Governance & Development (I) – Poverty Alleviation: MGNREGA, NFSA, PMGKAY

Introduction to Poverty Alleviation in India
- Overview of Poverty and Welfare State Initiatives
  - Poverty alleviation has been a fundamental objective of India's welfare state since Independence.
  - According to NITI Aayog's Multidimensional Poverty Index (MPI) 2023, around 364 million people remain poor in India.
  - Targeted government interventions are essential to address the multi-dimensional nature of poverty.
  - Flagship schemes such as MGNREGA, NFSA, and PMGKAY collectively address livelihood security, food security, and crisis management.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)
- Features of MGNREGA
  - Guarantees 100 days of wage employment annually to rural households on a demand-driven basis.
  - Adopts a rights-based approach ensuring legal entitlement to work.
  - Encourages women's participation, constituting approximately 55% of the workforce.
  - Focuses on creating durable rural assets like water harvesting structures, roads, and land development.
- Achievements of MGNREGA
  - Recognized as the world's largest social security programme.
  - Helped reduce distress migration from rural to urban areas.
  - Empowered women by facilitating direct wage payments to their bank accounts.
  - Acted as a social safety net during the COVID-19 pandemic, providing 3.9 billion person-days of work in 2020-21.
- Challenges Faced by MGNREGA
  - Persistent issues with delayed wage payments and fund leakages.
  - Poor quality and sustainability of created assets.
  - Corruption in muster rolls despite implementation of digital reforms.
  - Exclusion of urban poor from the scheme's benefits.

National Food Security Act (NFSA), 2013
- Key Features of NFSA
  - Provides legal entitlement to 5 kg of food grains per person per month to approximately 67% of the population.
  - Covers around 80 crore beneficiaries under the Public Distribution System (PDS).
  - Includes special provisions like Antyodaya Anna Yojana targeting the poorest households.
  - Empowers women by designating the eldest woman in the household as the ration card holder.
- Achievements of NFSA
  - Contributed to reducing hunger and malnutrition risks across vulnerable populations.
  - Strengthened the PDS through portability features such as One Nation One Ration Card.
  - Helped stabilize food prices by ensuring steady demand and supply.
- Challenges in NFSA Implementation
  - Exclusion errors including ghost beneficiaries and omission of deserving poor.
  - Leakages during storage and transportation of food grains.
  - Significant fiscal burden estimated at around ₹2 lakh crore annually.
  - Overemphasis on cereals leading to neglect of nutritional diversity in food baskets.

Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), 2020–23
- Features of PMGKAY
  - Launched as a COVID-19 relief scheme providing an additional 5 kg of free food grains per person per month beyond NFSA entitlements.
  - Covered approximately 80 crore beneficiaries nationwide.
  - Became the largest food security programme globally during the pandemic period.
- Achievements of PMGKAY
  - Prevented large-scale hunger and food insecurity during nationwide lockdowns.
  - Enhanced the government's welfare legitimacy and public trust.
  - Received global recognition, including praise from the World Food Programme as a model intervention.
- Challenges and Limitations of PMGKAY
  - Provided only temporary relief without addressing structural food security reforms.
  - Imposed a high subsidy burden estimated at ₹3.9 lakh crore over three years.
  - Raised concerns about the sustainability of such large-scale subsidy programmes in the long term.

Broader Challenges in Poverty Alleviation Schemes
- Systemic and Structural Issues
  - Leakages and corruption persist despite digitization and transparency efforts.
  - Welfare subsidies impose significant fiscal stress on government budgets.
  - Overlapping and fragmented schemes create inefficiencies and confusion.
  - Lack of integration between poverty alleviation and skill development/job creation initiatives.
  - Urban poverty remains inadequately addressed by existing rural-focused programmes.

Way Forward for Effective Poverty Alleviation
- Recommendations for Improvement and Sustainability
  - Strengthen Direct Benefit Transfers (DBT) to minimize leakages and ensure timely payments.
  - Integrate welfare schemes like MGNREGA with capacity building and skill training to enhance employability.
  - Diversify the Public Distribution System (PDS) basket to include pulses, millets, and edible oils for improved nutrition.
  - Introduce Urban Employment Guarantee Schemes modeled on MGNREGA to address urban poverty.
  - Shift gradually from subsidy-driven approaches to capability-driven poverty alleviation focusing on education, healthcare, and skilling.

Conclusion
- Summary of India's Poverty Alleviation Journey
  - India's approach has evolved from focusing solely on food and wage security to encompassing comprehensive human development.
  - MGNREGA, NFSA, and PMGKAY exemplify the state's commitment to ensuring dignity and survival for the poor.
  - The critical challenge ahead is to make these programmes fiscally sustainable, leak-proof, and aligned with Sustainable Development Goal 1 (End Poverty in all forms).

PYQs & Probable Questions for UPSC Preparation
- Important Questions for Examination
  - Critically evaluate the role of MGNREGA in addressing rural poverty in India. How can it be made more effective? (UPSC 2020-style)
  - Discuss the significance and challenges of the National Food Security Act (2013) in ensuring food security. (UPSC 2019-type)
  - To what extent did PMGKAY succeed in cushioning the poor against COVID-19 induced shocks? (Probable 2025)

Case Studies and Examples
- Practical Illustrations of Scheme Impacts
  - Tamil Nadu: Linking MGNREGA with irrigation projects led to improved farm productivity.
  - Chhattisgarh: PDS reforms including decentralized procurement and doorstep delivery recognized as a model.
  - PMGKAY: The International Monetary Fund (IMF) praised India's large-scale food support during the pandemic as "unprecedented globally."