
**MGNREGA : ANALYSIS OF EFFICIENCY AND EQUITY IN NORTH
EASTERN STATES**

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ABSTRACT

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was implemented and came into force on February 2, 2006. It was the first act of its kind in the world wherein an economic safety net is provided to around 2/3rd of the population through the right to work. The scale on which it has been provided is just mindboggling, engaging around 1/10th of the total world population. It was second in a series of right based policies Government of India has rolled out in the past decade. The others are the Right to Information (RTI) Act, the Right to Education (RTE) Act, the Right to Food Act etc. passed in 2005, 2009 and 2013 respectively. This research considers the performance of MGNREGA since its inception and examines its objectives, design and the several modifications in it. The purpose is to examine the consistency of this policy.

KEYWORDS: Mahatma Gandhi National Rural Employment Guarantee Act

INTRODUCTION

Social Protection is once again high on the national and international policy agenda, wherein huge funds have been invested by the countries to promote social security programmes. Across the global south, Social Protection policy is increasingly taking centre stage with social protection transfers consolidated, scaled up or even introduced as a new policy measures to address poverty and vulnerability. Some authors have therefore spoken of Social Protection as a 'global challenge', in terms of policy making (Leisering et al. 2006), a 'quiet revolution' (Barrientos and Hulme 2009) or a 'startling', process (Devereux and Sabates-Wheeler 2007). There is also a growing consensus around the view that social protection constitutes an effective response to poverty and vulnerability in developing countries and an essential component of economic and social development strategies. Broadly speaking, Social Protection provisions have either been programmes of transfers (conditional cash or unconditional cash, food, fuel, agricultural inputs) public works or access to resources and services.

India has a long history of Social Protection/Safety Net Programs, still one fourth of its population lives in poverty, which is chronic in nature. Their vulnerability to economic crisis is endemic to their situation which is a product of their position within unequal relations of caste, class, ethnicity and gender. The economic condition of a poor is inextricably intertwined with the social dimension of his well being, equity and social rights. (Sabates-Wheeler and Devereux, 2007). Women are often marginalized from participation (Sabates-Wheeler and Kabeer 2003). The backward classes and castes are often discriminated from working with the rest of the community. There is lack of attention paid to chronic poverty in standard approaches to social protection. In their analysis of chronic poverty and social protection, Barrientos and Sheperd (2003) state that, 'Although risk and vulnerability are key factors in explaining the descent into poverty, it is not clear... how important they are in maintaining people in poverty, transmitting poverty from one generation to the next and in preventing the interruption of poverty'. Importantly, Barrientos and shepherd (2003) highlight structural reasons related to 'Social, Political and Economic structures and relationships' that prevent some of the chronic poor from benefitting from development policies and market changes. A social Protection policy must address to these structural inequalities within its design. It should not only help the poor to escape poverty but also should also promote their participation in social and political life and contribute to growth and development. (Kabeer and Cook 2010). The Mahatma Gandhi National Rural Employment Guarantee Act 2005 holds and looks into all these in its design, format and implementation process.

SOCIAL PROTECTION IN INDIA : WAGE EMPLOYMENT PROGRAMMES

Since independence wage employment programmes have been an integral part of India's Social security policies. Some of the earliest programs in early 1970s were pilot projects like the Cash Scheme for Rural Employment (CRSE), Pilot Intensive Rural Employment Programme(PIREP). Some of these sought to promote self-employment. Training of Youth for Self- Employment(TRYSEM) was subsequently attached as a sub programme to IRDP, introduced in 1979. These gave way to full-fledged Food for Work in 1977 and other employment policies like Jawahar Rozgar Yojana(JRY) in 1993-94 and Employment Assurance Scheme (EAS) to generate waged employment in times of crisis or to address seasonal unemployment. The Maharashtra Employment Guarantee Scheme(MEGS), which was started during the major drought in 1977-78 and 'stands out among rural public works programmes in developing countries for its size, longevity, the generosity of its funding arrangements and political sophistication of its design(Moore and Jadhav, 2006). It has provided the basis for a right-based approach to employment generation at national level, the MGNREGA. Varying degrees of success and failures have been attributed to these programmes. These programmes have generated enormous number of employment days. Between its inception in 1989 and 1998, the JRY had generated 7596 million days of employment(Sharma and Mamgin, 2001). It is estimated to reach around 30-40% of potential beneficiaries. Limitations of these programmes include ineffective design, poor targeting, low awareness about the program or its provisions, little involvement of local community in selection and implementation, centralized character, absence of social monitoring, pilferage of resources, leakages and widespread corruption. Notwithstanding these limitations, these programmes have made a contribution in smoothening income flows and tightening of the rural labour markets. The existence of large scale programmes of this kind helped in mitigating to some extent the adverse impacts of liberalization in the early years(Sharma, 2004). MGNREG Act was notified on September 7, 2005 and its implementation began on 2 February 2006. It aims at "enhancing livelihood security by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work(NREG Act, 2005). All previous programmes of wage employment through public works are now merged into the MGNREGA. It includes National Rural Employment Programme(NREP), Rural Landless Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana(JRY), Employment Assurance Scheme(EAS), Jawahar Gram Samridhi Yojana(JGSY), Sampoorna Grameen Rozgar Yojna(SGRY), National Food for Work Programme and the Maharashtra Employment Guarantee Scheme(MEGS).

TABLE: 1

The Timeline of MGNREGA Whereby the Scheme Got its Modifications During the Years of its Running

Sept. 2005	2ndFeb. 2006	1stApril 2007	April 2008	Oct. 2008	Oct. 2009
NREGA Legalised	Came into force in 200 most backward districts.	113 more districts included and 17 districts in U.P were notified from May 15 2007	Universalisation of the scheme to all rural districts of the country.	Wage transaction through bank/post office.	Name changed from NREGA to MGNREGA

Source : www.nrega.nic.in

Table 1 depicts, at the first instance the act was introduced in 200 most backward districts of the country. It was proposed to extend to the remaining districts after 5yrs. but after seeing the popularity of the Act, it was further extended to another 130 districts in the next year itself and the Act got universalized by bringing

the entire country under its Umbrella with the exception of districts that have a hundred percent urban population and on 2nd Oct 2009, to make the programme popular and more reachable to the masses, it was rechristened as Mahatma Gandhi National Rural Employment Guarantee Act.

MGNREGA AND SOCIAL PROTECTION

India’s premier centrally Sponsored act, The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is supposed to be a ‘strong safety net’ for the vulnerable groups by providing a fall-back employment source, when other employment alternatives are scarce or inadequate (MoRD, 2008). It has a potential to protect rural households from poverty and hunger, reduce distress migration, increase opportunities for employment of rural women as well as be instrumental in creating useful assets in rural areas (Dreze,2004). The scheme since its early days has been making positive inroads to the life of rural people with particular focus on the sections with poorer socio-economic characters (Jha, et al., 2008).

The above mentioned four measures of social protection(Devereux and Sabatese-Wheeler, 2007) can be elaborated in analyzing the Mahatma Gandhi Rural Employment Guarantee Act (MGNREGA), a social protection programme enacted in 2005. It was implemented initially in 2006 in 200 districts. The coverage was increased to 130 and 285 more districts in 2007 and 2008 respectively.

TABLE: 2
Elaborates Upon the Different Provisions in MGNREGA that Fit into the Conceptual Framework of Social Protection

Interventions for Social Protection	Provisions in MGNREGA
Provision- Relief from deprivation	<ul style="list-style-type: none"> ¾ 100 days of guaranteed employment for all needy. ¾ Labour-intensive unskilled work available on demand. ¾ Supplementing income during lean season.
Prevention- Prevent deprivation and alleviate poverty.	<ul style="list-style-type: none"> ¾ 60% of expenditure of the scheme on wages of the beneficiaries. ¾ Guaranteed employment. ¾ Unemployment allowance. ¾ Wage payment through banks to ensure financial inclusion of the poor and to encourage thrift. ¾ Giving priority to irrigation, rural connectivity and land development works.
Promotion- Economic activities	<ul style="list-style-type: none"> ¾ National minimum wage rate. ¾ Priority to water-conservation works leading to crop diversification. ¾ Public infrastructure works and livelihood projects undertaken ¾ Convergence with other departments.
Transformation- Social justice	<ul style="list-style-type: none"> ¾ Women workforce reservation ¾ Disabled and elderly included ¾ Social equity by giving due representation to SC, ST. ¾ Proactive Information Disclosure ¾ Mandatory social Audits. ¾ Right to Information ¾ Transparency rules.

MGNREGA can be much appreciated as a social protection program as it has the potential to reach out to the most needy economic and social groups of rural India(Reddy, Rukmini Tankha and C. Upendranath, 2010). As a policy design for Social Protection it is very different from the earlier wage programs in India. What is

unique about MGNREGA is that it tries to fulfill constitutional directives (Art.39: right to means of livelihood and Art.41: provision for securing right to work) which is their in its entitlements. Thus it is neither a program nor a scheme but an Act which tries or rather promises to provide for 100 days guaranteed employment in a year to the rural poor.

MGNREGA is different from other social protection programme in terms of its entitlements, approach, implementation mechanism, outreach and intended impact as it is:

- Rights based: The act enables the workers the entitlement to work as a right.
- Has a legal guarantee: The legal guarantee is binding on the state and it his ensures that the scheme is not ad hoc in its implementation (being less prone to withdrawal from the centre).
- Has universal coverage in rural areas: Universality eliminates errors of targeting and ensures only the neediest come forth and claim employment.
- Without any limited time frame work: Is a continuous programme.
- Transparency and Accountability through the provision of social audits and right to information.
- Legal sanction is intended to have the effect of strengthening the confidence and bargaining capacity of the workers.(Dhavse, 2004 , Mehrotra, 2008, Reddy et al. 2010).

In a nutshell, this legal mandate has been the catalyst for a state government across the country to innovate with different tools to strengthen accountability (Aiyar and Samji : 2009) and as a statutory law, MGNREGA is a powerful instrument in the hands of poor who can hold the government accountable for falling short of its promises.

As an act of Parliament, MGNREGA is a programme that is aimed at meeting the vulnerabilities of the households through creation of unskilled wage work as supplementary employment for a period of 100 days per family in rural areas of the country. It is also universal in a limited sense that it bestows the right to seek work on all individuals (with a norm of one person per household) (Reddy, et al., 2010). The programme is also different from earlier 'food for work' programmes that were implemented during the periods of droughts in some parts of India as they were time bound and also meant for identified target groups of population. It is for these reasons that some scholars identify it as a work based social protection programme within the rights and citizenship framework of development.

Though unskilled manual work is a prime form of employment, Schedule I of the Act lists eight categories of work that are designed to be 'Focus of the scheme' which envisages augmenting and regeneration of vast, untapped natural resources of the country viz., land and water. Water conservation, rural connectivity, irrigation works, afforestation, land development and conservation etc. are the identified works aimed at rejuvenating the rural base. The programme is also implemented through elaborate processes of grass roots level stakeholder participation including that of workers, with guaranteed provisions for wages, transparency and accountability and grievance redressal mechanisms at different levels(Reddy at el.,2010). All these features essentially reflect the intended development focus of this social protection programme, which has a transformative potential. Shah(2009) identifies the 'Multiplier-Accelerator' synergy in the this programme through the rise in purchasing power of workers that stimulates production. Again for example, if most of the MGNREGA works allow for resource development and asset creation, it would lead to increase in productivity of lands owned by small and marginal farmers, inducing them to invest further. MGNREGA has a 'Promotional' social protection objective of creating 'Productive assets', which could potentially become a source of income for the labour force. When productive assets are created, this has many different forms of impact on the rural economy, which augment and build on one another, working together to promote livelihoods- the 'promotive goal' of social protection- by creating new opportunities in the labour market(Hirway et al.2006). Thus it can be fairly concluded that as a design, the programme confirms with the notions of developmental and poverty reduction potential of a social protection programme(Reddy et al. , 2010).

The entitlements incorporated in MGNREG Act gives it a status of a full fledged social protection policy(as summarized in table:1). The implementation process of the programme is expected to unleash a transformative potential in social relations and rural governance (Reddy et al. , 2010). At the center of implementation are three-tier Panchayat Raj institutions and the Gram Sabha (the village community), which play an important role in identifying and ratifying types of works to be undertaken in a village. Elected representatives of a panchayat, its official (panchayat secretary) and Rozgar sevak, a field worker appointed for each panchayat have important roles in registering job seeker households, issuance of job cards, receiving job requests from workers, proposing suitable works for the approval of the gram sabha, monitoring of works and timely payments. Works at this level are scrutinized through a process of social audits, which again encompasses participation of the entire village community, the Gram Sabha.

IMPLEMENTATION OF MGNREGA IN NORTH EASTERN STATES

North Eastern region of India is a unique region with different diversities both demographically as well as geographically. It occupies an area of 263,139 sq. km and comprises of about 8.06% of India's total land area. The region consisting of eight states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim has common borders with five South-Asian countries namely, Nepal, Bhutan, Bangladesh, Myanmar and China.

Poverty and unemployment is widespread in this region. Lack of infrastructural development, geographical and economic bottlenecks are the important causes of poverty. The region occupies the lowest rung in the official infrastructure development index of the government of India. In most areas of the region there is no access to the basic amenities such as road, electricity, safe drinking water, sanitation, health care facilities, schools etc.. The NREGA programme has immense potential to improve the gap between urban and rural India and lead to rural development in terms of basic infrastructure like roads, in terms of agricultural productivity from irrigation works and it provides a stable income for the workers, their income graphs would be much smoother with the NREGA boosting up their earnings in the 100 days of guaranteed employment. The efforts made by the Villupuram authorities, though there still might be some irregularities in the implementation, should be used as a model in other regions to help realize the potential of this Act(Jacob, Naomi, 2008).

MGNREGA was implemented in North Eastern states in the year 2006 along with the other states of India. So far as the successful implementation of MGNREGA in North-Eastern states, particularly in Tripura, there have been dearth of literature about the impact and performance of the programme except a few. Borgohain(2005) highlighted that enactment of MGNREGA is a bold step addressed, especially to the problem of rural unemployment. It commands a position of an unparalleled significance in the eradication of unemployment in rural areas. Panda et al. (2009) found that MGNREGA empowered rural tribal women in Sikkim and Meghalaya by enhancing their confidence level and by ensuring some degree of financial independence. Ministry of Home Affairs (2011) reported that MGNREGA has ushered in a new era of hope for the downtrodden states of Manipur and Nagaland. It is slowly and steadily transforming the 'Geography of Poverty' in these states. Bhowmik (2013) put forward the argument that MGNREGA is of great importance in the state of Tripura. In terms of equity, the state appears to be doing pretty well, while from the point of efficiency, it is better than many states but there is scope for improvement. There are performance differentials among the states(Shariff,2009: Dreze and Khera, 2009) due to many factors including the preferential treatment accorded to the first of the two broad objectives of the scheme ie. generation of person days ahead of creation of assets(Shariff, 2009) stressing more on the equity perspective.

TABLE: 3
Employment Generated in North Eastern States

States	No. of H.H issued job cards	No. of H.H provided employment	Percentage(%) of H.H provided employment
Assam	39,31 657	9,50118	24.16%
Arunachal Pradesh	1,52941	48,646	31.80%
Meghalaya	4,56283	2,55018	55.89%
Manipur	4,61248	3,54971	76.95%
Mizoram	2,10493	1,71519	81.48%
Nagaland	3,84162	2,31937	60.37%
Tripura	6,32585	5,87674	92.90%
Sikkim	80,694	33,855	41.95%

Source : <http://nrega.nic.in/netnrega/sthome.aspx>

Table 3 depicts a very gloomy picture of Assam as far as the percentage of households provided with employment under MGNREGA is concerned. There is a huge gap between the no. of households provided with jobcards and employment provided. It is mere 24.16 in Assam. The highest percentage of employment is provided in the state of Tripura (92.90%). Mizoram(81.48%) and Manipur(76.95%) are also good performer as far as employment generation under MGNREGA is concerned.

TABLE: 4
Percentage(%) of SC, ST and Women person days in MGNREGA

States	SC Person days	ST Person days	Women Person days
Assam	6%	21%	26%
Arunachal Pradesh	0%	89%	30%
Manipur	1%	64%	34%
Meghalaya	1%	93%	41%
Mizoram	0%	100%	26%
Nagaland	1%	93%	26%
Tripura	18%	43%	41%
Sikkim	4%	40%	44%
All India	22%	18%	51%

Source : <http://nrega.nic.in/netnrega/sthome.aspx>

The development of lands belonging to scheduled castes and scheduled tribe household and other households below the poverty line appears to have tremendous potential in unleashing productive capacities in rural areas. 16.2% of India's population consists of the scheduled castes. The tribal states of North-Eastern states such as Arunachal Pradesh, Meghalaya and Mizoram have smallest concentration of SCs, viz. 0%, 2.8% and 0.5% respectively. The Scheduled Tribes constitute 8.2% of India's total population. Highest concentration of STs is found in the North Eastern states of Mizoram, Nagaland and Meghalaya. The work Participation Rate at all India level is highest among the STs being 49% followed by SCs, 40.4% and general population being 30.3%.(Planning Commission.nic.in). The equity issue are considered on the basis of participation of Socially excluded sections of the society and women in MGNREGA.

CONCLUSION

As a rights-based Social Protection Programme MGNREGA envisages certain prerequisites in terms of enhanced awareness and understanding of the nuances of rights and entitlements. Scope for the simplification of procedures and processes may be explored. Punitive actions for addressing deficits in

entitlements may need to be established in earnest. Such measures will enhance transparency as well as responsiveness among officials. Participation, transparency and accountability are three important elements which need to be adhered to in order to enhance effective implementation of this Social Protection Programme.

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