

Mahatma Gandhi National Rural Employment Guarantee Scheme: An Impact Assessment Study

Introduction

The study is a collaborative research by IDEA Centre at MLS University, Udaipur and Lokniti: Programme for Comparative Democracy of the Centre for the Study of Developing Societies. The study was designed and analyzed at Lokniti in consultation with IDEA Centre. The IDEA Centre at MLS University coordinated the fieldwork for the study. An Advisory Committee was constituted to monitor and guide this project.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is arguably the first ever legislation in the history of social security legislations in the post-independent India that has immense potentials to bring about a revolution in rural India. In fact, of all the schemes/programmes recently launched by the central government, MGNREGA is the most talked about and a large cross section of society has heard about this scheme. It is the first ever legislation that gives legal guarantee of 100 days of wage employment during a financial year to any adult in rural areas willing to do unskilled manual labour. Moreover, it envisages time bound action for fulfillment of the guarantee. Anyone willing to do unskilled manual labour has to be employed on public works within 15 days of applying for work.

As a first ever right based programme, MGNREGA began in phased manner. In the first stage (2005-06), it covered 200 poorest districts of the country. Another 130 districts were added in the second phase (2007-08). With this, 330 out of 619 districts were covered in the second phase. In April 2008, MGNREGA was extended to cover whole of rural India. It is widely held that no other schemes/programmes of rural development attracted so much public attention and raised expectation as MGNREGA has done in a brief span of time. If properly implemented, MGNREGA is seen to have great potential for alleviating rural distress.

However, for any scheme of this nature, there is a possibility of a gap between intentions/expectations and implementation. The implementation of NREGA is also said to be grappled with many problems. One, there is huge intra and interstate disparity in the level of awareness, implementation and effectiveness. Second, social composition (in terms of gender, caste, religion etc) of the eligible beneficiaries is reported to be extremely skewed. Third, the scheme is less benefiting those who happen to be the target of it - the rural poor. Fourth, there are discrepancies between amount of work done and payment received by the workers. Fifth, lack of transparency and deviation from norms at panchayat levels have let corruption in.

II. Gaps in and Limitations of Existing Studies:

There have been few studies to assess the working as well as performance of MGNREGS. For example, Bhatia and Dreze (2006) in their study of two districts in Jharkhand observe that though NREGA has created a sense of hope amongst the rural poor, it is not free from certain maladies such as fudging of muster roll, delays in wage payment, fictitious gram sabhas and role of intermediaries. Delay in wage payment was also reported in Palakkad district of Kerala by Jacob and Varghese (2006). Ambasta et al. (2008) in their study based in few districts of Chhattisgarh and Orissa endorsed some of the findings made in the earlier study and concluded that the scheme suffered from under staffing that resulted in

inordinate delays in execution of work. There was also a lack of people's planning and mockery of social audit. In a study of West Godavari district of Gujarat, Maheshwari (2009) found that there were huge discrepancies in the amount of work done and the wages received by the workers. Afridi (2008) in her study examined the bottlenecks in social auditing.

These studies thus have pointed out both pitfalls and positive impact of the scheme. Undoubtedly, findings of such studies inform us about how actually the scheme performs on the ground yet they do not contribute significantly to our understandings of the trajectories the scheme has been passing through. It is primarily because of two reasons. In the first place, existing studies are carried out at disparate levels and have limited coverage. In many cases, studies just cover one or few villages. Secondly, most of them touch upon limited range of issues involved in the functioning of the scheme. Most of them tend to examine systemic defects rather than probing the impact of the scheme on beneficiaries. The cumulative effect is that our understanding of how actually the scheme is working on the ground and impacting the lives of beneficiaries in different parts of the country remains inadequate.

III. What We Intended to Do and Why:

At the same time, following the norms of accountability and transparency, it is most essential that the government initiates the process of audit of the MGNREGA. This audit may involve three aspects: **a)** audit of the structure of the scheme and the allocation it gets; **b)** a check on the social profile of the beneficiaries and **c)** various procedural and/or implementation level bottlenecks/distortions/drawbacks. The purpose of such an audit need not be to put the implementing machinery in the dock; instead, this audit had the following purposes: **one**, to equip the policy makers and the implementers with accurate information about the beneficiaries; **two**, to caution them about the gap if any between targeted beneficiaries and actual beneficiaries; **three**, to give feedback on popular expectations and perceptions; and **four**, to help the policy makers arrive at procedural and substantive modifications in the scheme.