

Q. Discuss the relevance of MGNREGA and recent fund crisis. (15 marks)

Relevance of MGNREGA and recent fund crisis

This question consists of 2 parts i.e. relevance and the fund crisis, We need to deal with both parts

Introduction: Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the flagship programme of the Government to influence the life of poor masses positively and enhance their development. MGNREGA aims at enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.

Body: Relevance:

- **Rural Development:** The programme mandates that at least 60 percent of the works undertaken must be related to land and water conservation. The creation of these productive assets boost rural incomes as the majority of villages are agrarian.
 - For instance, In Barmani village of Madhya Pradesh's Sidhi district, the MGNREGA created water conservation assets. So the [internal migrants](#) went home started resuming farming and stayed there after the situation turns normal.
- **Tackling Water Stress:** The water conservation structures built under MGNREGA have potentially conserved at least 28,741 million cubic metres of water in the past 15 years. This is an immense achievement to tackle the approaching water stress.
- **Curtailling Distress Migration:** The scheme provides support in times of distress and individuals are not forced to migrate into cities.
 - For instance, distress migration has stopped in Bandlapalli village in Andhra Pradesh's Ananthapuramu district and the village is drought-proof today.
- **Women Empowerment:** This is a natural result of employing women to 1/3rd of all MGNREGA jobs.
 - Eg – MGNREGA has led to the formation of the country's largest group

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of trained women well-diggers in Pookkottukavu village of Kerala's Palakkad district.

- **Battling Uncertainties:** The program provided a sigh of relief to millions of migrants and other people who lost their **livelihood in the pandemic times**. The scheme ensured that the vulnerable get access to basic income thereby decreasing suicide rates in the country.
- **Community Assets:** The scheme has led to the creation of common community assets. These assets are built by communities on common lands thereby **creating a sense of responsibility** towards the structure which results in better care.
 - For instance, many Johads (percolation ponds) had remained abandoned for several years in many villages of Haryana. However, villagers revived them under the MGNREGA.

Fund crisis:

- The funds allocated in the Union budget 2021-22 for implementing schemes under the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) were exhausted within the first half of this financial year.
 - The budgetary provision for 2021-22 was Rs 73,000 crore, of which Rs 79,810 crore has been spent. Many workers didn't get paid; it may take at least a month until the next parliamentary session begins and a supplementary allocation is made.
 - The work will probably stop in at least 22 states, which have supposedly spent more money than they were allocated. Workers are less likely to get compensation at places where payments are pending. This is a blow to an already shrinking rural economy.
 - The recent Global Hunger Index (GHI) showed that hunger in India is still a serious issue. Delayed payments or lack of work in rural areas will only aggravate the issue.
 - The demand for MGNREGA work spiked during the early time of the novel coronavirus disease (COVID-19) pandemic; there was almost no other source for rural people to find work.
 - The migrant returnees needed work as most of them reached their home villages empty-handed. The budget provision for MGNREGA was Rs 61,500 crore in 2020-21; the estimate was revised to Rs 111,500 crores due to increased demand.
 - The employment scenario hasn't fully normalised in rural areas — many migrant returnees are still in their villages. A 34 per cent less budgetary provision as compared to the last year's revised budget is the major reason
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for this crisis.

Conclusion: There is a need to increase in the wage rate for MGNREGA schemes; it will be crucial to stopping forced migration. It will be even more effective if the number of days for guaranteed work can be increased up to 200 days from the current 100 days.

Increasing MGNREGA wage could have stopped many forced migration to cities for menial jobs and the rural economy can also be more vibrant.

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