



NREGA: Beyond Wages to Sustainable Livelihoods



A Workshop

by

***THE NATIONAL RESOURCE CENTRE
FOR RURAL LIVELIHOODS***

Conference Hall
India Islamic Cultural Centre
New Delhi

November 21, 2008

The National Rural Employment Guarantee Act (NREGA) came into force in September 2005. The guidelines issued by MORD in 2005 emphasizes that it is a rights based programme which makes the State legally accountable to provide wage employment to those who demand it. The Act provides a social safety net to the rural poor by providing



wage employment in times of dire need. The various provisions in the Act such as - legally binding the State to provide employment, a total ban on the use of contractors, transparency and accountability at all stages through social audit, unemployment allowance in case employment not given - are path breaking in the history of rural development in India. The Act also aims to strengthen decentralised planning and implementation by making PRIs the implementing agency for the schemes. NREGA also recommends that the works taken up to create employment give priority to development of natural resources and creation of livelihood assets.

Unfortunately on the ground the results have not met the enormous expectations. According to MORD's own reports a mere 10 % or 0.22 crore out of a total of 2.10 crore employed households received full 100 days promised under the Act; average employment per household was 43 days in 2006-07 and 35 days in 2007-08; thus the overall impact on the economic well-being of a poor household is clearly small as of now. Independent reports on NREGA implementation have commented on, among other things, lack of manpower, inadequate plans, and the need to improve maintenance of records, etc.

It is clear that if NREGA has to move beyond mere provision of wages, things needs to be done differently. The same systems of service delivery and programme implementation and the usual wage oriented public works like roads, ponds, etc. would not suffice. Centrality of people and their choices must become central to NREGA implementation strategies. Peoples' choice on creating durable assets is also linked to community's vision and availability of support systems; for example, horticulture is unlikely to be proposed by people in NREGA in the absence of requisite backward and forward linkages and any encouragement, advice and information.

There is clearly an urgent need to re-envision NREGA, and provide a comprehensive livelihood framework, which alone would create a durable impact on the poverty in India.

Some two-thirds of the farmlands in India are rain-fed and need comprehensive development in order to increase productivity and carrying capacity and reduce degradation. Development of these through appropriate rainwater husbandry and diversification of farming systems would make a huge dent on rural poverty which is now concentrated in the rain-fed regions with a majority of the rural poor being farmers. Such a strategy would alone bring about equitable and sustainable economic growth and ensure aggregate food security for the nation.



This requires participatory planning at the level of hamlets and villages to draw up appropriate plans that meet people's aspirations and take on board the varying local contexts. Once plans are prepared by the participating families themselves it is not difficult to organise them into worker groups to put the plans into action. The enhanced productivity of resources would provide the workers with a more robust source of livelihoods than having to resort to measures like NREGA perpetually. The idea is that engagement with NREG scheme should enable a rural household to come out of social safety nets in two to three years by creating or enhancing productive assets in a planned manner.



Even though the NREG Act emphasizes creation of water harvesting structures and similar assets, its implementation today is a long way from doing so systematically, that too in a participatory manner. There are a few issues here:

Preparation of participatory peoples' plans requires a fair amount of social mobilization which calls for a specific orientation, skills and deliberate effort. Involvement of Panchayats is deemed to be a proxy for people's participation, which is not always the case, especially with respect to the very poor and marginalised sections who constitute the bulk of NREGA workers. The nature and quantum of works are more or less decided by the Panchayat and Block functionaries and the participation by the people is minimal. When the choice is between large, standardized works at discreet locations, such as large ponds and roads and decentralized works such as bunding and levelling of fields and in-situ water harvesting in each plot of land, it is obvious that the planners and implementers would choose the former if for no other reason than the ease of measurement, record keeping and supervision. The primary objective after all is to generate wage employment. Not surprisingly, there is a preponderance of conventional civil works such as construction of *kuchha* roads, large ponds, social forestry, etc. under NREG schemes.

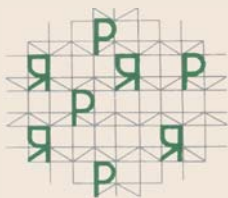
- Longer term stake of the worker in the work being done could lead to sustainability of the intervention. In absence of this longer term vision and stake, the worker tends to be disinterested in the upkeep of the asset.



- There is also the issue of the limited ability of Panchayats to undertake livelihood interventions such as land husbandry, in-situ rainwater husbandry, watershed planning and development, horticulture plantations and so on. More so, as the success of livelihood interventions often require up-stream and down-stream linkages.
- The Act mentions SHGs/user groups. However, their role in the absence of specific guidelines has remained marginal. In the absence of specificity, the initiative has been left to line departments and the results have expectedly been poor.
- There is an urgent need to review the guidelines to create space for extensive

development work on private lands in the rain-fed regions. There is an understandable preference for working on community lands under NREGA, but it is important to take up works on private lands as well if one is concerned about creating durable productive assets in the hands of poor people and thus remove poverty. The Act provides for works to be taken up on land owned by SC, ST and BPL families. However, if comprehensive natural resource development has to be taken up, this restriction may have to be amended. Most farmers are poor in the rain-fed regions as the productivity of land is low due to absence of water security. Yet, given the vagaries of the enumeration process many poor families may not be listed as BPL. Inclusion of farmers owning up to 5 ha of un-irrigated land (per *chulha* rather than per *patta* as many families do not go for mutation even when the land is divided between adult inheritors) would go a long way to promote comprehensive development of rain-fed areas using a watershed approach.

- The Act is quite silent on the roles of CSOs in implementing NREG schemes. Some State Governments on their own have evolved schemes for involvement of CSOs. The experience has to be studied carefully and as feasible replicate to other States.
- Convergence of potential area development programmes such as Horticulture Mission, watershed programmes and individual household level asset and capability programmes such as SGSY with NREGA is necessary to bring about synergy and have the maximum livelihood impact on poor families. Ways of doing this has to be explored. In April 2008 the Ministry constituted a Task Force consisting of various department officials to look at inter-sectoral convergence with NREGA schemes. The report has just been published. It has to be studied carefully and examined to see whether the genuine concerns that have been raised about the NREGA in its current form have been substantively addressed.
- The National Resource Centre for Rural Livelihoods, hosted in Pradan, proposes to hold a one day experience sharing workshop in Delhi in November 2008 to deliberate on the different issues that have been raised regarding NREGA and examine ways forward to use NREGA to promote sustainable livelihoods. The workshop proposes to reconcile the views of practitioners, academicians and policy makers, the various provisions in the employment guarantee programme and the new suggestions in the Convergence report, to identify the areas of resonance and find ways forward.



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(Supported by the Aga Khan Foundation through the European Commission co-financed SCALE Programme)

PROGRAMME

9:30 a.m. to 1:30 p.m.

Keynote Address

Dr. B.N. Yugandhar, Member,
Planning Commission

Experience Sharing

Presentation by Practitioners

2:30 p.m. to 5:30 p.m.

Lessons Drawn

Panel Discussion

Moving Ahead

Summing up and Plan of Action

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