

## Empowerment, Co-option and Domination

### Politics of Maharashtra's Employment Guarantee Scheme

*The studies presented in this collection analyse Maharashtra's Employment Guarantee Scheme from a sociological and a political perspective. They investigate the variety of ways in which the political mobilisation of the oppressed takes place and simultaneously examine the manipulations by the ruling Maratha landed caste to disempower and eventually co-opt such struggles in order to perpetuate its own political dominance. This research analyses the contestations that have emerged in the context of this programme in the last three decades as groups and classes have confronted each other in using the EGS to further their own respective interests.*

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This thematic issue contains a series of papers that analyse the sociological and political relevance of Employment Guarantee Scheme (EGS) implemented in Maharashtra over the last three decades, from the 1970s to the present. This research conducted by a team at the department of sociology, University of Pune, goes beyond an evaluation of EGS in prescribed terms, i.e., whether it reduces poverty, whether it is implemented properly and whether it caters to the target groups. It argues that the programme is unique among all the poverty alleviation schemes because it is designed to ensure empowerment and mobilisation of people to demand work and over the course of its implementation it has become co-opted by landed interests.

Literature attests that the EGS is the brainchild of the Congress-socialist leader, V S Page,<sup>1</sup> by which it takes its name, the Page scheme. We argue that while this scheme was indeed shepherded through the legislature by Page, it was conceptualised as a demand by a movement that emerged in Maharashtra against the state, on account of the drought that affected it in the late 1960s and especially in the early 1970s. This scheme was adopted by the state after the people's movements, led by the socialist and left parties and other activist groups perfected its design. It thus included specific provisions, which were sensitive to workers' rights, and to issues and processes relating to an unequal sexual division of labour. More generally, this scheme incorporated three dimensions in its design that articulated people's aspirations. These are (a) that work will be given on demand to all, (b) that this is a statutory right, protected by law, and (c) that a separate and autonomous EGS fund, accrued from taxes levied on urban professionals be used to finance this scheme.

Scholars who have studied EGS' functioning in Maharashtra such as Acharya 1990; Dev 1995; Dev and Ranade 2001;

Datar 1986; Herring and Edwards 1983; and Echeverri-Gent 1988 have indeed noted how this scheme emerged due to political mobilisation of the poor and also allowed for such mobilisation after it was enacted. However, there has been little or no documentation and analysis of the way this movement has emerged and how it has influenced the making of the EGS as also the way it has continued to mould the various changes that have taken place in it. Nor has there been any study, which examines the nature of this movement. We document and analyse this movement, launched in the late 1960s, and analyse how it consolidated itself in the early 1970s and continued to make an impact till the mid-1980s in various pockets of Maharashtra. We argue that while in its earlier stages this movement was organically connected to the mainstream established opposition parties, later it developed an ideology that critiqued the state and its development policies. At this stage, it fragmented into various sub-movements led by the left and left-oriented activist groups and disassociated itself from mainstream opposition parties and its leadership.

We show how this movement when it emerged mobilised the poor, across class, caste and gender divisions, to demand work and also posited a new vision to build an equitable agrarian society. We argue that over time, as this movement consolidated itself, it raised political consciousness regarding class, caste, tribe and gender inequalities prevalent then and confronted the state to demand protection from the processes of exploitation. We

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analyse the economic and political context and conditions that strengthened and bolstered these mobilisations and investigate how they threatened the structures of caste, class and gender domination prevalent in rural Maharashtra and challenged politically and ideologically the landed class.

We argue that these mobilisations have had a crucial and far-reaching impact on both the social structure as well as the political consciousness of the people in this drought-affected region. It is in this sense that we want to suggest that the EGS can very legitimately be analysed as an instrument of social change. In these papers we examine the dynamics that makes this programme such an instrument by focussing on various aspects of different struggles and agitations by the poor peasants, tribal groups, landless labourers, dalits, women, and unemployed youth.

The papers that follow answer the question as to how these mobilisations have designed the programme and how the programme has influenced the mobilisation of the poor. We also document the ways and manners through which new ideologies concerning the exploited, the landless, the tribal, the women and the dalits evolved during this period. We argue that when the mobilisations were strong (until the mid-1980s) the activists put pressure to ensure that EGS be implemented effectively. However, in the late 1980s these mobilisations declined and so did the pressure. Why? We assess and analyse the reasons for the decline of these movements and ask how this decline affected the way the scheme was being implemented.

In order to understand how the scheme was implemented when the pressures of activists were limited, we assess the role played by the landed class' politics in the institutionalisation and implementation of the EGS. We analyse this role in the context of the existing structures of power and distribution of resources and relate it to its particular manifestation in the state of Maharashtra. We examine the nature of Maratha politics and argue that once the demand to make EGS into a law is accepted, the landed class attempted to make this scheme its own, by introducing provisions that benefited it. In order to understand the Maratha landed interests, we analyse the consolidation of the Maratha caste bloc around the ideology of agricultural development, and its use of the panchayat system, the cooperatives and the Congress Party to legitimise its power and influence.

We argue that the scheme could become an act only because the Maratha landed embraced it for political reasons. The mid-1970s inaugurated a period of shifting alliances in Maharashtra's politics because of the rise of Indira Gandhi and her politics of economic populism. This led to conflicts between the state Congress Party and the Congress Party at the centre. The landed supported the passage of EGS in order to align itself to the extension of the programme of economic populism inaugurated by Indira Gandhi. When it supported the EGS, it also influenced the introduction of some changes in the EGS provisions, such as, the one that allowed 33 per cent of EGS funds to be funnelled for development of private lands, allowing a role for the local MLA and elected representatives of the local cooperative structure to become a part of the EGS implementation committee, all of which promoted and protected its interests.

The papers analyse how, after 1978, EGS became an instrument of contestation and class conflict as the people's movements demanded further radical change within EGS, such as work to be provided year round, wages to be equivalent to minimum agricultural wages, while the Maratha landed class used the

implementation machinery to ensure that the scheme benefits its interests in regions and districts wherever it was powerful. And yet through all these contestations and conflict, the three most important provisions of the scheme outlined above remained in place.

No wonder Herring and Edwards (1983) argue that EGS has benefited the 'kulak' lobby substantially in Maharashtra. This is corroborated by research done by Dev and Ranade (2001) and Vatsa (2005) who have shown that higher proportions of EGS works have been sanctioned in the districts of western Maharashtra. We analyse and document the relationship between the politics of caste, region, and party representation in Maharashtra and reiterate what political scientists have argued – that the social and political base of the Maratha caste bloc lies in the districts of western Maharashtra. Dev (1996) and Vatsa (2005) also show how most of the EGS expenditure in these districts went into small irrigation works such as nullah bunding and tanks. We contend that these being rain-fed districts, the EGS works would help to sustain sugar cane farming done by the Maratha landed. Additionally, we underline that EGS may have taken care of the surplus labour during the lean season [Dev and Ranade 2001].

These papers also analyse the changing nature of landed class, its ideology and its politics in Maharashtra. We ask in what circumstances and conditions did the Maratha landed involve themselves in the institutionalisation of EGS. How did this role influence the enactment of the scheme such that it could serve its interests, as scholars have suggested it did? Did these processes affect the implementation of EGS? What kind of class conflicts did it generate between the landed lobby and the movement led by various grassroot organisations? And how did this conflict and contestations influence the implementation of the EGS over the decades from 1978 onwards? Lastly we discuss the nature of changes in the landed class ideology in the last decade and examine its impact on the EGS design and implementation.

In this context, we ask, what is the status of the scheme today? Given that its provision and administrative structure was initially conceptualised by the people's movements, does it still retain its sensitivity to the needs of the poor? To what extent has it been able to continue to replicate the processes that it started out with? In order to answer this question, we trace the actors who have organised their interests around this scheme and also examine these interventions in terms of changing economic conditions in agriculture from the early 1970s onwards till date.

This research analyses the contestations that have emerged in the context of this programme in the last three decades as groups and classes have confronted each other in using this programme for their own respective interests. We reiterate that this has been possible only because the EGS has the above-mentioned features that make this programme distinctive and unique. We trace the growth and developments of these contestations in three phases. The first phase narrates the developments in the early 1970s to the enactment in 1978. The second phase takes the story forward till 1988-90. In the last phase we record the post-1990 scenario.

We want to suggest that our investigations of the EGS are micro studies in the field of social movements, its co-option and domination by Maratha landed caste. We analyse, on the one hand, the variety of ways in which the political mobilisation of the oppressed takes place, and simultaneously examine the unceasing and strategic manipulations of the ruling Maratha landed

caste to disempower and eventually co-opt such struggles of the oppressed in order to perpetuate its own political dominance.

### **First Phase: Early 1970s to 1978**

The droughts of 1970-73 affected almost 80 per cent of the villages in the state, and about 15 to 30 million people out of a population of 50 million [Ladejinsky 1973; Omvedt 1975] and changed the situation in Maharashtra to one of crisis. During the decade of 1961-71 agricultural growth in the state was 0.07 per cent per annum, while the population grew at the rate of 2.7 per cent. Consequently the condition of agricultural labourers deteriorated. Rural areas experienced an acute shortage of foodgrains, drinking water and fodder, a situation that was exacerbated by hoarding and subsequent increases in food prices.

The drought conditions, which included a shrinking supply of foodgrains and rising costs of living, also affected the sexual division of labour in Maharashtra. Not only did women have to travel longer to find drinking water and fodder for themselves and their cattle but also (due to increasing male migration to cities and towns and to villages where there were relief sites) had to find employment to support and sustain their families. This increased women's responsibility and vulnerability. No wonder, scholars analysing the drought years have commented on the extensive number of women workers at the relief sites and assessed their problems [Omvedt 1975; Brahme and Upadhaya 1979, 2004].

In 1970, the central government introduced food for work programmes all over Maharashtra. However, these attempts at providing relief were ineffective, as the reach of these programmes remained inadequate. In addition to being beset with corruption and other malpractices they also fostered discrimination based on caste as well as other identities. It was now recognised that the rural poverty reduction programmes needed comprehensive agrarian development programme of which an element would be a rural labour employment scheme [Gadgil 1960].

In this context concerned citizens, both old and young (such as students) and intellectuals (like V M Dandekar) came together with activist groups, and opposition parties to form a committee called the Dushkal Nivaran and Nirmoolan Samiti (Drought Relief and Eradication Committee) in 1971, to mobilise the people of the state against the drought and to demand that the state government launch a comprehensive agrarian development programme which included a drought relief scheme.

This committee provided a platform for like-minded individuals to come together and form new organisations such as the Maharashtra Rajya Shetmajoor Parishad. Additionally, this committee provided an opportunity for public intellectuals and activist groups to initiate discussions and inaugurate a debate on the political and economic conditions affecting the state. Through these efforts, the Samiti brought together politically disparate organisations, such as Yukrand and independent left political parties such as the Lal Nishan Party (LNP) to evolve a common agenda to fight drought and to devise an alternate agriculture development programme for Maharashtra. This committee also saw itself as a support group for organisations who were members and who mobilised the rural poor and demanded initiation of an employment generation programme, known as the Page scheme in rural areas. Finally, under pressure from various quarters the government introduced a drought relief programme called the Employment Guarantee Scheme on the lines of the Page scheme in 1972.

We argue that the EGS was initiated as a result of the pressure created by activist groups who initially came together through the Samiti. In the subsequent papers, Shaji Joseph and Anurekha Chari document the way people's movements intervened to organise the drought relief programme. The lack of consistent and efficient response from the state led these movements to demand a full-fledged and permanent scheme and law to guarantee employment such that "work on demand" be given as a right to the poor. Anurekha Chari and Shaji Joseph document the mobilisation organised by the Maharashtra Rajya Shetmajoor Parishad, Shramik Sangathana and Yuvak Kranti Dal (Yukrand).<sup>2</sup>

These organisations mobilised workers to demand the expansion of EGS works. Once EGS was introduced as a scheme, the Parishad concentrated on organising the poor to demand appropriate and timely implementation of the existing provisions of the scheme and their expansion to ensure proper working conditions for the rural poor. The main demands in this period included doubling of EGS wages, limiting working hours to eight hours per day, providing a weekly holiday on Sunday, ensuring that work sites were restricted to a radius of 5 km and that work begin when 50 or more people demanded work.

In addition these organisations raised issues of nature of work and services related to drought relief work sites where a large number of women were present. While raising issues regarding rights of workers employed in drought relief work sites, these organisations also raised demands that had implications for rights of women workers and became important in the growth of feminist consciousness later. Other organisations highlighted the problem especially faced by the dalits and focused on the way the exploitation innate to the caste system structured the implementation of the EGS.

These organisations wanted the government to ensure equality of opportunity for work, together with that of wages between women and men, as well as access to social security, pension, dearness allowance, crèches, potable water, shelter, maternity relief, and identity cards. As the initial efforts for relief was done through contractors, it demanded that the state abolish this system, provide permanent employment to muster clerks, and extend EGS to forest work. They also sought the introduction of wages in kind through the use of food coupons. Additionally, in order to make the EGS administrative mechanism transparent, these organisations demanded that representation of recognised political parties at the block level committee be made.

This sustained mobilisation of the poor together with the widespread support given to the scheme by the opposition and certain sections within the state Congress Party led the government to convert it into an act. The act incorporated most of the demands, mentioned above, made by the movements and the organisations when it was introduced in the assembly. However, one provision was also added that had repercussions on the implementation of the act. Henceforth, work was to be permitted on private lands. This provision would benefit the landed. In his paper, Vishal Jadhav examines how the landed class in Maharashtra, the Marathas, gradually came to support this programme and ultimately turned it into another institution for promoting patronage and its rule.

### **Second Phase (1978-1988)**

The declaration of the National Emergency in 1975, put paid to all political activity in India as also within Maharashtra. Political movements and organisations, mobilising the poor to implement the EGS were forced to stop their activities. Some

of the leaders were arrested and imprisoned. However, with the repeal of the Emergency in 1977 and the passing of the EGS Act, political activity across the state was revived. Movements once again started organising the poor to demand work and ensure proper and efficient implementation of the act. With the EGS now covered by a law, the movements' goals changed. No longer were they interested merely in organising the poor to obtain work. They enlarged their scope of demands and objectives. Henceforth, mobilising for EGS became a means to develop and organise tribal, dalit and women movements in rural areas. Organisations assessed the specific nature of tribal, dalit and women's exploitation in Maharashtra. Political scientists have termed these movements and organisations Non-Party Political Formations (NPPF) and have argued that it was a new phase in assessing the relationship between state and society in India.

Once the act was passed, the NPPFs started pressurising the government to once again initiate EGS works, ensure timely payment of wages and extend it to all parts of Maharashtra. In addition they started organising the workers to ensure equal wages for women and men and eliminate corruption. Their goal was to make certain that all provisions of the act were implemented. As mentioned above, over time, mobilisation around EGS provided these movements with a ground to develop a structural critique of the state and it questioned its efforts to guarantee comprehensive development for and of all. Why did development not benefit all, they asked? How was it connected to class, caste and gender interests? Was the state as well related to these interests? If so, how should one associate with the state and its programmes such as the EGS?

In the following papers, Shaji Joseph and Anurekha Chari have traced the way these questions came to be framed in movements having disparate ideological positions. One such movement was the Shramik Sangathana, which mobilised the tribal communities in Thane district. They show how its efforts to ensure proper implementation of the EGS Act soon incorporated new demands such as the effective implementations of land reforms. The recognition that tribal communities have faced land alienation led them to assess the history of land alienation since the colonial period and the role played by the colonial and post-independent states in perpetuating it.

Additionally, women activists of the Sangathana raised the problems faced by tribal women, such as sexual division of labour in EGS works, together with the domestic violence faced by them due to alcoholism among tribal men. The Sangathana now argued that there existed a relationship between land alienation, indebtedness and domestic violence. It examined how patriarchal structures of power operated within the family and related it to colonial and post-independence exploitation. Alcoholism it seems was of recent origin. The Parsi landlords who had usurped tribal land encouraged illicit distillation of Mahua plant and its intake. Constant consumption of alcohol led to indebtedness and dependence on the landlord extending the spiralling cycle of exploitation of both females and males in different and connected ways.

Shaji Joseph documents the experiments conducted by Yukrand. Earlier Yukrand had restricted its activities to highlighting of corruption in EGS works and discrimination of dalit workers in terms of wages and nature of work. Now, in Rashin Village of Ahmednagar district it inaugurated a new experiment and later extended it to other villages. EGS sites became the starting point of organising the dalit workers in order to ensure that caste

discrimination in wages and nature of work does not take place. Yukrand activists also posited a new vision to institutionalise participative democracy at the village level in order to ensure equal involvement of dalit groups in day-to-day decision-making. This was part of an effort to imagine a new village community based on cooperative labour and free from pollution-related occupation identity.

Anurekha Chari discusses another set of issues in her analysis of the growth of Mukti Sangharsh and its demands around EGS. She shows how the organisation called for a redefinition of the notion of "public works" when it demanded that employment generation should be organised around wasteland development, rather than road construction or building nullahs that would help irrigate land of the landlords. Later when it mobilised women working in EGS works, it recognised that many of these were single women – separated, divorced or deserted. The latter did not have access to their natal or affinal homes. EGS mobilisation made possible a movement for giving access to housing for single women.

These activist groups wanted the administrative mechanism of the EGS to remain poor-friendly. They demanded that the administration should entail three features. First, that the planning, execution, budget and review of the EGS be organised to remain autonomous from other government departments. Second, mechanisms should ensure that if the taluka administration does not ensure the implementation of EGS, then the district and the state levels would ensure that it is implemented. Third administrative mechanisms should allow intervention of party political leaders, bureaucrats together with academics and movement leaders to ensure that any bottlenecks in EGS execution and implementation be ironed out. (Sanjay Savale shows how these provisions still help to make this programme "poor friendly" and help to ward off starvation, despite recent changes in its structure that benefit the landed.)

Despite these efforts, in practice the administrative structure remained insensitive to the demands of the poor. It became, as Vishal Jadhav argues, tilted in favour of the landed Maratha caste. The latter was able to use the existing administrative provisions proactively to benefit its interests. This led to conflicts between the activists and the landed over the form and content of EGS implementation. Also as the landed became more assertive and active, the movements started facing repression at the village and district level from the police. The Maratha ruling groups were also aggressively demanding that its interests be protected when it recommended further changes in the act, such as the introduction of contractors to implement the scheme and the use of EGS for new agricultural activities such as horticulture and floriculture.

During the 1980s, NPPF's political ambitions faced many constraints not the least by their limited reach across the state. Unlike the early 1970s, when drought and famine conditions introduced mobilisation across the state, in this phase, the mobilisations were restricted to certain areas and localities. The NPPFs recognised the need to coordinate their individual struggles and pool information and resources in the face of their depleting strength in the early 1980s and in context of the organised landed class confrontation against them. In 1981 the Maharashtra Rajya Shetmajoor and Employment Guarantee Scheme Workers Samanvya Samiti was formed to liaison and negotiate with the regime collectively about the continuous local level conflicts that were erupting in various parts of the state over the implementation of EGS.

The first few years of this formation helped to smoothen the political and administrative issues. Additionally Shaji Joseph documents the statewide successful struggles that it initiated. This had its immediate benefits for the rural poor. Osmani (1991) has argued that EGS was able to reduce rural poverty levels by at least 33 per cent since its institutionalisation in 1977-78. The decline was particularly significant between 1983 and 1987-88. Moreover, EGS accounted for an average of 19 per cent of the capital spending of the state government during 1984-85 to 1988-89. At its peak in the late 1980s, the EGS accounted for a fifth of the capital spending of the state budget [Government of Maharashtra, EGS, 1998:219].

However in the late 1980s this mechanism of negotiations and consultations declined while the mobilisation of the poor too waned. The waning of the struggle was due to the increasing pressure from the landed classes together with the constant repression. Vishal Jadhav shows that the economic and the political context had changed in India and Maharashtra. Autarkic policies practised in India since independence were now replaced by export-led growth. The ideology of globalisation found acceptance leading to agricultural globalisation.

These movements waned due to reasons internal to its structure and organisation; there was ideological fragmentation and factional conflict within NPPFs. Conflicts regarding strategies and ideologies among the leadership of these movements created dissensions within the movements. Also, Anurekha Chari and Shaji Joseph argue that leaders of NPPFs turned their attention towards the communal problems besetting urban India. Simultaneously, the demand for work had fallen as new schemes for rural poor were inaugurated and migration to urban areas increased. All these factors affected the implementation of the EGS and the strength of the Samanvay Samiti to bargain to ensure proper implementation of the EGS.

And yet as many commentators have argued, the period 1978 to 1988 remains the most significant one in EGS implementation in terms of its access to rural poor [Dev 2001; Vatsa 2005]. In this period, EGS employed the most number of people and distributed the largest amount of funds. In the period 1972 to 1988, the average person days of work generated amounted to 161 million. This is the testament to the work done by NPPFs in ensuring effective mobilisation of the poor to demand work and to ensure the effective implementation of this programme.

### **Third Phase: 1988-90 Onwards**

We have noted one important trend regarding the implementation of EGS. This relates to its outreach towards the rural poor wherever there were people's movements and the conversion of these movements into larger long-term anti-state protests. These protests and agitations not only tried to implement the act and make it sensitive to the needs of the rural poor but also to extend it to incorporate the nature of work process. Over time, these agitations and movements developed a critique of the state and its development policies.

However once the movement declined, EGS came to be concentrated in the "top ten" list of districts. These were Ahmednagar, Aurangabad, Beed, Bhandara, Dhule, Nanded, Nashik, Osmanabad, Pune and Solapur. No wonder Dev and Ranade (2001) noted that statistical analysis reveals a skewed distribution pattern of EGS works since 1978, as these are mainly concentrated in the western Maharashtra region. Dev and Ranade

(2001) argue that it benefited the landed caste lobby as it subsidised agriculture labour during the lean season and helped to keep wages low. The administrative structure evolved by the movements proved helpful also, in this case ironically because the local MLAs and political leaders in EGS committees now used their influence to decide many issues relating to EGS including the location of EGS works. This allowed them to extend their patronage, which as Vishal Jadhav argues, makes EGS one more institution together with the cooperatives, the panchayati raj and the Congress Party of power in western Maharashtra region. Thus available statistics indicate that in this region, EGS is mainly used to create nullahs, bunds and tanks to link it to the irrigation canals in private lands.

There was an attempt to extend this trend, that is converting it into an instrument of landed interests, when some Maratha leaders and bureaucrats proposed that EGS works be extended to horticulture and to Jawahar Wells programme and introduced its execution by contractors. Since the late 1980s, Vishal Jadhav notes, the state Maratha leadership has been promoting production of agricultural products, such as vegetables, cut flowers, grapes, and cashew, all tuned to the global market. The western Maharashtra districts together account for more than 70 per cent of the land under sugar cane in the state and a fairly high percentage of area devoted to fruits and vegetables.

Vishal Jadhav in his paper argues that in the late 1980s, the two new schemes – the Horticulture and Jawahar Wells programmes – accounted for about a quarter of EGS expenditures in the 1990s. Despite the formal eligibility requirements intended to direct these funds to small farmers, they mainly benefit the rural rich. This new "funding window" opened within the scheme allowed the landed class to use EGS funds to directly subsidise their own agricultural investments. The EGS sectoral expenditure for the period, 1990-2001, shows that irrigation and horticulture including Jawahar Wells scheme have taken up the maximum funds (45 per cent), followed by agriculture at 14 per cent [Vatsa 2005]. This again shows a bias towards the kind of works undertaken by the EGS in this period. Government data points to the fact that most of the expenditure has gone into developing private lands rather than using funds for development of public utilities.

Additionally, independent micro level studies show that these changes in the programme have led to a fundamental change in the administration of the scheme. The entrance of outsiders in the form of contractors has increased corruption as they act in collusion with muster clerks to add fictitious names and thereby drain resources.

No wonder most evaluations of the scheme argue that today it is difficult to accept its efficacy as an anti-poverty programme. Though, it financed 3,597 million person days of work on irrigation, soil and water conservation, reforestation, and local roads from 1972 to 2001 [Krishnaraj et al 2004:225]. Some scholars argue [Abraham 1980; Sathe 1991; Dutt and Ravallion 1992; Echeverri-Gent 1998; Dev and Ranade 2001] that the EGS has functioned more as a relief programme rather than as an employment guarantee scheme.

No wonder some micro level studies, such as that of Dutt and Ravallion have demonstrated that EGS is well targeted as a relief programme. Dandekar's (1983) research findings demonstrate that almost 90 per cent of the EGS workers belonged to the poorer sections. Further the Dutt and Ravallion study of two villages from Maharashtra (Shirapur and Kanzara) demonstrates that at least half of the total EGS expenditure directly reached the participants

who belonged to the landless and marginal farmer category. These scholars [Echeverri-Gent 1988; Acharya 1990; Vatsa 2005] contend that EGS has in practice not been able to guarantee employment, though it has been extremely responsive during drought years and has augmented the income of the poor in such calamities.

According to Dev (1996), the benefits accruing to the EGS participants (work force) as a relief programme (and not as guaranteed employment scheme) have been the following: (a) wages: even though the EGS wages were suppressed (they were doubled in 1988) the workers were paid on a weekly basis. Further as Vatsa (2005) has demonstrated, EGS expenditure on wages has on an average (1972-73 to 2003-04) remained above 60 per cent; this according to him is high when compared to other anti-poverty programmes and it became an insurance for employment in the lean agricultural season (April to July); (b) food coupons: a part of the wages is paid through food coupons especially in drought years; this safeguards the interests of the rural poor against steep inflationary trends, thus providing them with some kind of food security; (c) demand-driven employment programme: it does not restrict the number of participants from a family; (d) increases bargaining power of agricultural labour vis-a-vis the employer or landlord; (e) involves a high percentage of women: studies [Dev 1995 and Krishnaraj et al 2004] have demonstrated that women constitute 40 to 50 per cent of the total EGS work force.

But what has been its impact on poverty reduction? The answer to this question is ambiguous. Dev and Ranade (2001) suggests that EGS might not have had a significant impact on poverty in terms of the head count ratio but it has definitely helped in diluting the intensity of poverty. He demonstrates how the gap between the very poor and the poor has actually been narrowing and this phenomenon is most pronounced in districts that have received EGS works for a long time.

No wonder EGS in practice has demonstrated certain shortcomings, regarding: (a) creation of sustainable and productive assets: scholars [Abraham 1980; Sathe 1991 and Gaiha 1996] who have examined the working of EGS have argued that one of the fundamental objectives of the scheme was not achieved, i.e. that of creating sustainable and productive assets in rural areas; (b) uneven spatial distribution of EGS works; (c) decline in its outreach to the poor: Gaiha (1996) and Dev and Ranade (2001) have demonstrated that its outreach over time has declined in the aftermath of amendments to the EGS Act in 1988 and 1990 respectively; (d) nature of work: Dandekar (1980) and Sathe (1991) have demonstrated through research that the nature of employment opportunities offered is of the menial kind (stone breaking, earth carrying among others) and therefore, skill development of workers is absent; (e) suppression of wages: Herring and Edwards (1983), Echeverri-Gent (1988) and Acharya (1990) argue that the EGS wages are kept below minimum wages; and (f) seasonal variation: Abraham (1980) and Sathe (1991) point to the fact that work is offered only in the lean agricultural season.

## Conclusion

In 2004 when the Congress-led coalition, the United Progressive Alliance (UPA) formed the government it announced the common minimum programme (CMP). The key legislation that the CMP proposed was the introduction of the National Rural Employment Guarantee Act (NREGA) that was later passed in

2005. For the last two years there has been a major debate over the design and efficacy of this act. Critics have questioned its specific provisions, such as, the allocation of the budget from central funds, the standardisation and uniformity of wages across the country, and noted that its implementation can generate extensive corruption. Others have questioned whether such a poverty alleviation programme can indeed decrease poverty, provide employment and create public assets. This debate has also opened up a discussion on the success of Maharashtra's EGS, which formed the basis for enacting the NREGA. What lessons do our research on EGS indicate?

We need to understand that poverty alleviation programmes are essentially devised and designed in societies where the distribution of power and resources are biased against the poor and the exploited. These programmes thus cannot attempt to change the distribution of resources of power unless those who are exploited and are poor demand such changes. We argue thus that an analysis of EGS should not only examine whether poverty has been reduced. Rather it has to evaluate the processes of empowerment, co-option and domination it inaugurates.

Our study shows that in its first phase, the mobilisation around EGS was able to initiate the growth of radical political consciousness among the poor. These movements articulated an ideology and practice that not only addressed the immediate question of poverty, but also the larger issues of class, caste and gender inequalities. However, the inability of these movements to sustain these struggles of social transformation is indicative of the structural inequalities inherent in modern Indian society. In a recent paper, Harriss-White (2006) argues that poverty is created by the dynamics of capitalism and that it is important that one understands the institutional structures that propagate these before designing poverty alleviation programmes.

Within this broad framework it is possible to distinguish between EGS and other poverty alleviation schemes and indicate that its design is superior to other such schemes. We reiterate that the EGS design is unique because of the three factors outlined above, i.e. work on demand, its statutory status and the autonomous nature of its budget, which together with provisions regarding workers' benefits, make this scheme administratively superior to any other programme, as Sanjay Savale has argued in his paper. In his paper, Savale compares EGS with the recently introduced Sampoorna Gramin Rozgar Yojana (SGRY). The latter works on the principle of decentralisation where peoples' representatives are involved in its planning and execution. Savale argues that in SGRY it is the dominant groups in the village that take decision regarding distribution of resources. On the other hand, he finds the EGS superior because it gives employment to the poor when they need it, even though it works as a drought relief scheme.

Additionally, the EGS administrative mechanism provides a system of checks and balances such that it gives space to various interests and groups in contemporary society (if these are present) to intervene for the benefit of the poor. If it empowers workers and their organisations it also empowers bureaucrats to ensure its proper implementation. Over the course of last two decades, there have been many cases of sensitive bureaucrats, who have used EGS provisions relating to transparency in order to question political interests that attempted to subvert its extension to the "real" poor. (the act gives them power to make public these anomalies).<sup>3</sup> Additionally even where the EGS has directly benefited the landed class, it has been able to ward off starvation deaths and give employment to the landless and small peasants.

Our argument is that like all development schemes EGS too can be co-opted and used as an instrument of domination by the landed class. Yet despite this, we wish to make a more general statement on EGS. The uniqueness of this scheme lies in the provision that gives statutory right to demand work. This allows for the growth of political mobilisation around its implementation. By allowing and encouraging people's mobilisation, it has potential for generating movements that can make a critical assessment of the state, the class interests it represents and the nature of its domination. Given the nature of distribution of resources and power in countries like India a scheme such as EGS can sometimes turn out to be a radical instrument of social change. In this context it is unfortunate that the new NREGA scheme has not incorporated this aspect nor has it become a party programme, either of the Congress or of the CPI(M) both of which have been sponsoring this scheme. For if it incorporates these aspects of the EGS, then it can have the same potentialities of creating political consciousness to initiate social transformations of the kind that EGS had done in Maharashtra in the 1970s and 1980s. [97]

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## Notes

[The set of papers in this collection present the research done by a group of four young scholars, Anurekha Chari, Vishal Jadhav, Shaji Joseph and Sanjay Savale in collaboration with and through financial support from the Centre for the Future State, a development research centre of the Institute of Development Studies, University of Sussex. We would like to acknowledge comments and criticisms made by Mick Moore and Anuradha Joshi and the entire team at the Centre for the Future State.]

- 1 V S Page, a Congressman with socialist leanings became a member of the legislative council in 1961 and later the chairman of the council after the formation of Maharashtra in 1960. The EGS is sometimes also called the Page scheme because he had first conceptualised this programme and had pressurised the government to start it as a pilot project in Visapur village, Tasgaon block of Sangli district in early 1964. In 1969, this scheme was extended to 10 more villages within the block.
- 2 The Maharashtra Rajya Shetmajoor Parishad (henceforth the Parishad) was a rural trade union organisation established by the LNP. Shramik Sangathana was associated with an independent left group called Magowa and Yukrand was a student and youth group having socialist and left sympathies. See Anurekha Chari's and Shaji Joseph's paper for details.
- 3 Bureaucrats such as Arun Bhatia, retired IAS officer, Manisha Mhaskar, the present district collector of Sangli and Manisha Verma the then district collector of Sholapur, are some who have made innovative changes in the implementation of the scheme while at the same time made public the corruption taking place in EGS.

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