

MANERGA: A TOOL FOR POVERTY ALLEVIATION IN INDIA

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Introduction:

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is an India law that aims to guarantee 'right to work and ensure livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. The statute is hailed by the government as "the largest and most ambitious social security and public works programme in the world". The more comprehensive survey of comptroller and Auditor General (CAG) of India, a 'supreme Audit India, reports serious lapses in implementation of the act.

Targeting poverty through employment generation using rural works has had a long history in India that began in the 1960s. After the first three decades of experimentation, the government launched major schemes like jawahar Rozgar Yojana, Employment Assurance Scheme, Food for Work Programme, jawahar Gram Samridhi Yojana and Sampoorna Grameen Rozgar Yojana that were forerunners to Mahatma Gandhi NREGA. The theme of government approach had been to merge old schemes to introduce new ones while retaining the basic objective of providing additional wage employment involving unskilled manual work and also to create durable assets. The major responsibility of implementation was also gradually transferred to the Panchayati Raj Institution. Unlike its precursors, the Mahatma Gandhi NREGA guaranteed employment as a legal right. However, the problem areas are still the same as they were in the 1960s. The most significant ones are: lack of public awareness, mismanagement and above all mass corruption.

The statement of the law provides adequate safeguards to promote its effective management and implementation. The act explicitly mentions the principles and agencies for

implementation, list of allowed works, financing pattern, monitoring and evaluation, and most importantly the detailed measures to ensure transparency and accountability. Further the provision of the law adhere to the principles enunciated in the Constitution of India.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is considered as a “Silver Bullet” for eradicating rural poverty and unemployment, by way of generating demand for productive labour force in villages. Rural poverty and unemployment in India have grown in an unprecedented manner during the last few decades. There is a growing incidence of illiteracy, blind faith, hungry people, mal-nourished children, anaemic pregnant women, farmer suicides, starvation death, migration resulting from inadequate employment, poverty, and the failure of subsistence problems and to provide livelihood security to rural unemployed, Government of India (GOI) enacted the National Rural Employment Guarantee Act (NREGA) in 2005. It is the biggest poverty alleviation programme in the world which is started with an initial outlay of Rs.11,300 crore in year 2006-07 and now it is Rs.40,000 crore (2010-11). This Act is now called as Mahatma Gandhi NREGA. The Act provides a legal guarantee for 100 days of employment in every financial year to adult members of any rural household will to do public work related unskilled manual work at the statutory minimum wage. Thus it is a universal programme. This minimum wage varies from state to state, in some states it is Rs. 80 whereas in other it is Rs. 125 or Rs.120 According to the Act the minimum wage cannot be less than Rs.60. The 100 days of work figure was estimated because the agricultural season is only supposed to last roughly around 250 days and unskilled workers have no alternative source of income in the remaining parts of the year.

The government experimented with various schemes from 1960-90. The most significant ones were Food for Work Programme (FWP) of 1977 and National Rural Employment Programme (NREP) OF 1980. The popular FWP provided food grains to complement wages. It was then revamped and renamed to NREP with almost similar objective.

On April 1989 converge employment generation, infrastructure development and food security in rural areas, the government integrated NREP and RLEGP into a new scheme JRY. The most significant change was the decentralization of implementation by involving local people through PRIs and hence a decreasing role of bureaucracy. Due to implementation issues, JRY was restructured and renamed to JGSY in 1999.

On 2 October 1993, the EAS was initiated to provide employment during the lean agricultural season. The role of PRIs was reinforced with the local self-government at the district level called the 'Zila Parisad' as the main implementing authority. Again due to implementation issues, EAS was merged with SGRY in 2001.

In January 2001, the government again introduced FWP similar to the one initiated in 1977. Once again due to implementation issues, It was merged with Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2006.

On 1 April 1999, the JRY was revamped and renamed to JGSY with a similar objective. The role of PRIs was further reinforced with the local self-government at the village level called the 'Village Panchayats' as the sole implementing authority. But again due to implementation issues, it was merged with SGRY in 2001.

Once again on 25 October to coverage employment generation, infrastructure development and food security in rural areas, the government integrated EAS and JDSY into a new scheme SGRY. The role of PRIs was retained with the 'Village Panchayats' as the sole implementing authority. Yet again due to implementation issues, it was merged with.

Finally on 2 February 2006, and again to converge employment generation, infrastructure development and food security in rural areas, the government integrated SGRY and FWP into a new scheme called Mahatma Gandhi NREGA.

Poverty in India

According to the Eleventh Five Year Plan (2007-12), the number of Indians living on less than \$1 a day, called Below Poverty Line (BPL), was 300 million that barely declined over the last three decades ranging from 1973 to 2004, although their proportion in the total population decreased from 36 per cent (1993-94) to 28 percent (2004-05), and the rural working class dependent on agriculture was unemployed for nearly 3 months per year. Which was rising due to a downward trend of the agriculture productivity and in turn also aggravating poverty. In large states like Bihar, Madhya Pradesh, Maharashtra, Rajasthan and Uttar Pradesh, the number of poor even increased. The plan targeted poverty through MGNREGA which promised employment as entitlement. Previous employment guarantee schemes (EGS) like 'Sampoorna Grameen Rozgar Yojana' (SGRY) or Universal Rural Employment Programme and National Food For Work Programme (NFFWP) – both SGRY and NFFWP were merged with MGNREGA-also provided short- term unskilled employment to poor, assured job security and created durable assets. In contrast to the earlier wage employment programmes, MGNREGA, as per its definition, is a principally based on decentralized, participatory planning at the gram Panchayat level with adequate transparency and accountability safeguards for effective implementation.

The MGNREGA is notified on 7 September 2005 with the objective of “enhancing livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year, to every household whose adult members volunteer to do unskilled manual work”. In addition to this the aim of MGNREGA is to create durable assets that would augment the basic resources available to the poor. At minimum wage rate and within 5 km radius of the village, the employment under MGNREGA is an entitlement that creates an obligation on the government failing which an unemployment allowance is to be paid within 15 days. Along with community participation, the MGNREGA is to be implemented mainly by the gram panchayats (GPs). The involvement of contractors is banned. Labour-intensive tasks like creating

infrastructure for water harvesting, drought relief and flood control are preferred. Starting from 200 districts in 2 February 2006, the MGNREGA covered all the districts of India from 1 April 2008.

Details of Law

The stated objective of the Act is “to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. This work guarantee can also serve other objectives: generating productive assets, protecting the environment, empowering rural women, reducing rural-urban migration and fostering social equity, among others”.

The law too lists the permissible works: water conservation and water harvesting; drought proofing including afforestation; irrigation works; restoration of traditional water bodies; land development; flood control; rural connectivity; and works notified by the government. The Act sets a minimum limit to the works executed by the Gram Panchayat as 50 per cent and to wage-material ratio as 60:40. The provision of accredited engineers, worksite facilities and a weekly report on worksites is also mandated by the Act.

Furthermore the Act sets a minimum limit to the wages, to be paid with gender equality, either on a time-rate basis or on a piece-rate basis. The states are required to evolve a set of norms for the measurement of work and schedule of rates. The unemployment allowance must be paid if the work is not provided within the statutory limit of 15 days.

The statute further imposes monitoring across all five levels. The village level, Further the monitoring methods and the evaluation criteria are also detailed in the act using which an annual ranking of districts may be drawn.

Achievements under MGNERGA

1. Since its inception in 2006, around Rs. 1, 10, 000 crore has gone directly as wage payment to rural households and 1200 crore person-days of employment has been generated. On an average, 5 crore households have been provided employment every year since 2008.
2. Eighty percent of households are being paid directly through bank/post office accounts and 10 crore new bank/post office accounts have been opened.
3. The average wage per person-days has gone up by 81 percentages since the scheme's inception, with state-level variations. The notified wages today varies from a minimum of Rs. 122 in Bihar, Jharkhand to Rs. 191 in Haryana.
4. Scheduled Cast and Scheduled Tribe have generated for 51 percent of the total person-days generated and women for 47 percent, well above the mandatory 33 percent as required by the Act.
5. 146 lakh works have been taken up since the beginning of the programme of which about 60 percent have been completed.

Social Audit

Civil Society Organisations(CSOs), Non-Governmental Organisations (NGOs), Political representatives, civil servants and workers of Rajasthan and Andhra Pradesh collectively organize social audits to prevent mass corruption under the NREGA. As the corruption is attributed to the secretary on governance, the 'Jansunwai' or public hearing and the right to information, enacted in 2005, are used to fight this secrecy. Official records obtained using RTI are read out at the public hearing to identify and rectify irregularities. "This process of reviewing official records and determining whether state reported expenditures reflect the actual monies spent on the ground is referred to as a social audit. "Participation of informed citizens promotes collective responsibility and awareness about entitlements.

Conclusion

MGNREGA is the ever largest rural employment generation programmes in India since independence. This poverty alleviation initiative not only secures 100 days job and minimum earnings for every adult of every household but at the same time it satisfies some other important aspects e.g. environment protection and sustainable development, gender equality and women empowerment, sustainable asset creation and mitigation of the migration problem. MGNREGA has come into the rural life as a ray of light. Participants of MGNREGA have been relieved from poverty and hunger. Poor villagers are releasing themselves from the high-interest bearing local credit and create some household assets by the earnings of the scheme. Above all it is not overstated that the primary objective of the proposal i.e. right to job for all and overall rural welfare has been fulfilled and the project creates job guarantee and strengthens the rural livelihood security. The Mahatma Gandhi National Rural Employment Guarantee Act, 2005 enacted by the Government of India, is perhaps the most ambitious anti-poverty programmes launched anywhere in the world. The negative findings of the implementation of NREGA have been broadly reported in recent times in the mainstream media. Lack of transparency, leakage of funds, use of obsolete technologies, lack of coordination among agencies, non-participation of the target groups in planning and execution, delay in making payment of wages, lack of qualified personnel in adequate numbers and top-down approaches have been identified as some of the major drawback in the proper implementation of the Improvement and progress in the quality of life greatly depends on good governance, which requires multipronged approach. The development planning for of rural people largely remains in priority. Decentralized development planning involving Panchayat Raj institutions and the Gram Sabha can improve the way for participatory governance while addressing the sustainability and poverty alleviation issues. If the institutions like Panchayats, Gram Sabhas and other local bodies constituted in rural areas play active and commendable role then only the benefits of ambitious rural poverty alleviation programmes will be proved beneficial for needy people of the rural areas scheme.

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