



**INDIAN INSTITUTE OF TECHNOLOGY GUWAHATI
SHORT ABSTRACT OF THESIS**

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SHORT ABSTRACT

India's most ambitious rural employment programme – the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) – is close to two decades now. In the most recent times, conflicting reports have emerged on two counts. One shows that the programme has not made many dents in poverty despite a legal entitlement framework. The non-revision of minimum wage payments, delay in wage payments, and massive corruption are some reasons for its non-performance. Another form of reporting led by the Digital India campaigns of the present government shows that the electronic payment system initiated under the MGNREGA has resulted in indirect benefits to the beneficiaries under the scheme, thereby fulfilling the primary objective of timely wage payments and the secondary aim of financial inclusion. New technologies can control corruption and enhance operational efficiency by shortening payment delays, automatically providing for unemployment allowances, and improving communication with beneficiaries. However, we reiterate that technology alone will not help.

Corruption in the MGNREGA implementation is a severe peril for its stated objectives. Regardless of various inbuilt transparency and accountability mechanisms, it never remained in its desired path. Many safeguards are brought in periodically to improve efficiency and usefulness to its beneficiaries, such as separation of implementing and payment agencies, mandatory bank /postal payments since 2008, Jan-Dhan financial inclusion, Aadhaar based wage disbursements, and more importantly, mandatory social audits once in every six months. Despite all such efforts to curb and control corruption in its implementation, various studies have shown that it thrives in different forms and hurts the programme's primary objectives. Three such corruption methods discussed in the literature are deception, collusion, and extortions. This thesis critically views the over-emphasis on the digital welfare payment system to the complete neglect of planning and lack of accountability at the panchayat level, non-revision of minimum wages, and massive corruption. It also adds to the literature on how corruption thrives in public works programmes despite technology interventions.

Wage leakages in MGNREGA severely limit its effectiveness and impact. While corruption in the MGNREGA has been widely studied, particularly in the case of over reporting of days employed, and under payment of wages, we revisit the site with the question of how exogenously designed technology-enabled policy intervention has impacted the target population. Can technology-enabled electronic wage transfer curb corruption, and what has changed after its roll-out? We evaluated this question in the Barak Valley region (comprising the districts of Cachar, Karimganj, and Hailakandi), remotely located in southern Assam and prone to political and natural adversities.

We found many discrepancies in the programme's functioning, despite the introduction of digital wage transfers. There were systematic divergences of the wages intended for rural workers. Despite heavily secured electronic wage transfer systems, wage theft via 'job-card renting' regularly occurred through functionary-beneficiary collusion. The worker households found themselves trapped in a nexus between a rent-seeking petty bureaucracy (Block and Panchayat officials) and the village level functionaries (ward members and influential locals). Our site of inquiry, the Barak Valley Region of Assam, saw the Citizen Amendment Act roll-out coinciding with the digital transfer of wages policy implementation under the MGNREGA. This study also documents the impact that such major policy implementations had on the everyday social life of the worker population. Nevertheless, an overdrive of technology as the panacea of all evils, to the complete neglect of its basic implementation guidelines, compounded by the fear of citizenship status, resulted in a complex form of moral degeneration in the village economy of our study site.