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Major Social Safety Net Programmes in the Context of Dryland Farming: Review and Synthesis

Arjun Surendra, Neena Rao, Madhusudhan Bhattarai

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Poverty is a major issue in rural India, especially in the semi-arid tropic region of India. In order to alleviate poverty the Government of India, and state governments, like governments world over, have instituted social protection and social safety net programmes. This paper seeks to review and synthesize implementation of the major social safety net programmes in India and globally and document various social safety net programmes that are commonly being implemented in the semi-arid tropical regions of Andhra Pradesh. In order to do this, this paper investigates the existing definitions of poverty, and vulnerability with a special focus on the semi-arid tropics of India and examines the need for social assistance in this region. The concepts of social protection in terms of social protection programmes and social safety nets are also investigated. A review of social protection programmes from all over the world is carried out – examining the different programmes in developed nations such as Germany, United States and United Kingdom; developing nations, with a focus on Latin America; and least developed nations in Africa. In this range of studies, it is possible to see how social protection programmes vary, from the more affluent nations, where these programmes are more contributory in nature, dealing more with health and temporary relief in cases of unemployment. Whereas in the less developed nations, where SPPs are a more non-contributory in nature, and form a much more essential part in ensuring livelihood security. The paper then examines the most important social protection programmes in India, in great detail providing a history of development of important schemes meant to ensure food, nutritional and livelihood security, such as the PDS and NREGA among other important programmes, and talks about the criticisms and shortcomings of the programmes. The various SPPs in Andhra Pradesh are examined, with a special focus on Self-Help Groups which are mostly comprised of women have been instrumental in improving well being, not just of women but also of families. There have been reports of issues with many social protection programmes in India, in terms of access, leakages, benefits not being received, the cost effectiveness of these programmes, lack of gender sensitivity in the programmes and so on. Despite all the flaws and gaps in implementation, the way now is forward. There is an urgent need to study how access or lack thereof to the various official and non-official social safety net programmes have affected not just the intended direct and indirect beneficiaries, but also those in rural India who are not beneficiaries of the programmes, but who may directly or indirectly be affected by them, either positively or negatively.



1 Challenges facing the rural poor in Semi-Arid Tropics

The following section investigates the various challenges that are faced by the rural poor, the world over with a special focus on the semi-arid regions of India:

1.1 Background

Poverty is a major issue world over. The poor are most vulnerable to stresses and shocks caused by natural and non-natural factors. This is especially true in the semi-arid areas of the world, including in India. In order to tackle the issue of poverty, governments all over the world have instituted different measures in order to tackle the issue that cause and arise from poverty. The set of measure adopted by governments is the implementation of programs that invest in poor people and help them enhance their livelihoods and productivity are called social protection programmes. A component of social protection programmes, are social safety nets.

This document seeks to review and synthesize implementation of the major social safety net programmes in India and globally and to discuss various social formal programmes, that are commonly being implemented in the semiarid tropical regions of Andhra Pradesh.

This section of the paper, seeks to provide a brief insight into the challenges facing rural poor, especially in the semi arid tropics of India. First, the section describes the issues of poverty and the various definitions of poverty that exist in literature. Then moving on to investigating the different ways in which the concept of vulnerability can be considered, this is especially important, as vulnerability, goes hand in hand with poverty. These issues are then discussed within the context of the semi arid regions of India.

1.1.1 Poverty

Since 2001, more than 350 million people around the world have lifted themselves above the extreme poverty threshold. Yet, there are more than one billion people in the world living on less than US \$ 1 a day and 2.7 billion people subsist on less than US \$ 2 a day. Of the 1.4 billion poor of the developing world, 70 percent live in the rural areas of the world (IFAD 2011). These constitute of mainly subsistence farmers, landless labourers, herders, artisans, indigenous peoples and migrants. Thus global poverty predominantly remains a rural phenomenon¹.

In India too, 72 percent of the population lives in rural areas. It is estimated that 42 percent of the rural population lives below the poverty line, compared to 26 percent of those living in urban areas (IFAD 2011). This shows an urban-rural divide, with reference to poverty.

Efforts have been made to alleviate poverty for many years. These have paid off to a limited extent, though the rate of poverty incidence has declined from around 55 percent in 1973-74 to 27.5 percent in 2004-05, the number of poor has remained largely unchanged going from 320 million in 1993-94 to 302

1 Definition of rural areas differs from country to country. At the international the Organization for Economic Cooperation and Development (OECD) approach is generally used to define rural areas based on their regional typologies such as (i) predominantly rural, (ii) intermediate and (iii) predominantly urban. See, Poverty and Social Exclusion in Rural Areas, Final Study Report, 2008, Directorate General: Employment, social affairs and Equal opportunities European Union.

million in 2004-05 (Planning Commission 2008), due to the growth in populations (Kabeer 2002).

In the face of such statistics, it is important to first understand how one defines the poor and poverty. It is important to draw a distinction between measures of poverty and definition of poverty.

There is a wide range of ways in which poverty can be defined. The way poverty is defined crucial, as this impacts how policy to address poverty are defined and implemented. Part of the problem is that value judgements are involved in defining poverty, thus there is no one “correct” definition of poverty.

Poverty can be thought of in terms of money, assets, possession, and consumption of specific goods or services. According to Haughton & Khandekar (2009), this is a conventional view that links wellbeing directly to “command over commodities”. Thus, with this definition, the poor can be classified as those who do not have an income, or a consumption level, that will put them above some minimum threshold, such as the poverty line. This threshold could be defined in terms of per capita income, per capita expenditure or on the basis of caloric intake and food expenditure (Singh and Hazell 1993). The drawback of such a view is that it sees poverty in mostly financial and monetary terms. There are many dimensions to poverty, and these dimensions have complex interactions including, lack of assets, isolation, deprivation of political and social rights, lack of empowerment, inability to influence choices or decision, poor health, nutrition and food security, lack of mobility, poor access to services and infrastructure, and vulnerability to natural hazards such as droughts and floods (Namara et al. 2010). A more complete definition can be seen in Statement of Commitment for Action to Eradicate Poverty (UNESCO 1998) which was adopted by the Administrative Committee on Coordination comprising the heads of all the UN agencies. In this definition, Poverty was described as:

“Fundamentally, poverty is a denial of choices and opportunities, a violation of human dignity. It means lack of basic capacity to participate effectively in society. It means not having enough to feed and clothe a family, not having a school or clinic to go to, not having the land on which to grow one's food or a job to earn one's living, not having access to credit. It means insecurity, powerlessness and exclusion of individuals, households and communities. It means susceptibility to violence, and it often implies living on marginal or fragile environments, without access to clean water or sanitation”.

There is also a distinction to be noted between absolute and relative poverty. Relative poverty is a measure of the extent to which household is below an average income threshold for the economy. On the other hand, absolute poverty measures the number of people below a certain income threshold or unable to afford certain basic goods and services. Absolute poverty is a state in which one's very survival is threatened by lack of resources (Kerr 2002; Namara et al. 2010). It is also important to consider that in addition to relative and absolute poverty, there is also a time element to it, and poverty can also be thought of in terms of chronic and transient. Chronic poverty is deprivation that lasts for a long time. Thus, the chronic poor are those with per capita income or consumption levels persistently below the poverty line over a long term (Kapur-Mehta and Shah 2003). Transient poverty is associated with a fluctuation of income around the poverty line, where those who are transiently poor, are not poor all the time, this could be due to a variety of seasonal factors. (Namara et al. 2010; Rao et al. 2005). Thus, by any definition, the poor are seen to be vulnerable.

1.1.2 Vulnerability of the poor

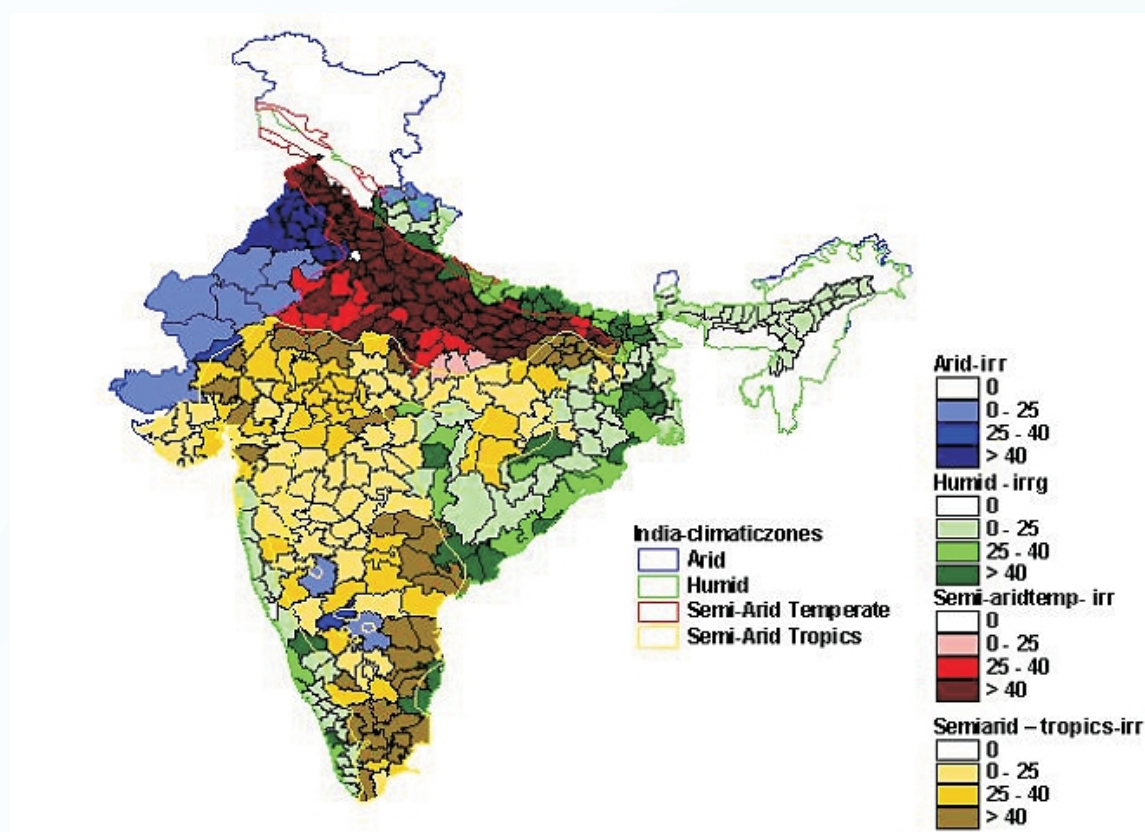
Vulnerability can be seen as the risk that a “system” would undergo a negative change due to a “perturbation”. In the context of poverty and the semi-arid tropics it can be defined as the diminished

capacity to anticipate, cope with, resist and recover from the impact of a natural or man-made hazard. Poverty and vulnerability are closely related. The poor are often vulnerable to severe and chronic deprivation especially in arid and semi-arid tropics in developing countries. Vulnerability can also arise when people are “isolated, insecure and defenceless” when subject to risks, shocks and seasonalities (Naude et al. 2008).

There are various ways of defining the concept of vulnerability. Vulnerability is often addressed and defined at the level of the individual household. One such definition according to Köhler (2003) vulnerability is the propensity to suffer a significant shock that brings welfare below a socially accepted level. Mansuri and Healy (2001) state, “vulnerability is the probability that a given household would experience one episode of poverty in the near future, over a given set of time periods”. Chaudhuri et al. (2002) defined vulnerability in terms of probability of future consumption poverty. Though poverty and vulnerability are closely linked, it is important to distinguish the two. From the above definitions, we can see that vulnerability in this context is a measure of future poverty. It is therefore important to look at vulnerability, to understand who will be poor in the future, as poverty is sometimes transient.

Vulnerability is compounded by general uncertainty with respect to livelihood and life. Due to the risks many poor households face, they are often subject to shocks causing a variability in their incomes. The poor are the worst hit by fluctuations in levels of income, consumption and well-being (Kabeer 2002), due to lack of sufficient assets, insurance or capital, shocks and seasonalities may lead to losses such as distress sale of assets, reduced food intake, interruption of schooling, which reduces human capital, or

Figure 1: Agro Ecological zones of India



Source: Rao et al. 2005

even migration which often reduces social capital.

As mentioned above, there is a distinct geographical dimension to it. Firstly, it is strongly rural, and severe in regions of physical remoteness. It also varies with agro-climatic factors, seeing higher incidence in areas prone to floods, drought and areas difficult to irrigate. These factors exist in the area under study i.e. semi-arid tropics in South India, thus leading to increased vulnerability among the poor in the region.

1.1.3 Poverty in the Semi-Arid Tropics of India

Semi-Arid Tropics (SATs) (figure 1), as defined for the purpose of this document, are areas where the growing period is between 75–180 days. In addition, these places have a mean monthly temperature of more than 18°C. SATs account for 37 percent of the total geographical area of India. In addition, it is estimated that 37 percent of the population of India lives in SATs, which accounts for more than 300 million people (Rao et al. 2005). Poverty levels are high and literacy rates low in the SATs (Kerr 2000). Around 41 percent of India's rural poor live in the semi-arid tropics (Rao et al. 2005). We would explain the reasons for this phenomenon.

First of all, in order to attain a sustainable standard of living, it is necessary to leverage all possible assets to which access is available, including natural, social, economic, human, physical and political capitals (Solesbury 2003). Hence, poverty has natural, physical, human, economic, financial, social and political dimensions.

Semi-Arid Tropics (SATs) are defined as areas where the growing period is between 75–180 days. In addition, these places have a mean monthly temperature of more than 18°C. SATs account for 37% of the total area of India (Rao et al 2005).

In the rural semi-arid tropics, where land, especially irrigated land, is a highly valued and scarce asset, the poor tend to be landless and rely largely on labour, agricultural or otherwise to earn a living (Shiferaw 2006). Thus, their livelihoods are intrinsically linked to the sustainability of natural resource assets. Unfortunately, there is a degradation of the natural resource base, such as declining soil fertility and vegetative resources (Scherr and Yadav 1996; Kerr 2000), soils in 16% of agricultural land in developing nations, such as India have degraded. In addition a higher proportion of crop and dry lands have faced moderate to severe degradation, through soil erosion, nutrient depletion and salinization (Scherr 2000). In addition to this coupled with high rates of population growth and food insecurity, is a major development problem in the semi-arid rain-fed areas (Shiferaw 2006).

Further non-sustainable agricultural methods, climate change, decreasing biodiversity and variable rainfall have severe impacts on agriculture and the rural poor. In the Indian SAT region, water sources are scarce and prone to degradation. Traditional irrigation tank systems, such as those seen in parts of Andhra Pradesh or ponds capturing runoff from rainfall are being lost as traditional community based ownership and management of these resources have nearly disappeared. Disappearance of tanks has also meant a reduced capacity for groundwater recharge. This is a major problem as there is an increased dependence on ground water for irrigation. This is further made easier with subsidized or free power, reducing the marginal cost of well irrigation. Unlike irrigation from surface water bodies, ground water abstraction is unregulated, leading to overexploitation of groundwater and thereby putting pressure on the “unproductive hard rock aquifers” found in the region (Kerr 2000). These factors impact farm productivity, area under cultivation and thus on livelihoods, especially for smaller farmers and labour and cause a decrease in natural capital and prevent the poor from utilizing and leveraging any natural capital they may have had. As those with access to assets, have a better chance of adapting to such shocks and

seasonality.

Poverty has social and political dimensions. An important dimension of poverty in the semiarid tropics region is the lack of access to power, representation and social networks among the poor. Access to these institutions can help the poor access to access resources, institutions, technology and markets and leverage them in order to alleviate poverty.

In addition, it should be noted that the study region is afflicted by long-standing and deeply entrenched social inequalities, particularly those associated with caste and gender. According to Kabeer (2002), those who lack assets, education and social networks are often engaged in the worst paid and most capsulized segments of labour and commodity markets. They also engage in intermittent and seasonal activities implying that that they may have to engage in a multiplicity of poorly paid and ad hoc occupations just in order to survive. Thus low literacy and social backwardness leads to poverty in these social groups. As a matter of fact, poverty is generally higher among the Scheduled Castes (SC) and Scheduled Tribes (ST). Across India, it is seen that 39.6 % of the ST and 39.5% of the ST population is considered poor. It must be considered that 49.5% of the ST population of India lives in the SAT region. Similarly poverty incidence amongst SCs across India is at 28.5% whereas in the semiarid tropics, where 40.1% of SCs in India live, the incidence of poverty is around 34.5 percent (Kabeer 2002).

As regards the human dimensions of poverty, unfortunately, the poor face problems of poor nutrition, a propensity to frequent illness and lack of education and skills that affect the returns to their labour efforts. An important fact to be considered is that, the lack of assets deprives the poor of an adequate buffer against shocks and seasonality, leaving them vulnerable to declines in their standard of living when these occur.

1.2 Objectives and Scope

In order to alleviate poverty and improve standards of living, the Government of India has instituted many programmes such as the Public Distribution System, MGNREGA etc. Further, there are adaptations and state specific adaptations in the state of Andhra Pradesh. In order to document, compare and contrast functioning of these programmes, and provide a valuable base for understanding the Andhra Pradesh models of social protection. In particular, the specific objective of this review assessment is as follows:

- To review and synthesize implementation of the major social safety net programmes in India and globally.
- To document various social safety net programmes that area commonly being implemented in in the semiarid tropical regions of Andhra Pradesh.

Scope of the review and assessment

The review of literature covers a wide range of topics. It covers the issues of poverty and vulnerability in a general sense, examining cases of successful social safety net programmes all over the world, to the major social safety net programmes in India, and their performance in Andhra Pradesh. Thus with such a broad range of topics to be covered, it is not possible to cover all published literature on the subjects. Thus literature was examined in order to give the best possible information on these issues, where possible, most cited literature was used as reference. Google Scholar was used in the process of searching for literature, as well as institutional databases.

2 Overview of Social Protection Programmes

This section examines the concept of social protection. It investigates the various definitions, existing in literature for the term. It also delves into an important component of social protection- social safety nets and examines the need for such programmes. The section also examines what the general aims of such programmes are.

The causes of rural poverty are complex and multidimensional and thus, there is diversity in the way these are addressed (Khan 2001). One such approach is social protection. Social protection can be thought of as an “insurance policy” against poverty additionally, it could be used as a tool for inclusiveness in developments. According to the United Nations (2005), social protection programmes help the poor and vulnerable (or those otherwise in dire situations) attain to attain, or even rise above minimum standards of well-being. Social protection programmes, usually includes efforts made by the government as well as society to protect citizens “from risks, vulnerabilities and deprivations”. This could be carried out in several ways such as: providing livelihood, education, social welfare (through direct and indirect transfers), health care or even part or full time employment. This being said, Gentilini and Omamo (2005) argue that there is no universally accepted definition of social protection, however, they illustrate the general idea of social protection programmes, as presented in figure 2.

Most countries in the world have some sort of social protection programme. However, there are differences in the needs of their citizens and the resources available to the government, leading to a wide range of variations in how countries implement SPPs.

Social Protection Programmes could be of four types (Devereux and Sabates-Wheeler 2004):

Protective: in order to provide relief from deprivation such as social pensions and social services (for example, free primary education).

Preventive: in order to prevent deprivation that may occur from shocks and seasonalities, such as health and unemployment insurance.

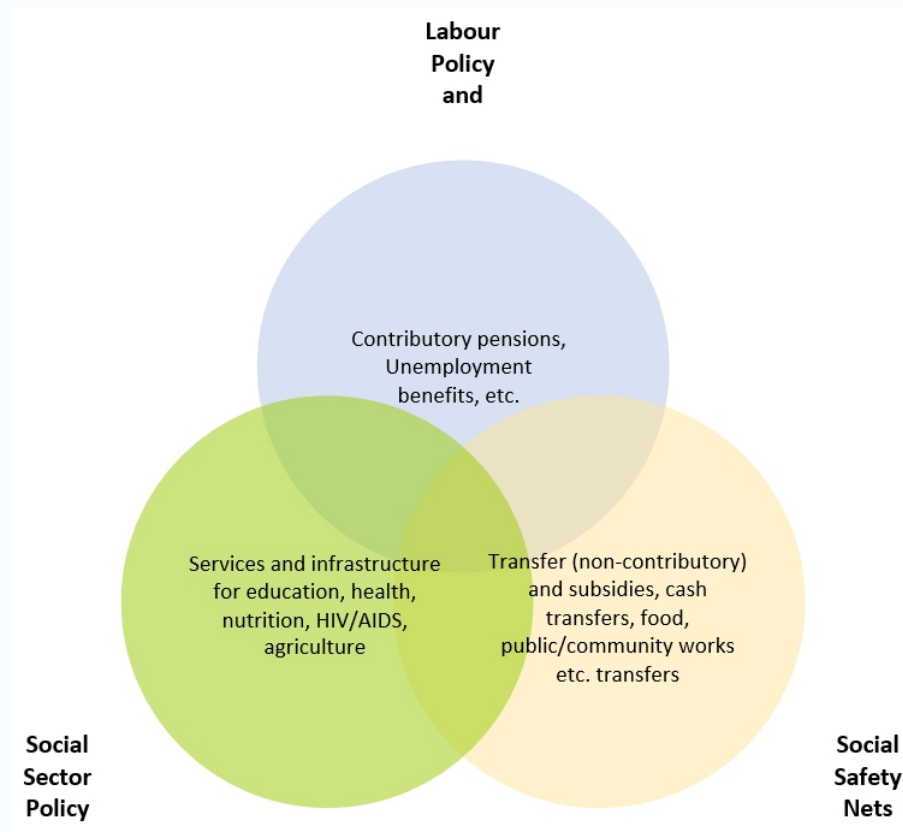
Promotive: to increase real incomes and capabilities and livelihood.

Transformative: in order to address social inequity problems such as discrimination against specific groups.

Although formal Social protection is becoming a common phenomenon in the developing countries only recently, there is a significant thrust on social protection programmes in their public policies. It is regarded as an important tool for poverty eradication. In addition to poverty objectives, social protection programmes also serve important political, social and security purposes in some countries. For example, in conflict ridden countries these programmes may be used to demonstrate state power and ability to provide for certain basic needs and thus some maintain a certain level of authority and popularity. For example in Latin America and the Caribbean, social protection is being used to tackle high level of inequality to serve the political agenda (World Bank 2012).

A subset of Social Protection Programmes, are Social Safety Nets. According to Gentilini and Omamo (2005) Social Protection is a broader concept than Social Safety nets. Scholars and developmental organizations use the term “social safety net” to include public and private mechanisms that help

Figure 2: Components of Social Protection



Source: Gentilini and Omamo 2005

individuals maintain a minimum level of consumption (Paitoonpong et al. 2008)². However, it has been seen that here too, the definition is not consistent in literature. Large number of synonyms are being used currently which include; social security, economic security, income security, cash transfers, welfare and entitlements among others (Midgley 2012). Gentilini and Omamo (2005) state that Social Safety Nets include non contributory transfers and subsidies, including cash and food transfers, public and community work and so on. Figure 2 illustrates the difference between the various facets of social protection programmes.

According to the recent Social Safety Net Evaluation Report of the World Bank, social safety net programmes are considered as a part of the larger social protection programmes (SSN World Bank Report 2000-2010)³. Conventionally Social protection programmes have been linked to wage employment and cash transfers that maintain incomes in times of adversity. However, today the way social protection or social safety net programmes are being implemented transcends these basic functions and thus lacks clarity not only with respect to the terminology but also its conceptual basis itself. As a result different rationales are being adopted with different normative perspectives while implementing the social protection programmes today. Although poverty alleviation remains its primary goal, it has relevance to serving many other social objectives as well. A number of challenges affecting its funding, scope and

2 The term Social Safety Net is an analogy that is drawn from the world of the circus, where performers such as tight rope walkers and trapeze artists are protected by a safety net if they fall. The net, prevents the acrobat who falls, unexpectedly or otherwise- from hitting the ground and incurring grievous injuries.

3 The term social protection and social security are often used synonymously. In fact in the past social security was the more commonly used term and social protection is being used commonly these days (See Midgley 2012)

administration are also being discussed in order to find innovative ways.

Thus, one can discern two broad approaches under the social protection programmes. The first one concerns social security focusing on cash transfers and income maintenance. Whereas, the second one is much broader, and includes a variety of programmes such as minimum wages, food for work, commodity subsidies, employment guarantee etc. The Social Security Administration of the United States (2002) defines “public social welfare expenditures” as “cash benefits, services, and administrative costs for all programs operating under public law that are of direct benefit to individuals and families. It includes programs providing for income maintenance through social insurance and public aid, and those providing public support of health, education, housing and other welfare services.” Income maintenance programs are the primary levers of antipoverty policy for dealing with market-generated poverty.

As a result, social protection programs and social safety nets, as being referred to in today's context, may include employment mandates, social insurance and universal social allowances, social assistance, fiscal credits and rebates, and other mechanisms required by law that allow recipients to maintain income when wage employment is interrupted or terminated. Apart from maintaining income levels, social protection programmes and social safety nets may also subsidize the incomes of those who work regularly but whose wages are insufficient to provide an acceptable standard of living. Social allowances and some social assistance programs are specifically designed to meet this goal (Hoefler and Midgley 2012).

These programmes need not be about income augmentation and income transfers only. They can involve programmes as diverse as “conditional cash transfers, disaster and famine relief, micro-insurance, food for work projects, minimum and living wage mandates, medical provisions, HIV education and prevention programs, agricultural commodity subsidies, and asset development programs” (Midgley 2012).

The programs discussed above are generally supported through collective means, and are funded through taxes and administered by government or semi-government agencies. These are termed formal safety net or formal social protection programmes (Reddy 1998). Such programmes provide a legal guarantee to the recipient.

In contrast, informal safety nets exist, where support is provided to individuals to assist them to improve their standard of living. However, informal safety net programmes, are not legally binding. Informal safety nets can also be public or private in nature. Private informal safety nets include support from other individuals or the community.

Aims of Social Safety Nets

Social Safety Nets aim to

- Help in reduction of chronic poverty and inequality.
- Encourage more and better human capital investments among the poor to provide the opportunity to exit poverty.
- Enable the poor to manage risk from individual shocks, such as death of earning members, crop failures, injury etc.
- Enable the poor to manage risk from systemic shocks such as droughts, natural disasters etc.
- Protect the poor if necessary during broader economic reforms.

Adapted from IEG (2011)

Informal safety nets can further be either public or private in character. The private informal safety net consists of the support which individuals can hope for from other individuals or from community institutions or groups, in time of need. This includes transfers from family members, friends, neighbors, and community members and institutions, including NGOs and international donors. The public informal safety net, in contrast consists of the support which individuals can hope for from the state, through programmes which generate assets or employment, transfer income, or provide basic social services, as a means of preventing individuals from falling below the designated minimum standard of living. The key distinction between formal and informal safety nets relates to whether or not there exists a formal legal guarantee of support.

Also societal views and preferences on poverty and SSNs have changed the political discourse and the decisions Governments have made. These views differ as per the socio- cultural, political and economic realities of the state. For example in case of Europe and Central Asia SSNs are looked at as entitlements and have expectations of Government benefits and support unlike Africa or Latin America (World Bank 2012).

3 Selected cases of SSNs across the World

As mentioned in the previous section, the mechanism of social protection differs between the developed world and the developing world. In the developed world, often social safety net programmes were initially geared towards short term income shortfalls, or for retirement and health benefits. In contrast in developing nations, where chronic poverty and long term deprivation exist, and social safety nets help in alleviating poverty to some extent. The following section, examines the different social protection programmes in a few selected countries ranging from most developed nations, to less developed ones. Cases were selected in order to provide a contrast to each other in order to provide a broad overview of some different approaches to social safety nets all over the world. Cases covered in this section include, Germany and the United States of America, two of the longest continuing social safety net programmes in modern times. The section then examines the case of Mexico and selected South America, which consists of emerging countries. Finally, this document examines the case of African nations, with a special focus on cash transfer programmes that have been reported to be performing well.

3.1 Germany

Germany has one of the oldest formal social safety net programmes in the world. A fully funded disability insurance was initiated in 1889, under the then chancellor Otto von Bismarck (Rimlinger 1968). Over the years, social security in Germany has changed from purely being a disability pension, to include retirement benefits. Mandatory participation was instituted and contributions towards this were done by employees, employers and the government) (Börsch-Supan and Schnabel 1998). This programme, coupled with already instituted worker's compensation programme (established in 1884) and sickness insurance (enacted in 1888) gave Germany a robust system of "income security". , Unemployment insurance was added in 1927, which more or less made the German system a complete package, prior to World War 2 (SSA nd.).

Due to the financial difficulties in the aftermath of World War 2, this contributory system was converted to a Pay as you Go (PAYG) model in 1957. Slowly through the 1960s and 70s the German system evolved into a near universal pension programme. Under the German system, participation is mandatory, except for the self employed or those with very small incomes from labour. The system provides for old age pensions for workers over the age of 60, disability pension for people under 60, which converts to old age pension on attaining the age of 65. In addition, there are survivor benefits for spouse and children of beneficiaries. Under this programme, it is possible to have a flexible retirement age. Early retirement, before the age of 60 is also possible, especially for women, or those who are ill (Börsch-Supan and Schnabel 1998). Amount of benefits received depends on lifetime contribution by the employee, retirement age and the type of pension (Börsch-Supan 1997). Health insurance is also mandatory in Germany, with around 74 percent of the population insured on a mandatory basis, with high income earners being given a choice between government and private insurance. Only a very small portion is legally exempt from this requirement.

The replacement rate⁴ for the German Social Security System is considered high, as net retirement incomes are around 70% of pre-retirement incomes (Börsch-Supan and Schnabel, 1998). It is seen that around 80 percent of the income of those households, where the household head is of 65 years of age or over are from the PAYG pension scheme (Börsch-Supan 1997). According to Börsch-Supan and Wilke (2005), the system is designed to afford a similar standard of living to those who have retired, as they enjoyed while working.

Roughly 80 percent of the budget for this scheme is funded by contributions from beneficiaries; the rest is financed by government revenue. Contributions are levied equally on employees and employers, like a form of payroll tax. In the mid 1990's Public Pensions account for 10.6 percent of the GDP of Germany, ever increasing, in 2011, social security spending, accounted for around 45 percent of all government expenditure in Germany as opposed to an average of around 33 percent for OECD 31 countries (OECD 2011). This has led to a wide spread discussion on the sustainability of the current model. It is estimated that 36 percent of the German population would be the elderly by 2035. Additionally, the ratio of old age to working age persons – or the old age dependence ratio would increase to around 49 percent by 2030, which would severely affect the tax and contributor base for sustaining the pension scheme (Börsch-Supan and Schnabel 1998). Börsch-Supan (1997) has argued that there has already been an effect on the retirement patterns of German citizens, with early retirement increasing, due to incentivization by the system. Thus reforms were attempted in 1992, 1999 and the late 2001 in order to attempt to reduce the tax and contribution burden of this programme. Börsch-Supan and Wilke (2005) stated that these reforms are an important step in attempting to solve the problems that affect the German pension programme.

Additionally, German citizens pay high rates of taxes, as well as have other mandatory contributions like health and long term care insurance, thus, increasing the contribution towards pensions is not a feasible option. Already, participation rates in the programme are declining among those who are eligible for “voluntary contribution”. Also declining is the amount contributed per person among the same group, as more and more people are paying just the mandatory minimum amount. Thus, more people who can “opt-out” are doing so now than before.

4 Replacement rate can be defined in many ways, in its simplest form, it can be described as the ratio of retirement benefits to pre-retirement earnings. In other words, a measure of how the living standards of a pension beneficiary would change post retirement. It is often used as a metric to judge performance of pension programmes (Fox 1982).

Thus, though the oldest social safety programme, the German pension programme, which was once extremely effective and almost universal is in need of reforms.

3.2 USA

The United States of America is considered to be the one of the pioneers of the social safety net schemes, especially in adaptation of various kinds and modes of SSNS. The country first introduced it in the form of a program for mothers' Pension. It provided a template for Aid to Families with Dependent Children (AFDC), introduced during the New Deal in the background of families' breaking (1911).

Afterwards, many schemes were launched, including: (1) the second social security measure taken up in the early 1930's, after the great depression, meant to neutralize the impact of depression on the elderly persons; (2) inclusion of unemployment insurance in the Social Security Act of 1935, following concern about unemployment during the Great Depression; (3) the conversion of AFDC into cash incentive support to the needy children; (4) the introduction of dependent and survivors' benefits in the Social Security, making it a family-based program in 1939; (5) provision of educational benefits and one year of unemployment compensation to veterans starting from 1944; (6) introduction of school lunch programme for the needy children in 1946; (7) introduction of social security to the Disability insurance Act in 1956; (8) launching of Food Stamps programme for the needy in 1964; (9) introduction of Medicare health insurance for all the elderly persons aged 65 and above, in 1965; (10) introduction of Medicaid to provide health insurance to all the low income individuals who were also benefitting from the AFDC, in 1965; (11) launching of supplementary nutrition programme for the pregnant women, infants and children (WIC) for two years in 1972, which became a permanent scheme in 1975; (12) launching of supplemental security income for blind, disabled and aged individuals in 1972; (13) introduction of Earned Income Tax Credit (EITC) in 1975 to offset the burden of social security taxes and to provide an incentive to work; (14) amendment of AFDC in the form of the Personal Responsibility and Work Opportunity Reconciliation Act in 1996; (15) introduction of State Children's Health Insurance Programme in 1997; (16) enactment of a prescription drug plan under Medicare; and, (17) the health reform law in 2010, extending the eligibility for Medicaid to nearly all persons below the poverty line, including low-income childless adults without a disability.

Since the mid 70s, increase in real wages has come down. Subsequent developments in technology and industry have reduced employment opportunities for workers. Even though the economy boomed in both the late 1980s and the mid-to-late 1990s, the average inflation-adjusted weekly earnings of production workers were lower in 2003 than it were in 1973 (Danziger and Danziger 2005). Additionally, there has been a major shift in the approach towards the policy and the politics of social protection since the 1980s, wherein there has been a shift in public discourse, from section of the political spectrum towards removing these programmes from the under the purview of the federal government (Hoeffler and Curry 2012). A majority of their social safety net programmes continued to focus on the elderly. As the general accepted sentiment around this issue is that it is not the responsibility of the government to reduce the gaps in income levels. As a result the major accomplishment of these initiatives is that the poverty drastically reduced in the elderly which set an example for further social safety programmes of other countries (Danziger and Danziger 2005; Hoeffler and Curry 2012).

Today, most of their eligibility and benefit levels for social insurance programs depend on past contributions (usually paid via payroll taxes on the employer and/or worker) and some identifiable problem such as old age, death of a spouse or parent of a child, work-related disability or unemployment. Social insurance programs include social security, unemployment insurance, workers' compensation and veterans' benefits.

Income maintenance programs provide benefits only to those whose incomes (and for some programs, whose assets) from other sources fall below a specified eligibility threshold. The Congressional Research Service (Burke 2003) reports more than 80 such programs that provide cash or noncash benefits to persons with limited income. These programs include cash assistance, food stamps, school nutrition aid, medicaid, and programs that fund education, employment and training, housing and social services. The antipoverty effects of all cash transfers (social insurance and public assistance) on the official poverty rate follow a similar pattern (Danziger and Denziger 2005).

3.3 United Kingdom (UK)

The anti-poverty policies put into place in the UK, to a significant extent, are based on United State (U S) experiences and poverty policy research. The broad categories in which significant new UK programs have been set up and in which funding in existing programs has been increased are designed to promote “work for those who can, security for those who cannot,” and to increase investments in children and expand opportunity and inter-generational mobility (Danziger and Danziger 2005).

A major departure from the U S. experience is that the Blair government increased cash welfare benefits. In 2003, these were 85 percent higher in real terms than in 1997; universal child benefits also increased by 25 per cent over this period. A Working Families Tax Credit that is similar to the structure of the EITC in that benefits rise with earnings and then fall. And, the credits are more generous relative to the average wage and are paid to a greater percentage of families, including childless working adults. A minimum wage that is higher as a percentage of the average wage than is the US minimum wage was also introduced. Other UK programs have been modeled on the US. experience. The Sure Start program for early childhood enrichment is similar to the US Head Start program. There are also expanded child care funds to guarantee slots in preschool and expand access to child care. They have expanded paid parental leave and are planning to start providing tax-free child savings accounts. In total, spending on children increased by about 75 per cent between 1997 and 2004, representing an additional 1 percent of GDP, and child poverty has fallen substantially (Hills and Waldfogel 2004).

3.4 Mexico

Mexico has already put in place an administrative mechanism that seems to have successfully income-tested the PROGRESA/ Oportunidades program. The Oportunidades program started in 1997 initially covered 0.30 million households and later on expanded to 2.5 million by 2000. The cash transfer has three basic components, two of which are conditional and one un-conditional. The beneficiary households receive an un-conditional cash transfer to the tune of 250 pesos, per elderly adult. The households also receive a food support transfer of 189 pesos, conditional upon the families attending the training programme on nutrition and health (Soares et al. 2007).

Selection of beneficiaries follows a three stage process. First of all, municipalities are chosen on the basis of an index of marginality, which classifies them into five categories, viz. very high, high, medium, low and very low marginality. Secondly, households within the municipality are chosen according to a socio-demographic study, based on discriminant analysis. In municipalities with very high indices of marginality, around 90% of the households are selected. The percentage reduces with reducing marginality. The last step involves obtaining feedback from the local community in order to check the eligibility of the household for cash transfer benefits. The more substantive transfer is scholarship given to children and young adults, in grades three to 12. These scholarships are conditional upon attendance in schools and health check-ups. The first one has to be certified by the school and the second by the

health clinics (Soares et al. 2007).

3.5 Latin America

Many nations in Latin America have had a turbulent political history. However, during the last two decades, many nations in Latin America have made tremendous investments into social safety net programmes; this section outlines some of those efforts, with a focus on cash transfer systems in the region.

Since 1990's the poverty reduction strategies actively adopted by a few Latin American countries, involved conditional cash transfers with three basic components: first, cash transfer; second, targeting mechanism; third, conditionality. Initially the welfare schemes constituted social insurance. However, due to mismanagement and exclusion of large portion of population the need for a more comprehensive strategy led to the CCT. Though the goal is to reduce poverty the methodology differs from country to country⁵. Their innovation was a capacity to address demand side constraints for structural poverty reduction, through an incentive scheme which combined the short term objectives of safety nets with the long term goals of building human capital and breaking the vicious inter-generational circle of poverty traps. Some CCTs benefit large portions of the total population, while others reach much smaller segments. Moreover, some of them aim at reaching all the poor or large subgroups of the low income population, while others target restricted subgroups of the poor. Total population coverage is comparatively higher in Brazil followed by Mexico and Honduras. The design of the transfers varies by complexity and depends on the priority target groups. Some CCTs consist of several cash transfers targeting numerous subgroups, while others comprise one or two types of transfer at most.

Like in Mexico, the programme PROGRESA seeks to prioritise groups at a high risk of dropping out of school and of maternal and infant mortality and in Brazil and Nicaragua the target group is extreme poor. Transfer amounts vary as a share of beneficiaries' income or expenditures⁶. Depending on the variables used to determine eligibility, on the procedures to verify information quality and on the frequency of beneficiary recertification, targeting mechanisms include more or less demanding and complex processes of information collection and analysis. Conditionality requires cash transfer recipients to follow a specified behaviour. The review of conditionalities in the six CCTs reveals that they vary in three ways: how central they are to implementation of the CCT; their definition in terms of behavioural requirements and target groups; and regulation of the response to non-compliance. Conditionalities are central to the operation of a CCT when compliance is first monitored and verified, and when benefits are paid only subsequently like in Chile and Mexico elsewhere transfers are made immediately and the monitoring and verification of compliance take place at later stages of beneficiaries' participation in the programme.

CCT participation has a maximum duration when it is set for a specified amount of time and then withdrawn, independently of the socioeconomic circumstances of the beneficiary at that time.

5 In Brazil the underlying principle is universalism; in Chile to assist the very poor; in Columbia and Honduras as a compensatory measure and in Mexico to promote human capital accumulation.

6 For example in Mexico and Nicaragua it is equivalent to share of beneficiary's household expenditure whereas in Brazil it is equivalent to share of the income. Not only transfer amounts there are variations in the targeting mechanisms where CCTs in these countries rely on a combination of targeting mechanisms to identify eligible subgroups of the population and priority areas of a country.

Alternatively, CCTs may include a graduation strategy that regulates the circumstances under which beneficiaries leave the programme because of changes in their socioeconomic conditions. When there is no maximum period for beneficiaries' participation in a CCT, typically the programme includes a recertification or reassessment process whereby the beneficiary information used to determine eligibility is verified.

Talking about the cost and financing the cost of CCTs as a percentage of GDP ranges from about 0.1 percent (Colombia and Chile) to 0.2 per cent (Honduras and Nicaragua) and 0.4 percent (Brazil and Mexico). Although they are considered to be “not particularly expensive” (World Bank 2004), in many countries CCTs are externally financed.

The institutional allocation of responsibilities for CCT coordination and implementation is also an important indicator of the positioning of such tools within a country's social protection system, and of their potential contribution to its development. Responsibility for coordination lies either with a line ministry (Brazil, Chile and Mexico), the presidency (Columbia), or in units (Honduras) set up especially for CCT coordination outside government institutions. However, for the last few years there has been a call for CCT reforms owing to their potential for social fragmentation and exclusion generated by multiple transfer types and limited transfer amounts, narrow targeting practices and punitive conditionality. Expansion of cash transfers to include larger share of population, regular adjustment of amounts, standardisation of eligibility criteria, minimisation of exclusion errors etc. are some of the steps in this direction.

Bastagli (2005) notes that along with other developments in social assistance, the expansion of CCTs represents an opportunity for countries to address the policy gap where formal social protection has been traditionally absent, and to tackle the policy imbalance where social protection has relied mainly on social insurance policies. Whether such developments will contribute to the establishment of minimal safety nets or of inclusive social policy remains a central issue. Bastagli (2007) argues that the challenge is threefold. First, developments will depend to a large extent on a shift in the prevailing understanding of social policy objectives. Second, and building on this shift in emphasis, the development of a coordinated set of policies requires a serious reconsideration of the positioning of CCTs in the social protection system. Finally, to promote inclusive social policy, the design details of CCT parameters and accompanying measures must minimise the risks of exclusion (Bastagli 2007).

3.5 Africa

Global economic pressures and volatile climate changes have compelled the African countries to enhance their spending in safety net programmes. A review of the World Bank report shows that over the last few years 120 cash transfer programs have been rolled out of these countries. These programs either transfer money directly to vulnerable households, or offer labor-intensive public works jobs such as building rural roads to adults who need temporary employment during the agricultural lean season. The latest evidence shows that they are helping to reduce poverty, respond to crises, and invest in people's futures.

South Africa has one of the regions oldest cash transfer schemes, with a non contributory pension system dating back to the 1920s. A small monthly cash payment programme from the government of Niger involves an information element on health, sanitation and nutrition which has helped Nigerians to beat hunger, stay healthy, and keep their children in school. Such programmes are even seen in formerly strife hit countries such as Rwanda, which is aiming to become a middle-income country by 2020, stands out as a country that has witnessed both steady economic growth as well as very rapid poverty reduction partly due to its Vision 2020 Umurenge program, supported by many partners including the World Bank. This

program, which identifies the poorest people in each umurenge (district), offers labor-intensive work, credit to small businesses, and cash transfers and assets such as livestock to those who cannot work. The government also pays for health insurance for the poorest people in the country.

3.7 India

India has a number of social protection programmes and policies in place. As mentioned earlier, rural poverty is a major issue in the country, many of these SPPs now have a rural focus. These programmes include

Food Security Programmes: such as the Public Distribution System which provides foodgrains, fuel and other essential items at highly subsidized prices. India also has had a food for work programme. Additionally, one cooked meal is provided to school children free of cost, at local schools under the Mid-day meal programme.

Women and Child Welfare: Programmes for child health and nutrition, as well as for expecting and new mothers exist. Child care centres called Anganwadis have been set up all over India.

Employment Guarantee: Employment guarantee programmes, especially in the rural context have been in existence in India, in various forms since the 1970s starting from the Maharashtra state Employment Guarantee Scheme, to the more recent Mahatma Gandhi National Rural Employment Guarantee Scheme.

Cash Transfers: Cash transfer schemes, such as non contributory pensions to old people, widows, the physically handicapped and weavers exist all over India, the amounts provided to beneficiaries varies from state to state.

Apart from the above mentioned schemes, programmes, for subsidized housing, water supply and sanitation exist, along with more traditional subsidies to farmers. These schemes are described in detail in the following sections of the report.

3.8 Impacts of Employment Guarantee Schemes on Poverty: outcome from review of literature

A systematic review of the available scientific evidence on the impacts of employment guarantee schemes and cash transfer schemes around the World was undertaken by undertaken by Overseas Development Institute in 2011 in order to assess the comparative effectiveness of these interventions in terms of poverty outcomes for the poor in low and middle income countries. The review described and analysed the empirical evidence currently available, in terms of content, quality, and comparability, and identifies research gaps, offering a contribution to future evaluation and policy development.

The review applied a systematic protocol to the identification and retrieval of published and unpublished documents relating to the impacts of (i) EGSs and (ii) CTs on the poor (defined in relation to national poverty lines), and examined the relative effectiveness of both interventions. A total of 222 studies were initially picked up on the basis of full text for final quality screening after the application of inclusion and exclusion criteria. By restricting inclusion to studies using high quality datasets, and presenting evidence addressing money-metric dimensions of poverty (relating to income, expenditure, or poverty indices) and excluding those using duplicate datasets and identical methodological approaches, the final number of studies included in the review was reduced to 37 (Hagen-Zanker et al. 2011).

The review examined the following: (i) the quality of evidence available by intervention, and (ii) evidence on programme performance against three money-metric poverty indicators viz., poverty indices, income, and expenditure. The review showed that in terms of the evidence base (quality of evidence), there are significantly more studies available on CTs than EGSs. The number of studies included in the review examining unconditional cash transfer programmes (UCTs), conditional cash transfer programmes (CCTs) and EGSs were 21, 18 and 7 respectively, with some studies examining both unconditional and conditional cash transfer programmes. Hence, the evidence base about the impact of the schemes was skewed in favour of CCT (Hagen-Zanker et al. 2011).

The quality of the study (evidence) available for the review was measured using a quality index. It consisted of four major criteria, namely: (i) "Incidence i.e. whether the particular study has tried to assess the incidence of targeting of the poor in the scheme covered; (ii) study design i.e. whether the study employed economic simulation using control groups or mere descriptive statistics were employed for measuring the impacts; (iii) Whether the study has accounted for income foregone by the households and the household's economy responses to the intervention studied; and (iv) "statistical significance" i.e. whether statistical significance of the poverty impacts were analyzed (Hagen-Zanker et al. 2011).

The review of evidence available from the selected studies showed that both CTs and EGSs have a predominantly, but not exclusively positive impact on poverty reduction for the three money-metric poverty indicators. In terms of impact, the review found that while 39 studies found positive impacts from either CT or EGS participation, 9 found negative impacts, generally from high-quality studies. This indicates that the evidence relating to the impact of CTs and EGSs on money-metric poverty indicators is not exclusively positive. The ratio of positive to negative impacts was consistently higher for CTs than EGSs across all indicators. However, the low number of EGS studies and lack of data on statistical significance made it difficult to draw general conclusions from this finding as to which scheme is superior in terms of poverty reduction impacts (Hagen-Zanker et al. 2011).

Hagen-Zanker et al. (2011) found that the studies did not offer comparable insights into the scale of poverty reduction from each form of intervention, and most studies did not measure the statistical significance of the impact, or account for confounding factors such as income forgone or household economy changes resulting from cash receipt⁷. Further, the review found that most studies focussed on the immediate and direct impact of the transfer, and did not take into account indirect impacts which may accrue from, for example, skills acquisition or the assets created, in the case of public employment schemes, or other indirect benefits arising from regular and predictable access to capital, for example in the form of increased savings or access to micro-credit. The study argued that this could have resulted in an underestimation of the net impact over time.

Despite the adoption of minimum quality criteria relating to the selection of studies for inclusion in the review, the quality of the included studies varied widely⁸.

Hagen-Zanker et al. (2011) argued that the indicator used to measure impact matters greatly in terms of

7 These factors are important as they might explain some of the studies identifying negative impacts.

8 Quality varied not only across interventions (CCTs, CTs, EGSs etc.)but also across outcome indicators (poverty, income and expenditure). Studies examining CCTs were consistently of higher quality than studies examining the other interventions, while studies examining UCTs were consistently lower quality. Similarly studies adopting expenditure indicators were also consistently higher quality than those using the other indicators.

outcome of the impact assessment. For instance, the study argued that the three money-metric poverty indicators viz. poverty index, income and expenditure indicators provide different evidence in terms of the impact of an intervention on poverty. Hence, it cautioned that the choice of indicator can affect an assessment of the efficacy of a given intervention. They argued that changes in household expenditure may be a more sensitive indicator of the impact of an intervention on poverty than changes in income, as household economy effects, which may not be captured when income indicators are used, are implicitly included in expenditure analysis.

Out of the 37 studies finally selected by DFID for comprehensive research, most of the high quality studies examined conditional cash transfer programming, and/or programmes from the Latin America region. This emphasized the need for more studies on the impacts of EGSs, and improvements in the quality of studies relating to UCTs and EGSs and programmes outside the Latin American region generally. What is particularly noteworthy is the fact that the 37 studies, having proper methodologies short-listed for rigorous review, did not include any study from India, on its employment guarantee scheme (Hagen-Zanker et al. 2011).

Furthermore, Hagen-Zanker (2011) highlighted a need for improvements in the quality of studies so as to: (a) assess the impact of CTs and EGSs on money-metric dimensions of poverty in general; and (b) include an analysis on programme incidence (the extent to which programmes are successfully targeted to the poor) and the statistical significance of findings. In addition, the study noted that for comparing the performance of two programme (vis-à-vis poverty impacts), it is important to have greater methodological consistency in terms of analytical approaches adopted, and selection of indicators and definitions. A study also found that there are an extremely limited number of studies dealing with direct comparison between the two interventions and where they did exist, they were not empirical. An additional limitation affecting the literature is that there are very few EGSs currently being implemented, and even historically the number of such schemes has been limited.

3.9 Impacts of Cash Transfer Programmes on household welfare: review and synthesis

Cash transfers are increasingly being used as a social protection method in addition to in-kind assistance, both in situations where acute poverty, hunger and vulnerability are prevalent (Ressler 2008) as well as in the developed world (Danziger and Danziger 2005).

According to a World Bank study (World Bank 2012) on social safety net programmes in Africa, in Kenya there has been a 13 percent drop in the number of households living in extreme poverty. This change is attributed to the Cash Transfer for Orphans and Vulnerable Children programme. In Ethiopia, it was seen that those households who were participating in the Productive Safety Net public work program saw a growth rate in livestock holdings that were 28 percent faster than for non participants. Additionally, Rwanda has the Vision 2020 Umerenge programme that identifies the poorest people in each district and offers a variety of social protection alternatives including wage employment in terms of labour intensive work, loans to small business owners, health insurance, cash transfers as well as transfers of assets, such as livestock to those who cannot work. It is reported that after the introduction of the Umerenge programme, along with agriculture and job creation programmes, between 2006 and 2011, poverty declined from 57 percent to 45 percent, with one million people being elevated from poverty. Extreme poverty also fell from 36 percent to 24 percent.

Cash transfer programmes have also had a positive effect on nutrition, food security health and education of the recipients, removing the financial barriers that previously impeded access to these

essential services (Arnold et al. 2011).

A major reason for these schemes to have had an impact in the developing world, has been the improvement of monitoring and evaluation of these programmes (Arnold et al. 2011). This has been possible due to the use of biometrics in order to prevent leakages. For instance, in Kenya, the cash transfer programme, implemented by the Kenyan government, the United Kingdom's Department for International Development, Oxfam, and Equity Bank uses biometrics, and smart cards to greatly reduce leakages, and to more effectively ensure that aid reaches the targeted beneficiaries.

Impacts in other nations

A study by Soares et al. (2007) on the impact of cash transfer schemes in Brazil, Mexico and Chile found that while changes in labour income were important forces for a more equal income distribution in Mexico and Brazil during mid-1990 to mid-2000. Whereas its effect was just opposite in Chile where increase in labour income increased the income inequality. In Mexico and Brazil, the social security increased its share while becoming more concentrated. Therefore, it had an income inequality increasing effect that counteracted the inequality decreasing effect of labour income. On the contrary, in Chile, the social security counteracted about two third of the increase in inequality driven by labour income.

Based on a review of UK's experience with social safety net programmes, Danziger and Danziger (2005) argued that if there is a political will to reduce poverty, there are many public policies that can be put in place to achieve child poverty reduction. Further, an anti-poverty initiative in any country will have a hard time succeeding if that country does not achieve and maintain stable economic growth. In addition, the increasingly-competitive globalized economy and continuing rapid technological changes require that substantial effort be given to raising the human capital and skills of the labor force. Globalization and labor-saving technological changes are exerting strong pressure in all countries, including the US to hold down wage costs. Thus, according to Danziger and Danziger (2005), productivity increases are the best way to raise real wages. In the long run, this primarily requires an increase in access to schooling to raise the educational attainment of the labor force. Maintaining economic growth and raising the skills of the poor were key goals of the War on Poverty planners four decades ago. Thus, attention to both macroeconomic and education policies is a necessary component of successful poverty reduction strategies.

In the case of United States, most of the increase in effectiveness of the social safety net in terms of poverty reduction occurred in the decade following the War on Poverty when spending on all social programs increased dramatically. Income-tested spending on the poor has increased since the mid-1970s mainly because of the emergence of the EITC and its expansion (without political controversy) in the mid-1990s as an anti-poverty policy for working poor families with children (Danziger and Danziger 2005).

Using the experience of the US in the 1960s and in the UK since the late 1990s, they state that powerful political leadership and a willingness to devote additional resources to the problems of the poor are prerequisites for launching a major anti-poverty initiative. The US policies have been successful over the long run in reducing poverty among the elderly; the UK has succeeded in its newer comprehensive set of child poverty reduction programs. In both cases, government spending increased substantially. It is essential that the anti-poverty agenda promote both work and income security for the poor and increase the educational attainment of children from poor families. A daunting challenge of such programs is how best to fund them, given the problems of the tax base in Mexico and other economies where the rural sector and the informal sector account for a substantial share of total economic activity (Danziger and Danziger 2005).

Danziger and Danziger (2005) argue that earnings supplements for working poor families with children, such as the Earned Income Tax Credit or the Working Families Tax Credit work well only in countries where most workers participate in the payroll tax and income tax systems, as these records are required to determine the amount of the poor family's credit.

4 Social Safety Nets in the Semiarid Tropics

Though India has seen some economic growth in the previous two decades, the fruit of this growth is not evenly distributed to all. Though there have been changes in the economic structures of rural India too, these changes too have not been evenly distributed especially in the semiarid tropics of India.

Some of the problems being faced in semiarid regions of India are as follows:

Water Scarcity

Water Scarcity is the primary constraint in the SAT region (Ryan and Spencer 2001). Water scarcity is primarily due to lower rainfall in the region. This is compounded by the fact that rainfall is variable and erratic in nature, unequally distributed over space and time. Additionally, there is a lack of effective harvesting of rainwater, and lack of storage mechanisms. Compounding this problem is the adoption of water intensive crops, such as rice and sugarcane grown with irrigation from groundwater. Increased groundwater exploitation, in conjunction with the failure of existing, traditional irrigation methods such as cascading tank irrigation systems to supply the ever increasing demand has led to a crisis in water availability in SAT regions. There are also problems of non equitable sharing of these scarce water resources, due to the lack of well defined water access rights (Rao et al. 2005). Competition with other sectors, such as industry for water is also an issue. Rainfall variability and lack of adequate water resources are compounded by the regular incidence of droughts in the region. It is estimated that the SAT region in India, is subject to drought like conditions every three years (Ballabh 1999). Droughts have several “physical, economic, social and environmental effects” (Rao et al. 2005), droughts severely impact agricultural productivity, and rural livelihoods. Thus year to year climate variability can be a major shock to inhabitants of the semiarid tropics in India, to both those with land, and the landless alike, and sustained drought periods, has an impact on the economy of the entire state, affecting food security and livelihoods.

Soil Quality

The quality of soil in SAT regions is considered to be poor, having low water retention capacity, and low organic matter and nutrients. Thus intensive agriculture, trying to extract high yields from these soils, is fraught with danger, and has impacts on future food security of the nation.

The soils have low water holding capacity and are deficient in organic matter and several nutrients, and therefore cannot support high crop yields on sustained basis. The region is also subject to severe soil erosion and land degradation (Rao et al. 2005), further compounding soil quality problems.

High Risk in Agriculture – Low Yields

Due to the above mentioned issues such as climate variability, droughts, and poor soil quality, it can be

seen that there is a high degree of risk and uncertainty associated with agriculture in SATs. Most of this impacts small and subsistence farmers the most - those who are most at risk from these events as they lack the financial capacity to bear such shocks. Thus due to the risk associated, the adoption of newer, and perhaps more expensive technologies is constrained due to risk aversion. Consequently, their productivity and incomes are lower than possible. This again increases their susceptibility to shocks and seasonalities, thereby setting up a vicious cycle. It has been stated that agricultural output in SAT region is one third lower than in the Temperate region, when the same quantity of inputs are used (Ryan and Spenser 2001). Even within India, there is a difference in yields between, SAT regions and non-SAT regions.

As can be seen from above, the semiarid tropics are prone to scarcity and variability of rainfall. In addition, incidence of poverty is higher in the region, with high vulnerability, large number of poor being affected by shocks and seasonalities such as natural disasters, variability in income, rainfall and so on. Thus the need of the hour is to address these issues as such uncertainties have an adverse effect on the poor weighing them down, and shaping social, political and economic relationships to the detriment of the poor. Also, the steps available to individuals and households to address these risks and overcome their effects may be costly and limited in effectiveness, such as selling assets at low rates in times of strife. In addition, existence of additional shocks and stresses could trigger further downward spirals in condition and make recovery even more difficult than it would have been. Vulnerability and the specter of future poverty may force families to take steps and adopt coping strategies that may adversely affect them in the future. These may include, reducing nutritional security by reducing quantity or quality of food intake, postponing healthcare expenses, pulling children out of school and so on.

Thus, there is a tremendous need for intervention in order to reduce the effects of such shocks. Reducing poverty and vulnerability has been a key point in developmental policy of governments and institutions like the World Bank. Social Protection Instruments such as Social Safety Net (SSN) programmes are meant to serve as a buffer and minimize the effects of deprivation on poor households. Additionally, Social Safety Net programmes, also attempt to bridge access to basic services across the chasm of social exclusion, advancing the participation of the poor in the community thereby increasing social networks (Barrientos 2010). As can be seen, in the face of water scarcity, drought, climate variability, food insecurity and high risk farming, there is a need for social protection for all those involved. Governments the world over have recognized this fact and have instituted various protection programmes in Semiarid regions. These range from participatory watershed management programmes; employment guarantee schemes such as in India; direct cash transfers, such as in Africa nations such as Niger; food distribution such as the PDS in India among many others as have been outlined above.

5 Selected Major Social Safety Net Programmes in India

Social protection is not a widely used term in India. Instead terms like social security, poverty alleviation or social welfare are widely used. Thus in the absence of an official definition, social protection could broadly be defined as measures aimed at reducing poverty, vulnerability and social inequalities (Vaidyanathan 2005). This includes a range of measures attempted over the years to reduce risk and vulnerability in order to bring about a permanent improvement in the quality of life of the poor and the marginalized sections of the society. The Constitution of India includes articles that seek to protect women and children and improve the welfare of the family. These include health and nutrition programmes for women and children, social safety nets for vulnerable groups and disabled persons, labour market interventions and measures for combating child labour, pensions and social funds, public distribution system etc. (IHD 2005). Some of these major programmes are discussed below:

5.1 Public Distribution System

The Public Distribution System in India refers to the distribution of essential commodities, (including, but not limited to rice, wheat and kerosene) by the government at subsidized rates through ration or “fair-price shops” (Jha et al. 2011).

The Public Distribution System in India as it stands today, has evolved gradually since the late 1930s and today stands as an essential part of the government's strategy to ensure food security.

India's first modern experience with any food distribution and rationing began during the early stages of World War 2 in Bombay. It was then started in other cities, due to shortages caused by the war, remaining mainly an urban phenomenon (Mooij 1998).

After the war, until 1957, there was no consistent policy regarding food, to remedy this, the Foodgrain Enquiry Committee was set up (Mooij 1998). The Committee recommended that there be some amount of government control over food procurement and distribution. It also suggested expanding the reach of the PDS system, and creating self-sufficient “zones” where food surplus and deficit areas were put together in a zone, and transport of foodgrains between zones required a permit {Programme Evaluation Organisation (POE) 2005}. During this period fair price shops went from being operated at a no profit -no loss basis to subsidize food grains for people in distress. This function of the PDS would play an important role in the years to come (Mooij 1998).

The expansion of the number of PDS-Fair Price shops after 1957 to the mid 1960s was largely fuelled by wheat imports from the US, mostly under the US-Public Law 480 (PL 480) conditions, partly as a gift, and partly paid in Rupees, instead of Dollars. The PL 480 was a useful tool for US Policy, using the wheat supply as leverage to attempt imposing its policy doctrines on India (Mooij 1998). Between 1958 to 1966, India had imported 50 million tonnes of foodgrains (Mooij 1998). In 1966, imports were 14 percent of the foodgrain availability in India (PEO 2005). This is listed as one of the possible reasons of a domestic food production crisis in India.

Fujita (2010) states that during the “green revolution” forced by the crisis in domestic production as well as an economic and political crisis a transformation of agricultural policy occurred which as described saw the formation of the FCI. There was also an emphasis on technological innovation, and introduction of new agricultural techniques from other nations, including the adaptation of Mexican semi-dwarf wheat varieties in north India, increase in groundwater abstraction etc. This has often been called the

First phase of the green revolution that caused India to take huge strides in food self sufficiency. However due to lack of available foreign exchange and other economic factors, it was still expensive to import fertilizers and agricultural machinery, into the country. Another issue was that the first green revolution was largely confined to the wheat crop in northern India; it did not raise rural income or lower poverty in most of rural India, which continued to be in the grips of poverty.

The Green Revolution and higher degree of food self-sufficiency brought about a new dimension in the food grains management. Thoughts then went to ensuring fair procurement price for farmers to insulate them from price fluctuations, buffer stocking, and control of market prices and public distribution of essential commodities.

The Foodgrains Prices Committee was set up in 1964, this in turn led to setting up the Food Corporation of India (FCI). FCI was meant to act autonomously, to "undertake purchase, storage movement, transport, distribution and sale of foodgrains and other food stuff" and thus, serve as an instrument to influence food grain prices, as well as to provide an increased price to Indian farmers, in order to incentivise farming and increase domestic production (Mooij 1998).

From the mid-1960s to 1990, the Public Distribution System continued to expand, and subsidies continued to increase, from almost nothing in the 1960s, to over Rs. 25 Billion (short scale) in 1990. More and more rural areas had access to the PDS, with the number of fair price shops tripled from 1966-1990, with a large push between 1980-1983, where the number of FPSs went from 2.30 lakhs in January 1980, to 3.02 lakhs in 1984 (PEO 2005). By the end of the 1980s, 75 percent of the FPS were in areas considered rural.

In 1982, the Essential Supplies Programme (ESP) was introduced, seeking to expand the PDS through more FPSs, including mobile FPSs, to make available text books and exercise books to students on a priority basis and to promote strong consumer protection movement. As part of this programme, the Government of India, supplied the essential commodities: rice, wheat, oil, sugar, kerosene and soft coke, State Governments could provide additional items that were considered essential in the local context (POE 2005). In 1984, Government of India created the Ministry of Food and Civil Supplies with two departments namely Department of Food and Department of Civil Supplies; the latter being in charge of PDS. An evaluation of the PDS carried out by the POE in 1985 stated that the ESP was fraught with certain operational problems such as irregular supply to the FPS and poor quality of supplied material, leading to non-drawl and non- lifting of sanctioned quotas by the FPSs in the rural areas (POE 2005).

The EPS gave way to the Revamped PDS programme (RPDS) in 1992, where there was a focus on socially and economically disadvantaged areas, such as drought hit areas, hill areas, tribal areas etc. This was replaced in 1997 with the Targeted PDS programme, which focussed on supplying essential food grains at subsidized prices only to those people who were considered to be below the poverty line. Those who were above the poverty line would be supplied food grains at their "economic cost" (POE 2005).

Thanks to the PDS, there have been no large-scale famines in independent India, despite the occurrence of severe drought. In addition, physical and economic access to food has increased. However, the basic problems of poverty, food insecurity still remains. In addition, the PDS is biased towards the procurement of wheat and rice, ignoring traditionally farmed coarse grains like sorghum and millets, and the farmers who cultivate them. In some states, the PDS system is supplemented with other government schemes, in attempt to fill the gap in delivery. The PDS also works in conjunction with other schemes that use its delivery mechanisms to move foodgrains, such as the food for work scheme. In addition, schemes like the Antodaya or old age pension schemes help the old and infirm obtain benefit from the PDS.

Though the PDS has successful in increasing food security, there exist a number of issues with implementation of the system. According to the errors in PDS include, errors of omission and inclusion, with actually intended targets not being able to get access to PDS, some of the errors are described below.

Table 1: Some issues of the PDS in India

| Issues | Source |
|--|------------|
| Illegal diversion of foodgrains from PDS to open market | Khera 2011 |
| About 57% of subsidized grains does not reach the target group, of which a little over 36% is siphoned off the supply chain | POE 2005 |
| No survey for identification of BPL families under TPDS undertaken in 18 out of 31 States and Union Territories. In States that had completed the identification survey ration cards have not been provided to many BPL households | Mane 2006 |
| 18 per cent of BPL households did not have ration cards | |
| The performance of TPDS was poor in states with larger BPL population | |
| Ghost Cards : Cards exist on fake names etc. | POE 2005 |
| Irregular delivery of stock to FPS | POE 2005 |
| FPS Viability: Only 23% of FPSs sampled by POE were found to be viable | POE 2005 |

Despite these issues, the PDS is seen as a lifeline, and with some improvements in the monitoring and delivery systems, it can indeed fulfil its mandate of food and nutritional security.

A recent major step taken up by the Government of India is the passing of the National Food Security Act on 10 September 2013 (Gazette of India 2013).

The act states that, those households that are considered “priority households” are entitled to 5 kilograms of food grains per person per month. Additionally, Antyodaya households get 35 kilograms of food-grain per month. Thus the total eligible households are the sum total of Priority and Antyodaya households. The total eligible households will cover up to 75 percent of the rural population and up to 50 percent of the urban population.

Under this act, food-grains i.e. rice, wheat and coarse grains will be sold at fair price shops at the rate of Rs. 3, Rs. 2 and Rs. 1 per kilogram respectively.

Children's Entitlements: The Act has specific entitlement for children. It guarantees children in the age group of 6 months to 6 years, a free “age-appropriate meal”, at anganwadi centers. Children aged 6-14 years, will be provided one free mid-day meal on all working days in schools run by local bodies, government and government aided schools, up to Class VIII. The act has a provision to identify those

children who are malnourished through the local anganwadi. These children will be given meals free of charge through the anganwadi.

Entitlements of Pregnant and Lactating Women: Every pregnant and lactating mother is entitled to a free meal at the local anganwadi up to six months after child birth. Additionally, they are also given maternity benefits of Rs. 6,000, which will be paid in instalments.

The Bill does not specify criteria for the identification of households. The identification of eligible households is left to state governments, subject to the scheme's guidelines for Antyodaya, and subject to guidelines to be specified by the state government for Priority households. The act also provides for setting up of Food commissions for each state to monitor the functioning of the PDS. Additionally the act suggests PDS reforms, and greater transparency in the functioning of the procurement and distribution system. This is a landmark bill in the history of food security in India, as implementation is underway, it will be interesting to see how it unfolds.

5.2 Food for Work Programme (FFW)

“Food for work is a mechanism for transferring public resources to identifiable groups of poor people who are vulnerable to crisis or chronic disadvantage” (Deshingkar 2005). In the case of India, this was done by providing those who are able and willing to work with food in exchange for unskilled labour, usually for public works in order to provide employment during times of hardship, asset creation at the local community level through the work done in this programme, and to pay the labourers in food to improve food security. The food supplements what the household has already or substitutes it, allowing meagre financial resources to be spent elsewhere. FFW is perceived to be pro women as, it is thought that women within the household have more control over the food obtained, and thus is likely to increase overall food consumption, improving food security than are cash transfers (Deshingkar et al. 2005). There are criticisms of such programmes, notably from Dreze and Sen (1989) that that food-for-work can depress local food production. According to Deshingkar et al. (2005), such a possibility is strong in Andhra Pradesh where the rice distributed was brought from outside the state, thereby potentially creating a surplus in the local area. In addition, such programmes exclude those who are not physically capable of doing the work, such as the elderly or disabled, perhaps those who are most affected by shocks and seasonality. Also it may so happen that women be most likely to seek FFW jobs, as in many labour markets, women have lower wage rates than men, so the man of the house may take the cash-wage job while the woman works under FFW. This may impact child care and child welfare (Rogers and Coates 2002).

5.3 Mid-day Meal

The history of a Mid-day meal in school started in pre independence India, in the 1920s where a free mid-day meal was provided to disadvantaged children in Madras Municipal Corporation (Mid-day meal, nd.). In 1995, the government of India launched a new centrally-sponsored scheme, the National Programme of Nutritional Support to Primary Education (NP-NSPE), in order to improve enrolment and attendance in school, while simultaneously attempting to improve nutritional levels among children. Under this programme, children attending government and government-aided primary schools were to be provided with a free cooked mid-day meal on working days. Mid-day meals were to be introduced by 1997. In the intervening period, state governments were allowed to distribute monthly grain rations (known as 'dry rations') to schoolchildren, instead of cooked meals (Goyal and Dreze 2003). From 2002, all government and government aided schools were required to supply a meal containing 300 calories and 8-12 grams of protein to students of class 1 to 5. This scheme was termed The Cooked Mid-Day Meal (CMDM). In 2006,

the intake was revised to 450 calories and 12 grams of protein as well as micronutrients like iron, folic acid, and vitamin-A etc. (Planning Commission 2010). The rationale behind the programme was to enhance educational advancement, child nutrition and social equity. In addressing these, the programme has been relatively successful. The Mid-day Meal programme has boosted enrolment as well as day to day attendance. The programme also addresses classroom hunger, allowing children to learn better (Goyal and Dreze 2003; Planning Commission 2010).

There have been some criticisms of the implementations of this programme. There have been reports of logistical problems with regard to implementation of this scheme, especially in remote areas. The Planning Commission study (2010) of the MMS notes that there are shortage of equipment, and manpower interfering with the success of the programme leading to students and teachers time being diverted in mid-day meal preparation rather than in education, thus impacting the very rationale of the scheme. Goyal and Dreze (2003) also mention that many schools lack basic infrastructure like fuel, stoves, cooking utensils, plates and so on. There are also problems such as lack of supply of supplies, cooks salaries being delayed for months. Due to the localized nature of monitoring and implementation, the quality of the meals varies largely across the nation. In addition, there have been reports of lack of hygiene while preparing the meal sometimes due to lack of infrastructure (Planning Commission 2010; Deodhar et al. 2010). Reports of foodgrains meant for MMS have reportedly been diverted in a few states. Some researchers have noted that there has been caste discrimination in providing midday meals (Thorat and Lee 2005), whereas others have stated that caste discrimination is not very rampant (Goyal and Dreze 2003).

Table 2: Quantity of food supplied during midday meal

| Items | Quantity per child | |
|---------------------|--------------------|---------------|
| | Primary | Upper Primary |
| Food Grain | 100 g | 150 g |
| Pulses | 20 g | 30 g |
| Vegetables | 50 g | 75 g |
| Oil and Fat | 5 g | 7.5 g |
| Salt and Condiments | As required | As required |

Source: SSAAT-RD, 2013. http://mdm.nic.in/Files/Social_Audit/Social_Audit_Report_23_july_13.pdf

5.4 Integrated Child Development Services (ICDS) Scheme

Malnutrition among children has been a very important issue in the Indian context. Childhood malnutrition impacts educational attainment, lifetime earnings (Kandpal 2011) and future health (Loksin et al. 2005). Various government programmes were initiated by the Government of India, but were found to be only partially effective. In order to address this pressing issue, the ICDS was launched in 1975 as a programme for early childhood development aiming to monitor child growth, provide supplementary feeding and basic healthcare service to young children as well as pregnant and lactating women, thus affecting the cycle of malnutrition, morbidity, reduced learning capacity and mortality. ICDS involves

several government departments, coordinated at the village, block, district, state and central government levels. It is primarily implemented by the Department of Women & Child Development at the Center, with support for immunization, health check up and referral services delivered through the Public Health Infrastructure under the Ministry of Health & Family Welfare. In addition there are nodal department at the states, which may be Social Welfare, Rural Development, Tribal Welfare or Health Department or an independent Department. The programme has expanded since its inception, from covering only 33 blocks in 1975 to over 5,500 blocks in 2003 (Loksin et al. 2005).

Table 3: Services provided under ICDS

| Services | Target Group |
|------------------------------|---|
| Supplementary Nutrition | Children below 6 years and Pregnant & Lactating Mother (P&LM) |
| Immunization | Children below 6 years and Pregnant & Lactating Mother (P&LM) |
| Health Check-up | Children below 6 years and Pregnant & Lactating Mother (P&LM) |
| Referral Services | Children below 6 years and Pregnant & Lactating Mother (P&LM) |
| Pre-School Education | Children 3-6 years |
| Nutrition & Health Education | Women (15-45 years) |

Source: Kapil 2002

The services outlined in the Table, are extended to the community through Anganwadi centers (AWCs), the Anganwadi centers are managed by a female Anganwadi Worker (AWW). Most of the AWCs are located in rural areas, with only 6 percent of the Anganwadi centers being located in areas considered 'urban'. Loksin et al. (2005) found that the programme had not had a big impact on reducing child malnutrition in areas where AWCs are operating. They identify a few major implementation problems as probably contributing to this. Firstly, AWWs are often not adequately trained or supported. Supplies to the centers are erratic, with leakages in procurement and supplies. The authors also state that food supplements are not targeted to malnourished children and mostly reach children over four years old, which is past the optimal age. Sachdev and Dasgupta (2001) also stated that participation of women in some parts of the country is low, due to societal pressures.

5.5 The National Social Assistance Programme (NSAP)

The National Social Assistance Programme came into effect in 1995. It introduced a National Policy for Social Assistance for the poor and aims at ensuring minimum national standard for social assistance over and above any additional benefits being provided by state governments. NSAP at present comprises of Indira Gandhi National Old Age Pension Scheme (IGNOAPS), Indira Gandhi National Widow Pension Scheme (IGNWPS), Indira Gandhi National Disability Pension Scheme (IGNDPS), National Family Benefit

Scheme (NFBS) and Annapurna. This programme is administered by the Ministry of Rural Development.

Pension payments are largely funded by the centre, but are administered by the states. Initially, the eligibility for these pensions for elderly and widows was defined by individual states, usually, these schemes were only for the very poor. In recent years, criteria have been relaxed, and now any elderly person or widow with a below poverty line (BPL) card is entitled to the pension (Dutta et al. 2010). In addition, there is the Annapurna scheme which aims at providing 10kgs of foodgrain per month to citizens who though eligible for old age pensions, are not covered under the NOAPS. Under the disability pension scheme, disabled people get a regular monthly income, like the above cases. The National Family Benefit Scheme is a scheme that provides insurance for accidental death of the primary breadwinner of the household, if the primary breadwinner was in the age group of 18-64 years of age (NSAP nd.).

5.6. MGNREGA

A large proportion of the rural poor in India are completely dependent on daily wages earned through unskilled labour, especially in agriculture. They are vulnerable to the shocks and seasonalities, such as inadequate labour demand, health issues or natural disasters which adversely impact their livelihood security. In order to address this, wage employment programmes provide people with short term employment on public works that are beneficial to the community or the environment, such as building or water resources development, soil erosion prevention, building infrastructure like village roads or schools. This wage employment is usually provided in the non agricultural seasons, for a short period of few months in order to provide additional income during a period of no agricultural work.

Such programmes were instituted on a small scale trial basis in the 1960s, with programmes such as Rural Manpower Programme (RMP), 1960-61, Rural work Programme (RWP), 1972, Small Farmers Development Agency (SFDA), Marginal Farmers & Agricultural Labour Scheme (MF&AL) etc. Learning from these smaller projects led the government to enact the Food for Work programme in 1977. Other programmes that followed in the 1980's such as the National Rural Employment Programme (NREP) and Rural Landless Employment Guarantee Programme (RLEGP). Both NREP and RLEGP were merged into the Jawahar Rozgar Yojana (JRY 1993-94). In 1999, the Jawahar Rozgar Yojana (JRY) was merged with Jawahar Gram Samridhi Yojana (JGSY). The programme was merged with Sampoorna Grameen Rozgar Yojana during the year 2001-02 and National Food for Work (NFFWP 2005; Ministry of Rural Development, 2013). Additionally at the state level, there existed programmes such as the Maharashtra Employment Guarantee Scheme launched in a comprehensive manner in 1977, after small scale trials since 1965.

It is with this background and learning that the Government of India passed The National Rural Employment Guarantee Act (NREGA), also known as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on September 7th 2005 (Gazette of India 2005).

The National Rural Employment Guarantee Act (NREGA), Act mandates that 100 days of guaranteed wage employment in a financial year (FY) to every rural household whose adult members volunteer to do unskilled manual work. According to the initial notification, the act defined family as "A household is defined as members of a family related to each other by blood, marriage or adoption, and normally residing together and sharing meals or having a common ration card" (Gazette of India 2005). However, due to the complexities of Indian families, such as joint families etc. this definition has undergone some evolution. According to the NREGA Operational Guidelines, "'Household' will mean a nuclear family comprising mother, father, and their children, and may include any person wholly or substantially dependent on the head of the family. Household will also mean a single-member family" (Ministry of Rural Development 2008). However, Sood (n.d.) points out cases where this definition is not uniformly

applied in the field. In addition, the number of days available to households has been increased to 150 in 2012 for those districts that were declared as drought affected (Ministry of Rural Development 2012a).

5.6.1 MGNREGA as a Social Safety Net

According to the Ministry of Rural Development (2012b), the objectives of the programme are as follows:

- To ensure social protection for the most vulnerable people living in rural India through providing employment opportunities.
- To create durable assets, improved water security, soil conservation and higher land productivity, to ensure livelihood security for the poor and reduce vulnerability.
- To carry out work that help mitigate the effects of drought and natural disasters, such as floods, in rural India.
- To aid the empowerment of the marginalised communities, including women, Scheduled Castes (SCs) and Scheduled Tribes (Sts), through the processes of a rights-based legislation.
- To strengthen decentralised, participatory planning through convergence of various anti-poverty and livelihoods initiatives.
- To strengthening local grass root governance such as the Panchayati Raj Institutions (PRIs).
- To effect greater transparency and accountability in governance.

Thus MGNREGA can be considered a social safety net programme. The Salient Features of MGNREGA are given in Appendix 1.

5.6.2 Shortcomings of NREGA

As can be seen from table 3, there is a large expenditure that is made by the government on the MGNREGS annually. From the government reported figures it can be seen that a huge number of persondays of wage labour is generated across India.

Dreze and Khera (2009) found that there was a large demand from the rural poor for working all 100 days in NREGA, in 6 states of north India that were surveyed, namely Uttar Pradesh, Bihar, Jharkhand, Madhya Pradesh, Rajasthan and Chhattisgarh. Thus, there is huge potential for MGNREGS to providing wage employment to the poor in India's most poverty afflicted states. However, despite the demand, it was seen that most people could not get 100 days of work. The percentage of workers that received 100 days of work, ranged from a minimum of 1 percent in Chattisgarh to a maximum of 35 percent in Rajasthan. There are said to be "leakages" that are not captured in the official data (Dreze and Khera 2009), apart from issues such as delayed wage payments, underspending of allotted funds, lack of adequate monitoring and oversight, poor planning, selection of work (Raabe et al. 2010). Despite its aims to be gender sensitive, it was seen that there were many barriers, mostly social, that prevented women in UP and Bihar from taking part in NREGA work (Khera and Nayak 2009). Thus, there needs to be more on ground investigation into the functioning of this scheme in Andhra Pradesh.

Table 4 : Overview of MGNREGA for Financial Year 2012-2013, All India

| | | | | |
|-----------------------------------|---|--------|-------------|----------|
| Employment Provided | Number of HHs provided employment (In Lakhs) | | | 498.17 |
| | Number of Person days generated (In Lakhs) | | | 22987.81 |
| | % of | SC | Person days | 22 |
| | % of | ST | Person days | 18 |
| | % of | Women | Person days | 51 |
| | Average | No. of | Days | 46.14 |
| 100 Days & Less than 15 days | % of HHs who have completed 100 Days | | | 10 |
| | % of HHs who have completed less than 15 Days | | | 23 |
| Labour Budget | Approved LB Person days (In Lakhs) | | | 27870.58 |
| | % Achieved | | | 82 |
| Expenditure | OB in Lakhs (as of April) | | | 1092144 |
| | Total amount released (as of) | | | 2990954 |
| | Total Expenditure (as per MIS) | | | 3973552 |
| | % Expenditure of total fund availability | | | 87 |
| | Number of GPs where Expenditure is more than Rs. 1 Crore | | | 3366 |
| | Number of GPs where billed Expenditure more than Rs. 50 lakh in a day | | | 237 |
| | % of wage expenditure | | | 68 |
| | % of Administrative Expenditure | | | 6 |
| Works | Total works taken up in current year (new + spill over) | | | 10636835 |
| | % of category IV works taken up in the current year | | | 11 |
| | % of water related works(WC,WH,FC,IC,DP) taken up | | | 46 |
| | Number of works that have remained incomplete for more than 18 months | | | 3512563 |
| Wage | Notified Wage Rate (Rs.) | | | 125.97 |
| | Average Wage Per Day (Rs.) As Per MB | | | 121.4 |
| | No. of GPs where average wage is less than Rs. 60 | | | 406 |
| Delayed Payment More Than 30 Days | Amount delayed (In Rs. Lakhs) | | | 706750.3 |
| | % amount delayed for more than 30 Days | | | 26 |
| Bank & Post Office Accounts | % of Individual Bank Accounts | | | 45 |
| | % of Joint Bank Account | | | 9 |
| | % of Post Office Account | | | 47 |

Source: Official NREGA portal, www.nrega.nic.in

6 Selected Major Social Safety Net Programmes in Andhra Pradesh

Several social safety net programmes have been operational in Andhra Pradesh ever since the time of independence⁹. Two of the most important and effective programmes are discussed in detail in the following pages:

Table 5 : Expenditure on selected social sector items in Andhra Pradesh (in Rs. Million at 2002 prices)

| Year | Rice subsidy | DWCRA | General education (elementary education in brackets) | Medical and public health (public health in brackets) |
|-------|--------------|-------|--|---|
| 90-91 | 3757 | 9 | 9615 (4206) | 2656 (459) |
| 91-92 | 3601 | 9 | 10921 (4512) | 3012 (55) |
| 92-93 | 2547 | 9 | 12826 (5157) | 3374 (615) |
| 93-94 | - | 55 | - | - |
| 94-95 | 7663 | 431 | 16116 (6756) | 4379 (833) |
| 95-96 | 11582 | 274 | 16338 (6859) | 4759 (874) |
| 96-97 | 8201 | 354 | 18773 (7579) | 6008 (933) |
| 97-98 | 6876 | 129 | 21000 (8582) | 6823 (1041) |
| 98-99 | 8146 | 94 | 25890 (9327) | 8181 (1136) |
| 99-00 | 10873 | - | 31178 (11998) | 8688 (1352) |
| 00-01 | 9014 | 94 | 35779 (13659) | 10133 (1525) |

Source: Mooij 2002

6.1 PDS in Andhra Pradesh

The Public Distribution of foodgrains has been an extremely important issue in Andhra Pradesh since the 1980s, when the state government initially introduced the subsidized rice scheme in order to increase consumption levels among the weaker sections of society. Such distribution of foodgrains has been an important issue in electoral battles in the 1980s and through the 90s. In the 1980s the scheme identified those households who had a combined annual income of Rs. 6000 or below as poor and issued these households green ration cards. Those who possessed the green ration cards were entitled to 5 kilograms of rice a month for every person upto a limit of 25 kilograms at Rs. 2 a kilogram, in addition to rice, green card holders also received sugar and kerosene. Those who were not identified as poor were issued a yellow card. Initially, yellow card households were allowed to purchase rice at Rs. 3.50 a kg from Fair Price Shops (FPS), they also received a higher allowance for sugar and kerosene. The subsidized rice scheme was modified with change in government in 1991. The Congress government, modified the entitlements as well as the colors of cards were changed. Green cards were now white, and yellow cards were pink. The ceiling for monthly rice withdrawal for BPL families was decreased to 16 kgs, but brought up to 20kgs due to public pressure. This illustrates, how important the electorate considered the PDS system in Andhra Pradesh. After victory in the 1994 election, the Telugu Desam Government raised the limit to 23kgs for

⁹ Andhra Pradesh was formed only in 1956 after the merging of Nizam's princely state into independent India.

each white card household, while lowering the price of rice to Rs. 2 per kg. Again in 1996, the price was raised to Rs. 3.50 per kg and the ceiling was reduced to 20 kgs per card and around 70 percent of the population were eligible for the subsidized rice scheme. This shows us how politically sensitive the topic of PDS is to both the politicians and the electorate.

There are over 44,499 fair price shops Andhra Pradesh Government has one of the largest Public Distribution Networks in the country. Out of the total coverage of 2,25,80,494 households, 195.86 Lakhs are from below poverty line with an annual income of less than Rs. 60000 in rural areas and Rs. 75000 in urban areas (Social Audit 2011). Although the procurement process has been well laid out it was observed that there were leakages and foodgrains were being siphoned off, in addition to a large number of 'ghost cards' (Wadhwa committee report 2008). In spite of this, according to the POE (2005) report, from its analysis, finds that Andhra Pradesh is one of the better performing states, with lower losses than many others. To address this issue, the Andhra Pradesh Government started social audit since 2010. Since then various studies show that although things have not changed completely, the social audits have given space for participation of those involved. It has not only given voice to the beneficiaries but given

Table 6: Overview of the benefits of the Mana Beeyam Scheme

| S. No | Commodities | Quantity per Card | Consumer Price (Rs.) | Open Market Price (Rs.) | Cardholder benefit (Rs.) |
|---|-----------------|-------------------|----------------------|-------------------------|--------------------------|
| 1 | Red Gram Dal | 1 kg | 50 | 73 | 23 |
| 2 | Palm Oil | 1 ltr | 40 | 58 | 18 |
| 3 | Whole meal atta | 1 kg | 16.5 | 25 | 8.5 |
| 4 | Wheat | 1 kg | 7 | 18 | 11 |
| 5 | Sugar | ½ kg | 6.8 | 17 | 10.3 |
| 6 | Salt (Iodized) | 1 kg | 5 | 14 | 9 |
| 7 | Chilli powder | ¼ kg | 20 | 35 | 15 |
| 8 | Tamarind | ½ kg | 30 | 40 | 10 |
| 9 | Turmeric powder | 100 gms | 10 | 12 | 2 |
| Total | | | 185 | 292 | 107 |
| NB: Rice is also provided as per existing schemes mentioned earlier | | | | | |

Source: Government figures available online at : <http://cm.ap.gov.in/15jan13press.asp>

space to the officials whose voices otherwise could be suppressed under the control of grain dealers to come out clean (Social Audit 2011).

In mid 2013, the government of Andhra Pradesh has launched the Mana Beeyam scheme, wherein the beneficiaries can obtain In addition to Rice, there are nine other commodities available these include red gram dal, turmeric powder, chilli powder, whole meal atta, wheat, wheat flour, sugar, iodized salt and palm oil, as illustrated in table 6. Each commodity is supplies as an individually wrapped parcel of appropriate weight. This scheme attempts to further lower food insecurity among the poor in Andhra Pradesh.

6.2 Self Help Groups

Andhra Pradesh has become a leading state offering its model of Self Help Groups and many of the Government programmes woven around it (Thomas 2003; Sameeksha 2012; Deshmukh- Randevee

2006). This state has used development self-help groups (SHGs) extensively as a primary tool of poverty alleviation and empowerment.

A SHG is a small group of persons who come together to work towards a common purpose for issues that could range from medical issues to livelihood generation or watershed management. In Andhra Pradesh, the groups work largely like a conduit through which micro credit is routed to the poor assuming that it will serve as a catalyst helping them pull out of poverty. The members are usually linked by a common bond like caste, sub-caste, blood, community, place of origin or activity. These natural groups are commonly called "affinity groups". Even when group members are engaged in a similar traditional activity, like basket weaving, the basis of the group's affinity is a common caste or origin" (Myrada, 2000)¹⁰.

National and state government initiatives, as well as NGO efforts, have used SHGs to implement poverty alleviation programs in Andhra Pradesh since 1979. Following on successes in earlier programs, which were modified from time to time to make them more meaningful, the state has scaled up SHGs in number and its structure significantly by basically using a social mobilization approach (Thomas 2012).

Capacity building is an important component in the scaling up of poverty alleviation initiatives in Andhra Pradesh. Trainings include participatory training methods, SHG formation and strengthening, book keeping and financial management and also helps members and leaders develop linkages with banks and other institutions. The primary aim of the SHG-Bank linkage program is to integrate informal savings and credit groups with mainstream banking by providing them with credit to enhance their fund base. (Deshmukh- Randeve 2004).

Today, these SHGs are being increasingly used as a vehicle for implementation for many of the government programmes in rural areas in various ways. The process uses social mobilization as an institutional mechanism to help the poor interact with government machinery so that public resources and services are better accessed. The participatory methodology adopted for identification and inclusion of the poor has proved to be very effective. This has helped create a transparent and inclusive methodology for community based targeting for programs.

Besides group mobilization, the programs focus on expanding the assets of the poor and creating economic opportunities connected with people's livelihoods. To reduce, mitigate and manage risks 'Velugu'¹¹ the AP State Government project supports the Community Investment Fund. This in turn supports investments in sub-projects for the poor and the Comprehensive Insurance Package which seeks to develop a community-based delivery of life and health insurance services.

According to Deshmukh- Randeve (2004) there is absolutely no doubt that SHGs have led to an expansion in the economic spaces of members. However the composition of the members reveals that

10 Myrada was started in 1968. Myrada at present is directly managing 18 projects in 20 backward and drought prone districts of Karnataka, Tamil Nadu and Andhra Pradesh. There are other States where it has collaborated with Government, Bilateral and Multilateral Programs, by contributing to program design and supporting implementation through regular training, exposure and deputation of staff.

11 The Velugu Project was introduced by Andhra Pradesh Rural Development Agency for the development of Poorest of the Poor and Poor. Mainly this project is intended for Poor so as to encourage their inherited skills and strengthen their livelihoods by all means. The execution of this project is done by Society for Elimination of Rural Poverty (SERP), Govt of AP, India.

Table 7: A few Social Safety Nets in Andhra Pradesh

| SSN | Concerned Authority | Description of the programme | Performance |
|--|---|--|---|
| Indira Kranti Patham (IKP) | Society for elimination of Rural Poverty, Rural Development Dept | IKP designed by clubbing Women Empowerment with Poverty Alleviation objective to build strong institutions of the poor and enhance their livelihood opportunities | 4,76,930 Self Help Groups federated into 28,080 Village Organizations and 700 Mandal Samakhya |
| Women's Self Help Groups (SHGs) | Rural Development Dept | Membership exclusively for women with savings and credit as main activity | Better access to credit, social mobilization and empowerment for women |
| Rajiv Yuva Kiranalu | Rajiv Education and Employment Mission in Andhra Pradesh (REEMAP) REEMAP I functions through 7 sub- missions constituted in 7 Govt. Depts | Rajiv Yuva Kiranalu is conceived to build job specific skills among the unemployed and place them in appropriate private jobs. Vision of RYK is to Convert large no. of non-literate, school dropout, unskilled and unemployed youth into productive workforce by building their skills thereby promoting inclusive growth. The mission proposes to employ 15 lakh youth in jobs in the private industry by 2014. | Though 3.17 lakh youth had been placed in different industries so far and 51,000 more under training, the skill training offered by the private training partners needs to be upgraded to help the youth get high-end employment opportunities |
| Arogyasri | | Rajiv Arogyasri Health Insurance Scheme aims to deliver quality healthcare services to the underprivileged sector of the population in the state of Andhra Pradesh. | It is a major landmark in India's administrative approach to health and has emerged as a popular scheme among the masses. However in its current form, the programme is a means to fund corporate hospital profit and distorts the pattern of healthcare in the state. A re-examination of the Arogyasri is necessary, especially in the context of its emergence as a possible model for universal healthcare. |
| Indira Jalaprabha | Rural Development Department | Flagship programme of Govt. of AP with NABARD and MGNREGS started in 2012 with a view to consolidate the gains made in the Land Development Project of the later programme and to ensure sustainable and comprehensive development of the land securing livelihoods. | The project to providing assured source of irrigation to the 10 lakh acres of fallow and uncultivable land belonging to the 6 lakh SC/ST farmers of the state. This will act as a welfare measure in terms of enhancing the productivity of the lands thus maximizing their incomes. |
| INDIRAMMA (Integrated Novel Development in Rural Areas and Model Municipal Areas) | Andhra Pradesh Housing Corporation Ltd | The primary aim of this programme is to provide in every village pucca houses, drinking water supply, individual sanitary latrines, drainage, power supply to every household, Road facilities for transport, pensions to eligible old age persons, weavers, widows and the disabled, primary education to all, special nutrition to adolescent girls/pregnant and lactating women and better health facilities in all the villages over a period of three years | As per their website the number of beneficiaries have been 1973469 as of May 2013. |

the coverage of the poorest-of-the-poor was still low at the time of this study, while the coverage of non-poor was considerable. This evaluation report states that the financial status of households and savings capacities has improved due to improvement in access to formal credit institutions, since SHGs are linked with banks. Access to credit has enabled women to undertake economic activities, which tend to be an expansion or strengthening of existing traditional activities. A smaller proportion of women have taken up new occupations. This leads towards financial security, independence, better health care and child care. Social inclusion and participation in the political process are also impacted by SHGs (Badatya et al. 2006).

As per Deshmukh-Randeeve (2004) the gender poverty measured in terms of gender bias with respect to norms of eating, male preference in distribution of food and access to clothing has not declined significantly. But food security of member households improved after participation in groups. There are improvements in school enrolment, attendance, drainage facilities, toilet facilities and access to electricity and gas. Also, the political process picks up momentum with the SHGs being federated and also establishing links with local self-governing bodies. The study concludes that the primary lesson learned from the Andhra experience is that there is value in using self-help groups as a conduit for poverty alleviation initiatives.

As per National Bank of Agriculture and Rural Development (NABARD) estimates by March 2006 over 33 million women were linked to banks for financial services through 2.2 million SHGs across India (Self Help Groups in India 2006). However, the growth was the strongest in the southern region where SHG bank linkage first began with three states viz. Andhra Pradesh, Tamil Nadu, and Karnataka, the top three in the country. At that time the south accounted for 54 percent of SHGs (half of this in Andhra Pradesh alone) and 75 percent of bank credit. In Andhra Pradesh, it has been seen that it is the State Government that has actively been promoting Self Help Groups, and thus is responsible for their success.

6.3 Overview of MGNREGA in Andhra Pradesh

The Mahatma Gandhi National Rural Employment Guarantee Scheme was launched in 2006 with in 13 out of 22 districts. Andhra Pradesh has been considered a well performing state in terms of NREGA implementation. As per government data, in terms of the total number of households that worked under

Table 8 : MGNREGS in Andhra Pradesh

| | |
|---|-------------|
| Total No. of Districts under EGS | 22 |
| Total No. of Mandals | 1098 |
| Total No. of Grampanchayats | 21862 |
| Total No. of Habitations | 69071 |
| Total No. of Jobcards Issued | 1,34,99,622 |
| Total No. of Labour (SSS) Groups Registered | 613098 |
| Total No. of Labour in Labour Groups | 11356709 |
| Total No. of Works | 39,86,746 |
| Total Expenditure (Rs. in Lakhs) | 28,31,652 |

Source: <http://ap.nrega.nic.in>

NREGA, in 2012, Andhra Pradesh was second only to Tamil Nadu¹²; this is also the case with the number of person days generated that year. An overview of the functioning of MGNREGS in Andhra Pradesh is given in table 6. All 22 districts of the state are covered, as well as all rural Mandals. With over a total number of 13 million job cards being issued in the state, covering almost 19 million person, generating over 2 billion persondays of work (table 7). Table 8 shows us that the average days of work obtained by workers per year, was above the national average in most years. Thus it can be argued that Andhra Pradesh has good implementation of the MGNREGS, according to data from government sources.

Table 9: Average Days worked per household under NREGA

| | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
|------------------|---------|---------|---------|---------|---------|---------|
| Andhra Pradesh | 31 | 42 | 48 | 66 | 54 | 58 |
| National Average | 43 | 42 | 48 | 54 | 47 | 43 |

Source: <http://ap.nrega.nic.in>

It has been seen that, the state of Andhra Pradesh also been the recipient of a large percentage of NREGA spending, for instance, in 2010, around 21 percent of all funds released by the central government for NREGA was received by Andhra Pradesh (table 8).

It has been reported that Andhra Pradesh has been actively attempting to ensure transparency in the implementation of NREGA, being one of the first states to adopt the Management Information System (MIS), to share data on participation publically (Johnson 2009). Additionally, according to Aakela and Kidambi (2007), the state has also created an effective mechanism for social audits in an attempt to reduce corruption on the ground. Andhra Pradesh has also launched a smart card system through which NREGA wages and payments are managed. This system has not been introduced to all parts of the state as of 2013.

There has reportedly been a positive impact of NREGA in Andhra Pradesh, with reported increase in household income, with MGNREGS wages being the highest share of household income (Jha et al. 2012) and with increased nutritional status and food security (Engler and Ravi 2012). MGNREGS is also stated to reduce the impact of shocks and seasonalities, by providing assistance when it is most required. It also has an impact in creating community assets, with respondents, stating that useful community assets have been created such as irrigation related infrastructure (ponds, check dams, canals etc.), soil conservation structures, (MGNREGA Sameeksha 2012). The proper functioning of the scheme has also reportedly brought down migration in the villages studied by Kareemulla et al. (2009).

Despite these obvious positives, the MGNREGA programme in Andhra Pradesh is also subject to the issues and problems that were discussed in the previous section.

Thus it can be concluded, that from the available data, MGNREGS is performing well in Andhra Pradesh. The need is therefore to examine the on ground situation of the functioning of the scheme and the impacts it has had on the intended beneficiaries.

12 http://164.100.129.6/netnrega/dash_brd.aspx?fin_year=2012-2013

Table 10 : NREGA funds for Andhra Pradesh in Financial Year 2010-2011

| FY -2010-11 | Andhra Pradesh (Rs. Lakh) | India (Rs. Lakh) | AP as a % of Total |
|-----------------------|--------------------------------------|-------------------------|-------------------------------|
| Central Release | 741807 | 3576895 | 21 |
| Total Available Funds | 910710 | 5417214 | 17 |
| Total Expenditure | 543939 | 3937727 | 14 |
| Unspent Amount | 366771 | 1479487 | 25 |

Source: http://nrega.nic.in/Netnrega/WriteReaddata/Circulars/Briefing_booklet13.pdf

Table 11: Overview of MGNREGA in Andhra Pradesh

| | FY 2013-14 | FY 2012-13 | FY 2011-12 | FY 2010-11 | FY 2009-10 | FY 2008-09 | FY 2007-08 | FY 2006-07 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|--------------|-------------|
| Total No of Works | 13,66,274 | 6,64,578 | 3,90,140 | 7,41,955 | 4,48,187 | 1,26,559 | 88,324 | 1,80,665 |
| Value-(Rs in Lakhs) | 8,85,295 | 5,18,343 | 3,05,651 | 14,46,229 | 5,38,393 | 1,29,501 | 70,267 | 1,10,404 |
| Wages (Rs in Lakhs) | 2,54,114 | 3,45,580 | 2,80,094 | 2,93,104 | 3,51,576 | 1,90,110 | 1,67,681 | 54,041 |
| Material and Skilled Wages (Rs in Lakhs) | 55,284 | 29,314 | 14,914 | 52,686 | 44,750 | 57,305 | 29,940 | 1,426 |
| Total (Rs in Lakhs) | 3,41,627 | 4,10,167 | 3,29,997 | 3,75,472 | 4,13,071 | 2,54,282 | 2,03,250 | 58,760 |
| Household (Nos) | 55,56,375 | 57,33,657 | 48,54,232 | 59,46,960 | 61,09,517 | 57,04,048 | 46,85,014 | 21,74,787 |
| Individual (Nos) | 97,65,994 | 1,04,87,750 | 88,61,114 | 1,14,03,564 | 1,14,99,379 | 99,88,321 | 73,90,124 | 31,67,467 |
| Men (Nos) | 43,83,294 | 47,47,985 | 39,72,717 | 51,68,399 | 52,83,238 | 46,06,230 | 34,04,097 | 15,01,193 |
| Women (Nos) | 53,82,700 | 57,39,765 | 48,88,397 | 62,35,165 | 62,16,141 | 53,82,091 | 39,86,027 | 16,66,274 |
| SC Individual (Nos) | 24,22,154 | 26,27,688 | 23,45,757 | 28,33,034 | 29,04,033 | 26,32,547 | 20,42,393 | 9,43,399 |
| ST Individual (Nos) | 13,94,072 | 15,47,174 | 13,56,305 | 16,87,685 | 16,52,098 | 13,37,925 | 9,57,395 | 4,29,947 |
| Persons with Disability (Nos) | 1,24,439 | 1,28,433 | 95,067 | 94,900 | 81,682 | 75,119 | 58,392 | 27,921 |
| Total No of Person days generated | 23,88,94,031 | 32,74,64,954 | 28,89,05,062 | 30,43,11,123 | 38,95,48,547 | 22,74,04,549 | 19,99,80,711 | 6,55,31,402 |
| Average Wage rate per day per person (Rs.) | 106 | 106 | 97 | 96 | 90 | 84 | 84 | 82 |
| Average No of days employment provided per Household | 43 | 57 | 60 | 51 | 64 | 40 | 43 | 30 |
| Total No of Households completed 100 Days of Wage Employment | 3,90,334 | 10,05,019 | 9,17,643 | 7,93,494 | 13,23,510 | 4,81,237 | 4,10,526 | 67,242 |

Source: Official NREGA portal, www.nrega.nic.in

7 Conclusions and Implications

Poverty is a major issue, the world over, and Social Protection has been utilized by governments the world over in an attempt to alleviate poverty, often with positive results. As seen above, there is a difference between the aims of SPPs in developing nations and in developed nations, where in the more affluent nations, these programmes are more contributory in nature, dealing more with health and temporary relief in cases of unemployment. Whereas in the less developed nations, where SPPs are a more non-contributory in nature, and form a much more essential part in ensuring livelihood security. Thus, it can be seen that these programmes are adapted to the local context, and cannot be replicated in toto, however, there can be learning from examining SPPs and SSN programmes in other nations.

Social Protection in India

The semi-arid regions of the world, including India are faced with high incidences of poverty and vulnerability. Here it is increasingly essential to reduce vulnerability, by attempting to insulate the poor from shocks and stresses that are endemic to these regions. Thus, the government of India have introduced various programmes in an attempt to alleviate vulnerability. Major programmes can be classified as follows

Food, Nutrition and Health

Programmes addressing the issues of food security, nutrition and health in India include the Public Distribution system, Food for work, mid-day meal, and the Integrated Child Development Scheme.

The **Public Distribution System**, in its newer targeted PDS form, concentrates its resources on those that have been identified as being below the poverty line. Beneficiaries, in theory are able to access foodgrains and other essential food items, including kerosene at highly subsidized prices. This has reduced part of the burden on poor families, as they have to spend less on food and fuel. There have been reports of abnormalities and corruption in the PDS system, with large scale leakages, improper identification of BPL families, fake cards, irregular supply of goods, inferior quality of foodgrains being supplied and so on. However, despite these shortcomings, the PDS has had a positive impact on food and nutritional security of the poor. With the recent passing of the Food Security bill, the PDS is liable to more scrutiny, upgrade and hopefully reforms in order to maximize the benefits to the targeted beneficiaries.

The **Food for Work** programme in its various forms, also helped in ensuring food security, despite criticisms of leakages as well as of corruption, it has in most cases now been supplanted by the MGNREGA scheme.

The **Midday Meal** programme was meant to improve the nutritional security of children as well as increase attendance in schools, improve learning outcomes and reduce child labour. The programme has reportedly met with success in addressing these aspects, even though there have been multiple reports of corruption, as well as infrastructure and logistical problems associated with this programme, meaning that the effect of the programme is somewhat diluted where such problems happen.

The **ICDS** has had multifold impacts, not only does it improve the health and nutrition of pregnant women and children, but also has an important component of pre school education, where children are looked after all day, this has an impact on the mothers, who are now able to engage in income generating activities, whilst the child is being cared for in the Anganwadi center.

Direct Cash Transfers

The main direct cash transfer programme, is the provision of pensions to the aged, widows and those who are physically handicapped. These are unconditional transfers, though of a small amount monetarily, it provides a small amount of income security through regular monthly pensions. This is especially important for those who are unable to work, as this income is reportedly sufficient to purchase PDS entitlements, leading to food security for at least part of the month. Issues reported in literature are that, some people have found it difficult to register for the pensions, even though they are eligible. Allegations of missing payment are also made. However, this scheme is reported to be largely functional and beneficiaries are reportedly happy with it.

Employment Guarantee

MGNREGA provides wage employment to millions of people all over India, and has provided employment during the agricultural slack season, thereby attempting to reduce indebtedness, improve livelihood diversity, and indirectly impact food and nutritional security by providing wage income. There have been some shortcomings reported in monitoring, wage payments, planning and selection of work and so on. However, where it does function well, there have been reports of increased household income, livelihood diversification, increased household food security and reduced migration. This illustrates the need for increased monitoring, evaluation and enforcement in order to meet the programme's objectives.

Social Safety Nets in Andhra Pradesh

Andhra Pradesh has a number of social protection programmes, that function with:

MGNREGA is an important programme for Andhra Pradesh, with a large percentage of central funds being allocated to the state. It has had been one of the highest in terms of total number of households that have benefited. It has also performed well in terms of increasing household incomes to beneficiaries, resulting in increased nutritional security. Transparency is a problem in all states, AP is seeking to address this issue. Efforts to increase transparency are also going on, with AP being one of the first states to adopt the MIS system. There also exists a mechanism of social audit in order to further control leakages.

Self-Help Groups are extremely important, for improving livelihoods by capacity building, providing micro lending facilities that help in skills and asset creation. This is one of the better performing social safety net programmes, where there are not many complaints of leakages and other problems that are seen in other social safety nets.

Integrated Novel Development in Rural Areas and Model Municipal Areas (**INDIRAMMA**) has wide reaching goals, aiming to provide housing, drinking water, sanitation, pensions, health and nutritional security among others. Due to convergence with other programmes, INDIRAMMA is primarily identified among beneficiaries as pertaining to providing funds for construction of house and toilets. This is a popular scheme which shows large scale implementation.

Andhra Pradesh has one of the largest **Public Distribution System (PDS)** networks in India. Food distribution has long since been a politically sensitive issue in Andhra Pradesh, with subsequent governments using it as a vehicle to garner support. Some changes in the scheme were recently made in the state, with the institution of the Mana Beeyam programme, which includes 9 items, in addition to

rice. However, there are a lot of complaints regarding the quality of good supplied, the logistics, leakages, as all over India. These leakages affect the aims of the programme to improve the food and nutritional security of the intended beneficiaries.

Though the major programmes are reportedly working better in Andhra Pradesh than in many other states, there still are gaps in implementation, monitoring and evaluation. These issues tend to dilute the intended beneficiaries of this programme. Thus it is important that these gaps be addressed and the programmes become more transparent. Andhra Pradesh has taken important steps towards transparency, it is hoped that these efforts will end up in improving the implementation of the programme.

Summing up, in India evaluations point out many deficiencies in the official social protection programs some of which have been addressed, and others that are being corrected over a period of time. However, a few of the weaknesses continue to plague these programmes leaving them only partially successful in reaching their intended beneficiaries. These can be listed as follows:

- (i) Leakage of resources towards the non-targeted groups.
- (ii) The targeted poor not getting the benefits.
- (iii) The most vulnerable among the poor not benefiting.

Apart from this, there are also questions asked about cost, cost effectiveness and efficiency of these programmes. In addition, an issue with the terms of access to these programmes, the question to be asked is - do these respect the need for dignity and self reliance and do they support or displace efforts to seek sustainable livelihoods and are they really effective in terms of increasing capitals or capacity to leverage.

There are often geographical variations in the performance of the different programs. The states that perform well in one are not performing well in others. Credit based programs are often susceptible to corruption, mis-targeting, and poor cost recovery. Also, traditionally the poverty alleviation programs in general were not gender sensitive (Vaidyanathan 2006). Today, these programmes have evolved to a large extent in terms of overcoming the shortcomings. However, the issues related to corruption, transparency, inadequate benefitting of the targeted groups etc. still continue to limit the effectiveness of these programmes.

Despite all the flaws and gaps in implementation, the way now is forward. There is an urgent need to study how access or lack thereof to the various official and non official social safety net programmes have affected not just the intended direct and indirect beneficiaries, but also those in rural India who are not beneficiaries of the programmes, but who may directly or indirectly be affected by them, either positively or negatively. Thus there is a need to carry out a large study in rural India in order to quantify and study these issues in relation to social safety net programmes. In order to do this, it is proposed that an in depth study be carried out in six villages in Andhra Pradesh and Karnataka to study the impacts of SSN programmes on the lives of people, including on livelihoods, food security and labour availability.

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Appendix note

Appendix note 1: Salient Features of MGNREGA Implementation

The salient features of MGNREGA implementation are given below (adapted from Ministry of Rural Development, 2012 b):

- **Registration:** Any adult members of a rural household who is willing to do unskilled manual work, may apply for registration either in writing, or orally to the local Gram Panchayat. Registration is on household basis.
- **Job Card:** The residence and age of applicants are verified and the registered household is issued a job card, within 15 days of registration. Each job card (JC) has a unique identification number. Job Cards are to be updated with the details of work carried out and payments made to the beneficiary.
- **Application for Work:** The demand for work is made using the JC number. A written application seeking work is to be made to the GP or Block Office, stating the time and duration for which work is sought. The GP will issue a dated receipt of the written application for employment, against which the guarantee of providing employment within 15 days operates.
- **Unemployment allowance:** In case employment is not provided within 15 days of applying for work, the Act mandates that the state pay an unemployment allowance to the beneficiary.
- **Provision of Work:** While allocating work, the below mentioned considerations are followed: Work is provided within a radius of 5 kilometers of the village. If the job site is more than 5 kilometers away, an additional transportation and living wage of 10 percent must be paid. It is further mandated that at least one-third of the beneficiaries under the Scheme are women. At least 50 per cent of works, in terms of cost, are to be executed by the GPS.
- **Wages:** Wages are to be paid as per the State-wise Government of India (GoI) notified MGNREGA wages. Currently, wages are paid according to piece rate. Payment of wages has to be done on a weekly basis and not beyond a fortnight in any case. Payment of wages is mandatorily done through bank/post office
- **Planning:** Decisions regarding works be undertaken in a financial year and the details thereof, such as the order in which each work is to be taken up, site selection, etc. are all to be made in open assemblies of the Gram Sabha, and further ratified by the Gram Panchayat. Works that are initiated at Block and District levels also have to be approved and assigned a priority by the GS before administrative approval can be given. The Gram Sabha may accept, amend or reject them.
- **Cost Sharing:** The Government of India bears the 100 per cent wage cost of unskilled manual labour and 75 per cent of the material cost, including the wages of skilled and semi-skilled workers.
- **Worksite Management:** The act prohibits the use of contractors and machinery in executing the work. This is to ensure that the workers are directly benefitted under the Scheme. Further, MGNREGA mandates that the total cost of works undertaken in the GP must have a wage expenditure to material expenditure ration of 60:40. In addition, worksite facilities and amenities such as crèche, drinking water and shade have to be provided at all worksites.
- **Transparency and Accountability:** Social Audits must be conducted regularly by the Gram Sabha, to examine records and works and ensure transparency in MGNREGA functioning at the village level. All accounts and records relating to the scheme should be available for public scrutiny. In addition, grievance redressal mechanisms have to be instituted

About SaciWATERS

SaciWATERS, the South Asia Consortium for Interdisciplinary Water Resources Studies, is a policy research institute based in Hyderabad, India. From its inception in 2001, it has focused on critical issues related to water resources management in south Asia. A key endeavour at SaciWATERS has been to enhance the dominant water resources management paradigm in the region with a consideration of all issues using a pro-poor human development approach. The emphasis is on the accumulation of new knowledge through a combination of research, capacity building, and advocacy. Accordingly, it partners with universities and academic institutions from across global north and south to fundamentally reshape water resources knowledge systems in south Asia.

South Asia is endowed with vast water resources, yet there seems to be a perpetual shortage and uneven water distribution. Moreover, global changing scenarios such as urbanization and climate change are contributing to the profound water insecurity. Hence, a holistic approach to cater to this problem is required. SaciWATERS aims to achieve water security in south Asia through a pro-poor human development approach.

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About ICRISAT

The International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) is a not-profit, non-political organization that conducts agricultural research for development in Asia and sub-Saharan Africa with a wide array of partners throughout the world. Covering 6.5 million square kilometres of land in 55 countries, the semi-arid tropics have over 2 billion people of whom 644 million are the poorest of the poor. ICRISAT innovations help the dryland poor move from poverty to prosperity by harnessing markets while managing risks – a strategy called Inclusive Market-Oriented Development (IMOD).

ICRISAT is headquartered in Patancheru near Hyderabad, Telangana, India, with two regional hubs and six country offices in sub-Saharan Africa. It is a member of the CGIAR Consortium. CGIAR is a global research partnership for a food secure future.

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