



SOCIAL PROTECTION IN ASIA

A policy-research and network-building programme

WORKING PAPER SUMMARY

Preliminary research findings
from the Social Protection
in Asia Programme

Institutional and Governance Challenges in Social Protection: Designing Implementation Models for the Right to Work Programme in India

The National Rural Employment Guarantee Act (NREGA) in India establishes the right to work. The programme has been heralded as a new deal for the poor, but it has had varying degrees of success. This paper looks at its key features, and focuses on the operational issues and challenges that need to be addressed to improve implementation.

The right to work is laid down in the Indian Constitution. The NREG Act, which came into force in February 2006, guarantees 100 days' paid work each year (at the minimum wage) for every household whose adult members volunteer to do unskilled manual work. It also pays an unemployment allowance if the state is unable to provide work within 15 days. This paper looks at why the programme has been relatively successful in some states, but less so in others. It examines the extent to which key stakeholders (the local political, administrative and bureaucratic structures responsible for implementation) contribute to the success of NREGA programmes in their areas.

In the past, the Indian government's poverty alleviation strategy favoured wage employment (cash for work) on rural public works programmes rather than creating dependency

through providing benefits. But such programmes have failed to tackle chronic poverty.

In essence, the NREGA is a social assistance programme rooted in a rights-based approach. The rationale behind it was that it would soak up the labour surplus in the rural economy and at the same time strengthen rural infrastructure. Employment would lead to growth, rather than vice versa.

But there is some confusion over the character of the programme. Some see it as a social safety net for the poor, while others see it as a measure to supplement rural livelihoods, particularly during the lean season.

The programme has had varying degrees of success, both within and between states. This is largely due to the different capacities of institutions and governance structures responsible for its local implementation. In practice, procedures and processes are not

KEY RESEARCH FINDINGS

- There are marked regional variations in the programme's implementation and outcomes. These are largely due to the differing capacities of local institutional mechanisms and governance structures, including the extent to which civil society groups are involved.
- The processes adopted by those involved in implementation at local level are critical for achieving inclusion of the neediest groups.
- There is a need to map local innovations and their results, in order to share learning and strengthen implementation.
- Having separate payment and implementing agencies would reduce the scope for misappropriation of resources.
- Greater effort should be devoted to timing, to ensure that peak periods of work provided through the programme do not clash with the peak agriculture period.
- Lack of administrative/institutional ability to identify and design appropriate projects may result in less demand and therefore limited achievement of programme objectives.

🔴🔴 The programme has been heralded as a new deal for the poor, but it has had varying degrees of success. 🔴🔴

🔴🔴 The reasons for the NREGA programme's patchy success lie in the way processes have been implemented at local level. 🔴🔴

always carried out in line with the programme's operational guidelines. There is a strong case for grassroots organisations (village development committees, self-help groups, cooperatives and associations) to be more involved in implementation, and a number of successful examples are cited.

Some of the programme's strengths are that it is more inclusive than previous programmes, with greater participation by women and members of Scheduled Castes and Scheduled Tribes, and an important role for civil society organisations. It has also promoted financial inclusion: the use of biometric smart cards means that millions of illiterate people are able to receive their payments through banks and post offices. Social security benefits (including life and health insurance) are also being extended to programme beneficiaries.

However, there are a number of loopholes that need to be addressed (such as some

schemes paying below the minimum wage), and there are concerns about the programme's long-term sustainability. There is also a need for an ombudsman-type mechanism to redress grievances. Some have even suggested that an independent agency should be set up with sole responsibility for implementation, and adequate powers and funds.

Conclusions

The paper concludes that the reasons for the NREGA programme's patchy success lie in the way processes have been implemented at local level. The authors propose a more detailed, qualitative study, interviewing beneficiaries but also field staff and others involved in the implementation machinery. This would provide a more thorough assessment of the programme's impact and confirm the key areas that need to be strengthened to improve performance.

CREDITS

The working paper that is summarised here was written by the Institute for Human Development, New Delhi, India. Research, writing, and publication of this material was made possible through the Social Protection in Asia (SPA) policy-research and network-building programme, funded by the Ford Foundation and the International Development Research Centre (IDRC). The programme is managed by the Institute for Human Development (IHD) New Delhi, India, and the Institute of Development Studies (IDS) Brighton, UK.

FURTHER INFO

The full text of this working paper is available on the SPA website: www.socialprotectionasia.org

To contact SPA, please email: info@socialprotectionasia.org

The opinions expressed are those of the authors and do not necessarily reflect the views of any of the institutions involved. Readers are encouraged to quote or reproduce material from issues of SPA publications in their own work. In return, SPA requests due acknowledgement and a copy of the publication.

© SPA 2009



A policy-research and network-building programme

Pioneering research and knowledge partnerships to promote public action for livelihood security in a changing world