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Battling for Livelihoods for the Poor and Against Corruption: CIVA's Role

by John Harriss

Only a few years ago India was generally seen as the archetypal poor developing country. But how times have changed! President Obama, on his 2010 visit to India, spoke of India as an 'emerged' rather than an 'emerging' power, and it is by now very well known that the Indian economy has been growing faster than all other major economies apart from that of China. We are getting used to the idea that the economic centre of gravity of the world is fast shifting to Asia.

But it is less well known that in the course of the past decade the government of India has been devoting a large share of its greatly increased tax revenues to some truly massive programs for the improvement of living standards across the population. The most notable of these is the [Mahatma Gandhi National Rural Employment Guarantee Scheme](#), set up as a result of an Act of Parliament passed in 2005, that now gives rural households in all the districts of the country the *right* to up to one hundred days of employment in government-funded public works each year.

Studies in six North Indian states have shown that the number of days of employment generated per rural household through the Scheme ranged from 77 in the best case to 22 in the least good; and in the best case (that of the state of Rajasthan) the participation of women was as high as 71 per cent. The employment scheme has been making a vital contribution to changing gender relations, and to greater gender equity; and in general it has had a positive impact in raising rural wages. Perhaps most important of all, the Scheme has led to increased awareness amongst poor people of their rights as citizens of India.

Now this Act is being followed up with legislation that is intended to provide food security for all—though how this is to be done remains controversial. Hitherto India has had a system of ration shops called the Public Distribution System (the PDS), intended to supply basic commodities, especially rice and wheat, at controlled prices, principally for poor people. In those states where the system has been made to work well (especially in South India), it has had a very positive effect on the well-being of the poor. In other states, however, it has not done much for them—partly because of massive leakage of funds through corruption.

77% of all



reported
bribe
demands in
India are
related to
the
avoidance of
harm,
including
securing the
timely
delivery of a
service
which is
actually a
right of a
person (such
as clearing
customs or
having a
telephone
line
installed)
and receiving
payment for
services
already
rendered.
Only 12% of
bribe
demands
were for
gaining a
personal or

**business
advantage
(including
exercising
influence
with or over
another
government
official,
receiving
inappropriate
favorable
treatment or
winning new
business). —
Worthview**

So one point of view expressed in the current debates over food security holds that it will be best for the government to transfer money *directly* to poor people, rather than trying to supply foodstuffs to them. Such transfers of money are expected to become possible once every citizen of India has a unique identification number, linked to biometric data—under a special program called the [Unique Identification Authority of India](#) (UIDAI). This is being implemented under the authority of one of India's most successful software entrepreneurs, [Nandan Nilekani](#), one of the founders of the iconic IT company called Infosys. So far more than 200 million people have been given unique identification numbers.

These vitally important schemes for improving the livelihoods of the poorest Indians have come into being as the government has responded to pressure from groups within Indian civil society. Probably the most significant of these is the Right to Food Campaign, first set up in 2001 in the context of the existence of famine in parts of Rajasthan.

What the campaigners did was to bring a case against the Government of India through public interest litigation, finally leading the judges of the Supreme Court to order government to use foodgrains stored in its granaries for the relief of want. The campaigners went on to put pressure on the government to institute a national employment guarantee, and they are now very active in the debates over how best to achieve food security.

Another very important civil society campaign has been over citizens' right to information. The *Right to Information Act*, passed in 2005, is now being used very creatively by civil society activists to monitor the way in which governments implement the important schemes intended to improve poor people's livelihoods. There is no doubt at all that the Rural



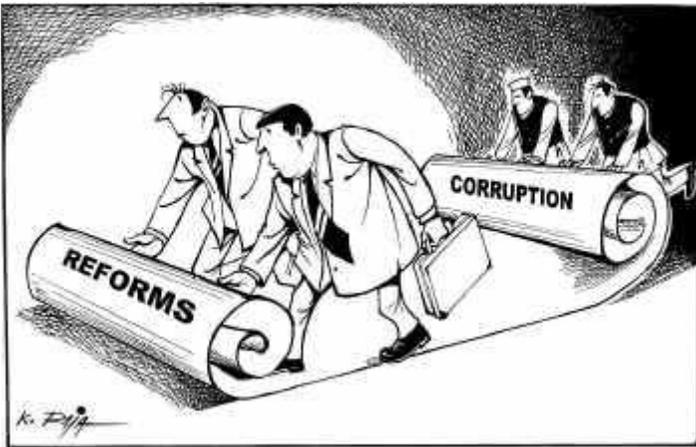
Employment Guarantee Scheme is having a positive impact in many parts of the country—but there is equally no doubt that massive amounts of money intended for poor people through the Scheme are being siphoned off through corruption.

A civil society organization called the [Right to Employment and Information Campaign](#), through the work of its volunteers, conducted an audit in 2009 of the implementation of the Employment Guarantee Scheme in Rajasthan—which, as we have seen, is the state which has had perhaps the best record, certainly in North India, in making the Scheme work. The volunteers, making use of the *Right to Information Act*, inspected the records—and showed that roughly a third of the funds intended for material purchases for the Scheme, amounting to millions of dollars, were being used to line the pockets of a long chain of people, stretching from elected local council officials, through local civil servants, right up to the top bureaucrats of one or two of the districts of Rajasthan.

So telling were the findings of the volunteers' audit that they prompted the local officials to form an organization themselves, in order to prevent the civil society audit going any further. The officials even blocked roads to press their case against those they labeled “interfering busybodies.” Regrettably, the state government eventually gave into them. The incident goes to show both how serious is the leakage of funds intended for the benefit of poor people, and how difficult the struggle against corruption is when so many politicians and local officials are implicated.

Now that the Indian economy is doing so well, and that India's government is intervening so extensively to bring greater welfare to the people, it might be thought that there is no longer a role for an organization such as CIVA, which has for many years raised money in Canada to support Indian NGOs that work with and for poor people.

We believe, however, that there remains a very important role for us relatively privileged people here: supporting Indian civil society groups directly involved in bringing pressures to bear on government, attempting to ensure that it fulfills its obligations to deliver on citizens' economic and social rights (such as the rights to food and to employment); and in supporting brave groups battling the corruption that diverts so much of the resources intended for the poor into other pockets. This is the work that CIVA has now taken up.



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