

Do the Poor and the Vulnerable Participate more in the Work Fare Programme? Analysis of the Indian Programme

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Abstract: *Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is targeted to reduce the poverty of the poor and the vulnerable. As the programme is demand based, vulnerable segments of the population are more likely to participate with the likely intent to overcome their vulnerabilities. However, there are other segments of the population who participate in the programme. Hence the programme coverage has the potential to include all those who desire to work whether their vulnerabilities are visible or not. In this regard the programme has greater potential to reduce the poverty in all its forms.*

Keywords: Vulnerability, MGNREGA, Poverty reduction, Demand based work

1. Introduction

Work fare programmes are extensively used as interventions for poverty alleviation. Poor and the vulnerable are targeted as programme beneficiaries so that extra income is provided in return of their work (Ravallion, 1999).

Mahatma Gandhi National Rural Employment Act (MGNREGA) is the largest workfare programme in the world. The programme has a legal framework as minimum hundred days of work is guaranteed for any adult member of the household who is ready to work. People voluntarily select themselves for the programme participation. Although unskilled rural poor are targeted as programme beneficiaries, there is no restriction on the eligibility for the programme participation. Irrespective of the household background anyone can participate in the programme.

People with the economic vulnerabilities are more likely to participate as the programme is aimed for poverty alleviation. However, anyone desirous to work can participate in the programme. Socially vulnerable people are also likely to participate in greater proportions keeping in view that social and economic vulnerabilities are closely linked.

Current study is aimed to explore the vulnerabilities that are linked with the programme participation. It is also our endeavour to explore the programme participation for the people who don't have such apparent vulnerabilities.

2. Literature Review

Analysis from the case study conducted in the Shettihalligram panchayat of Karnataka state in India suggest that economic vulnerability is one of the prime reasons for the programme participation. It is analysed that the households possessing semi-pucca/thatched houses participate more in the programme. Land holding is also

related to the programme participation as landless labourers participate in greater proportions in comparison to the households engaged in the agricultural activities. Illiterate people participate more in comparison to the literates indicating that educational vulnerabilities also matter (Maruthi and Peter, 2018).

Study conducted in the north eastern state of Assam suggest that the socio-economic factors influence the level of the programme participation. Participation in the programme is analysed to be associated with the possession of household assets. Economic factors such as lack of stable income also matters for the programme participation. Socially deprived segments of the society such as Scheduled Caste (SC) or Scheduled Tribe (ST) people participate in greater proportions. People with low level of formal education participate more in comparison to others. Contrary to some of the findings, agricultural households are also analysed to participate in the programme (Baruah and Radkar, 2017).

Choudhary (2019) through his study of Jodhpur district of Rajasthan has analysed that age, household composition and the family size are important determinants for the programme participation along with the socio-economic conditions such as economic status and the social background of the households. It is analysed that 52.92 percent of people from the socially deprived segments of the society such as SC and ST participate in the programme. Illiterate people participate to the extent of 73.75 percent whereas 50.42 percent households with large household size (more than 6 members) participate in the programme. Contrary to earlier evidences, only 9.6 percent landless farmers participate in comparison to 42.50 percent of marginal farmers who possessed less than one hectare of land.

Study conducted by Nayak, Mishra, Behera and Chatterjee (2018) in Mayurbhanj and Ganjam districts of Odisha propose that the prospective benefits of the programme motivate people to possess the job cards for the programme

Volume 11 Issue 4, April 2022

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participation. In this regard there is an element of ‘elite capture’ as people who are relatively less deprived possess the job cards despite the fact that the programme is aimed to benefit the poor and the deprived.

Muneeswaran and Sundarapandian (2021) have analysed that the MGNREGA income is significantly associated with the social background, gender, age, household size and occupation of the participants. However, association between the income earned from the programme and the literacy level is not analysed to be significant. Non-migrant workers are also analysed to be major participants.

Singh, Bhasin and Lama (2012) have estimated performance level of the states in the country based on the average person-days of MGNREGA participation. For best performing states the average is 76.37 person-days whereas poor performing states have low average of 38.5 person-days. However, there is a huge variation in the participation of socially deprived SC and ST people as their participation is 13.8 percent in poor performing states and 8.9 percent in the best performing states.

Nayak et al. (2018) have shown that households that are not vulnerable are also likely to participate as they possess the job cards in anticipation of the benefits of the programme.

Rich literature indicate that the vulnerabilities based on social, economic and the educational criteria amongst others are linked with the level of the programme participation. However, comprehensive analysis is required at the pan Indian level to explore the linkages between the programme participation and various kinds of vulnerabilities.

3. Data and Methodology

Secondary data has been used from India Human Development Survey (IHDS)-2012. The data is suitable for the analysis as information related to Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the socio-economic backgrounds of the participants is available in the same records. The data has been used to compare the participation rate of the programme beneficiaries based on their household backgrounds/vulnerabilities. Various variables have been defined in terms of binary conditions so that the rate of participation may be analysed with respect to the household vulnerabilities (Table 1).

Table 1: Household level vulnerabilities (binary conditions)

Attributes	Binary Conditions	Definition
Poverty level of the households	Economically deprived households	Households with per capita expenditure less than Rs 816 per month (below the poverty line based on the Tendulkar committee)
	Other households	Other households
Assets possessed by the households	Households possessing less assets	Possession of less than 17 assets
	Households possessing relatively more assets	Possession of minimum 17 assets
Education level of the households	Lower level of education in the households	Highest level of household education up to fifth standard
	Relatively higher level of education in the households	Minimum sixth standard of highest household education
Education Level of the female (s) in the households	Lower level of female education in the households	No education for female members in the household
	Relatively higher level of female education in the households	Minimum first standard of female education in the household
Social background of the households	Socially deprived households	Scheduled Caste (SC) and Scheduled Tribe (ST) households
	Other households	Other households
Socio-Economic vulnerabilities of the households	Households with both the social and economic vulnerabilities	Scheduled Caste (SC) and Scheduled Tribe (ST) households that are below the poverty line
	Other households	Other households
Demographic and economic vulnerabilities of the households	Large size economically deprived households	Households below the poverty line having more than six members
	Other households	Other households

4. Results

Wage income earned from the MGNREGA is taken as proxy to the programme participation. If there is no income earned as programme wages, the participation rate is considered to be nil. It has been analysed that economically deprived households participate more (30.52 percentage) in comparison to other households (20.77 percentage). Similarly, participation rate for the households possessing less assets are more than twice (28.40 percentage) in comparison to the households possessing more assets

(11.523 percentage). Households with lower level of education participate in greater proportions (30.88 percentage) in comparison to households with relatively higher level of education (19.18 percentage). Households with no female education participate approximately twice in percentage terms in comparison to other households. Similarly, households with multiple vulnerabilities such as economically poor scheduled caste and scheduled tribe households or large size economically poor households participate more in comparison to others (Table 2).

Table 2: Association between household level vulnerabilities and the programme participation

Vulnerable conditions		MGNREGA participation (In percentage)		Total
Vulnerabilities	Binary conditions	Nil MGNREGA Income	Some MGNREGA Income	
Poverty level of the households	Economically deprived households	69.48	30.52	100
	Other households	79.23	20.77	100
Assets possessed by the households	Households possessing less assets	71.60	28.40	100
	Households possessing relatively more assets	88.47	11.53	100
Education level of the households	Lower level of education in the households	69.12	30.88	100
	Relatively higher level of education in the households	80.82	19.18	100
Education Level of the female (s) in the households	Lower level of female education in the households	71.17	28.83	100
	Relatively higher level of female education in the households	85.02	14.98	100
Social background of the households	Socially deprived households	67.37	32.63	100
	Other households	81.11	18.89	100
Socio-Economic vulnerabilities of the households	Households with both the social and economic vulnerabilities	64.21	35.79	100
	Other households	78.35	21.65	100
Demographic and economic vulnerabilities of the households	Large size economically deprived households	71.78	28.22	100
	Other households	77.04	22.96	100

5. Discussion

Although larger proportions of poor households living below poverty line participate more in comparison to others there are other households also that participate in the programme (Table 2). Despite the fact that the programme is aimed for poverty alleviation so that poor households are expected to participate, there are others who participate in the programme as well. Hence poverty may not be an apparent feature in those households whose living standard is above the poverty line. Such segment of the society may comprise ‘other poor’ who are economically deprived but not living below the poverty line as defined through the economic criteria. The programme coverage is not restricted to the households living below the poverty line as ‘other poor’ are also included.

It is evident that socially disadvantageous groups such as scheduled castes (SC) and scheduled tribes (ST) in India suffer from greater degree of poverty in comparison to other groups (Gang, Sen and Yun, 2008). Hence the programme is supposed to include socially deprived segments of the society keeping in view that poverty alleviation is the prime objective. Our analysis supports this view as socially deprived households are found to participate more in comparison to others. Socially deprived people voluntarily select themselves for the programme participation with the likely intent to overcome their deprivations.

Possession of household assets may also be treated as good proxy to economic vulnerability. Hence vulnerability of the households may also be decided by possession of comparatively lesser assets (Brandolini, Magri and Smeeding, 2010). We have analysed that the vulnerable households possessing lesser assets participate more in the programme. Despite the fact that the vulnerabilities may not be directly evident, the deprived households select themselves for the programme participation.

Effect of education on poverty is significant (Mok, Gan and Sanyal, 2007) which also means that economic vulnerability is likely to be associated with educational vulnerability. It has been shown through the analysis that the households

having lesser degree of education participate more in the programme.

Household poverty is also associated with the large household size (Mok, Gan and Sanyal, 2007). Hence greater programme participation rate of such households indicates that the economic vulnerability is also linked with the population density in the households.

It is analysed that the households with multiple vulnerabilities such as poor SC and ST households participate more in comparison to other households. The participation rate of households with multiple vulnerabilities is more than the households with single level of vulnerability. In this regard it is analysed that 35.79 percent of poor SC and ST households participate in the programme in comparison to 30.52 percent poor households or 32.63 percent SC and ST households.

Based on our analysis we can conclude that people with vulnerabilities participate in the programme with the likely intent to overcome such vulnerabilities. However, people who are not vulnerable also participate in the programme. Vulnerabilities of such households may not be evident.

6. Conclusion and Policy Implications

Vulnerable households participate more in the programme with the likely intent to overcome their vulnerabilities. However, other households also participate with the likely intent to avail the benefits of the programme. Hence the programme not only has the potential to reduce poverty of the poor people living below the poverty line but the poverty of the ‘other poor’ also who are not classified as deprived. The analysis has important policy implications as the programme is not only beneficial for the poor and the vulnerable but also includes those segments of the population also who are not classified as the poor. In this regard the programme coverage is inclusive for all those who are vulnerable and also for those whose vulnerability may not be directly evident.

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