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# MGNREGA as a Technological Laboratory: Analysing Wage Payment Delays as a Result of Two Digital Interventions

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## Abstract

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is India's rural employment guarantee programme that provides 100 days of work to each household and mandates payment of wages within 15 days of completion of work. MGNREGA has been subject to many technological interventions purported to improve efficiency and transparency. Many of these interventions were introduced without any consultation or scientific piloting resulting in violation of workers' rights. We focus on two digital interventions. Firstly, in the financial year 2021–22, wage payments of workers were segregated based on their caste. Notwithstanding delays in wage payments,

we find there is a statistically significant difference in the time taken to process payments across caste. This provides an empirical corroboration of how this move created caste tensions at worksites. Just in our sample, the compensation as per law that is payable to workers due to delays by the union government alone is ₹399 million. This is neither acknowledged nor paid. Secondly, we demonstrate that there is no statistically significant difference either in timely payment of wages or in payment rejections between the Aadhaar-Based Payment System (ABPS) and the standard account-based methods. Our analysis is based on 31.36 million transactions across 10 states from financial year 2021–22 crawled from the programme's Management Information System. This is the first large-scale data-based evidence debunking officially stated claims of timely payments due to ABPS. We also examine official government circulars, documents retrieved using Right to Information responses combined with our immersive fieldwork to underscore our findings. In summary, we argue that any digital technology introduced in MGNREGA or any other social policy must be done through a consultative process, independent audits, giving centrality to workers' rights.

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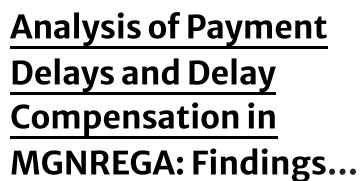
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1. We use the terms ICT4D and digital technologies interchangeably in this paper.
2. Block is a subdistrict unit. Multiple blocks form a district and multiple districts constitute a state.
3. Aadhaar is a 12-digit unique identity number that can be obtained by residents of India, based on their biometric and demographic data.

4. For document analysis we examine official communication released by the MoRD including letters, circulars, and notifications. Additionally, we analyse RTI responses submitted by the MoRD. The RTI applications we examine have been compiled in a Google Drive folder here.  
<https://drive.google.com/drive/folders/1RrlqgvECcQocCzeulGRMFdDaRZmo8yYe>
5. A term coined by Vanita Leah Falcao in her PhD thesis from looking at the implementation of the maternity entitlements programme in Jharkhand. Quoting her “Digitalwashing is akin to the concept of greenwashing. Greenwash is defined by the Oxford Dictionary of Environment and Conservation as, ‘A term (combining green and whitewash) that environmentalists use to describe the activity (for example, by corporate lobby groups) of giving a positive public image to practices that are environmentally unsound.’”.
6. Muster roll is an attendance register containing job card details of workers and the number of days a worker has worked.
7. It was only after the Supreme Court judgement that the MoRD began to show stage 2 delays on the MIS.
8. Source: MGNREGA MIS Report 1.1.9, Aadhaar authentication status report, accessed 30 June 2023. [https://nreganarep.nic.in/netnrega/AdhaarStatus.aspx?lflag=eng&fin\\_year=2024-2025&source=national&labels=labels&Digest=O57D2k1AxQj89t4Y5xNiBg](https://nreganarep.nic.in/netnrega/AdhaarStatus.aspx?lflag=eng&fin_year=2024-2025&source=national&labels=labels&Digest=O57D2k1AxQj89t4Y5xNiBg)
9. Worker testimonies from 8 states of India during a 100-day protest organised by NREGA worker collectives including violation of rights due to ABPS can be found here: <https://tinyurl.com/55jev8af>
10. Diverted payments are payments that are diverted to a worker’s alternate bank account, which is not the same account they had provided while registering for

MGNREGA. Since worker's can often have multiple accounts, and not know about all of them, diverted payments can be difficult to trace.

11. Misdirected payments are payments wherein one's wages are credited to another individual's account. Since the money is credited as per the system, it is difficult to even notice the misdirection, and very difficult to recover the wage and send it to the correct account.
12. The model is restricted by data availability, and we may have left out other explanatory variables.
13. Data used for the analysis were downloaded on 26 July 2022.
14. Data on some blocks/districts are missing due to technical issues.

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## Ethics declarations

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## Conflict of Interest

The authors have no conflicts of interest to declare that are relevant to the content of this article.

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## Appendix

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See Tables [5](#), [6](#), [7](#).

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### Table 5 Regression analysis of wage transactions processed in 7 days and quarterly data

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### Table 6 Regression analysis of wage transactions processed in 15 days and quarterly data

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### Table 7 Regression analysis of wage transactions rejected

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