

# FIELD VISIT NOTE: AADHAAR VIS-À-VIS IMPLEMENTATION OF MGNREGA

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## FIELD METHODOLOGY & EXPERIENCE

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The research study intends to understand the changes in the implementation of Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) caused by the linkage with Aadhaar, a biometric-based identity project, in India.

Ethnographic fieldwork using research methods of participant observation (which entailed volunteering activity in a social audit of rejected payments in MGNREGA along with a survey related to the banking correspondent (BC) model) and interviewing was carried out from the 23<sup>rd</sup> of May to 11<sup>th</sup> of August 2018 across four districts in Jharkhand- Ranchi, Lohardaga, Latehar, and Palamu.

The first step was to understand the implementation structure of MGNREGA. Two weeks were spent in a block in Lohardaga district conversing with panchayat level administration, data operators and block level administration to understand the same.

Through these conversations, it was found that new cases of rejected payments have emerged since the time Aadhaar has been linked with the program. A rejected payment would mean that the payment sent to a worker's account by the Ministry of Rural Development has not gone through for various reasons.

While the payment platforms for MGNREGA have been evolving from cash to e-FMS to Ne-FMS to Aadhar Payments Bridge System (APBS), rejected payments have been found to occur in both APBS and non-APBS systems.

The data operators had to pull out data on MGNREGA website to find out why a payment was rejected. While the reason for rejection could be non-Aadhaar related, the workers who came with a grievance to the block office during the fieldwork mostly had an Aadhaar related reason for rejection.



The reasons for rejection included, but weren't limited to, 'Invalid Aadhaar,' 'Aadhaar not mapped,' or 'Account blocked or frozen.' It was observed how the block administration resolved or failed to resolve these issues and how they felt puzzled and helpless when no reason for rejection was given.

Since access to banking is a key to access wages in MGNREGA or any direct benefit transfer (DBT), such as pensions, 10 days were spent to understand how the BC model functioned in rural areas in Jharkhand by participating in surveys of the Common Service Centers (CSC), which are supposed to provide many

government-to-citizen services as well as banking services at the panchayat level, in Palamu and Latehar districts.

This involved talking to households who have been accessing services through these CSCs as well as CSC owners about their experiences. Many of these CSCs were enrolling people for Aadhaar until last year, but they were not allowed to do so anymore, and this was found to affect their earnings in a significant manner.



Thereafter, the issue of rejected payments and the resolution from local administration was studied in detail by volunteering at a MGNREGA Sahatya Kendra located in a block in Latehar district. Through a social audit conducted by the Kendra in one of the panchayats, it was found that the online data of the program didn't reflect the ground reality e.g. workers were being paid in cash and the bank account in their names were being operated by middlemen/contractors.

Corruption related to the wage component in MGNREGA has been recorded earlier. Thus, in the interviews with local government officials and civil society members, focus was on their views on such corruption and how they dealt with it.

For the later part of the fieldwork, role of contractors in the implementation of MGNREGA, though the law prohibits their involvement, along with the role that technology (including, but not limited to Aadhaar) could play in bringing transparency and reducing corruption was studied.

The fieldwork was concluded on the 11<sup>th</sup> of August with more questions than answers. For the administration, it resulted in cognizance of new reasons for rejected payments which they often didn't know how to resolve.

For the contractors, Aadhaar acts as a barrier to corruption, so far as workers are not involved in the same. The civil society members seem to be divided on whether bank account details and Aadhaar numbers should be visible on MGNREGA website to track wage payments. For the workers, it seems to have brought more hardships in accessing their wages and banking services, applying for work and resolving their grievances.