The discussion on 'capacity' while being useful in understanding issues at the first level of research, may trap stakeholder perceptions in a negative cycle where *because* states have less capacity, they continue to negotiate with lesser and lesser capacity as the years progress. Further, it is important also to assess the capacity of a state in comparison to its own performance in the past to understand how states have in fact improved capacity. This is equally helpful along with comparing low capacity states with high capacity states, where the gaps in capacity may actually increase as the years progress. There is therefore a rationale for researchers to look at different states and analyse the relationship between political economy, administrative commitment and productivity and sustainability of works spatio-temporally both as a comparison in time and between states. Further, in the special case of Andhra Pradesh, it may be important to know whether the presence of the social audit had any bearing on the productivity and sustainability of assets in the state.

11 Sen, Kunal (2014), *Success and failure in MGNREGA implementation in India*. Manchester, UK: Effective States and Inclusive Development (ESID).

12 Chopra, Deepta (2014), *'They don't want to work' versus 'They don't want to provide work': Seeking explanations for the decline of MGNREGA in Rajasthan*. Manchester, UK: Effective States and Inclusive Development Research Centre (ESID).





These studies appear to indicate that governance and administrative **capacity** at the state and district levels in the best case scenario lead and initiate good implementation systems as in the case of Chhattisgarh and Andhra Pradesh. In average case scenarios this may enable or facilitate implementation and in at worst case scenarios, this lack of capacity and perhaps ‘motivation’ (Chopra 2014) may be a barrier or an obstacle to the rigorous implementation of MGNREGA as well as the productivity and sustainability of works. This is seen in reference to the earlier mentioned—‘structuration’—how the capacity of MGNREGA officials ‘structurates’ MGNREGA and therefore the possibility that new interventions by MoRD and engagement by civil society may improve and enhance performance and capacity.

Different states view MGNREGA differently—some states view it as a workers’ programme and focus more on demand, others may view it as agriculture programme. In doing so, they ‘structurate’ MGNREGA differently. Depending on the governance and administration at the level of the districts, civil society organizations also approach the administrative and governance systems accordingly, where they

are necessarily confrontational in worst case scenarios and engage collaboratively in best case scenarios.

As the state ‘structurates’ MGNREGA, the proportion of type of works also varies by state. Some of this variation is systematic in that it is attributed to specific state policy decisions and the targets set. For example, several states took individual household latrine (IHHL) units as a priority and set targets, while several states did not plan. This again needs a detailed analysis through independent research evidence and second order reviews.

### **Idiosyncratic and systematic variations in selection of works — Why are works selected?**

It is clear that the first layer is the state specific policy direction, which is clearly a systematic variation. The unsystematic variation starts from the second layer. The second layer is the efficiency, capacity and the commitment of the administration at the state level. Systemic issues of administrative changes, transfers





and vacancies add to the idiosyncratic heterogeneity. The third crucial layer is visible at the block level and includes the informal as well as formal decisions taken at this level. These factors are analysed by Datta et al. (2014)<sup>13</sup> and relate to supply side constraints: the capacity and vacancies of the technical staff at the block level, the other schemes and works requiring supervision and monitoring, especially those requiring the use of machinery where MGNREGA's technical staff is deployed at the block level and its inter-linkage, if any, with supervision/lack of supervision of MGNREGA works. The researchers analysed the delay in funds reaching the GPs and assessed the fund flow from the centre to the states and from the states to the GPs and say that this could be one of the factors affecting the implementation of MGNREGA in terms of works selected.

The fourth layer of variation appears in the decisions at the level of GP functionaries

and the capacity and commitment of PRI officials. Datta et al. (2014)<sup>14</sup> indicate that this a critical gap, where there is no participation in the planning process between PRIs and households. Finally, the last layer manifests as concerns of the GP households who are the beneficiaries of the works and 'for whom' these assets are to be created. Research suggests that GP households demand work but have no say in the planning of the works (for example, Narayanan 2014 suggests that planning for works is not inclusive).

It is an ironic yet clear presentation that the needs and concerns of the beneficiaries who are central to MGNREGA's design are the last and perhaps a minimal lever in the overall target driven decision making machinery, where decisions at each level are implemented 'for' beneficiaries but which get re-framed due to capacity/lack of it and local level exigencies.

13 Datta, Pooja, et al. (2014), *Right to Work? Assessing India's Employment Guarantee Scheme in Bihar*. Washington DC: The World Bank.

14 Datta, Pooja, et al. (2014), *Right to Work? Assessing India's Employment Guarantee Scheme in Bihar*. Washington DC: The World Bank.

So, at each level decisions and interpretations by the actors/MGNREGA officials create non-systematic variations in terms of selection of works, estimation and execution of works and relevance for beneficiaries. Research questions and designs by independent research and evaluations that are framed for productivity and sustainability of works are retrospective and are unable to account for this un-systematic variation that aggregates at the state and national levels and shows as inter-state variations in expenditures, type of works and works completed.

As discussed, a lot of variation<sup>15</sup> in the selection of works cannot be explained as systematic. The question of particular works taken up by concerned GPs, and mapped through till completion of works, which then aggregates at the block level, homogenizing the details to further aggregate at the state level is detailed by independent research evidence to some extent.

Lack of 'capacity' of MGNREGA's technical staff has been discussed among research studies. Rao and Madhusudan (2013),<sup>16</sup> for example, mention that 'the essential criteria for approving work on individual lands was not met. Further, information on the land area owned by the beneficiaries was not available in nearly 50 per cent of the work files, which is one of the minimum criteria for classifying small and marginal farmers.' So at one level, the lack of capacity of the staff to maintain records and follow due procedures is a crucial gap.

Datta et al. (2014) mapped the administrative process in Bihar and identified several layers

<sup>15</sup> Variation can be systematic and non-systematic. Systematic variation is attributed to a specific state or policy intervention. Non-systematic variation is attributed to idiosyncratic causes and cannot be aggregated to any conclusions unless identified and accounted for separately.

<sup>16</sup> Rao, Srinivas Kumar Alamuru and B.V. Madhusudhan (2013), *Role of MGNREGA in Improving Land Productivity*. Centre for Budget & Policy Studies, Bangalore for Department of Rural Development, Government of Karnataka.



with bottlenecks that affect not only demand but also the productivity and sustainability of works. These supply side gaps include supervision of works/work site management, planning, vacancies of technical staff and constraints in the flow of funds.

Shah in MGNREGA Sameeksha I identified capacity building as one of the key challenges for its implementation yet the question to be detailed is: How do we break down capacity into behaviours or actions that define and illuminate 'capacity'? We need to know more: at which level barriers exist and whether there appear to be several layers of reasoning that determine planning and selection of works. In this context, the state aggregated quantitative numbers/figures either in terms of categorization or expenditure on works need to be viewed with caution.

## Summary and conclusions

In summary, there is need for comprehensive and in-depth research on the different types of works across states and over time. Very few researchers have taken this task to weave a larger framework of multi-location research.



There is a need to look at specific types of works in terms of regions and micro-regions. As such markers may be developed for quality of works by several multi-author, multi-location assessments by independent researchers. As of current time, a review of research is limited and does not constitute a body of research which fully explores the potentials and possibility of assessing the largest public works programme, MGNREGA, that specifically looks at works that lead to the construction of individual and community assets constructed by the community.

Several policy recommendations have been received through these research studies. These include:

- Research by Narayanan et al. (2014) suggests that even though better designed and built assets may not require frequent repairs, a maintenance expense for each work may be set aside with an appropriate set of pre-conditions or mechanisms. Pre-conditions are required to disincentivise 'low quality construction of assets in the first place.'
- Research in biodiversity conservation suggests that biodiversity assets' registers be kept and maintained at each GP for several bio-diversity parameters like plant species and level of groundwater.
- Research on 'Right Work' (Datta et al. 2014) identifies several gaps from the planning of works onwards to their execution and maintenance, where the nature of delivery systems constrains the quality of works. The authors recommend administrative reforms to address the supply side constraints of staffing, capacity and monitoring and work site management. Further, the flow of funds and delays in funds reaching GPs is noted as a significant supply side constraint.

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Chapter Seven

## **Gender and Livelihood Security through MGNREGA**



## Introduction

Understanding gender is an analytical lens to view a social construction as well as a socialization process that is recursive and recasts the being and becoming of persons into men and women. These men and women then perform socially normative functions and roles in a society they possibly transform.

In simple terms, this means that the notions of the society pre-determine the growth and development of persons. These notions are constructed socially and hence gender is a social construction and this includes the processes of growing up—socialization. Thus, social construction and socialization make up the identities and social behaviours of being men and women.

As a general point, even as studying gender is generally reduced to understanding men and women as social categories, it is not limited to the being and becoming of men and women

alone but includes a diversity of identity and preference.

In the process of socialization, gender systematically entrenches discourses of power and powerlessness, in the growing person and thereafter, this discourse perpetuates within interpersonal, family, social and cultural systems. To understand gender is to question these practices of power and thereby transform them towards empowerment and equality.

As a rights based legislation, MGNREGA has recognized the imperatives of gender empowerment as well as equality in its design features. There is also a view that MGNREGA is a unique Act because it is gender sensitive in its formulation. Other public work sites like brick kilns or quarries/stone chipping or industrial projects are singularly unfriendly to women, especially to rural women. Through the various provisions and guidelines in the Act, the legislation visualizes that women have an equitable access to work, affirmative



conditions at work/on sites, equal payment of wages and representation in decision making bodies. These and several other provisions are part of the policy and implementation of MGNREGA. Several states with strong women's self-help group networks have used these design features of MGNREGA and worked for its strong implementation in their districts and states. The federations of SHG women leaders have looked at the larger gender empowerment project and reframed the questions of the political participation of women in their local contexts as well as engaged in ensuring accountability within MGNREGA.

In this background, it is surprising that there are not many questions and doubts relating to MGNREGA and gender in public discourse. This is particularly curious since the participation of women in this scheme is/has been impressive. Further, states like Tamil Nadu have gender and disability friendly SoRs and the participation of elderly in MGNREGA has also been impressive. Yet, these issues remain discussed insufficiently. Suffice to say that the normative idea of 'power' seems to distort public discourse.

This chapter reviews and synthesizes research findings on the impact of MGNREGA on the participation of women and changes in their economic life within the household as well as outside. The chapter structure broadly follows the pattern of first presenting the MIS data on select variables like women workers' participation rate and the number of women beneficiaries with bank accounts. This is analysed with reference to published research on the impact of MGNREGS works on women with some future research questions. Finally, policy recommendations from research are highlighted.

### **MGNREGA and women's participation across states**

At an aggregated level, women's participation in the scheme is higher than the mandatory 33



per cent; it was 54.86 per cent till 5 May 2015.

At a disaggregated state level, women's participation varies across states with those like Kerala, Goa and Tamil Nadu showing higher women's participation. Andhra Pradesh and Himachal also show high participation. States like Uttar Pradesh show very low women's participation as do the North Eastern states and Jammu and Kashmir (Table 7.1).

How do we know that higher women's participation is reflective of changing power relations? One quick preliminary check would be to cross - validate the sex ratios in the states with high women's participation rates. According to Census 2011, the top five states with healthy sex ratios are Kerala (1,084 per 1,000 males), Puducherry (1,038 per 1,000 males), Tamil Nadu (995 per 1,000 males), Andhra Pradesh (992 females per 1,000 males) and Chhattisgarh (991 females per 1,000 males).

It is seen that Goa, Kerala, Tamil Nadu and Puducherry compare well in terms of their

**TABLE 7.1: STATE DISAGGREGATED WOMEN'S PARTICIPATION FOR FY 2012-13 TO FY 2014-15**

| S. No. | State                | % age of Women Person days |         |                              |
|--------|----------------------|----------------------------|---------|------------------------------|
|        |                      | 2012-13                    | 2013-14 | 2014-15<br>(till 05/05/2015) |
| 1      | Andhra Pradesh       | 58.34                      | 58.68   | 58.72                        |
| 2      | Arunachal Pradesh    | 30.27                      | 30.35   | 30.21                        |
| 3      | Assam                | 26.01                      | 24.75   | 28.19                        |
| 4      | Bihar                | 30.63                      | 34.97   | 37.17                        |
| 5      | Chhattisgarh         | 46.93                      | 48.53   | 49.87                        |
| 6      | Gujarat              | 42.86                      | 43.96   | 43.24                        |
| 7      | Haryana              | 39.86                      | 41.71   | 41.66                        |
| 8      | Himachal Pradesh     | 60.69                      | 62.52   | 61.04                        |
| 9      | Jammu And Kashmir    | 19.88                      | 23.15   | 25.38                        |
| 10     | Jharkhand            | 32.71                      | 31.89   | 32.06                        |
| 11     | Karnataka            | 46.25                      | 46.59   | 46.86                        |
| 12     | Kerala               | 92.99                      | 93.37   | 92.17                        |
| 13     | Madhya Pradesh       | 42.42                      | 42.65   | 43.22                        |
| 14     | Maharashtra          | 44.55                      | 43.69   | 43.47                        |
| 15     | Manipur              | 34.01                      | 35.25   | 38.27                        |
| 16     | Meghalaya            | 41.07                      | 41.62   | 42.57                        |
| 17     | Mizoram              | 26.15                      | 30.20   | 40.27                        |
| 18     | Nagaland             | 26.01                      | 28.93   | 31.28                        |
| 19     | Odisha               | 35.95                      | 33.57   | 33.79                        |
| 20     | Punjab               | 46.36                      | 52.74   | 57.43                        |
| 21     | Rajasthan            | 68.95                      | 67.76   | 68.26                        |
| 22     | Sikkim               | 43.71                      | 44.85   | 48.18                        |
| 23     | Tamil Nadu           | 74.15                      | 83.94   | 85.42                        |
| 24     | Telangana            |                            |         | 61.07                        |
| 25     | Tripura              | 41.08                      | 47.11   | 49.36                        |
| 26     | Uttar Pradesh        | 19.70                      | 22.17   | 24.75                        |
| 27     | Uttarakhand          | 46.93                      | 44.88   | 50.56                        |
| 28     | West Bengal          | 33.71                      | 35.55   | 41.37                        |
| 29     | Andaman And Nicobar  | 45.11                      | 47.18   | 50.44                        |
| 30     | Dadra & Nagar Haveli | NR                         | NR      | NR                           |
| 31     | Daman & Diu          | NR                         | NR      | NR                           |
| 32     | Goa                  | 79.13                      | 75.30   | 74.88                        |
| 33     | Lakshadweep          | 29.55                      | 22.50   | 36.59                        |
| 34     | Puducherry           | 84.05                      | 85.65   | 86.29                        |
| 35     | Chandigarh           | NR                         | NR      | NR                           |
|        | Total                | 51.30                      | 52.80   | 54.86                        |

sex ratios (Census 2011) and participation of women. At the lower level, the situation is more complex with some of the states with low women's participation rates concurrently being states with lower women's literacy rates like Uttar Pradesh and skewed sex ratio's like in Haryana. These states show a coherent picture of the challenges that women face including participating in MGNREGA works.

It is seen that high women's participation rates in MGNREGS, women's literacy rates and sex ratios are concurrent in the high performing states, while this may not be so equivocal and linear in other states. A detailed analysis is beyond the scope of this document, yet clearly this brief attempt implies two things: one that some states may show a higher coherence on several gender empowerment related parameters and high women's participation in MGNREGA is certainly one of the important parameters in this assessment. In other states the complexities of negotiation and confrontation for gender empowerment may show differential effects.

### **Gender, MGNREGA, market wages and conditions on work sites**

Women are entitled to equal wages in MGNREGA and this is key to the project of gender empowerment. Wage parity in MGNREGA is its singular achievement. Currently, different states have wage rates ranging from Rs 150-205. Research conducted prior to 2012 addressed questions relating to wage parity and are analysed in Sameeksha I.<sup>1</sup>

Further, research questions on changes in rural labour markets and women are addressed by

some research studies.<sup>2</sup> In several states, wages for work with private employers and contractors are higher than wages under MGNREGA and this issue recurs particularly across several fast urbanizing blocks across the country. These fast urbanizing blocks present a situation where local men may prefer to work in these industrial and infrastructure projects, while local women work with MGNREGA. Is this so and why? Some research on intra-household decision making reveals a picture where men typically migrate or look for industrial and/or infrastructure labour work.

It is seen that high women's participation rates in MGNREGS, women's literacy rates and sex ratios are concurrent in the high performing states, while this may not be so equivocal and linear in other states

Pellissery and Jalan (2011)<sup>3</sup> show that 'men typically have a lump sum earning' in their heuristic, whereas MGNREGA work comes with 'small sums'. Therefore, women are preferred for MGNREGA work within households. Women also internalize this as their day to day functionality is constrained by small cash requirements and due to MGNREGA these day to day small cash requirements don't need them to negotiate and re-negotiate with male members in their households as well as in work/social spaces.

1 Mann, Neelakshi and Varad Pande (compiled by). Mihir Shah (ed.) (2012), *MGNREGA Sameeksha: An Anthology of Research Studies on the Mahatma Gandhi National Rural Employment Guarantee Act, 2005. 2006-2012*. New Delhi: Ministry of Rural Development, Government of India.

2 Coffey, D. (2013), 'Children's welfare and short-term migration from rural India', *Journal of Development Studies* 49 (8): 1101-117.

3 Pellissery, Sony and Sumit Kumar Jalan, *Towards transformative social protection: a gendered analysis of the Employment guarantee act of India (MGNREGA)*. Anand: Institute of Rural Management (IRMA).





This relates to a term coined by feminists and gender activists on the linkages between gender and poverty—‘feminization of poverty’. Feminization of poverty encapsulates several ideas, one of which is a (re)negotiation of a lower power relation so that women continue to be and remain poor(er). It then appears that women work in MGNREGA and settle down for a partial empowerment at best. This also appears to be the case for elderly men, who again are socially powerless and may again need small amounts of cash for their day to day needs. Clearly, this household decision of a man working for better wages while a woman works in MGNREGA being economically rational, can be looked at as a reinstatement

of patriarchal power relations, albeit quietly. As MGNREGA evolves, there is then a need to locate and re-locate its impact within the larger project of gender empowerment.

MGNREGA’s provisions acknowledge decent working conditions on the work site. However, research shows that provisions of decent work, especially for women and children needs to be implemented uniformly across states. In a study on women workers in Assam, Bhattacharya and Vaquoline (2013)<sup>4</sup> present a feminist conceptual framework on the idea of power. Since power implies agency, power in a feminist perspective implies ‘power to act’; this is in contrast to the power in hierarchies, where it implies ‘power over’ resources, people etc. Recent research has discussed how decent work conditions, especially childcare, continue to be a problem. In their research, the authors found women reporting better decision making yet the conditions on work sites continued to challenge women workers.

More importantly, research by Narayanan and Das (2014)<sup>5</sup> identified the difficulties experienced by vulnerable groups of women headed households, single women and elderly women. Vulnerable groups of poor women represent a double jeopardy and their needs and concerns are to be prioritized. Therefore, from a gender perspective, decent work implies the capacity to act freely and conducive conditions on work sites like provision for childcare, shade and medicines. These form a crucial link to women’s agency and their capacity to act.

Research by Bhattacharya and Vaquoline (2013), Pellissery and Jalan (2011) as well as that by Narayanan and Das (2014) emphasizes that the type of work, perceptions of male workers

4 Bhattacharya, R. and P. Vaquoline (2013), ‘A Mirage or a Rural Life Line? Analysing the impact of Mahatma Gandhi Rural Employment Guarantee Act on Women Beneficiaries of Assam’, *Space and Culture, India* 1:11.

5 Narayanan, Sudha and Upasak Das (2014), ‘Women Participation and Rationing in the Employment Guarantee Scheme’, *Economic and Political Weekly* XLIX (46).

about women and their work on site, gendered work loafing by men when women are present on the work site and the lack of adequate childcare facilities on work sites are the key issues that need to be addressed.

## Women, MGNREGA and distress migration

Several research studies as discussed in earlier chapters suggest that MGNREGA has been able to mitigate the impact of short-term distress migration.<sup>6</sup> Using both secondary data as well as primary research using a survey of households (n=2,275) in high out-migration districts in Rajasthan, Imbert and Papp (2014)<sup>7</sup> show that participation in MGNREGA significantly reduces short-term migration. The participants in the research spelled out higher migration costs that outweigh the lower wages of MGNREGA and the nearly twice higher

wages outside. Similar evidence is provided by Das (2014)<sup>8</sup>. Building on the argument by Imbert and Papp, Coffey (2013)<sup>9</sup> views migration from a gendered lens and argues that migration of women impacts the well-being of the children. Utilizing the same study area as Imbert and Papp, Coffey (2014) shows that women are more likely to engage in MGNREGA, decrease short-term distress migration of women thereby enhancing the well-being of their children. Clearly, working in MGNREGA and getting wages is layered through several sub-texts and the linkages between wages, migration and changing market realities due to urbanization are a future area of research with which stakeholders will need to engage.

To further locate the role of MGNREGA in the understanding of gender generally and with the lives of women within households a case study from Uttar Pradesh is presented below:

6 Short term migration is defined as migration for than one month but less than six months from the residence for the sake of work.

7 John, Papp and Imbert Clément (2014), *Short-term migration and India's Employment Guarantee Scheme*. Mumbai: Indira Gandhi Institute of Development Research.

8 Das, Upasak (2014), 'Can the Rural employment Guarantee Scheme reduce the short term migration: Evidence from West Bengal, India', paper presented at the International Seminar on MGNREGA at Indira Gandhi Institute of Development Research (IGIDR).

9 Coffey, D. (2013), 'Children's welfare and short-term migration from rural India', *Journal of Development Studies* 49 (8): 1101-117.

## CASE STUDY: UTTAR PRADESH Ensuring Dignity and Safety for Women

### Summary

Around 80 per cent of the population of Barabanki district in Uttar Pradesh is dependent on agriculture. A social sector scheme like MGNREGA, with its scale of funds and flexibility, provided a great opportunity to take up development works. Open defecation was serious problem in the district, both from the perspective of health as well security of rural women. The district developed a model design in collaboration with UNICEF for toilets. As a pilot, toilets were taken up in mission mode. Generating awareness and demand from the field through information, education

and communication (IEC) activities formed a big part of this exercise. The district also tried to initiate other convergence projects with the Agriculture Department and with the National Bank for Agriculture and Rural Development (NABARD).

### Barabanki

Open defecation is a serious problem in Barabanki district. While MGNREGA provides for convergence with the Nirmal Bharat Abhiyan (NBA) for the construction of toilets, the district administration believed it was important to ensure a good design



for toilets within the unit cost of Rs0,000 (as specified by the Ministry of Rural Development). For this, collaboration was initiated with UNICEF and a model cost structure and design for the toilet was finalized.

An intensive information campaign was undertaken in around 100 targeted villages. The campaign included rallies, nukkad nataks (street plays) and Nari Swabhiman Yatras (campaign on ensuring dignity of women). In addition to this, over 300 students went door to door in these villages distributing literature and educating villagers on the health and hygiene issues related to open defecation.

Since this was a pilot project, five Gram Panchayats (GPs) from each of the 15 blocks were selected. Toilet construction was taken up in mission mode over a two week period.

Another project to promote hygiene and sanitation in the district was also taken up in convergence with the Agriculture Department—50 compost units and 20 vermi-compost units for each GP were targeted. By concerted efforts 1,413 vermi-compost units and 5,640 compost units have been completed. This has also given a huge fillip to organic farming. Further, these compost pits also ensure that agricultural and animal waste get effectively utilized.

Apart from these initiatives the other convergence programmes that were undertaken are:

- The district has constructed 632 goat keeping shelters. A tie up for aiding the beneficiaries by financing goats through loans has been established with NABARD and local banks.
- More than 70,000 persondays were created through work on major demarcation and plantation of neem, kadam and seesam, wherein the plants were provided by the Forest Department.

Through these efforts the issue of sanitation, particularly with regard to women's dignity is being addressed. The compost and vermi-compost units have also addressed the issues of over-use of chemical fertilizers and consequently the degradation of soil. Women have also started earning by selling earthworms to other users.

The initiatives by the district show how MGNREGA can be used not only for generating employment but also for creating tangible assets, empowerment of women, placing emphasis on organic farming and dovetailing of banking schemes for livelihood activities for women; in other words, to bring about a change in the lives of the people.

**Source:** Smt Ministhy S, District Magistrate, Barabanki, Uttar Pradesh.





## CASE STUDY: ANDHRA PRADESH

### Mainstreaming The Marginalized

#### Summary

Like Madhya Pradesh and Tamil Nadu, Andhra Pradesh too has taken several steps to institutionalize convergence with MGNREGA. The state has also systematically planned strategies for convergence with different departments and issued detailed executive instructions to implement these at the field level. A saturation approach has been adopted. In other words, the lands of marginalized communities including SCs and STs are taken up on priority. An integrated development approach is followed wherein the lands are not only cleared and levelled but also made commercially viable through convergence with the Horticulture Department, National Bank for Agriculture and Rural Development (NABARD) and schemes of the Tribal Welfare Department. Horticulture plantations on individual lands of vulnerable sections have been initiated with an objective of enhancing rural livelihood security and generating sustainable sources of income. A 100 per cent subsidy for three years is given to the beneficiaries for crops including mangoes, sweet oranges, sapotas, acid lime, guavas, tamarind and custard apples. The cost of pitting, planting etc. is paid from MGNREGA funds. For drip/micro-irrigation, 30 per cent of the cost of installation is paid from MGNREGA funds and 70 per cent is provided in convergence with other schemes.

Ambedkar colony in Yerravaripalem mandal in Chittoor district and Thippayiguda, a small village in Rangareddy district are examples of convergence taken up with the Horticulture Department, NABARD and the Integrated Water Management Programme (IWMP). Ambedkar colony and Thippayiguda village both had several hectares of fallow land with thick jungles. The households in these areas did not have enough money for clearing the lands. However, the development of these lands was a frequent demand made by these households to the administration. MGNREGA proved to be a crucial and long awaited intervention. The fallow lands were cleared and levelled under MGNREGA. To ensure sustainable livelihoods, dry land horticulture and mango/teak saplings were

planted in the developed area. Assured irrigation sources were also provided in convergence under the Indira Jala Prabha programme with NABARD-RIDF-XVII funds.

#### Ambedkar Colony in Chittoor district

Most of households in Kuraparthivaripalle Gram Panchayat (GP) in Yerravaripalem mandal are dependent on agriculture and related works. Ambedkar colony is one habitation in this GP. In this colony, 34 of the poorest of the poor families were assigned 45 hectares by the Revenue Department. This area is locally known as 'Erragutta Block'. Development of the assigned land for creating an income generating asset for the poor beneficiaries was the main challenge.

The land assigned to the villagers was full of shrubs and boulders and thus could not be cultivated by them. This land had been left fallow for years.

Based on a demand by the villagers, project proposals for taking up various activities under fallow land development, that is, jungle/bush clearing, stone bunding, silt application and trench cutting were designed. Accordingly, works were executed by incurring an expenditure of Rs 1 lakh for jungle clearance, Rs 20,000 for stone and pebble bunding,



Rs 2.4 lakh for silt application, Rs1.2 lakh for boundary cum trench cutting works and Rs 34,000 for rock filling dam works.

After completion of the land development works, mango saplings were planted in the area. The saplings were procured from the Horticulture Department; around 33 mango saplings were raised per *hectare*. The developed lands were provided irrigation facilities like bore wells, under Indira Jala Prabha, a scheme developed for the convergence of MGNREGA-NABARD-RIDF-XVII funds. The beneficiaries formed bore well user groups for sharing the water. Submersible pump sets were also purchased and installed under NABARD-RIDF-XVII. Drip irrigation facilities amounting to Rs 11 lakh were also provided by the Andhra Pradesh Micro Irrigation Project.

In addition to this, IWMP projects were also sanctioned in the block to ensure irrigation for farms. IWMP field functionaries conducted capacity building activities and helped in the formation of watershed user groups of beneficiaries. The project staff identified locations for six farm ponds, four percolation tanks and 15 rock fill dams. Watershed user groups executed all these works.

The Erragutta Block has become a model block for the entire district. By dovetailing funds from MGNREGA, Indira Jala Prabha, the Integrated Watershed Management Programme (IWMP) and the AP Micro Irrigation Project, the entire extent of barren land of 45 hectares has turned into a well-developed mango orchard. Each of the beneficiaries got benefit of Rs 8,000 to Rs 10,000 from the first year's yield. Intercrops like ground nut, millets, watermelons and tomatoes have also been taken up. These provide an additional income of around Rs 10,000 to Rs 1,30,000 to each beneficiary. The project is proof that MGNREGA has been a boon for SC, ST and SMF families in the area. It has transformed the lives of the poorest of the poor by changing their status from agricultural labourers to proud owners of orchards.

### Thippayiguda in Rangareddy district

Thippayiguda is a small village in Rangareddy district where 12 of poorest families were assigned 0.4 hectares of land each in 1988. This land remained fallow since the families did not have adequate resources. The land was comprehensively developed under MGNREGA.

For the development of fallow land, various works like removal of thorny bushes, weeding out, removal of boulders, border trenches, land levelling and ponds were taken up. Following this, rain-fed crops were taken up in these lands. In 2009, all the 12 beneficiaries collectively took up a motor on lease at the rate Rs500 per month for irrigation.

The beneficiaries were sanctioned mango saplings in 2010 in convergence with NHM and MIP. The orchard was provided with a drip irrigation facility for ensuring water availability for the mango saplings planted. The beneficiaries made every effort and succeeded in ensuring a close to 100 per cent survival of the plants in their fields.

Without disturbing the regular agricultural crops and to provide supplementary incomes to the farmers, plantations on field bunds were initiated in 2010–11. Teak and red sanders species were primarily promoted. The seedlings are raised in convergence with the Forest Department, in forest nurseries and also in other nurseries. Maintenance costs are recovered by paying Rs 50 per year for every plant that survives for two years.

For generating assured incomes for the landless vulnerable sections, plantations in vacant government lands by way of usufruct rights on trees was also initiated in 2013–14 under Indiramma Pachha Toranam in convergence with the Revenue Department and the Society for Elimination of Rural Poverty (SERP), which identifies the beneficiaries of the programme. The identified beneficiaries are granted usufruct rights (*chettu-patta*) and 100 to 200 grafted horticulture plants are planted. Mangoes, coconut, sapotas, guavas, seethaphal, tamarind, jamun, jackfruit and cashew are promoted. The cost of plants, pitting, planting, fertilizers, fencing, watering charges and monthly maintenance charges are paid to the beneficiaries through MGNREGA and other schemes.

The beneficiaries of the fallow lands developed in Thippayiguda have started cultivating cucumbers, ridge gourd, beans, tomatoes, chillies, horse gram and kidney beans as mixed crops in the lands developed. Each of these 12 families is earning more than Rs10,000 per annum from the mixed crops. Apart from the income earned from mixed crops, the mango orchard too has started generating returns at the rate of around Rs 7,400 per *hectare*.



Overall, in Andhra Pradesh, plantations have been taken up in 2.8 lakh *hectares* in the last seven years of implementation benefitting around 3.6 lakh SC/ST/small and marginal farmers. The programme has positively impacted incomes from the mango harvest especially in districts like Chittoor and Anantapur where horticulture has been promoted on a large scale, 14.4 crore seedlings have been planted on the 4.5 lakh hectares field bunds belonging to 7.83 lakh beneficiaries. As the plantations that are promoted are teak and red sanders, income will be generated after 20 years. Usufruct tree rights have been issued to 31,482 beneficiaries who are landless. Linear plantations have been taken up in 7,491 km and block plantations have been taken up in 3545 *hectares* by planting 17.6 lakh plants.

The impact of the horticulture related programmes has generated a sense of pride and happiness in the lives of millions of beneficiaries who barely had anything to survive on earlier. MGNREGA has been successful in ensuring that the plantations provided are a sustainable income generating source as well as a green asset that helps in arresting soil degradation and in protecting the environment.

## Women and financial inclusion

Economic empowerment and financial inclusion are crucial for gender empowerment and equality. MGNREGA has ensured that women are included in formal banking systems. Provisional data in the MGNREGA MIS also show that women have access to accounts in individual names as well as in joint names. More research needs to be done to explore the linkages between access to a formal financial system and access to formal credit, the preference for formal or informal credit by women and the initiating circumstances as well as changes in decision making by women in the households. For example, whether women are able to utilize banking systems/micro ATMs/passbooks or these tasks are done by men in the households. Table 7.2 gives the number of women beneficiary accounts from administrative records.

Women beneficiary accounts under MGNREGA are crucial and mean that women's access to a formal financial system might act as an enabler in any pro-women, pro-poor initiative. Self-





**TABLE 7.2: WOMEN WORKERS' ACCOUNT FOR FY 2014-15**

Women Worker Accounts (data as on 5 May 2015)

| S. No. | State                | No. of Beneficiary Workers with Accounts | No. of Women Beneficiary Workers with Accounts | % of Women Beneficiary Workers with Accounts |
|--------|----------------------|--|--|--|
| 1      | Andhra Pradesh       | 8,082,172                                | 4,102,454                                      | 50.76  |
| 2      | Arunachal Pradesh    | 84,119                                   | 27,128   | 32.25  |
| 3      | Assam                | 3,439,413                                | 1,094,553                                      | 31.82  |
| 4      | Bihar                | 5,427,926                                | 1,986,870                                      | 36.60  |
| 5      | Chhattisgarh         | 7,074,240                                | 3,337,656                                      | 47.18  |
| 7      | Gujarat              | 3,917,929                                | 1,845,313                                      | 47.10  |
| 8      | Haryana              | 1,002,084                                | 410,819  | 41.00  |
| 9      | Himachal Pradesh     | 1,013,446                                | 535,929  | 52.88  |
| 10     | Jammu And Kashmir    | 1,291,245                                | 337,342  | 26.13  |
| 11     | Jharkhand            | 3,721,450                                | 1,413,271                                      | 37.98  |
| 12     | Karnataka            | 11,471,580                               | 5,366,556                                      | 46.78  |
| 13     | Kerala               | 2,500,748                                | 1,983,906                                      | 79.33  |
| 14     | Madhya Pradesh       | 11,928,104                               | 5,421,164                                      | 45.45  |
| 15     | Maharashtra          | 5,165,562                                | 2,188,970                                      | 42.38  |
| 16     | Manipur              | 304,150                                  | 157,311  | 51.72  |
| 17     | Meghalaya            | 153,456                                  | 91,486   | 59.62  |
| 18     | Mizoram              | 359,709                                  | 170,235  | 47.33  |
| 19     | Nagaland             | 207                                      | 92   | 44.44  |
| 20     | Odisha               | 6,769,475                                | 2,848,891                                      | 42.08  |
| 21     | Punjab               | 1,088,461                                | 488,314  | 44.86  |
| 22     | Rajasthan            | 11,120,501                               | 6,109,465                                      | 54.94  |
| 23     | Sikkim               | 105,192                                  | 49,183   | 46.76  |
| 24     | Tamil Nadu           | 8,188,255                                | 6,226,540                                      | 76.04  |
| 25     | Telangana            | 2,780,320                                | 1,490,366                                      | 53.60  |
| 26     | Tripura              | 1,306,889                                | 604,985  | 46.29  |
| 27     | Uttar Pradesh        | 12,306,176                               | 2,966,655                                      | 24.11  |
| 28     | Uttarakhand          | 957,478                                  | 457,814  | 47.81  |
| 29     | West Bengal          | 14,310,438                               | 5,378,546                                      | 37.58  |
| 30     | Andaman And Nicobar  | 13,033                                   | 6,725  | 51.60  |
| 31     | Dadra & Nagar Haveli | 2,190                                    | 1,884  | 86.03  |
| 32     | Daman & Diu          | 0  | 0  | #DIV/0!                                      |
| 6      | Goa                  | 19,198                                   | 13,259   | 69.06  |
| 34     | Lakshadweep          | 7,736                                    | 2,541  | 32.85  |
| 35     | Puducherry           | 76,783                                   | 54,796   | 71.36  |
| 33     | Chandigarh           | 107                                      | 35   | 32.71  |
|        | Total                | 125,989,772                              | 57,171,054                                     | 45.38  |

Source: [www.mgnrega.nic.in](http://www.mgnrega.nic.in).

help groups in the southern states have taken leadership positions, starting from economic empowerment to leadership in larger social and political domains. In general, positive results are also substantiated through research done in the most vulnerable blocks in West Bengal,<sup>10</sup> where women again report the satisfaction of being able to spend on their expenses including for their as well as their children's health. This research also points out that women are not part of the planning and social audit process as a key gap.

As mentioned earlier, empowerment is understood as 'power to act' as opposed to 'power over' (in hierarchy) the question for future research then is: Does having accounts in their individual capacity lead to changes in women's access to finance and change their decision making as well as consumption patterns? Research presented here reveals that even as economic constraints lead women to demand work under MGNREGA and working in MGNREGA eases some of these constraints, several issues relating to their decision making power persist. Notwithstanding these, however, the fact that women workers get their wages transferred directly to their individual/joint accounts in a positive indicator for women's empowerment.

### Individual and community assets created

Lack of participation by women in the planning process has been cited by research<sup>11</sup> as one of the key gaps in MGNREGA's planning and the list of works for the labour budget. In a gendered analysis of worker participation in Andhra Pradesh, Pellissery and Jalan (2011) carried out

10 Soumyendra, Kishore Datta and Krishna Singh. *Poor, Women's Job Participation in and Efficiency of NREGA Program—Case Study of a District in India*. Burdwan University.

11 Narayanan, Sudha and Upasak Das (2014), 'Women Participation and Rationing in the Employment Guarantee Scheme', *Economic and Political Weekly* XLIX (46).



primary fieldwork in 13 work sites in the state and found that lack of participation in the planning process led to a perception of women as mere 'labouring hands' on work sites. The research reports that even as legal provisions exist and MGNREGA is pro-empowerment in its design, the struggle for gender empowerment continues. However, importantly there were several positive reports by women, especially single women who if not for MGNREGA, would have had to bargain for wages with employers (which presents a possibility of sexual exploitation, a fact noted by the researchers). Further, the research cites testimonies of women workers that even though the work was hard, they were satisfied that they were able to use the wages for children's needs. Clearly, the qualitative testimonies suggest that the needs of women workers, especially in women headed households within the rural contexts were being addressed, at least in a partial sense by the implementation of MGNREGA.

Very few research studies have been done the role of women in the planning of works either through the Gram Sabha or as Panchayats, even as anecdotal records intuit that women



Panchayat presidents may plan works and the shelf of works differently. Research suggests that women and men value work differently; with some research reporting that men value works related to enhancing agricultural production while women value works relating to repairs of anganwadi buildings and healthcare. Beyond this stereotypical presentation, the direct and perceived utility of certain works may be more for women than for men.

In recent years, there has been an increased focus on sanitation programmes and the Government of India has taken up the mission for an open defecation free India. Open defecation relates to health and hygiene in human development but more importantly relates to dignity of all men and women. Apart from health and sanitation issues, recent incidents have also brought out the issue of women's security and open defecation. In this context, it is notable that individual household toilet units have been a priority for work under MGNREGA under 'individual assets'. Whereas, the construction of IHHLs was under

convergence with NBA earlier, currently this can also be done fully under MGNREGA.

Further, as can be seen in Table 7.3 there are inter-state variations with several states like Karnataka, Andhra Pradesh, Madhya Pradesh and Tamil Nadu making concerted efforts to construct IHHLs under MGNREGA, while several states still lag behind in this. Sanitation, nutrition and stunting concerns and security of women are important issues and MGNREGA individual assets. IHHL data show that MGNREGA potentially contributes towards these important human development concerns wherever they have been taken on as state policies or as individual initiatives.

### **Role of self-help groups in MGNREGA**

The self-help group movement has been a key initiator for the participation of women in MGNREGA in the southern states. Self-help groups are extremely active in several southern states and more nuanced research needs to be



**TABLE 7.3: IHHL WORKS TAKEN UP BETWEEN 2012–13 AND 2014–15**

| S. No. | Year    | No. of Works      |                          |          |           | No. of Units |                          |           |           |
|--------|---------|-------------------|--------------------------|----------|-----------|--------------|--------------------------|-----------|-----------|
|        |         | Total (All India) | Approved But Not Started | On-going | Completed | Total        | Approved But Not Started | On-going  | Completed |
| 1      | 2       | 3=4+5+6           | 4                        | 5        | 6         | 7=8+9+10     | 8                        | 9         | 10        |
| 2      | 2015–16 | 128,334           | 51,397                   | 40,935   | 36,002    | 130,370.5    | 53,106                   | 41,262    | 36,002    |
| 3      | 2014–15 | 1,445,351         | 226,100                  | 867,654  | 351,597   | 2,160,321    | 292,171                  | 1,313,599 | 554,551   |
| 4      | 2013–14 | 1,919,895         | 278,499                  | 732,972  | 908,424   | 3,299,649    | 357,471                  | 1,080,025 | 1,862,155 |
| 5      | 2012–13 | 1,394,432         | 495,022                  | 285,318  | 614,092   | 1,598,968    | 496,864                  | 431,820   | 670,284   |

Source: MGNREGA website ([www.mgnrega.nic.in](http://www.mgnrega.nic.in)).

conducted on them and their linkage with higher MGNREGA participation, the formation process and their impact as a trigger for larger gender/political empowerment.

Research conducted before 2012 and documented in MGNREGA Sameeksha I shows a clear role of women SHGs like Kutumbashree in Kerala as well as the role of self-help groups from Tamil Nadu, Andhra Pradesh and Telangana which drive higher women's participation in MGNREGA as well as other aspects of economic life. Since this has been clearly established through research, further discussion is not taken up in this section.

Overall, MGNREGA has certainly upset the status-quo in explicit and implicit hierarchies that exist within rural contexts. However, patriarchy is a dynamic system and data need to be viewed cautiously to question whether there is a quiet re-instatement of status-quo in several states, especially those which show extremely high women participation rates and have lower indicators on other parameters like women's literacy rates and skewed sex ratios. The states which show lower participation rates clearly need to study the reasons and address them. Notwithstanding the pro-gender provisions of MGNREGA, it needs to be re-emphasized that even as the legislation marks pro-gender empowerment and an equality approach of the state and the administration, gender

socialization is automatic and deep rooted in social and cultural life worlds. The complexities of the impact of such a legislation on what is meant by substantive women's participation is not yet adequately addressed. Clearly, there is a need for researchers to go beyond the obvious and manifest changes and look at the subtle complexities and challenges that women continue to face like gendered work loading on MGNREGA work sites, difficulties faced by women headed households and the relevance of particular works for women.



## Summary and conclusions

Research<sup>12,13,14,15</sup> points to several recommendations in the implementation of MGNREGA, including:

- Lack of women's participation in the planning process is a significant issue. This relates not just to the relevance and ownership of completing works and the selection of works but also to accurate capture of demand and the utilization of the scheme by women who need it the most.
- The type of works taken up may not be amenable to the works that women can do. Women also need decent work facilities including facilities for children.
- Substantive participation of women in Gram Sabhas needs to be assessed so that their contribution to decision making is mapped.
- The participation of women in social audit Gram Sabhas over the years can reveal certain insights on women's empowerment.

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Chapter Eight

## **Accountability, Governance and People's Participation**



## Introduction

Social accountability is defined as, ‘The obligation of the power holders to take responsibility for their actions. It describes the rights and the responsibilities that exist between the people and the institutions that have an impact on their life, in particular the duties of the state and the entitlements of the citizens’ (UNDP 2013).<sup>1</sup> Note that this definition indicates social, legal and ethical imperatives within the concept of accountability. Additionally, other definitions of social accountability also include and emphasize citizen action or being ‘citizen led’<sup>2</sup> in demanding accountability.

As mentioned in the chapter on entitlements, justice is at the core of social policy frameworks. With specific reference to MGNREGA, social inclusion is part of its design and relates to the idea of distributive justice. This means that

1 See UNDP (2013), *Reflections on Social Accountability: Catalysing Democratic Governance to accelerate progress towards the Millenium Development Goals*. Oslo, Norway: UNDP.

2 This context of the perceived failure of the state to be transparent and deliver justice may link the role of civil society organizations in mobilizing the most vulnerable and marginalized to demand explicit accountability towards the strengthening of democracy and forms the base for growth of civil society organizations and social activism from the 1970s onwards. The right to information (RTI) mobilization started by a grassroots organization, the Mazdoor Kisan Shakti Sangathan (MKSS), forms one significant milestone in this journey. It appears that having had difficult access to decision making in distributive justice (allocation of resources) and in the formal legal systems which theoretically should address retributive and restorative justice, the civil society activism of MKSS focused on the procedural aspects of justice as an entry point to bring to voice vast and grave instances of injustice that the most poor and marginalized in Rajasthan suffered from. The most poor, marginalized and excluded citizens of the country used the ‘paper’ which they could demand and see, feel and store with them as an artefact—an objectified contract between them and the state to then reclaim their rights as citizens. Using the ‘paper’ the poor could then fight for just allocation of resources, bring instances of fraud and misappropriation and demand retribution and restoration. In making the paper visible, the locus of control for the poor increased, even if it was for ‘petty’ instances of malpractices. In this manner, the ‘right to information’ discourse has reframed and democratized the ‘social contract’ between the state and its citizens.

the least advantaged members of society are affirmatively included as policy. MGNREGA’s design through its self-selecting demand driven features proactively seeks to engage with the poor and vulnerable communities, women headed households and the disabled. Research evidence on this aspect of justice is understood in terms of targeting and unmet demand and has been addressed in the chapter on entitlements.

MGNREGA is a landmark legislation where distributive justice is conceptualized in its design. For social justice governance, policy instruments and their delivery mechanisms need to include the mechanisms of delivery of justice as well. This means that for justice to translate into implementation, it requires accountability at all levels of implementation covering all aspects of procedural, retributive and restorative justice.

This is proposed to be fulfilled through measures such as proactive disclosures through the MIS, the institution of an ombudsman, a grievance redress mechanism and the mechanism of social audits within MGNREGA. MGNREGA’s implementation challenges in these aspects represent the continuing way forward towards greater accountability and thereby social justice.

Over the years, MGNREGA’s implementation has consistently shown responsiveness to addressing issues and concerns raised by stakeholders through an iterative process. Initiatives for transparency in transfer of payments through banks and post offices, campaigns like the Kaam Maango Abhiyan and bringing in greater participation through the Intensive Participatory Planning Exercise (IPPE) are some illustrations of this.

In an overview of the research studies pertaining to this area it emerges that there is surprisingly sparse research on the accountability and transparency aspects of MGNREGA’s implementation. This itself is a cause for



reflection: Why is it that researchers have not focused on the challenges of accountability within MGNREGA, whereas the administration, especially in the states of Andhra Pradesh and Telangana have been proactively collaborating with civil society to institutionalize the mechanisms of accountability. Perhaps, for stakeholders, other civil society organizations and activists, it is a challenge to problematize and articulate the gaps in accountability in a coherent framework. To address this possible concern, some conceptual explanations are woven into this chapter.

In this chapter, the Rawlsian framework of social justice as a 'social contract'<sup>3</sup> is used to discuss social accountability under MGNREGA.<sup>4</sup> It is

3 In current time, a significant theory of justice was proposed by Rawls (*The Theory of Justice* 1971 and thereafter), where he utilized the concept of 'social contract' to understand justice, and distributive justice in particular. Nussbaum (2003) proposed to expand Rawls' procedural contractarian framework by identifying its limitations (as three frontiers) and proposed the notion of capability to go beyond the contractarian Rawlsian framework in understanding social justice.

4 Distributive justice research has focused on allocation rules. Allocation rules are determined by epistemological beliefs, which Lerner and Lerner (1981) called 'just

meaningful to use the Rawlsian framework of social contract in understanding social justice as the term 'contract' denotes a dialogue and a negotiation of positions thereby also indicating to the iterative aspect of governance and policy frameworks as well as changes in sociality over time and contexts. Note that 'contract' is a philosophical, abstract idea and construct, used here for a better understanding of the relationship between the people and the state and not a manifest piece of paper.

The chapter follows the following pattern. It first has a brief discussion on local governance and presents the process challenges. Here the transparency initiatives in MGNREGA's implementation are highlighted. This is followed by a brief review of the research on accountability and social audits. Finally, it summarizes the issues and way forward.

world beliefs'. For example, whereas certain ideological positions argue for merit as an allocation rule for beneficiaries, in the context of developing countries, need, equality (Lerner and Lerner 1981) and affirmation of marginality in response to the normative blinding of it continue to be important allocation rules for policymakers and the administration.



## MGNREGA – Governance and process challenges

Transparency leading to accountability of the government towards its citizens is a fundamental component of social accountability, thereby making this an intrinsic part of the development process. MGNREGA's implementation is a pioneer in unprecedented transparency where all records are available electronically and in the public domain for public scrutiny. Transparency in the administrative MIS helps all citizens to access any and all aspects of implementation and thereby record grievances, lodge complaints and assess the performance of the scheme. Transparency in the MIS therefore forms the base of what both the critics and the advocates of MGNREGA say. It is assumed that this transparency leads to accountability. Accountability and governance/administration are closely linked and are emphasized in the case of MGNREGA.

As discussed earlier, governance issues can be understood at the macro, meso and micro levels.

At the macro level, the governance and policy direction at the state level is a variation that determines performance on several parameters. Several of these challenges have been discussed in earlier chapters. At the meso level, the layers of official hierarchy and its capacity are crucial for understanding governance and its linkage with MGNREGA's implementation. As discussed earlier, those states which are poor and would greatly benefit from the rigorous implementation of MGNREGA are also states which appear to have challenges in identifying accurate demand and ensuring participation of vulnerable and marginalized groups including women. Discussions on capacity can sometimes lead to a 'capacity trap' where because the laggard states have poor capacity, they are less able to absorb changes and increase their capacity over time.

Keeping this caveat in mind, research shows that the capacity of MGNREGA officials continues to be a major challenge. Taking a close look at its functioning in three development blocks in Maharashtra in the last three financial years, a study by **Narayanan and Lokhande (2013)**<sup>5</sup> emphasizes that there is a serious lack of capacities in the agencies tasked with actualizing the scheme. As a recommendation, the authors suggest a partnership between local non-governmental organizations and educational institutions for capacity building and strengthening local governance at the Panchayat level and among MGNREGA functionaries.

The political economy at the state, district and local political levels is critical in its linkage with issues of governance, especially with reference to leakages and corruption in implementation at the local level. Shankar and Gaiha (2013),<sup>6</sup> identify several formal and informal

5 Narayanan, N. C. and Nitin Lokhande (2013), 'Designed to Falter: MGNREGA Implementation in Maharashtra', *Economic and Political Weekly* XLVIII: 26-27.

6 Shankar, Shylashri and Raghav Gaiha (2013), *Battling Corruption: Has NREGA Reached India's Rural Poor?* New Delhi: Oxford University Press.



mechanisms that address the issue of leakages and poor service delivery. These include political representation of vulnerable groups, enabling access to poor through PRIs and social audits (formal mechanisms) and access to information and networks of poor and local political competition (informal mechanisms). The authors use qualitative and quantitative analyses to measure the effectiveness of formal and informal mechanisms—political decentralization, community social audits, access to information, membership in networks, political competition—in reducing corrupt practices and enhancing poor people's welfare thereby enabling MGNREGA to reach its intended beneficiaries in Andhra Pradesh, Tamil Nadu, Madhya Pradesh and Rajasthan. It appears that a combination of these formal and informal mechanisms in a context specific manner is able to combat corruption and leakages in MGNREGA's implementation.

**Chopra (2014),<sup>7</sup>** as referenced in the chapter on works, demand and the local political economy presents a powerful critique of implementation gaps. The author offers a cogent analysis of the situation on the ground because of the methods used in the study.

## An overview

A review of these studies reveals that just as the powerless are socialized into silence, the powerful are socialized into opacity and a struggle for accountability is therefore a struggle to engage with both the powerless and powerful. It is here at the micro-level of governance that the capacity of PRIs is crucial. PRIs must not only understand the procedural, financial and other aspects of local governance but they also need to understand the emancipatory aspects of democratic functioning. The role of women

PRIs and their substantive capacity to decide and implement MGNREGA is a key link that researchers may need to study.

Social accountability within MGNREGA, structured through laws, systems, processes and institutions that are described in this chapter, enable citizens and society to examine the impact that programme decisions and its manner of implementation has had on their lives. Social accountability rests on asserting people's right to know the 'how' and 'why' of decisions taken in the implementation of the programme.

Shah (2009) in Sameeksha I, identified 'capacity' of MGNREGA functionaries as a key governance challenge. Capacity refers to fair and responsible decision making and responsiveness in administration. Therefore, at the core, **capacity translates into accountability in governance and this indicates a way forward for the scheme.**

## Transparency – MIS and the use of technology for payments

Since its implementation and phase-wise roll-out, MGNREGA's implementation has been a pioneer in several aspects of transparency. It is the only government act and scheme that has initiated complete disclosure of all the data in the public domain on such a scale and in such detail. All the state, district, block and Gram Panchayat levels data are further drilled down to job card numbers of the beneficiaries. Data regarding person-days by gender or group status are also available. All the works data—completed or abandoned—are available on the MGNREGA website. All expense details and their disaggregation by type of work or wage/material as well as all interventions and advisories given by MoRD are available on the MGNREGA website. Data are captured in real time and get updated continuously. It is clear that the best technology related handholding

<sup>7</sup> Chopra, Deepta (2014), 'They don't want to work' versus 'They don't want to provide work': Seeking explanations for the decline of MGNREGA in Rajasthan. Manchester, UK: Effective States and Inclusive Development Research Centre (ESID).



and strong administrative commitment for transparency forms the background of this achievement. As mentioned earlier, it is assumed that increased transparency ensures greater pressure to perform on service delivery, where citizens use data to hold the administration to account. All complaints need to be addressed within seven days.

The huge data available on the website provide a space for secondary data research and generating macro-level evidence and analyses. Research evidence shows that access to information is an important marker for empowerment of the beneficiaries. **Gaiha, Jha and Shankar (2011)**<sup>8</sup> assessed the relationship between possessing information on, gaining access to and the efficacy of delivery of MGNREGA in the

8 Gaiha, Raghav, Raghendra Jha, and Shylashri Shankar (2011), "Information, Access and Targeting to the National Rural Employment Guarantee Scheme in India", *Oxford Development Studies*, 39(1). - See more at: [http://www.ideasforindia.in/Article.aspx?article\\_id=1#sthash.k3ALQusX.dpuf](http://www.ideasforindia.in/Article.aspx?article_id=1#sthash.k3ALQusX.dpuf)

three states of Rajasthan, Andhra Pradesh and Maharashtra. The results suggest that the link between information, access and the delivery of the scheme is not straightforward. It was seen that information increased the propensity of the programme to be accessed by those who were not its primary target population and it was able to enhance the efficacy of delivery to such beneficiaries. Lack of information on the other hand was seen to decrease the ability of citizens, especially the acute poor, to benefit from the scheme. It appears that higher information primed the beneficiaries to access the scheme.

Similar evidence pointing to the efficiency of smart cards in transferring benefits and entitlements to workers was found in a study by **Karthik Muralidharan and colleagues (2014)**.<sup>9</sup> This paper attempted to study the

9 Muralidharan, Karthik, Paul Niehaus and Sandeep Sukhtankar (2014), *Payments Infrastructure and the Performance of the Public Programs: Evidence from*



impact of the MGNREGA payment system in Andhra Pradesh that features Electronic Benefit Transfers into the bank accounts of beneficiaries of MGNREGA combined with biometric authentication for withdrawals using 'smartcards'. Using data from a randomized experiment of this intervention across eight districts in the state, the authors give evidence that significant gains are being received by the beneficiaries from this new system.

Similarly, **Banerjee, Duflo, Imbert, Matthew and Pande** (2014)<sup>10</sup> reported on a field experiment in Bihar which evaluated an e-governance reform of the fund flow system in the state. The administrative reforms analysed in this study changed the traditional fund flow practice by conditioning fund disbursement on wage payment on incurred expenditure as entered in a worker's detail entry. By changing the informational requirements for requesting and disbursing programme funds, it reduced the layers of processes associated with wage disbursement. The results showed that programme expenditure and 'reported' employment reduced by 25 per cent even as there was no change in actual employment. The authors discretise service delivery and leakage of public funds and conclude that e-governance may arrest leakages, whereas improving public delivery may be an overlapping yet different domain.

## Social accountability and social audits

A social audit is an audit that is conducted jointly by the government and the people, especially those who are the intended beneficiaries of the scheme or programme being audited. In simpler words, a social audit



is a verification of the implementation of a programme or a scheme and its benefits to the stakeholders. This verification happens with the help and participation of the community as official records and the actual ground reality are compared. A social audit culminates in reading the findings of the cross-verification exercise on a public platform. In this public hearing, action is taken on the complaints raised and found valid. Thus, the social audit process goes beyond the auditing of accounts of the scheme/programme.

**Aakella and Kidambi (2007)<sup>11</sup>** have described the process of social audits conducted in Andhra Pradesh where for the first time an institutional mechanism was created that was spaced at an optimum distance from the government (the implementing agency).

*Biometric smart cards in India. 'MGNREGA-Taking stock and Looking Ahead', Proceedings of an international conference on MGNREGA. Mumbai: IGIDR.*

<sup>10</sup> Banerjee, Abhijeet, et al. (2014), *Can e-governance reduce capture of public programs? Experimental Evidence From a Financial Reform of India's employment Guarantee.*

<sup>11</sup> Aakella, Karuna Vakati and Soumya Kidambi (2007), 'Social Audits in Andhra Pradesh: A Process in Evolution', *Economic and Political Weekly* XLII (47).



**TABLE 8.1: ANDHRA PRADESH SOCIAL AUDIT DEVIATION (AS ON 31 MARCH 2015)**

|    |  |                 |
|----|--|-----------------|
| 1  | Total deviation amount found by the social audit team          | Rs 624.14 crore |
| 2  | Total amount covered by financial deviation(for updated Paras) | Rs 122.73 crore |
| 3  | Amount determined as misappropriated                           | Rs 54.41 crore  |
| 4  | Amount to be finalized   | Rs 48.36 crore  |
| 5  | Amount recovered   | Rs 19.54 crore  |
| 6  | Balance to be recovered  | Rs 34.86 crore  |
| 7  | No. of employees suspended                                     | 548             |
| 8  | No. of employees removed                                       | 5,114           |
| 9  | Punishment imposed   | 22,472          |
| 10 | No. of FIRs lodged   | 68              |
| 11 | Total number of social audits                                  | 4,507           |

**Aiyer and Samji (2009)**<sup>12</sup> in a World Bank study reported that social audits were significant in creating awareness about entitlements over two data touch points post the social audit being conducted. In a sample of about 700 workers surveyed and about 42 KIIs, the results indicated that the perception about the usefulness of grievance redress increased and the social audit resulted in a moderate streamlining of the implementation process. **Aiyer and Samji (2009)** reported that on the three parameters of awareness of rights and entitlements, grievance redress and improvement in local level implementation, social audits were able to impact as an accountability mechanism. However, the study was a snapshot perception study of workers and the authors rightly acknowledged that it was not a complete evaluation of the social audit.

To address the issue of long-term change, **Afridi and Iversen (2013)**<sup>13</sup> constructed a

panel dataset using the Andhra Pradesh social audit report data and concluded that while social audits over the years had moderate impact on detecting irregularities, the conduct of social audits did not seem to have had a significant impact on deterrence. They also quantified the impact of social audit in terms of the number of complaints and the action taken in terms of recoveries and/or punishments. While the dependent variables selected make sense in a context free, mathematical world, the rationale as well as the impact of the social audit cannot be reduced to the number of complaints and the action taken. Clearly, the study is constrained by the assumptions it chose. While it is true, as the authors report, unless action is not taken, justice is denied, the larger socialization process that marginalizes and silences persons into accepting injustice as 'fate' must be understood beyond statistical significance. As an illustration Table 8.1 shows the performance of the social audit till date in Andhra Pradesh.

Further, resistance to accountability and its fear/distrust/cynicism (even among the marginalized themselves) cannot be underestimated. Research on resistance to accountability at individual, group and systemic levels may run deeper than articulated social costs among those who hold power and

<sup>12</sup> Aiyer, Yamini and Salimah Samji (2009), *Transparency and Accountability in NREGA: A Case Study of Andhra Pradesh*. New Delhi: Accountability Initiative, Centre for Policy Research.

<sup>13</sup> Afridi, Farzana and Vegard Iversen (2014), 'Social Audits and MGNREGA Delivery: Lessons from Andhra Pradesh', paper presented at 'MGNREGA-Taking stock and Looking Ahead, Proceedings of the International Conference on MGNREGA.' Mumbai: Indira Gandhi Institute for Development Research (IGIDR), 26-28 March.



where power fundamentally defines identity and self.

In summary, more and better nuanced research needs to be done to understand social power within a broader framework so as to specifically understand the role of social audits in raising a voice and an empowered consciousness within MGNREGA. Second, research needs to utilize mixed methods while expanding the scope of research questions over longer periods of time and third, results need to be interpreted with care and not with a sense of dismissal of the process of social audit. However, notwithstanding the academic issues encountered in measuring and assessing accountability and showing evidence of impact/or not, social activism and citizen action for accountability continues on the ground.

Further, the Andhra Pradesh model has been viewed as human resource intensive; perhaps, that was the intent of the MKSS approach—to raise awareness and build the capacity of

the social audit teams. The presence of active civil society organizations in different states working on the issues surrounding livelihoods, land and agriculture and having the capacity and vision to take this implementation forward also appears to be a crucial linkage, missing or otherwise, in strengthening social accountability in MGNREGA.

## Summary and conclusions

Several points need to be noted as a conclusion. Firstly, the interventions consistently made by MoRD on creating and operationalizing transparency mechanisms for ensuring accountability may be acknowledged. In addition to a dynamic, highly detailed and a completely transparent MIS, MGNREGA mandates that all complaints need to be responded to in seven days. This creates a possibility of unprecedented accountability under MGNREGA, which is/can be used by activists and citizens to foster an informed debate.

Secondly, an attempt to cohere and consistently iterate a strong social justice framework is seen in the design and more importantly in the implementation of MGNREGA. The immense challenges experienced in ensuring greater accountability are to be seen in this context. While this requires administrative commitment and a strong civil society, it also demands an aware citizenship and a sensitive scholarship from those who do not directly benefit from MGNREGA as MGNREGA workers.

Thirdly, within this broad scope more research is invited on social audits and deeper issues of social power. Bi-directional socialization, where the powerless are socialized into silence and the powerful into intransigence, invites research attention when a mechanism such as accountability in MGNREGA has presumably triggered a change.

Finally, it is noted that MGNREGA sets high standards for transparency. In its transparency initiatives, it preceded all the attempts by other schemes in India by utilizing the power of technology in the direct transfer of payments through post offices and bank accounts. Through this process, a proportion of the most marginalized populations have been able to access formal systems. Regardless of the gaps in access to and use of technology, clearly technology is one of the ways forward in better implementation of MGNREGA.

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## Chapter Nine

# **Overall Summary and the Way Forward**

## New Initiatives

### 1. Need for Aadhaar-enabled Direct Benefits Transfer

MGNREGS is one of the government's largest social welfare schemes. However, with a large network of intermediaries required to deliver wage payments to the widely dispersed beneficiaries, a high proportion of the benefits get diverted on the way. This results in higher costs for the government in delivering benefits and the intended beneficiaries not receiving the full extent of the benefits.

Areas of inefficiencies/leakages in wage payments include:

- **Presence of ghost/duplicate beneficiary records:** In the absence of a strong mechanism to establish the identity of a beneficiary, there are instances of non-existent persons getting enrolled as beneficiaries or even the same person getting registered multiple times at different places.
- **Inefficient processes leading to under/non-delivery of benefits:** The presence of multiple layers of intermediaries and complicated processes of benefit payments lead to delayed or no delivery of wage payments.
- **Lack of last mile banking infrastructure:** Even in cases where payments are made to bank accounts or post office accounts, the last mile disbursement of money remains an area of concern due to poor banking infrastructure at the village level.

Aadhaar provides a unique solution to address each of these challenges. For instance, Aadhaar's seeding in NREGASoft will help in de-duplication of this database and elimination of any fake beneficiary records. At the same time, Aadhaar underpins two useful payment platforms—the Aadhaar Payment Bridge System (APBS) and the Aadhaar Enabled Payment System (AEPS)—

to make electronic payments directly to bank accounts of beneficiaries and allow beneficiaries to withdraw money at the village level (using an Aadhaar-enabled micro-ATM) respectively. The ministry has therefore decided to implement Aadhaar-based payment of NREGS wages for all its beneficiaries on a mission-mode basis.

### 2. Pilot implementation of Aadhaar-based wage payments in Himachal Pradesh

In order to effectively manage the roll-out of such a programme and at the same time leverage learnings from a pilot before a national roll-out, the Ministry of Rural Development decided to pilot Aadhaar-based wage payments in Himachal Pradesh. Himachal Pradesh was selected as the pilot state because of high overall Aadhaar penetration and a high Aadhaar seeding percentage (>70%) in NREGASoft. The Ministry undertook the following activities through the state RD to ensure readiness of workers to receive payments through APBS:

- **Aadhaar seeding in NREGASoft:** Districts in the state were advised to undertake seeding on a campaign approach through field functionaries/GRS. Periodic videoconferences with DPCs helped in further enhancing seeding percentages in the state.
- **Manual Aadhaar verification:** MoRD implemented a central verification exercise through the National Securities Depository Limited (NSDL) (an authentication user agency-authentication service agency appointed by UIDAI) and the Planning Commission to verify the Aadhaar data collected by field workers. For all such cases that failed this demographic verification process, MoRD provided a list in PO login for manual verification. Regular communication between MoRD, the state RD and DPCs

ensured that POs undertook the manual verification on priority.

- **Account freezing drive:** Another requirement to make payments through APBS is that a beneficiary's bank account should be frozen. Since a large percentage of accounts in Himachal Pradesh were unfrozen, the ministry also pushed for a priority account freezing drive through the POs.

Additionally the **following activities were undertaken at the central level** in coordination with the NIC team at the ministry:

- **Aadhaar demographic verification:** MoRD has established a connection with NSDL for daily sharing of seeded Aadhaar numbers towards demographic authentication of these records. Only those records that pass this check are considered for APB payments.
- **Bank account seeding:** Records that passed the Aadhaar demographic verification were regularly shared with banks for seeding in their respective core banking systems (CBS) and in the mapper hosted by the National Payments Corporation of India (NPCI). Additionally, MoRD also shared bank seeding files with the state RD to ensure more effective ground level coordination with banks.
- **Checking mapping status in the NPCI mapper:** MoRD has the direct corporate access (DCA) facility offered by NPCI to ministries and departments to check Aadhaar mapping status in the NPCI mapper. Since a large number of APBS transactions fail because the Aadhaar number is not present in the mapper (though it may be present in the department database and even the bank CBS), this is a useful facility which is helping the ministry in reducing the number of failed payments.
- **Processing APB fund transfer orders (FTOs):** Since MoRD had already implemented eFMS and electronic processing of FTOs, implementation of APBS was convenient. MoRD held regular meetings with its 18 sponsor banks to coach them on how to process Aadhaar-based FTOs. Detailed

manuals with FTO formats, response file formats etc. were shared with banks to streamline the process. Since Himachal Pradesh had only two sponsor banks (Punjab National Bank and State Bank of Patiala), MoRD could also spend more time with only these two banks to address issues in FTO processing. *Only after three checks—Aadhaar verification, account freezing and NPCI mapper—were completed, the beneficiaries in the state were converted to the APB payment route.*

After all these preparatory and on-going activities, Aadhaar-based wage payments were formally launched in Himachal Pradesh on 2 October 2014. As of 30 November 2014, 4.3 lakh wage seekers were ready to receive wage payments through APBS.

### 3. National level roll-out

The pilot in Himachal helped the ministry identify key learnings for a nation-wide roll-out. For instance, even though a high percentage of records clear the Aadhaar verification stage (either through NSDL/Planning Commission or manually by POs), the number of accounts frozen and records seeded in bank accounts lag far behind. Therefore, these two activities need greater focus and coordination with field officials and beneficiary banks respectively. Over the next few months, the ministry's focus will be on increasing seeding in NREGASoft by conducting videoconferences with DPCs of the 287 focus-DBT districts. Additionally, the ministry will work with states on a case-by-case basis to start APB payments. States with high Aadhaar seeding in NREGASoft and where sponsor banks are APB ready will be moved to the APB platform. For instance, after Himachal Pradesh, Maharashtra has also moved to APB payments.





## On closure

In the preceding chapters, an attempt was made to review MGNREGA as a continuation of the earlier effort—MGNREGA Sameeksha. Studies and independent research published between 2012 and 2014 were selected for this review. Some significant studies from earlier research were also included for continuity. MGNREGA Sameeksha and MGNREGA Sameeksha II synthesize research evidence on the nine year implementation of this landmark legislation. They reflect the administrative commitment to constructing an informed discourse around MGNREGA and the larger movement of the openness and evolution of Indian governance systems.

An analytical framework was set and each thematic area was analysed in light of the official MGNREGA MIS, published research evidence, the gaps present and the policy recommendations, if any. It is noted that some thematic areas have had an animated research interest, whereas some other thematic

areas though equally significant have not been addressed. For example, the thematic area of incomes has generated an interest in terms of questions relating to targeting, whereas livelihoods as such and agriculture and allied activities invite more attention. Similarly, research themes in accountability and transparency are as significant as gender-participation of women in terms of issues of social justice and yet research on accountability requires scholarly attention.

## The broad summary of the results is:

- Research suggests that MGNREGA appears to be largely successful in its targeting. Several studies show that due to its self-selecting demand driven design MGNREGA is able to engage with the most vulnerable and marginalized.
- Studies suggest that governance and the capacity of the functionaries is a crucial

gap. This hinders the accurate capture of demand and impedes MGNREGA's performance in governance contexts where it is needed the most.

- Research on works shows that firstly about 87 per cent of the works exist on the ground (in the researched context) when cross-validated with official administrative data. Several studies also suggest that beneficiaries found the works useful: works increased land productivity, helped in multi-cropping, helped in managing risks and reduced vulnerability.
- Several aspects of works under MGNREGA invite research attention. For example, multi-state studies on convergence with measurable evidence, the technical capacity of field level functionaries and the planning of works invite more and constructive research.
- Evidence on MGNREGA and its impact on rural labour markets is mixed. While MGNREGA certainly re-set the wage rate after 2004, the development of the construction sector, fast urbanization and economic growth in the country also had an impact on rural labour markets. In this scenario, MGNREGA presented a point of contestation for rural labour and continues to do so.
- Evidence that MGNREGA mitigates distress migration is limited to the western and the eastern corridors, though it is compelling. More research is invited on migration and its costs for households.
- While women's participation rates in MGNREGA are satisfactory at the aggregate national level, several states need to address low women

participation rates in their contexts. This is crucially linked to governance as well as the socio-cultural realities in those contexts.

- The substantive issue of gender empowerment within and through works under MGNREGA remains. Women are excluded from planning of works as they are viewed to be 'mere labouring hands'. Some research also shows that gendered work loading and worksite facilities for women like a creche remain a challenge.
- Social accountability within MGNREGA presents a gap for both administration as well as for research. While, Andhra Pradesh, Telangana and Sikkim have been able to institutionalize social audits, the other states are fast catching up. Institutionalization of other aspects of accountability including grievance redress and having an







ombudsperson remain a challenge for the administration. Constructive research that generates policy insights into institutionalizing the processes of social audit, grievance redress and ombudsperson are required in light of the sparse evidence available.

10. Transparency using technology initiatives also remains a largely unaddressed research area.

### **The first and the second order review questions**

Thematically, research in general is constrained by a lack of theorizing on issues of governance, political systems and the political economy.

Even as evidence is presented, which was a first order review question, a larger framework and more nuanced research is needed to understand the role and impact of MGNREGA on the capacity of the implementation systems and resilience of rural households.

As mentioned in the initial chapters, the co-construction of the discourse around MGNREGA, the debate and the contestation it evokes and the research interest that it has generated are all signposts perhaps of its small contribution to the making of a dialogic democracy that is modern India. This document is an effort to centre this discourse on research evidence and critically examine the assumptions and perceptions surrounding it in light of the available evidence.



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*Job Card holders registering their demand during a Rozgar Divas conducted in Khansir GP in Jharkhand*

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