

Lifeline for the rural poor

Over the nearly two years since it became operational, the National Rural Employment Guarantee Act (NREGA) of 2005 has had a positive impact on the lives of millions of people across the poorest districts in the country. The Act, which guarantees 100 days of employment per household at minimum wage, is the first piece of legislation that compels the state to provide a social safety net for impoverished rural households. Up until now the scheme has covered 330 districts across different States; it is due to cover the entire country by April 2008. What the economist Prime Minister Manmohan Singh hopes to achieve through the agency of NREGA is the abolition of the “harsh edges of poverty” across rural India — a tall order. Although implementation has suffered from procedural shortcomings, such as those mentioned in the draft report of the Comptroller and Auditor General of India, these teething problems should not obscure the main success of the programme. It has been demonstrated time and again that the NREGA has provided wage security for poor rural families, aided the economic emancipation of women, and created public assets. The adoption of a rights-based approach to work, including the payment of minimum wages, has contributed to enhancing the quality of life for the rural poor. Further, there are enough constructive experiences to show that corruption can be largely prevented through strict enforcement of the transparency safeguards.

As successive social audits of the NREGA have revealed, there are standout success stories. In Rajasthan, where public awareness of the programme is high, 77 days of employment per rural household were provided in 2006-2007. In Tamil Nadu, the participation of women was as high as 81 per cent. In both States, social audits in different districts have shown that embezzlement of funds, irregularities in the muster rolls, and other types of corruption have declined substantially. In Uttar Pradesh and Jharkhand, the NREGA has created positive changes in the implementation of public works programmes. A recent delegation of the Central Employment Guarantee Council to Sonbhadra district in U.P. found a number of major improvements since the days of the National Food For Work Programme: the scale of employment has increased, minimum wages are being paid, delays in wage payments have been sharply reduced, and the exploitative practices of private contractors are a thing of the past. In some States, notably Orissa, corruption is very much in evidence but this only reinforces the urgent need to implement the transparency safeguards. There are also programmatic concerns such as the absence of worksite facilities for women with children and the need for a fair revision of the schedule of rates. These issues need to be addressed swiftly. None of them must be allowed to deter the wholehearted implementation of an Act that has become a lifeline for millions of Indians who have been left out in the cold by high economic growth.