Participation of Scheduled Caste Households in MGNREGS: Evidence from Karnataka

R Manjula
D Rajasekhar
Institute for Social and Economic Change (ISEC) is engaged in interdisciplinary research in analytical and applied areas of the social sciences, encompassing diverse aspects of development. ISEC works with central, state and local governments as well as international agencies by undertaking systematic studies of resource potential, identifying factors influencing growth and examining measures for reducing poverty. The thrust areas of research include state and local economic policies, issues relating to sociological and demographic transition, environmental issues and fiscal, administrative and political decentralization and governance. It pursues fruitful contacts with other institutions and scholars devoted to social science research through collaborative research programmes, seminars, etc.

The Working Paper Series provides an opportunity for ISEC faculty, visiting fellows and PhD scholars to discuss their ideas and research work before publication and to get feedback from their peer group. Papers selected for publication in the series present empirical analyses and generally deal with wider issues of public policy at a sectoral, regional or national level. These working papers undergo review but typically do not present final research results, and constitute works in progress.
PARTICIPATION OF SCHEDULED CASTE HOUSEHOLDS IN MGNREGS:
EVIDENCE FROM KARNATAKA

R Manjula and D Rajasekhar*

Abstract

This paper analyses the extent to which Scheduled Caste (SC) households have participated and benefited from the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) in Karnataka, with the help of both secondary and primary data. The demand for MGNREGS work and participation of SC households was found to be high in districts where the incidence of SC population was high. However, the number of days of employment obtained by SC households was relatively low. This suggests that SC households were discriminated in the provision of MGNREGS work in Karnataka. The paper discusses factors that constrained the participation of SC households in MGNREGS.

Introduction

India has achieved high growth rates in the last two decades (Ghatak and Roy 2014). But, the growth has not been inclusive in several aspects such as poverty reduction, equality, access to government programmes and empowerment. The employment elasticity with respect to gross domestic output has been declining in India, and such a decline has been evident in the three sectors of the economy, namely, agriculture, industry and services. In so far as agriculture is concerned, the situation has been the worst; the employment elasticity had become negative during the period 1999-2000 to 2009-10 (Dev 2013). The decline of employment opportunities within the Indian agriculture implies that households depending on agriculture face the problem of unemployment and insufficient livelihood. Among different social groups, Scheduled Castes (SCs) are the ones that depend most on agriculture either as labourers or marginal farmers. It is in this context that the government has started development programmes to promote wage employment among the poor in general and the SCs in particular.

Wage employment programmes are also called workfare or food-for-work programmes. Workfare aims at employment security by providing mandatory work to the poor such as those depending on wage labour and small farmers. Workfare programmes typically aim to: (i) provide poor

* The authors are Research Officer and Professor, respectively, at the Centre for Decentralisation and Development, Institute for Social and Economic Change (ISEC), Bangalore. E-mail: manjula@isec.ac.in and raja@isec.ac.in.

This paper is culled out from the chapter prepared for the report on “A comprehensive study of the status of scheduled castes in Karnataka”, the writing of which has been coordinated by Prof. Manohar Yadav.

The authors would like to thank Prof. Manohar Yadav and an anonymous referee for their comments on an earlier version of the paper.

1 NSSO (2012) shows that 58.9 per cent of SC households in rural India are working as wage workers either in agriculture or non-agriculture as compared to only 26.2 per cent in the case of others.

2 In rural India, 17 per cent of SC households were cultivators in 2009-10 (NSSO 2012).

3 This paper focuses on only wage employment programmes though there are other self-employment programmes for SC beneficiaries.
workers with the minimum essential quantity of food necessary to maintain good nutrition; (ii) make work compulsory in exchange for food or wages; (iii) decentralize the targeting of beneficiaries and the prioritisation and management of public works projects; and (iv) harness available resources for advancing long-term development objectives\(^4\) in food-deficit areas (Holden et al 2006).

The Indian government has introduced several wage employment and social protection programmes in the post-independence period; of them, MGNREGS is the flagship scheme. The design of the programme is such that it seeks to work towards the upliftment of the socially vulnerable groups by providing employment for 100 days in a year. The SC households are typically vulnerable due to lack of access to productive assets and education, and the existence of labour market and caste-based discrimination (Rajasekhar et al 2012a: 307). A question that arises in this context is: What is the extent to which SCs have participated and benefited from MGNREGS?

Against this background, this paper discusses the participation of SC households in MGNREGS in Karnataka with the help of secondary and primary data as well as a review of existing studies. This paper is presented in six sections. After this introductory section, the poverty and unemployment among SCs in Karnataka is discussed in section two. In the third section, background information on MGNREGS is provided. Fourth section presents a discussion on the participation of SCs in MGNREGS in Karnataka and the extent to which they have benefitted, with the help of secondary data. In the penultimate section, an attempt is made to analyse the factors influencing SCs employment in MGNREGS with the help of primary data\(^5\). Sixth and concluding section summarises the findings of the study and offers suggestions for further streamlining of MGNREGS.

**Impact of Development Programmes on SCs in Karnataka**

Poverty tends to get concentrated among socially disadvantaged sections of the populations such as SCs and Scheduled Tribes (STs) (Thorat and Mahalamalik N.D; De Haan and Dubey 2005 and Biradar 2012). Karnataka is no exception to this general trend. The incidence of poverty among SCs in Karnataka was 31.8 per cent in 2004-05 while it was only 13.8 per cent among other castes.

Households belonging to SC community in Karnataka are either landless or marginal landholders. The NSSO (2012) data for 2009-10 shows that about 10 per cent of the households in Karnataka are landless and as many as 65 per cent of them own less than one acre of land. Thus, a large proportion of SC households in Karnataka own land. This is further corroborated by Mohanty (2001) who, after comparing the situation of SCs in landownership in different states, notes that the position of SCs is better in Karnataka in terms of progress of landholding position due to the dalit movement and the consequent mobilisation of SCs. Dalit Sangharsha Samiti has also struggled to get land for SCs in Karnataka (Yadav 1998).

\(^4\) This is by way of investing resources on soil and water conservation activities, and by improving the employment opportunities in such regions.

\(^5\) These data were collected (in 2010-11) for the study on ‘Information and Delivery of Services: A Study of National Rural Employment Guarantee Scheme in Karnataka’ undertaken by the Centre for Decentralisation and Development, Institute for Social and Economic Change, Bangalore and University of Oxford, UK.
A majority of SC households do not, however, cultivate their land for two reasons. First, the land obtained under land reforms legislation in the post independent India was ‘often useless and uncultivable’ (Yadav 1998: 124). Second, the land owned by SC households is tiny and unviable. These influence SC households to lease out their small parcels of land and work as agricultural labourers. This is corroborated by the NSSO (2012) data. The distribution of households by land cultivated in Karnataka for 2009-10 shows that as many of 61 per cent of SC households do not cultivate any land although 65 per cent of them own landholdings of less than one acre.

This is further corroborated by the distribution of SC households by their principal occupation in Karnataka. The proportion of SC households self-employed in agriculture and non-agriculture was only 20.9 per cent as compared to 48.1 per cent in the case of OBCs and 54.5 per cent among others. It can also be seen that the proportion of households involved in wage labour was the highest among SC households. It was found that over 73 per cent of SC households in Karnataka were obtaining their livelihood through wage labour in agriculture and non-agriculture in 2009-10; the corresponding proportions among STs, OBCs and others were 55.3, 44.2 and 33.2, respectively, in the same year. Thus, an overwhelming majority of SC households depend on casual wage labour in agriculture or non-agriculture.

Table 1: Distribution of Rural Households (%) by the Principal Occupation in Karnataka (2009-10)

<table>
<thead>
<tr>
<th>Household social group</th>
<th>Self-employed in agriculture</th>
<th>Self-employed in non-agriculture</th>
<th>Wage labour in agriculture</th>
<th>Wage labour in non-agriculture</th>
<th>Others</th>
<th>All households</th>
</tr>
</thead>
<tbody>
<tr>
<td>SCs</td>
<td>13.3</td>
<td>7.6</td>
<td>61.5</td>
<td>11.6</td>
<td>6.0</td>
<td>100.0</td>
</tr>
<tr>
<td>STs</td>
<td>20.7</td>
<td>10.1</td>
<td>48.8</td>
<td>6.5</td>
<td>13.9</td>
<td>100.0</td>
</tr>
<tr>
<td>OBCs</td>
<td>32.0</td>
<td>16.1</td>
<td>34.7</td>
<td>9.5</td>
<td>7.8</td>
<td>100.0</td>
</tr>
<tr>
<td>Others</td>
<td>37.2</td>
<td>17.3</td>
<td>22.8</td>
<td>10.4</td>
<td>12.3</td>
<td>100.0</td>
</tr>
<tr>
<td>All</td>
<td>28.6</td>
<td>14.2</td>
<td>38.3</td>
<td>9.9</td>
<td>9.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: NSSO (2012).

The SC households also suffer on account of lack of educated adults in their households. NSSO (2012) data show that 26 per cent of SCs in Karnataka do not have adult literate member in their households. The corresponding proportions among OBCs and other castes were 18 and 14 per cent, respectively, in 2009-10. The situation is much worse in the case of adult female members in SC households. Nearly 50 per cent of SCs in Karnataka do not have literate adult female member as compared to 35 per cent among OBCs and 31 per cent among other castes. If most of the SC households do not have literate adult female member the implication is that the children education will suffer.

Rao (2001), a long and keen observer of social and economic change in Karnataka, summarises the situation of SCs as follows: “the Scheduled Castes suffer from the double handicap of

---

6 It must be, however, noted that the literacy rates are much lower among ST households in Karnataka.
low social status coupled with low occupational status. The low social status has been an outcome of their exposure over a historical past to domination by the mainstream castes – particularly by the rural landowning elites – in the economic and social spheres”. Faced with such a disadvantageous situation, will SC households be able to participate in the development programmes initiated by the government and improve their economic position?

Several empirical studies have examined the impact of development programmes on SC households in Karnataka. Jayakumar (1998), who analysed the impact of self-employment programmes on SCs and STs in Karnataka and Maharashtra states, notes that programme such as subsidised/free provision of bullocks, bullock cart, irrigation wells, pan shops, goat rearing and leather works were successful and provided extra income to beneficiaries although mis-utilisation and leakages were widely noticed in the implementation. The author also mentions that public amenities created under JRY and EAS have transformed the hitherto backward villages. Jayakumar (1998), thus, highlights the positive impact of development programmes on SC households in Karnataka.

This positive view on the impact of development programmes on SCs is, however, not entirely shared by Aziz et al (2000). In their case study of a village from Kolar district, Aziz et al (2000) sought to examine factors contributing to the mobility of SC households with the help of primary data collected in 1998. They conclude that state intervention has indeed helped SC households. More importantly, own effort and peer group pressure helped SCs to integrate themselves into the growing village economy. The authors suggest that direct state assistance to weaker sections is important; but, at the same time, efforts should be focused on strengthening the village economy by diversifying its economic activities and creating conditions for integrating SCs into the growing village economy. The implication here is that the government needs to undertake those programmes that strengthen non-farm activities at the village level and also enable SC households to take part in them. In this, self-help and social networks become important.

This is further corroborated by Rao (2001) who notes that the delivery of development programmes to SCs has been fragmented. “Policy making and implementation of development programmes by the line departments do not quite succeed in delivering the package of development inputs and services to the scheduled castes which is the objective of the development strategy. Unless a household gets the whole package, the desired development impact would not be realized by the household. Further, when the package is incomplete, even the benefits obtained by the households from the programmes which it receives could be much less than the planned benefits” (Rao 2001: 8).

Yadav (1998) brings in another dimension of fragmentation, namely, uneven mobilization of SCs by dalit organizations. He criticizes that dalit organizations focused on ‘educate, organize and agitate’, and overlooked the other themes, embodying the real philosophy of Dr Ambedkar, such as ‘self-respect, self-help and self-reliance’ (Yadav 1998; 124). These themes would have helped SCs to get integrated into the economy more as entrepreneurs rather than as workers.

Rao (2001; 5), in this regard, notes that “the distinguishing feature of the Indian society is the variants of untouchability which separate the scheduled castes from the mainstream castes and, also an extent, from each other. This feature has the effect of excluding the scheduled castes from the networks which help the mainstream people to participate in the growth and development processes
activated by the market and the government. Not surprisingly, the scheduled castes have been pushed down to the lowest rung in the social ladder and have found little help and opportunity in the past to move upwards” (Rao 2001; 5). He, thus, hypothesises that lack of social networks come in the way of their upward mobility.

**How Does MGNREGS seek to Promote the Participation of SC Households?**

MGNREGS was implemented in 200 of India’s most backward districts during 2006-07; in 130 districts during 2007-08; and in all the other districts from April 2008 onwards. MGNREGS aims to enhance the livelihood security of rural households by providing at least 100 days of guaranteed wage employment in a year to every household that is willing to undertake unskilled manual work. Further, every applicant is entitled to a daily unemployment allowance when s/he is not provided employment within 15 days of receipt of his/her application seeking employment (Government of India 2008). MGNREGS is, thus, a significant employment generation programme because, for the first time, the state has a *legal* responsibility to provide employment to those seeking it.

One of the goals of the programme is to empower the socially disadvantaged groups such as women, SCs and STs through the rights-based legislation (GoI 2013). The programme treats SCs and STs as socially disadvantaged groups that need to be uplifted. Special provisions have been, therefore, made to both the groups for the purpose of promotion of social and economic justice and social inclusion.

In the programme (GoI 2008), special emphasis is given for the inclusion of SC and ST households starting with activities such as providing awareness, planning process, implementation of works and monitoring the progress and quality of works. The guidelines emphasize the generation of awareness on MGNREGS through Information, Education and Communication (IEC) which includes TV, radio, films, print media, pamphlets, brochures, etc., and enjoins that the information about programme be widely disseminated especially in the localities and hamlets where SC/STs are residing. In the planning process, the guidelines stipulate that special efforts have to be made to include the priorities of SC/ST households.

Similarly, the programme makes a special provision for SC/ST households owning land or homestead to undertake land development works, provision of irrigation facility, plantation and horticulture, etc. (GoI 2008: 27). In addition, while constructing roads, priority has to be given to roads that give access to SC/ST habitations (*ibid.* 27). In the MGNREGS guidelines of 2013, the scope of works has not only been broadened for general public but also made specific to SC/ST households. The SC/ST households that own land or homestead can undertake the following works (GoI 2013: 55-56):

- relating to land development, farm bunding, horticulture, plantation, creation of farm pond, provision of irrigation facility;
- agriculture related works such vermi-compositing, bio-manure, etc;

---

7 As stated in Schedule 1 of the NREGA Act. For instance, see NREGA operational guidelines 2008 on the website [http://nrega.nic.in/Nrega_guidelinesEng.pdf](http://nrega.nic.in/Nrega_guidelinesEng.pdf)
• livestock related works like creation of shelter for cattle, goat, poultry, etc;
• works specific to coastal areas like fish drying yards, vegetation belt;
• works relating to rural drinking water like creation of soak pits, recharge pits, etc; and,
• rural sanitation related works such as individual latrines, toilet units, etc.

However, the guidelines make it clear that these works can only be taken up when the SC/ST households possess job card and the members of their household work on the project undertaken on their land (ibid. 55-56).

The guidelines also specify that the land belonging to SC/ST households cannot be acquired for works under the programme. As far as monitoring of the MGNREGS works is concerned, a nine-member Vigilance and Monitoring Committee (VMC) has to be set up in each village to monitor the progress and quality of works undertaken under MGNREGS. There is also a provision to include SC/ST households in this committee. The foregoing discussion suggests that the MGNREGS has built-in provisions to involve the vulnerable groups of the society such as SC/STs in all the phases of the programme and thereby empowering them.

MGNREGS has now become one of the largest social protection programmes in the world. According to official statistics, in 2013-14, the total expenditure on the scheme was ₹42,273 crores in India, and a total of 13.9 million works were undertaken in rural India, of which only 2 million (i.e., 14.68 per cent) were completed. Given that there are 641,000 villages in India in 2011, the average number of works undertaken and completed is 22 and 3, respectively in 2013-14! Also, 51.77 million households or 92.12 per cent of those demanding work were provided with employment in the year. The total persondays of employment created through MGNREGS in the country was 2,187 million in 2013-14, of which 52.84 per cent was accounted for by women. In so far as the inclusion of socially disadvantaged groups in the provision of employment is concerned, 17.19 of persondays of work were accounted for by STs and 22.60 per cent by SCs.

Participation of SC households in MGNREGS

The data from the official website for the four-year period ending with 2013-14 are analyzed here to understand the participation of SC households in the programme. Using the population Census figures of 2011, the thirty districts of Karnataka are ranked as per the incidence of SC population in total population in rural areas8. The districts with higher proportion of SC population would get higher ranks. The analysis in this section relies on these rankings to probe whether the expenditure on the programme was high in the districts which had higher concentration of SC population.

In 2011, the proportion of SC population to total population in rural Karnataka was 20 per cent. As can be expected, there is district-wise variation in the proportion of SC population. The proportion of SC population was the highest in Kolar at 31 per cent while it was the lowest in Udupi at 6.64 per cent. As can be seen from Figure 1, the top ten ranking districts are mostly located in the Bangalore division (Kolar, Chikkaballapura, Bangalore Rural, Chitradurga and Davanagere) and Gulbarga

8 It may be noted that population (SC and general) in rural areas is considered because the scheme is operational only in rural areas.
division (Gulbarga, Bidar and Yadgir). The districts with medium proportion of SC population are Bellary, Bangalore, Raichur, Bijapur, Mysore, Hassan, Tumkur, Ramanagara, Shimoga and Koppal. Most of the districts with lower proportion of SC population belong to coastal (Dakshina Kannada, Uttara Kannada and Udupi), Malnad (Kodagu) and Bombay-Karnataka (Gadag, Bagalkote, Belgaum and Dharwad) regions.

During the period 2010-11 to 2013-14, the total expenditure incurred on MGNREGS in Karnataka was ₹ 9,301 crores, the expenditure per SC person in the State being ₹ 12,408. The MGNREGS expenditure per SC person was the highest in Dharwad district (₹ 40,139) and lowest in Bangalore Urban (₹ 755). In some of the districts, the average amount spent was lower than the state level figure of ₹ 12,408 per person. Amongst all the districts, especially among the least SC populated districts, Dharwad is an outlier with highest average expenditure spent per SC person. In the districts having high density of SC population, the expenditure per SC person was lower than the state average.

It was expected that the expenditure per SC person would be high in those districts where the density of SC population is high. This is because, as Table 1 shows, 73 per cent of the SC households depended on wage labour for their livelihood. There will be, thus, high demand for MGNREGS work from such districts. Being a demand-driven scheme, MGNREGS should make higher allocation to such districts and incur higher expenditure. However, the official figures show that the expenditure per SC person during the last four years tended to be comparatively low in the districts where the concentration of SCs was high. In other words, there is an inverse relationship between the expenditure and the proportion of SC population in a district (Figure 1).

---

9 It may, however, be noted that the expenditure was more than the amount available under MGNREGS including central releases in some of the years. One of the reasons for this is that the local government carried out work by deviating programme guidelines and thereby not following the guidelines (Rajasekhar et al 2012b).

10 The delay in the release of funds contributed to the inability of grama panchayats to spend on generation of wage employment in seasons when the demand is high (Rajasekhar et al 2013b).
The compound growth rates of MGNREGS expenditure per SC person in a rural area of a district are worked out for the four-year period ending with 2013-14 (Figure 2) in order to see whether there was higher growth of expenditure in districts with higher incidence of SC population. Figure 2 shows that the growth rates tended to be positive and higher in districts with higher incidence of SC population. On the other hand, the expenditure per SC person in a district has either remained stagnant or declined in most of the districts with lower density of SC population. On the whole, the growth rate of expenditure per SC person in a district declines as the proportion of SC population declines. This implies that the MGNREGS expenditure has increased in districts with higher proportion of SC population as compared to those districts where the proportion of SC population was low. This further suggests that the demand for MGNREGS work has in fact been high from the districts with higher proportion of SC population, and that MGNREGS has been responding positively to this by stepping up the expenditure on the scheme.

![Figure 2: Compound Growth Rate (%) of Expenditure per SC Population during the 2010-11 to 2013-14](image)

Since MGNREGS website provides the data on total persondays of employment generated under the programme, and persondays of work provided to SCs, STs and others, the proportion of persondays of work obtained by SCs to total in the state and districts has been worked out. In the state as a whole, SCs accounted for 16.2 per cent of total persondays of work generated by the programme during the period 2010-11 to 2013-14. The proportion was the highest in Kolar (27.8 per cent), while it was the lowest in Uttara Kannada (6.1 per cent).

It will be interesting to analyse the relationship between the proportion of persondays of work obtained by SCs and the proportion of SC population. Figure 3 shows that there is a broad correspondence between the participation of SCs in the programme and the proportion of SC population. In districts where the incidence of SC population was more, SCs accounted for higher
proportion of persondays of employment. This is true of districts with higher proportion of SC population except Gulbarga, where the proportion of persondays of work obtained by SCs to total was less than the state average. The proportion of persondays of work obtained by SCs was lower than the state average in all the ten bottom ranking (in terms of incidence of SC population) districts.

**Figure 3: Proportion of Person-days of Work Provided to SCs during 2010-11 to 2013-14**

MGNREGS website does not provide detailed data on the participation of SCs in the programme. NSSO (2012) data are, therefore, analysed to look into the variation across the social categories in the demand for MGNREGS work, the proportion of households obtaining work under MGNREGS to total demand for the same, actual number of days of work obtained, and average number of days of work. Let us analyse each of the above in some detail in the ensuing paragraphs with the help of NSSO data for the year 2009-10.

NSSO (2012) estimates show that 22.8 per cent of households demanded for MGNREGS work in Karnataka. However, there is some variation among social categories when it comes to the demand for MGNREGS work. The proportion of households seeking MGNREGS work was the highest among SC households at 28.8 per cent, and least among others (18.4 per cent). Thus, as can be expected and as stated earlier, the demand for MGNREGS work has been higher among SC (and also ST) households in Karnataka (Figure 4).

**Figure 4: Distribution of Households (%) by Whether they have Sought MGNREGS Work and Social Categories in Karnataka**

...
How many households succeeded in getting the work? Are there any variations among social categories? These two questions are taken up for a discussion below. From among those demanding the work, 35.1 per cent have managed to obtain MGNREGS work in Karnataka as a whole. There are, of course, variations across different social categories. The proportion of households obtaining work to those demanding for the same was 55.6 per cent among SCs, 65.5 per cent among STs, 19.4 per cent among OBCs and 29.3 per cent among others (Figure 5). Thus, the proportion of households obtaining MGNREGS work to those seeking for the same was high among SC (and also ST) households as compared to those belonging to the other categories in Karnataka.

Figure 5: Distribution of households (%) by percentage obtaining MGNREGS work to total seeking in Karnataka

The above suggests that SCs in Karnataka have been at the forefront in seeking MGNREGS work. But, has this lead to obtaining larger quantum of work by SCs? This question is analysed in this paragraph. Figure 6 shows that a majority of SC (and also ST) households obtained less than 20 days of MGNREGS work in a year. This is despite the fact that a large proportion of SC households had demanded for MGNREGS work and participated in the scheme. In contrast, the proportion of OBC households that sought and also participated in MGNREGS work was much less than SC households. But, nearly 43 per cent of them obtained 50-100 days of work and 21.4 per cent obtained 20-50 days of work. What is clear from the above is that although a large proportion of SC households seek MGNREGS work and also participate in the scheme, they do not get much benefit from the scheme in terms of actual number of days work.
Figure 6 above makes it clear that there is distortion in participation rate of SC households in MGNREGS work is in Karnataka. Because of landlessness, predominance of tiny and unviable landholdings and dependence on wage labour for livelihood, SC households seem to be enthusiastically participating in MGNREGS programme. Such enthusiasm gets reflected in larger proportion of them demanding for MGNREGS work and participating in the scheme. However, when it comes to number of days of work obtained under the programme, a majority of them are found to have obtained less than 20 days of work in a year. In contrast, the proportion of OBC households demanding and participating in MGNREGS work is not large. But, nearly 43 per cent of them are found to have obtained more than 50 days of work under MGNREGS.

Factors influencing SC employment in Karnataka

A review of empirical studies in Rajasekhar et al (2012c) shows that the following factors may have a bearing on the low participation rate of SC households in MGNREGS. They are: (1) Awareness of the programme; (2) Issue of Job cards; (3) Provision of work and payment of wages; and (4) Numbered muster roll11.

Awareness on the programme

Lack of awareness on MGNREGS is an important factor that influences the flow of benefits to SC households (or for that matter any household). Previous studies on the implementation of MGNREGS in Karnataka [Rajasekhar et al (2012b), Kumar and Maruthi (2011) and Pani and Iyer (2011)] found that rural households were having only general awareness or only just heard the scheme. They did not, however, have any precise idea on entitlements, nature and type of work that can be taken up, wages paid, etc.

---

11 Checks and balances incorporated into the last three aspects of the scheme are discussed in detail in Rajasekhar et al (2012c).
Pani and Iyer (2011), who provided data on awareness levels among households by social categories, noted that general awareness among SC households was found to be better than that among all the households in all the Karnataka regions, except in coastal and malnad regions. The authors, however, noted that: ‘these figures reflect a rather basic awareness, in the sense of having heard some aspect of the scheme. Once we probe a little further and ask the residents of the villages about the basic features of the scheme – even something as widely known as the MGNREGS guaranteeing 100 days of work per household – the awareness drops” (Pani and Iyer 2011; 32). It is, therefore, not surprising that SCs being wage labour dependent households were found to be having more general awareness on the scheme.

Rajasekhar et al (2013a) make an in-depth analysis of awareness on different components of the scheme with the help of data from 2,071 sample households in 150 sample villages in Bellary. The sample households were asked whether they would agree or disagree with the statement that ‘we have received as much information as we need about i) our right to obtain work under MGNREGS; ii) how to obtain MGNREGS job card; iii) how to apply for MGNREGS work with a job card; iv) the type of work offered under MGNREGS; v) the worksite conditions offered under MGNREGS; and, vi) wages and payment under MGNREGS’. Responses to i) to iv) are presented in Table 2.

At first sight, one gets the impression that the awareness level among SC households was better than the average for all the categories of households. But, a careful look at Table 2 reveals that the awareness level among SC households was lower than that among backward castes (Kuruba, Golla, etc.) and dominant castes (Vokkaliga, Lingayat and Reddy), and higher than that among ST and forward caste households. The findings that households belonging to forward castes (such as Brahmins, Vaisyas and so on) as having lower level of awareness can be explained on the grounds of low sample size. The other contributing factor could be that households from upper castes do not bother about the scheme as they are unwilling to participate in MGNREGS. The result thus shows that the SC and ST households are much behind others in regard to awareness on MGNREGS.

<table>
<thead>
<tr>
<th>Disagreeing with the statement that we have received as much information as we need about</th>
<th>SC</th>
<th>ST</th>
<th>Minorities</th>
<th>Backward caste</th>
<th>Forward caste</th>
<th>Dominant caste</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Our right to obtain work under MGNREGS</td>
<td>85.0</td>
<td>82.9</td>
<td>90.4</td>
<td>86.1</td>
<td>83.3</td>
<td>81.5</td>
<td>84.7</td>
</tr>
<tr>
<td>How to obtain MGNREGS job card</td>
<td>85.7</td>
<td>85.1</td>
<td>89.6</td>
<td>85.7</td>
<td>72.2</td>
<td>77.8</td>
<td>84.5</td>
</tr>
<tr>
<td>How to apply for MGNREGS work with a job card</td>
<td>85.8</td>
<td>85.3</td>
<td>89.6</td>
<td>85.4</td>
<td>77.8</td>
<td>78.6</td>
<td>84.7</td>
</tr>
<tr>
<td>The type of work offered under MGNREGS</td>
<td>54.5</td>
<td>46.5</td>
<td>47.8</td>
<td>50.0</td>
<td>44.4</td>
<td>48.6</td>
<td>50.0</td>
</tr>
<tr>
<td>The worksite conditions offered under MGNREGS</td>
<td>84.4</td>
<td>82.7</td>
<td>83.5</td>
<td>83.1</td>
<td>74.1</td>
<td>79.8</td>
<td>82.8</td>
</tr>
<tr>
<td>Wages and payments under MGNREGS</td>
<td>81.9</td>
<td>76.3</td>
<td>73.9</td>
<td>75.7</td>
<td>68.5</td>
<td>71.2</td>
<td>76.7</td>
</tr>
</tbody>
</table>

**Source:** Primary survey of study by Rajasekhar et al (2013a).
**Issue of Job Cards**

Job card is a valid document for a registered household to obtain employment under the programme. Grama Panchayats (GPs) should issue job cards, for free of cost, to the households who are willing to do unskilled manual work under MGNREGS. The job card needs to be updated periodically by the GP with details such as the number of days work provided, wages paid, etc.

Rajasekhar *et al* (2012c: 568) note that not all the needy households indeed possess a job card. In some cases, households that did not depend on wage employment were also found in possession of a job card; this could be due to the misconception that it would enable them to access benefits provided by the other schemes of the government.

They also note that the gap between those registering for the programme and those demanding work has been growing. This could be attributed to the phenomenon of ‘non-possession of job cards’ by those for whom they were issued. Pani and Iyer (2011) also noticed ‘non-possession of cards among registered households.

In most cases, job cards were kept by GP members or GP officials and not given to the beneficiaries. When GP representatives and functionaries were asked why job cards were kept with them, the common refrain was: “wage labourer households often misplace the job card. So we keep them under safe custody. As and when wage labourer households need the job card, it can be easily traced” (Rajasekhar *et al* 2013a).

The above gives an impression that wage labourer households have voluntarily kept the job cards with GP representatives or officials. This is found to be far from the truth; some wage labourer households, whose job cards are kept with GP officials, were not even aware that job cards were issued to them. The official records show that these households have obtained wage employment under the scheme and obtained wages as well! Some wage labourer households submitted their job cards for an update or at the time of obtaining work; these cards were not subsequently returned. Berg *et al* (2013) reveal that job cards were kept with contractors/ corrupt officials and used for embezzling funds.

There were also cases where the wage labourer households were asked (or forced?) to part with their job cards apparently for siphoning out of MGNREGS funds. The modus operandi is that a labourer will be asked to lend the card, and come to bank for withdrawing of money deposited into her/his account; in return, the labourer is offered some money which would be a fraction of his/her entitlement. Rajasekhar *et al* (2013a) reveal that, on an average, each household is paid ₹ 800, with the minimum amount being ₹ 100 and the maximum amount going up to ₹ 2,000. Reportedly, many households agreed to lend their job cards because of the perception these cards were useless to them since the Grama Panchayat was in any case not providing any work to them. However, there were also cases where the households were not paid the ‘agreed lending amount’ for lending the job card (Box 1).
Box 1: Lending of Job cards for money

Jayabai is SC agricultural labourer residing in a village in Hadagali taluk from Bellary district. Her household’s principal occupation is wage labour. Jayabai applied for job card thinking that her household could obtain wage work under the scheme and get more wage income. However, the GP did not provide work to her. One of the GP members approached her with a proposal that she can lend her job card to him and in return she would be paid ₹ 500. She accepted the offer as she thought that her job card was any case lying idle in the house and that she could at least get some money by way of lending the card. At the time of interview, she complained that the GP member did not give the ‘agreed lending amount’. She also remarked that “this programme is not benefitting the poor…the elected representatives are misappropriating the MGNREGS funds”.

It may be noted that when the cards are with the vested interest groups, there is every possibility of mis-utilisation of the job cards. In the rural areas, the MGNREGS works are completed by deploying labour saving machinery, defying MGNREGS norms. However, while claiming the expenditure, the contractors manipulate the records to show that work was completed by hiring workers. For this purpose, the numbers of the job cards that were not with the concerned households will be used.

By keeping the job card away from the household, contractors, GP members and officials ensure that the households would neither come to know about the mis-utilisation of the card or come to GP office to ask for the work. Further, the household would never come to know what is being written on the job card as it requires periodic update. Most often the households were not aware of the fact that their job cards were misused. Sometimes the withdrawal money from the bank account is managed by the GP officials/members. Typically, the households are misled by telling that “the GP has undertaken a village development work for which the money is released into the bank account of the villagers. Hence, money has come into your account and you can withdraw the amount”. Such ploys cleverly stifle voices from below, especially those of poor SC households.

Provision of work and payment of wages

When employment is not provided despite asking for work households are discouraged from participating in the programme. There were several cases of households expressing their displeasure for not being able to get employment under the programme (Box 2).

Box 2: Not getting work under MGNREGS

Hanumantha is a labourer from SC community, residing in a village in Siruguppa taluk of Bellary district. Staying in a government provided house, his household possess BPL ration card and depended primarily on wage employment for eking its livelihood. The household was very happy when the implementation of MGNREGS was announced in the village and they obtained the job card with the hope that they will derive benefits under the scheme. However, this household was not given any work in 2010-11 although the official records show that he has, in fact, worked. Hanumantha expressed his displeasure that “we have not worked under MGNREGS and nobody calls us to work. The GP will only provide work only to those people whom they favour”. He also complained that “nobody in the village knows where the MGNREGS works are undertaken … In this village, wages are credited into bank accounts of one set of workers whereas the money is withdrawn by some other persons”. When it was asked how this is becoming possible, Hanumantha attributed this to collusion among officials and rural elite; “when bank officials, GP officials and GP members collude, the actual account holder would never come to know what exactly has happened”.


The Numbered Muster Rolls (NMR) is a tool to check fraudulent practices. Despite the fact that MGNREGS has very good operational guidelines relating to the maintenance of muster rolls and reduction of corruption, primary studies provide evidence for violation of guidelines and misuse of funds leading to corruption (Mehrotra, 2008). Muster roll manipulation is the primary reason for the inability of several households to get work from MGNREGS.

Berg, Rajasekhar and Manjula (2013) have analysed the extent of muster roll manipulation with the help of data from 150 villages from Bellary district in Karnataka. According to them, close to 34 per cent of the sample workers have worked and obtained all the payment. Among those who received full payment, some were from SC community, and their details are presented in Box 3.

Berg et al (2013) found that 56.2 per cent of the sample workers, shown in official website as having taken part in MGNREGS works and received payment, did not actually work, and that most of them had not received any wages either. Berg et al (2013) call them as ‘ghost workers’. Use of this ploy to siphon out funds ear-marked for genuine beneficiaries actually amounts to theft from the government.

**Box 3: Obtained employment and wages**

| Sannamalla, is landless labourer, from the Harijan community. After obtaining job card, he applied for work under MGNREGS. Accordingly, two members of his household were provided with 15 days' each of work at the daily wage rate of ₹100. In all, 30 days of employment was provided to this household. The household obtained their total wages of ₹3,000 in less than 15 days of stipulated time, and wages were indeed credited into their bank account. The respondent expressed his happiness and stated “this scheme has been good and it has helped many poor people like us by providing sufficient employment”.

The household of Durga Naik belonging to SC (Lambani) community and holds BPL antyodaya ration card. Durga Naik, the head of the household, had applied for job card with an expectation that the wage work could be obtained under MGNREGS. In all, 120 days of employment was provided to this household during 2010-11. Four members of this household had worked and obtained a total of ₹12,000 as wages. The household members were very happy and mentioned that “this scheme benefits wage labourers especially who are poor and it is helpful and comes to our rescue during our difficult times”.

Berg et al (2013) noted that about 10 per cent of the sample workers were short changed, in the sense that amounts received fell short of wages due to them. Box 4 presents a case where household members worked but did not receive their full wages or received only partial wages (Box 4).

**Box 4: Partial payment to most vulnerable households - A case of selective bias**

| Ramibai, who is about 65 years old, heads the household consisting of her daughter Laxmibai (who is separated from her husband) and two grand children. During 2010-11, both Ramibai and her daughter Laxmibai worked in one of the MGNREGS works for 15 days each at the daily wage rate of ₹100. Each one of them was to receive ₹1,500 as total wages. However, only ₹300 was paid to each one of them in the form of cash. When we visited them towards the end of the year 2011, this household had still not received their balance amount of ₹2,400. Apparently, GP kept on telling that bill had not been cleared by the government and payment would come once it is cleared. The official records, however, show that full payment has been made to these two workers. This clearly shows that the officials in authority take voice-less vulnerable SC households headed by women for granted! 

Muster roll manipulation, which is pulled off through deception, exploitation and collusion in the payment of wages through banks, has led to widespread corruption, and forced the exit of poor households from SC community from MGNREGS.

**Concluding Remarks**

In this paper, we discuss the extent to which SCs participate and benefit from MGNREGS in Karnataka with the help of secondary and primary data as well as a review of existing studies. Since MGNREGS has been one of the largest social protection programmes in the world, it is essential to understand the extent to which SC households have benefited from the programme. As these households are typically vulnerable and wage labour-dependent, MGNREGS has built-in provisions to see that SC households indeed benefit from the scheme. The main findings are:

- The data provided in the official website show that, during 2010-11 to 2013-14, the MGNREGS expenditure per SC person in rural areas was low in the districts with higher incidence of SC population. But, the growth rate of expenditure per SC person was higher in the districts with higher incidence of SC population. This implies that the scheme has been responding positively by allocating higher expenditure to the districts where the incidence of SC population is high. It also implies that the scheme has been readily responding to the demand for MGNREGS work from SC households. Further, in the districts where the incidence of SC population was more, SCs accounted for larger proportion of persondays of employment generated.

- According to NSSO data, the proportion of households demanding MGNREGS work and participating in the scheme was higher among SC households as compared to OBCs and others in 2009-10. This shows that a large proportion of SC households have demanded MGNREGS work and have also managed to participate in the scheme, as compared to those belonging to either OBC or other communities. However, when it comes to number of days of MGNREGS work, SC households do not seem to have obtained much benefit. Thus, despite the high demand and enthusiasm shown by SC households to participate in the scheme, provision of employment was not substantial enough to ease their economic deprivation.

- SC households in Karnataka are, thus, discriminated in so far as the provision of MGNREGS work is concerned. Because of landlessness, predominance of tiny and unviable landholdings and dependence on wage labour for livelihood, SC households seem to be enthusiastically participating in MGNREGS programme. Such enthusiasm gets reflected in larger proportion of them demanding for MGNREGS work and participating in the scheme. But, when it comes to number of days of work obtained under the programme, a majority of them are found to have obtained less than 20 days of work in a year. In contrast, a large proportion of OBC households do not demand for MGNREGS work and participate in the scheme but nearly 43 per cent of them are found to have obtained more than 50 days of work under MGNREGS.

The following factors have impacted the flow of MGNREGS benefits to SC households in Karnataka.

- The first important factor is the low level of awareness/ knowledge among the SC households on entitlements or key aspects of MGNREGS such as number of days of employment eligible by each
household, minimum wages to be paid, equal wages to men and women, worksite conditions, payments within stipulated time, etc.

- Given the limited knowledge on the entitlements of MGNREGS, the SC households are not aware of the importance of applying for job cards and securing them. Most of the households, especially those belonging to the poor, have not acquired the job card as they were not aware of importance of possessing the registered job cards with them. This situation has often resulted in the misutilisation of these job cards without the knowledge of actual job cardholder households. A few job cardholders are found to have lent their cards to contractors and received some small amount in return. The households might not have lent their job cards, if they were aware of their entitlement to demand for MGNREGS work or claim unemployment allowance when their demand for work was unmet by the grama panchayat.

- Even when some of the households possessing job cards made oral request for work to contractors, work was not provided under some pretext or the other. In this context, it should be noted that the unemployment allowance cannot be demanded in the absence of any receipt acknowledging the demand for work from the grama panchayat. In any case, the grama panchayats seldom issue acknowledgement receipt when an application for work is submitted. Further, wages were either not paid or delayed. These factors have contributed to the exit of SC households from MGNREGS works.

Thus, poor awareness of entitlements, irregularities in the issue of job cards, non-provision of work despite the demand for the same and non-payment or irregular payment of wages have contributed to the exit of SC households from the MGNREGS programme. The rural elite and officials have devised ways to stifle voices of SC households, if any, from below. The following are suggestions to enable SC households to derive MGNREGS benefits.

- Lack of information on entitlements provided in the Act has been found to be an important reason for the inability of SC households to receive MGNREGS benefits. It is, therefore, suggested that innovative methods and mechanisms may be devised to disseminate information on entitlements to SC households.

- When grama panchayat issues job cards to the applicant households, the list of recipients of such cards needs to be displayed at grama panchayat office for the purpose of promoting transparency and accountability. This will also eliminate the malpractices in the issue of job cards such as contractors retaining the job cards with them without the knowledge of applicant households.

- Efforts should be made to involve SC households in the planning of MGNREGS works at the village level especially at grama sabhas. At the time of planning, the needs relating to SC households will have to be taken into consideration. Keeping in view that SC households are labour-dependent and are willing to undertake manual labour, efforts should be made to plan and undertake those works that provide more employment opportunities to these households. Efforts should also be made to form labour groups consisting of SC households with the help of SHGs in order to step up the

---

12 Discussion with grama panchayat officials revealed that there was no incident of paying unemployment allowance to the households.
demand for work from these households. MGNREGS should be implemented in conjunction with schemes such as RSBY to provide more employment to persons from SC households.

- Rajasekhar et al (2013b) point out that the process of social audit in Karnataka is most often manipulated by the rural elites and hence, poor households including those belonging to SC community seldom get enduring benefits. Social audit process has to be, therefore, strengthened along the lines suggested in Rajasekhar et al (2013b).

References


Recent Working Papers

277 Climate Change, Agriculture, Poverty and Livelihoods: A Status Report
K N Ninan and Satyasiba Bedamatta

278 District Level NRHM Funds Flow and Expenditure: Sub National Evidence from the State of Karnataka
K Gayithri

279 In-stream Water Flows: A Perspective from Downstream Environmental Requirements in Tungabhadra River Basin
K Lenin Babu and B K Harish Kumara

280 Food Insecurity in Tribal Regions of Maharashtra: Explaining Differentials between the Tribal and Non-Tribal Communities
Nitin Tagade

281 Higher Wages, Cost of Separation and Seasonal Migration in India
Jajati Keshari Parida and K S James

282 Pattern of Mortality Changes in Kerala: Are they Moving to the Advanced Stage?
M Benson Thomas and K S James

283 Civil Society and Policy Advocacy in India
V Anil Kumar

284 Infertility in India: Levels, Trends, Determinants and Consequences
T S Syamala

285 Double Burden of Malnutrition in India: An Investigation
Anjan Sengupta and T S Syamala

286 Vocational Education and Child Labour in Bidar, Karnataka, India
V Anil Kumar

287 Politics and Public Policies: Politics of Human Development in Uttar Pradesh, India
Shyam Singh and V Anil Kumar

288 Understanding the Fiscal Implications of SEZs in India: An Exploration in Resource Cost Approach
Malini L Tantri

289 Does Higher Economic Growth Reduce Poverty and Increase Inequality? Evidence from Urban India
Sabyasachi Tripathi

290 Fiscal Devaluations
Emmanuel Farhi, Gita Gopinath and Oleg Itskhoki

291 Living Arrangement Preferences and Health of the Institutionalised Elderly in Odisha
Akshaya Kumar Panigrahi and T S Syamala

292 Do Large Agglomerations Lead to Economic Growth? Evidence from Urban India
Sabyasachi Tripathi

293 Representation and Executive Functions of Women Presidents and Representatives in the Grama Panchayats of Karnataka
Anand Inbanathan

294 How Effective are Social Audits under MGNREGS? Lessons from Karnataka
D Rajasekhar, Salim Lakha and R Manjula

295 Vulnerability Assessment Of The Agricultural Sector In Yadgir District, Karnataka: A Socio-Economic Survey Approach
Sarishtri Attri and Sunil Nautiyal

296 How Much Do We Know about the Chinese SEZ Policy?
Malini L Tantri

297 Emerging Trends in E-Waste Management - Status and Issues
A Case Study of Bangalore City
Manasi S

298 The Child and the City: Autonomous Migrants in Bangalore
Supriya RoyChowdhury

299 Crop Diversification and Growth of Maize in Karnataka: An Assessment
Komol Singha and Arpita Chakravorty

300 The Economic Impact of Non-communicable Disease in China and India: Estimates, Projections, and Comparisons
David E Bloom, Elizabeth T Caifero, Mark E McGovern, Klaas Prettner, Anderson Stanicole, Jonathan Weiss, Samuel Bakkia and Larry Rosenberg

301 India’s SEZ Policy - Retrospective Analysis
Malini L Tantri

302 Rainwater Harvesting Initiative in Bangalore City: Problems and Prospects
K S Umamani and S Manasi

303 Large Agglomerations and Economic Growth in Urban India: An Application of Panel Data Model
Sabyasachi Tripathi

304 Identifying Credit Constrained Farmers: An Alternative Approach
Manojit Bhattacharjee and Meenakshi Rajeev

305 Conflict and Education in Manipur: A Comparative Analysis
Komol Singh

306 Determinants of Capital Structure of Indian Corporate Sector: Evidence of Regulatory Impact
Kaushik Basu and Meenakshi Rajeev

307 Where All the Water Has Gone? An Analysis of Unreliable Water Supply in Bangalore City
Krishna Raj

308 Urban Property Ownership Records in Karnataka: Computerized Land Registration System for Urban Properties
S Manasi, K C Smitha, R G Nadadur, N Sivanna, P G Chengappa

309 Historical Issues and Perspectives of Land Resource Management in India: A Review
M S Umesh Babu and Sunil Nautiyal

310 E-Education: An Impact Study of Sankya Programme on Computer Education
N Sivanna and Suchetha Srinath
| 311 | Is India's Public Debt Sustainable? | Krishanu Pradhan |
| 312 | Biomedical Waste Management: Issues and Concerns - A Ward Level Study of Bangalore City | S Manasi, K S Umamani and N Latha |
| 313 | Trade and Exclusion: Review of Probable Impacts of Organised Retailing on Marginalised Communities in India | Sobin George |
| 314 | Social Disparity in Child Morbidity and Curative Care: Investigating for Determining Factors from Rural India | Rajesh Raushan and R Mutharayappay |
| 315 | Is Access to Loan Adequate for Financing Capital Expenditure? A Household Level Analysis on Some Selected States of India | Manojit Bhattacharjee and Meenakshi Rajeev |
| 316 | Role of Fertility in Changing Age Structure in India: Evidence and Implications | C M Lakshmana |
| 317 | Healthcare Utilisation Behaviour in India: Socio-economic Disparities and the Effect of Health Insurance | Amit Kumar Sahoo |
| 319 | The Infrastructure-Output Nexus: Regional Experience from India | Sumedha Bajar |
| 320 | Uncertainty, Risk and Risk Mitigation: Field Experiences from Farm Sector in Karnataka | Meenakshi Rajeev and B P Vani |
| 321 | Socio-Economic Disparities in Health-Seeking Behaviour, Health Expenditure and Sources of Finance in Orissa: Evidence from NSSO 2004-05 | Amit Kumar Sahoo and S Madheswaran |
| 322 | Does Living Longer Mean Living Healthier? Exploring Disability-free Life Expectancy in India | M Benson Thomas, K S James and S Sulaja |
| 324 | Reflecting on the Role of Institutions in the Everyday Lives of Displaced Women: The Case of Ganga-Erosion in Malda, West Bengal | Priyanka Dutta |
| 325 | Access of Bank Credit to Vulnerable Sections: A Case Study of Karnataka | Veerashekharapppa |
| 326 | Neighbourhood Development and Caste Distribution in Rural India | Rajesh Raushan and R Mutharayappay |
| 327 | Assessment of India's Fiscal and External Sector Vulnerability: A Balance Sheet Approach | Krishanu Pradhan |
| 328 | Public Private Partnership's Growth Empirics in India's Infrastructure Development | Nagesha G and K Gayithri |
| 329 | Identifying the High Linked Sectors for India: An Application of Import-Adjusted Domestic Input-Output Matrix | Tulika Bhattacharya and Meenakshi Rajeev |
| 330 | Out-Of-Pocket (OOP) Financial Risk Protection: The Role of Health Insurance | Amit Kumar Sahoo and S Madheswaran |
| 331 | Promises and Paradoxes of SEZs Expansion in India | Malini L Tanty |
| 332 | Fiscal Sustainability of National Food Security Act, 2013 in India | Krishanu Pradhan |
| 333 | Integrated Child Development Services in Karnataka | Pavithra Rajan, Jonathan Gangbar and K Gayithri |
| 334 | Performance Based Budgeting: Subnational Initiatives in India and China | K Gayithri |
| 335 | Ricardian Approach to Fiscal Sustainability in India | Krishanu Pradhan |
| 336 | Performance Analysis of National Highway Public-Private Partnerships (PPPs) in India | Nagesha G and K Gayithri |
| 337 | The Impact of Infrastructure Provisioning on Inequality: Evidence from India | Sumedha Bajar and Meenakshi Rajeev |
| 338 | Assessing Export Competitiveness at Commodity Level: Indian Textile Industry as a Case Study | Tarun Arora |