

NREGA Social Audit: Myths and Reality

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Much has been said and written about the social audits conducted in Andhra Pradesh under the National Rural Employment Guarantee Act. But on the ground these audits have achieved much less than advertised and they have ignored many important aspects of implementation of NREGA. The social audit process has a long way to go before it can claim to have contributed to transparency, empowerment and good governance.

The performance of Andhra Pradesh (AP) in the National Rural Employment Guarantee Act (NREGA) social audits (SAs) has been much written about. One example is Farzana Afridi's article, "Can Community Monitoring Improve the Accountability of Public Officials" (EPW, 18 October 2008).

Social audit is a dynamic tool by which people are able to make officials accountable for their performance in the delivery of legally enshrined rights. Based on struggles by people's movements, NREGA, which is a law unlike others that are only schemes, has social audit built into the legislation. But whatever the euphoria, AP has to traverse much ground before it can serve as the pathway to transparency, empowerment and good governance.

The basic change NREGA confers on people is guaranteeing a right to employment and making the government accountable. But the functioning of this cardinal feature of the legislation is not part of social audit scrutiny in AP. Officials do not acknowledge the applications for work, while the government does not bother to monitor its delivery. On the other hand, the government has repeatedly placed obstacles on implementation by issuing unofficial instructions on when and where to provide employment.

Making Transparency Easy

SA in AP is focused on exposing and tackling corruption which is no doubt vital, based on the experience of past employment schemes. But what is the performance in this respect? One must note that *jan sunvai* (public hearing) in the Food for Work programme in Rajasthan, which is the basis for enshrining SA in NREGA, started a decade back. Activists had to obtain and scrutinise several documents to track, trail and verify facts. Knowing the difficulties in obtaining information, including for people

who work with those very persons and institutions, and knowing that with information technology, real time information can now be easily provided, civil society in AP sought from the government to have all NREGA data digitised and built into a "tracking" software, so that any information can be easily obtained by the people.

Our expectation was that the system would make transparency easy, simple, quick, low cost and would be based on the different needs of users. Officials even agreed to have village NREGA web sites wherein all works and budget sanctioned and payments effected would be posted. But when it came to implementation, the government ignored this unique opportunity for proactive provision of information. Instead, SA emerged as the source for the people to know how the money was utilised.

In instances where civil society persons sought to be proactive in providing wage payment and other NREGA information, they faced hurdles, obstacles, pressures and resistance. When the issue was raised in a meeting with the chief secretary, the officials agreed to outsource the responsibility of providing village web sites but nothing happened.

When asked why the government was not proactively providing information and posting them in the village, one is told that the data is available in the Andhra Pradesh Rural Employment Guarantee Scheme (APREGS) web site. Internet data may excite transparency "busy bodies", whereas the reality is that villagers have to meander through a cobweb of data to search and find what they are looking for. For instance, some information is in English, others in Telugu, culling and cutting parts of data from the web site is not easy and the search time is too expensive for villages using telephone-based connectivity. Cumulative data cannot be verified while much other information, for example, on who got what money for workplace facilities or received work tools, etc, is simply not placed on the web site.

The purpose of proactive information provision was to strengthen SA and help it focus on making workers' rights real and officials accountable. This would help the community to realise the value of information, deter manipulators and embed

in a short time a process of owning social audit as it will be a source of strength for the poor in their struggles in tackling bureaucratic intransigence. But AP chose the seemingly savvy social audit route with teams of trained government-led “independent” social auditors to inform, provide and verify NREGA data. The vicarious thrill to be had by flogging petty officials in public gaze is no doubt exciting for these auditors.

Passing over Responsibility

So the villagers now know their wages and entitlements through SA. While this is so for them, at another level, civil society has also been decapitated. This is because social audit findings, despite being digitised, are not placed on the APREGS web site.

The government plans to handover social audit to communities and that is hailed. After two years of a government-led social audit, they have refused to be proactive information providers and ignoring the opportunities for people to experience the value of information, it is passing this responsibility to the community.

Many workers' issues emerge in SA but due to little remedial action, it is leading to frustration among them. The issues include information status on pending wage payments or of the employment applications submitted at the social audit public meeting (even here it is accepted but not receipted), cases where the measurement sheet is not the basis for payments as the financial payout data is generated by computers, or provision of workplace facilities like crèche, etc.

The non-governmental organisations (NGOs) who have actively associated with and assisted the initial SA effort doubt its purpose. The government is working on building the technical capacity of villagers to conduct social audit, while choosing to ignore the issues of preparedness, leadership and confidence of the people in its value in protecting their rights. Another aspect is also ignored. The Act stipulates that gram panchayats will undertake SA but they have all the time been ignored in SA and in the implementation of the NREGA.

Systemic Issues

SA has unearthed several financial frauds and misdeeds. Officials are applauded for making instant money recoveries at the

gram sabha hearing on SA findings or punishing some erring staff. But what is unknown is the status of the several recorded scams involving large monies where persons were given time to make the “adjustment” by repaying the money. But the very same information is later being questioned for its authenticity and challenged by the higher officials. At the same time it is not possible to know the actual facts as SA findings are not available on the APREGS web site. Given in the table are the “recoveries” effected and the findings of the SA. This is of Ananthapur district where the Prime Minister, Manmohan Singh, launched the NREGA for the nation.

Table: Frauds Detected and Amount Recovered in NREGA in Ananthapur District, AP (in Rs)

Mandal	Fraud as Identified in Public Meeting	Amount Recovered
Chilamathur	3,50,000	20,000
Tanakal	5,00,000	2,00,000
Nallcheruvu	11,27,000	Nil
Gandlapenta	27,56,000	23,000
Puttaparthi	2,00,000	12,000
Gutti	4,00,000	1,60,000
Kanganapalli	17,00,000	6,500
Battalapalli	2,21,900	7,500
Tadimarri	2,00,000	45,000
Dharmavaram	1,50,000	50,000
Midapanakalu	80,000	30,000
Uruvakonda	50,000	15,000
Raigiri	3,00,000	25,000
Kadiri	2,00,000	20,000
Kalyandurg	3,88,200	Nil

A larger governance issue at stake is that having detected fraud and brought it to the knowledge of officials, should not the supervisory officials be hauled up for dereliction of duty? One finds delay and inaction in most cases. How long can one accept the pretence of “action underway” when the facts are well documented and established in a SA as provided in the NREGA done under the aegis of the state government? Even as a deterrent to corruption, the SA exercise seems to falter.

At a seminar in Delhi an adviser to the Planning Commission boasted that NREGA has done well on two key planks – provision of additional wage income and self-targeting. He had all the data and graphics to make the point.

Being the leading performer in NREGA, let us examine the AP track record on this score. In employment provision, the AP performance in 2007-08 is 45 days (less than half the entitlement) and within the government

definition of “persons seeking wage work”. But more interesting are its innovations.

AP has a massive rural housing scheme where each house owner gets a loan and subsidy. To fund the subsidy, Rs 3,200 of NREGA money is transferred directly to all housing beneficiaries. A fourth of NREGA money utilised was used for this and two-thirds of those receiving the cash transfer did not work even for one day on any other NREGA works! As housing is disallowed in NREGA, the transfers to housing are listed under land development in the web site. Horticulture on private lands is another NREGA investment. Each acre of horticulture gets Rs 11,000 in the first year and half the amount in the two subsequent years. In case any labour is used, the choice of the worker simply rests with the farmer. The government has engaged thousands of personnel in the field along with technical and computer staff for NREGA but their salaries are booked as daily wage workers and recently these salaries were doubled. Another investment is in tank renovation or water conservation, no doubt a high priority in NREGA. Earlier the funds for them came from the National Bank for Agriculture and Rural Development, World Bank or central government schemes and offered employment to manual workers in public works. They are now shifted to the NREGA budget account head but claimed as additional wage transfer to workers, whereas in reality, it is additional revenue for a voracious state budget. Despite such gross irregularities, these matters are not a part of SA.

AP civil society is derided for being lukewarm to a unique, historic and path-breaking SA march in the state. The tool has assumed primacy over the purpose and the way it is currently pursued could defeat the very intent of building on this proviso into the Act. Modern information and communications technology, an assertive mood among the poor, and the availability of young and educated people make transparency, the first step in SA, possible. But as experience suggests it serves only as conversation among veteran development professionals.

The experience of AP needs closer examination in order to make SA a success. One must be clear on the purpose of SA to direct its course.