

The Mahatma Gandhi National Rural Employment Program is among the world's largest employment generation programs. But it is also among the world's largest water security programs, investing some US\$ 3 billion annually in constructing, repairing, renovating rural water structures, public and private. One persistent concern is that even if the Program enhances incomes and livelihoods of the poor, the water structures it creates or improves may be neither useful nor productive nor durable. This Highlight synthesizes over 140 case studies of MGNREGA water structures that were useful, productive and durable. It then teases out 8 lessons which, if internalized in Program administration, can enhance its 'strike rate' in delivering useful, productive and durable rural water infrastructure besides, of course, providing wage employment to the needy.

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Water Policy Research

HIGHLIGHT

Beyond Digging and Filling Holes

Lessons from Case Studies of Best-performing MGNREGA water assets



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BEYOND DIGGING AND FILLING HOLES LESSONS FROM CASE STUDIES OF BEST-PERFORMING MGNREGA WATER ASSETS¹

Research highlight based on field studies by Kumar and Chandra (2010); Gaur and Chandel (2010); Nair and Sanju (2010); Singh and Modi (2010)²

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted by the parliament of India in 2005. Starting with the 200 most 'backward' districts in 2005-06, the implementation of the program spread to an additional 130 districts in 2007-08 and to all the districts of India by 2008-09. In 2011-12, MGNREGA provided more than 2 billion person-days of employment to roughly 50 million rural households (MoRD 2012). With a total outlay exceeding US\$ 7.50 billion, MGNREGA is arguably the world's largest rural livelihoods security program. It may as well be the world's largest rural water security program given that well over half the MGNREGA funds are being invested in water-related works (Shah et al. 2011).

MGNREGA has become the flagship social security program of the Government of India but instances of large-scale corruption, political favoritism and poor quality of assets have resulted in fierce criticism and disenchantment with the program. We began this study with the premise that unless good quality rural assets are created under MGNREGA, it might eventually get replaced by an information technology enabled direct cash transfer program that will not require a huge administrative set-up such as at present.

One of the biggest strengths of MGNREGA is that it is self-targeting. This means that except where there is widespread systemic corruption, the program's benefits can be expected to reach its desired beneficiaries as the rich rural elite are unlikely to be willing to do unskilled manual labor at minimum wages. However, this strength might also turn against the program for two reasons. One, such a targeted program might get branded as *'raahat* *kaam* ' (relief work) in the minds of its intended beneficiaries. Worse, the beneficiaries may come to view it as a precursor to a future unconditional entitlement. Two, the program may completely bypass and is likely to be overlooked by the better-off farmers and the rich rural elite who, either officially via the *Gram Panchayat* or unofficially via strong socio-cultural networks, tend to be the opinion makers in the village. It is therefore important to distinguish between the program's wage and non-wage benefits and to understand that while the poor may benefit from both, the better-off in the village would be interested primarily in the latter. The challenge is to enhance the stake of both groups in maximizing the net positive impacts (Shah 2009).

APPROACH AND METHODOLOGY

This Highlight synthesizes a purposive sample of case studies of over 140 best-performing MGNREGA waterassets in 75 villages across 8 districts in Bihar, Gujarat, Kerala and Rajasthan³. In each state, the students selected the study villages after a review of secondary data and discussions with local MGNREGA administration. The objective was to document, through case studies, some of the best-performing MGNREGA water-assets in each state. A common case study protocol was used (with slight modifications to suit the specificities of assets being studied). Table 1 presents an overview of the sampling plan. Why did we purposively sample only the best performing water assets? One: to better understand and highlight the potential of MGNREGA as a rural water security program; and two: to derive the determinants of MGNREGA asset performance.

¹This IWMI-Tata Highlight is based on research carried out under the IWMI-Tata Program (ITP). It is not externally peer-reviewed and the views expressed are of the authors alone and not of ITP of its funding partner Sir Ratan Tata Trust (SRTT), Mumbai.

²This paper is available on request from <u>p.reghu@cgiar.org</u>

³The studies were undertaken by students of the Institute of Rural Management, Anand (IRMA) during the course of their 10-week traineeship with IWMI. Anshuman Kumar and Gopal Chandra conducted the field studies in Bhojpur, Nalanda and Vaishali districts of Bihar (Kumar and Chandra 2010); Pulkit Gaur and Pawan Chandel covered Junagadh and Sabarkantha districts of Gujarat (Gaur and Chandel 2010); Nisha Nair and Sanju S. carried out fieldwork in Palakkad district of Kerala (Nair and Sanju 2010); while Aparna Singh and Rashi Modi covered Dungarpur and Tonk districts in Rajasthan (Singh and Modi 2010).

Table 1	Sample sizes	n each e	of the	eight	districts	covered	by	the study	Ţ
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State District		Acceta	No. of	No. of	Ownership		
State	District	Assets	Assets	Villages	Public	Private	
	Bhojpur		10	08	5	5	
Bihar	Nalanda	<i>Pyne</i> micro-canals; Ponds: Wells	15	10	14	1	
	Vaishali		10	05	7	3	
Caricanat	Junagadh	Ponds; Check dams;	16	13	11	5	
Gujarat	Sabarkantha	Wells	18	08	13	5	
Kerala	Palaghat	Public and Private Ponds	40	12	23	17	
Deiesther	Dungarpur	Anicuts; Farm Ponds,	21	09	17	4	
Kajastnan	Tonk	Wells	13	10	9	4	
Total	•			75	99	44	
10121				/5	14	43	

OVERVIEW OF BEST-PERFORMING MGNREGA WATER ASSETS

Of the 143 best-performing MGNREGA water assets studied, 46 were village ponds, 29 check dams and *anicuts*, 26 private ponds and farm ponds, 21 micro-canal works, 20 private wells and 1 river works. 60 of these assets were constructed afresh while 83 works involved renovation and/or capacity enhancement of existing infrastructure. 100 of the 143 works were completed before March 2009 while 40 of the remaining 43 were undertaken in 2009-10 and the remaining 3, as recently as 2010-11. With the exception of 5 works, all of these works were completed well within the budgeted cost estimates. In fact, against a total budgeted estimate of Rs. 6.67 crores⁴ (available for 140 of the 143 works), the actual cost was reported to be only Rs. 5.90 crores.

Figure 1 Gross returns from one year of use as a proportion of the investment made in different states



Data Source: Kumar and Chandra (2010); Gaur and Chandel (2010); Nair and Sanju (2010); Singh and Modi (2010)

On average, each work created more than 2000 persondays of employment amounting to roughly 700 days of labor created per lakh rupees investment. However, there was huge disparity in the size of works as indicated by the range of area that they influenced, form 0.18 Ha to 100 Ha. A majority of these works were undertaken with the primary objective of creating and enhancing irrigation potential; other objectives included augmenting groundwater recharge, addressing domestic water requirements and livestock needs, fishing and pisciculture. Taken together, the 117 assets (for which detailed quantitative data on costs and benefits was calculated by the students) recovered the investment within a single year of use (Figure 1; Figure 2).



Figure 2 Benefits from one year of use as a proportion of the investment made in different asset-types

Data Source: Kumar and Chandra (2010); Gaur and Chandel (2010); Nair and Sanju (2010); Singh and Modi (2010)

Traditional inundation canal systems (Pyne) that serve the dual-purpose of irrigation and drainage in conjunction with embankments (Ahar) have been prevalent in Bihar for centuries. According to Niranjan Pant - who calls them *miracles of human effort* – these indigenous systems were used to irrigate nearly a million hectares in Bihar in 1930. However, due to various reasons - including the abolition of zamindari and rapid development of groundwater irrigation - the area irrigated by these systems declined to half by 1997 (Pant 1998). Kumar and Chandra (2010) found that, in their study villages, these systems were near-completely dysfunctional before they were taken up for renovation and revival under MGNREGA. The 19 case studies of MGNREGA works on micro-canal systems turned out to be the most promising across the four states in terms of gross returns. The renovated assets allowed farmers to provide 3-6 additional watering to their paddy crops and the bulk of the benefit to farmers came in the form of diesel-saving. Kumar and Chandra (2010) also found that while ponds were demanded primarily for irrigation, an important share of their benefits accrued from pisciculture.

In Gujarat, Gaur and Chandel (2010) found that most of the public assets created under MGNREGA were check dams, not used directly for irrigation but undertaken to augment groundwater recharge. They also reported that while the gross returns from MGNREGA assets on private land were significantly lower, their provision had exemplary impact on the livelihoods of the beneficiaries.

Our study in Rajasthan (Singh and Modi 2010) offered an interesting comparison between MGNREGA implementation in a predominantly tribal district (Dungarpur) and a non-tribal district (Tonk). The students reported that despite a more proactive and better staffed MGNREGA administration in Dungarpur, the productivity of assets was significantly higher in Tonk. While the ratio of gross returns to MGNREGA investment in *anicuts* was 102 percent in Tonk, it was a much lower 37 percent in Dungarpur. They attributed this partly to physical factors (undulating landscape, poor soil quality) and partly to the fact that villagers in Tonk were far more experienced farmers and better connected to markets.

LESSONS FROM BEST-PERFORMING MGNREGA ASSETS

The case studies of 140+ MGNREGA assets summarized here do not even remotely depict the general situation of MGNREGA works across the country, or even within these four states. However, they do illustrate the potential of MGNREGA in meeting its dual objectives of livelihood security as well as enhancing rural water security. What can we learn from these field studies? How can we maximize the net positive impacts of MGNREGA? We offer eight propositions:

Proposition 1 Pick the low hanging fruits first

The estimates of gross return from our case studies illustrate two important points. First, that purely in terms of returns on investment, the best bet would be enhancement, renovation or revival of existing village water bodies that may have fallen into disrepair as the socio-economic context of communities changed over time. Pynes studied in Bihar is a case in point but there might be others - cleaning of irrigation canals and channels; de-silting and deepening of tanks and ponds to enhance storage and augment groundwater recharge; desilting of small and large irrigation reservoirs to rejuvenate their storage capacity etc. Second, although the annual economic returns from MGNREGA assets on private lands might be lower, when implemented well, they make significant improvements in the lives of beneficiaries - who invariably belong to the poorest households and the most marginalized communities. The feverish demand for Kapildhara wells in Madhya Pradesh also illustrates this point. The distinct advantage of implementing works on private lands is that their ownership is clearly defined; and beneficiaries either themselves work in the construction process or provide additional supervision and oversight to ensure superior quality of work.

Proposition 2 Keep MGNREGA demand-driven

One of the concerns with MGNREGA was that its success would depend on villagers internalizing the fact that MGNREGA offers an entitlement to demand work and is not a relief program. However, during the course of the asset case studies, as well as the authors' fieldwork otherwise, we found several instances where the implementation of MGNREGA was driven not by an overwhelming demand for wage labor but by the MGNREGA administration at various levels. It did not always appear as if the administration itself understood well the difference between MGNREGA and other centrally sponsored schemes. The Sarpanch viewed MGNREGA as an opportunity to gain political mileage and enhance their social clout at the expense of the Government of India. The Block and District administration set spending targets for themselves in order for the State to take advantage of a centrally sponsored program with near-unlimited access to funds. The MGNREGA administration in Delhi did not help either by awarding districts that managed to generate more days of employment, and in effect, spend more money. While this enthusiasm might have led to some high quality assets, in several cases they also led the administration to ignore work quality and focus exclusively on employment creation. Elsewhere, we have identified 4 distinct

interactions between MGNREGA and local labor markets (Verma and Shah 2012). One of these is the case where wage rates in flourishing local labor markets are significantly higher than the minimum wages offered by MGNREGA. Not surprisingly, village communities in such situations show little or no interest in MGNREGA. Distressed by the lack of demand for work, and possibly under pressure to show performance, the local MGNREGA administration resorted to dubious ways of creating demand. In Punjab and Haryana, Shah and Indu (2009) found that migrant laborers, children, old people and virtually anyone willing to work was being accepted in order to complete MGNREGA works. In 2009-10, the Gujarat Chief Minister declared his wish to undertake the construction of bori bandhs under MGNREGA. An overzealous administration took up the wish of the CM in a mission mode and more than 250,000 bori bandhs were constructed. Little did the administration realize that the construction of effective bori bandhs required a thorough understanding of local stream hydrology or that it needed to be done in a small time window - when the stream flow was neither too much nor too low. Not surprisingly, studies found that more than 85 percent of the bori bandhs were rendered useless in no time (Shah and Mistry 2012). Our student surveys of best-performing assets report that MGNREGA assets performed best where they were most required and the decision to undertake the works was taken by the village communities, rather than by the Sarpanch or the MGNREGA administration.

Proposition 3 Recognize the importance of assets

Either as a result of the supply-push discussed above or the perception, even among the administration, that MGNREGA was primarily the government's way of handing out extra cash to people, the focus of MGNREGA implementation on the benefits derived out of assets was often found to be missing. MGNREGA has an elaborate system of reporting, much of which is done near-realtime. However, none of the parameters of MGNREGA implementation in the management information system (MIS) focus on the quality of assets, the benefits people can derive from them, or on their sustainability. Once a work is declared *complete*, the MIS stops tracking it. Admittedly, almost in every state we found that the local MGNREGA staff was over-burdened by the rush to initiate new works or to complete ongoing works. Field engineers in several states reported that each of them was looking after 6 – 10 Gram Panchayats, which could easily mean more than 100 on-going works at a time. In Andhra Pradesh, we found engineers eagerly looking forward to vacancies being filled in the hope of easing their burden; in Madhya Pradesh, we found that MGNREGA engineers were also looking after non-MGNREGA works; and some

of them 'informally trained and hired' local villagers to help them out. They suggested that MGNREGA Mates should be given some technical training to assist them better. The MGNREGA Mates are fairly well qualified and can easily be trained into *barefoot engineers*. Doing this would not only provide some much-needed relief and assistance to the engineers; but will also train a cadre of young villagers in practical aspects of civil engineering. A broader issue is the high turnover rate of engineers and this came up repeatedly in our discussions in Madhya Pradesh. The open market offers significantly higher salaries to engineers and it is difficult for MGNREGA to retain the best ones. The field engineers candidly admitted that the quality of assets suffered due to poor supervision and lack of proper technical inputs but also described their inability to do anything about it. Singh and Modi (2010) found that the difference in the work load of Junior Technical Assistants correlated well with difference in the quality of assets between Dungarpur and Tonk. Gaur and Chandel (2010), on the other hand, reported that a smart system of incentives in place for MGNREGA Mates in Gujarat led to healthy competition among them on who could create the best performing assets. Shah (2009) argued that it is the non-wage benefits of MGNREGA that afford it a clear advantage over a cash transfer scheme. Conversely, if the quality of MGNREGA assets were to be consistently poor, it would end up being nothing more than a high-transaction-cost equivalent of a cash transfer program.

Proposition 4 Fix responsibility for maintenance

Our student surveys in all four states reported that even in the case of the best-performing public assets, maintenance was an issue and therefore the sustainability of returns was doubtful. In Kerala, of the 23 public ponds we surveyed, only one was being maintained by the community. Villagers, including those who were directly benefiting from the assets, felt that it was the responsibility of the Gram Panchayat to regularly clean and maintain the ponds. In some cases, the usercommunity used to carry out some kind of maintenance work once every year before MGNREGA. However, after MGNREGA, the user-community stopped the yearly maintenance activities and expected the government or the Gram Panchayat to shoulder the responsibility. Likewise in Gujarat, Gaur and Chandel (2010) suggested that because the benefits from public assets were diffused over a larger group of beneficiaries, there was little interest among individual users for asset maintenance. In Rajasthan, Singh and Modi (2010) noted that while communities were vigilant about the maintenance of public assets, they were either incapable (in Dungarpur) or unwilling (Tonk) to contribute monetarily towards asset maintenance. In Bihar, Kumar and Chandra (2010) recommended that special provisions should be made for the Gram Panchayats to undertake repair and maintenance work on a regular basis. Even in Madhya Pradesh, where the implementing agencies are required to identify user groups and hand over the assets to them on completion, maintenance was an issue. The MGNREGA Commissioner in Bhopal, Dr. Pastore suggested that it is futile to hand over assets to user groups that are identified after the works have been implemented. He suggested that the user group should be identified before construction begins and should be involved in the planning, design, procurement and implementation of works. Only then would they assume ownership and responsibility for the asset (Verma and Schwan 2012). We feel this is definitely an idea worth pursuing. However, it might not be the only one. The relatively better work-supervision and maintenance of MGNREGA assets on private lands suggests that if the assets built are useful and effective, if the users have clearly defined ownership, and if it is clear to them that neither MGNREGA, nor the Gram Panchayat, nor any other program of the government would take up the responsibility of maintaining the assets, the users should see self-interest in proper maintenance of assets on their own land. The problem with assets on common land is that their ownership is not clearly defined and their benefits, as Gaur and Chandel (2010) noted, are too diffused. There is unlikely to be any one institutional model for maintenance that would work everywhere. MGNREGA must therefore offer flexibility and encourage local institutional arrangements to come up. What the MGNREGA administration must pursue is the inclusion of asset quality parameters in their MIS and a routine of regular inspection of works even after their construction has been completed.

Proposition 5 Better equip MGNREGA administration and PRIs, especially in poor areas

Through an analysis of the National Sample Survey data for 2009-10, Dutta et al. (2012) show that poorer states have greater unmet demand for MGNREGA work. This reiterates the point made earlier that MGNREGA implementation has become a function of the ability of the MGNREGA administration rather than of the demand for MGNREGA work, as originally envisaged. The administration in better-off states tends to be better equipped in implementing MGNREGA, in a supply-push mode even when the effective demand might be relatively lower. Poor states, on the other hand, are likely to be less resourceful and have less effective MGNREGA administration. They are also more likely to have less effective, less informed and less empowered *Gram Panchayats*. There is therefore a need to pay special attention to ensuring that MGNREGA administration at all levels is well trained and equipped, especially in the poorer states.

Figure 3 Rural poverty and unmet demand for MGNREGA work



Source: Dutta et al. (2012)

Proposition 6 Build capacities of PRIs and help them become better demand systems

Among the four states that we conducted our studies in, Kerala and Rajasthan seemed to be performing better but for different reasons. Singh and Modi (2010) suggested that the MGNREGA awareness levels in Rajasthan were quite high and people were quite aware about the provisions and processes of MGNREGA. In Kerala, where Kudumbashree is involved in MGNREGA implementation, the program was able to reach out to women much more than anywhere else. This explains the very high participation of women in MGNREGA in Kerala. The impression from Gujarat was mixed. While PRIs in Junagadh and Sabarkantha seemed to be doing quite well, our impression from a brief fieldwork in tribal south Gujarat was largely disappointing. In a region where the wages offered by MGNREGA were more than twice the prevailing market rates, tribal communities were initially quite upbeat about MGNREGA. However, an indifferent block and district administration caused long delays in the works approval and wage payment processes and a poor performance in both quantity of employment generated and quality of assets; leaving the village communities feeling helpless, dejected and cynical. In an earlier study of MGNREGA works, Shah et al. (2011) found several instances where enlightened and ambitious panchayat leaders used MGNREGA as an opportunity to demonstrate their techno-managerial prowess by creating high quality assets for the village.

Figure 4 Illustrations of popular reporting on MGNREGA performance

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Home CN Inde Word Business Tech Sports Munthal Dolth Bangados Hyderabed Channel Annois	Entertainment. Life & Style. Women: Hot on the Web. MRI. Profes. Timen Non. Votos. LVE TV adda. "Adduced Endonrows: Ellippet Chandigath Continuine Goa Cargaion Covenant: Mdd. Indone Januar Harpor	DECCAN Cough' custom Fearth
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Throwmandal to get NREGS award Federary 2, 2011	TYNS Jaw At many additing	Home I News I New Delhi I Business I Supplements I Sports I Entertainr
Feer talents for AP-UITa Jone 12, 2011 BMC toolot to recover money from squattors finds no	WARANGAL: The central government's flagship programme MNREGS has not found many takers in Warmagal. This when the district had bagged first place in the state last year in providing work to farm labourers under MNREGS and spent huge funds on works.	You are here. Home » District » IMPs upset with unspent MREGA funds
January 31, 2003	Work was allotted to 4.09 lakh families and a total of Rs 340 crore was spent on that in 2010-11. The expenditure reached Rs 861 crore in that war and the district administration	MPs upset with unspent NREGA funds
IN-DEPTH COVERAGE Warmend	was lauded for implementing the scheme successfully. But at the recent vigilance and monitoring committee meeting, it was revealed that MNREGS implementation in 2011-12	Mysore, Nov 19, 2012, DHNS:
Takers	has come a cropper and labourers are not showing any interest to take up the work.	inysore district utilised only 32.6 pc tunds, stands in 27th place in the state
	According to District Water Management Authority (DWMA) officials, the farm workers are not showing any interest to carry out the MNREGS works as the private sector is ready to pay more for their work. Till January 9 this year, only R5 445 crore was spent on the work and less than 50% of last year's work have been taken up. Sources said only 2.70 lakh families have been provided work under the scheme this year.	MPs H Viswanath and R Dhruvanarayan were upset with the taluk panchayat executive officers for not utilising the National Rural Employment Guarantee Scheme funds in spite of the Centre granting crores of rupees.
	Comparatively, Vizianaguram, Srikakulam and Visakhapatnam have bagged the first three spots in implementing the MNREGS work in the state this year and Warnngal has fallen to 15th position in the chart.	""What is you problem? When the Centre has sanctioned crores of rupees under the NREGA, why is it not bing utilised," asked the upset MPs.
	"Project director and the state government have to take the blame for the mess," said a women's organisation volunteer at Hanamkonda mandal. She alleged that DWMA officials are not interested in implementing the scheme even as several reports of misuse of MNREGS funds have come out in the open.	

Source: ToI (2012), Deccan Herald (2012)

Proposition 7 Avoid alienating better-off farmers, but not by constraining the wage-benefits of MGNREGA

In several states, we found that the better-off farmers viewed MGNREGA as a headache; several of them even called it a conspiracy against farmers. In several places, farmers complained about scarcity of agricultural labor, rising wages, a deteriorating work ethic, labor demanding improved working conditions and better facilities etc. They argued that just as MGNREGA was trying to help the laborers; it must also benefit the farmers – who are at the receiving end of tighter labor markets. In Kerala and Andhra Pradesh, there was a forceful demand for allowing MGNREGA workers to work on the private land of farmers, especially for labor intensive agricultural operations such as paddy harvesting. In Anand (Gujarat), on the other hand, the laborers complained that the rich farmers were colluding with the Gram Panchayat and the block administration to ensure that MGNREGA works are frozen during the peak agricultural season. This was also reflected in the demand by the Agriculture Minister (Sharad Pawar) to freeze MGNREGA works (Tiwari 2011). Doing this would undo much of the gains that MGNREGA workers might have picked up so far. The rise in agricultural wage rates, the setting of a new wage floor, the greater bargaining power and the better working conditions – all of these would vanish if the competition between MGNREGA and agricultural labor is eliminated. We believe that such demands from farmers originate from two sources: (1) These are farmers from places where the agricultural labor market is already tight but a supply-push implementation of MGNREGA is unreasonably distorting the market. If MGNREGA is allowed to retain its intended demand-pull character, much of these complaints would vanish. (2) These farmers have not experienced, nor do they have much faith in, the nonwage benefits of MGNREGA that they could also benefit from, for instance, from enhanced water availability resulting from the construction of effective village water assets. Therefore, they perceive MGNREGA only for its negative consequences. On the other hand, if MGNREGA assets improve local water security; enhance connectivity to input and output markets; and improve village amenities, the entire agrarian economy would get a boost; which, in turn, would positively animate the labor market too. Instead of tweaking MGNREGA to reduce its wagebenefits, efforts should be made to enhance its non-wage benefits so that the better-off farmers also see a stake in its effective implementation.

Get the performance measurement right and plan an exit

As discussed earlier, the current MIS of MGNREGA though elaborate and near-real-time – does not capture data on the quality of assets, their benefits and/or their sustainability. Instead, it focusses on days of employment generated, wage and material costs (and their ratio) and (mere) completion of works. Unintentionally, it creates perverse incentives for the administration to focus on the wrong performance parameters. If we want to maximize the non-wage benefits of MGNREGA, the parameters on which MGNREGA implementation is measured will have to be carefully revised. Popular articles and news reports also see a reduction in MGNREGA spending - year on year – as a sign of deteriorating performance or a lapse on the part of the local MGNREGA administration (Figure 4 presents a couple of illustrations) instead of considering that a decline in demand (and spending) over time might actually be a sign of superior performance.

Likewise, on the wage-benefits front, MGNREGA has one of the largest databases ever developed for any government program. The MIS compiles data down to the level of each individual job card. However, it does not appear that the data is being carefully analyzed. If the same households and the same people keep returning to look for minimum-wage, unskilled MGNREGA work year-after-year, MGNREGA would not have fulfilled its objectives. A perpetual MGNREGA will, in all probability, be a poorly administered one. In the long run, the success of MGNREGA may be measurable in terms of its reduced demand. Regions and people that require MGNREGA work today should be able to improve their economic condition and enhance their access to opportunities in such a way that reduces their demand for unskilled labor employment over the years. This can only happen if the assets created under MGNREGA are effectively able to enhance the profitability of agriculture by improving land productivity, providing enhanced water security, connecting villages to input and output markets and improving rural infrastructure to lift people and places out of poverty.

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About the IWMI-Tata Program and Water Policy Highlights

The IWMI-Tata Water Policy Program (ITP) was launched in 2000 as a co-equal partnership between the International Water Management Institute (IWMI), Colombo and Sir Ratan Tata Trust (SRTT), Mumbai. The program presents new perspectives and practical solutions derived from the wealth of research done in India on water resource management. Its objective is to help policy makers at the central, state and local levels address their water challenges – in areas such as sustainable groundwater management, water scarcity, and rural poverty – by translating research findings into practical policy recommendations. Through this program, IWMI collaborates with a range of partners across India to identify, analyze and document relevant water-management approaches and current practices. These practices are assessed and synthesized for maximum policy impact in the series on Water Policy Highlights and IWMI-Tata Comments.

Water Policy Highlights are pre-publication discussion papers developed primarily as the basis for discussion during ITP's Annual Partners' Meet. The research underlying these Highlights was funded with support from IWMI, Colombo and SRTT, Mumbai. However, the Highlights are not externally peer-reviewed and the views expressed are of the author/s alone and not of ITP or either of its funding partners.

IWMI OFFICES

IWMI Headquarters and Regional Office for Asia

127 Sunil Mawatha, Pelawatte Battaramulla, Sri Lanka Tel: +94 11 2880000, 2784080 Fax: +94 11 2786854 Email: <u>iwmi@cgiar.org</u> Website: <u>www.iwmi.org</u>

IWMI Offices

SOUTH ASIA

Hyderabad Office, India C/o International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) 401/5, Patancheru 502324, Andhra Pradesh, India Tel: +91 40 30713735/36/39 Fax: +91 40 30713074/30713075 Email: p.amerasinghe@cgiar.org

New Delhi Office, India

2nd Floor, CG Block C, NASC Complex DPS Marg, Pusa, New Delhi 110 012, India Tel: +91 11 25840811/2, 65976151 Fax: +91 11 25842075 Email: iwmi-delhi@cgiar.org

Lahore Office, Pakistan 12KM Multan Road, Chowk Thokar Niaz Baig Lahore 53700, Pakistan Tel: +92 42 35299504-6 Fax: +92 42 35299508 Email: <u>iwmi-pak@cgiar.org</u>

IWMI-Tata Water Policy Program

c/o INREM Foundation Near Smruti Apartment, Behind IRMA Mangalpura, Anand 388001, Gujarat, India Tel/Fax: +91 2692 263816/817 Email: iwmi-tata@cgiar.org

SOUTHEAST ASIA Southeast Asia Office

C/o National Agriculture and Forestry Research Institute (NAFRI) Ban Nongviengkham, Xaythany District, Vientiane, Lao PDR Tel: + 856 21 740928/771520/771438/740632-33 Fax: + 856 21 770076 Email: m.mccartney@cgiar.org

CENTRAL ASIA

Central Asia Office C/o PFU CGIAR/ICARDA-CAC Apartment No. 123, Building No. 6, Osiyo Street Tashkent 100000, Uzbekistan Tel: +998 71 237 04 45 Fax: +998 71 237 03 17 Email: m.junna@cgiar.org

AFRICA

Regional Office for Africa and West Africa Office C/o CSIR Campus, Martin Odei Block, Airport Residential Area (Opposite Chinese Embassy), Accra, Ghana Tel: + 233 302 784753/4 Fax: + 233 302 784752 Email: iwmi-ghana@cgiar.org

East Africa & Nile Basin Office C/o ILRI-Ethiopia Campus Bole Sub City, Kebele 12/13 Addis Ababa, Ethiopia Tel: +251 11 6457222/3 or 6172000 Fax: +251 11 6464645 Email: iwmi-ethiopia@cgiar.org

Southern Africa Office

141 Cresswell Street, Weavind Park Pretoria, South Africa Tel: +27 12 845 9100 Fax: +27 86 512 4563 Email: iwmi-southern africa@cgiar.org

IWMI SATELLITE OFFICES

Kathmandu Office, Nepal Jhamsikhel 3, Lalitpur, Nepal Tel: +977-1-5542306/5535252 Fax: +977 1 5535743 Email: <u>l.bharati@cgiar.org</u>

Ouagadougou Office, Burkina Faso

S/c Université de Ouagadougou Foundation 2iE 01 BP 594 Ouagadougou, Burkina Faso Tel: + 226 50 492 800 Email: b.barry@cgiar.org



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