Daily Mains Practice Question 29-06-2026

GS Paper II | Governance || GS Paper III | Economic Development

1. Critically analyze how the transition from the demand-driven MGNREGA to the allocation-based Viksit Bharat – Guarantee for Rozgar and Ajeevika Mission (Gramin) Mission balances fiscal responsibility with the constitutional obligation of ensuring rural social security. **(15 Marks, 250 Words)**

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Answer

Introduction:

Viksit Bharat - Guarantee for Rozgar and Ajeevika Mission - Gramin (VB-G RAM G), a centrally sponsored scheme, is India's rural employment scheme that replaced Mahatma Gandhi National Rural Employment Guarantee Act Scheme (MGNREGA). With an aim to guarantees 125 days of wage employment per rural household annually and enhances worker earning potential.

Main Body

The proposed VB-GRAM (Gramin) replaces the demand-driven employment guarantee under the MGNREGA with an allocation-based rural employment framework. While the reform aims to enhance fiscal efficiency and asset quality, it raises concerns regarding the constitutional commitment to livelihood security and social justice.

How the transition promotes fiscal responsibility?

- **Better Expenditure Management** – It replaces an open-ended demand-driven liability with allocation-based funding to enhances fiscal predictability and reduces supplementary budget requirements.
- **Cost-Sharing Mechanism** – The 60:40 Centre-State funding pattern (90:10 for NE/Himalayan States) distributes the fiscal burden more equitably.
- **Improved Targeting** – The resources can be strategically directed toward poorer districts and vulnerable households to minimize expenditure leakage and avoid duplication.
- **Focus On Productive Capital Formation** – Greater emphasis on durable rural

infrastructure, irrigation, natural resource management, and livelihood diversification to improve long-term productivity rather than short-term consumption.
- **Administrative Efficiency** – Annual allocations enable easier planning and monitoring while fostering better convergence with complementary schemes such as watershed development, agriculture, and rural livelihoods.
- **Reduced Fiscal Stress** – It helps contain subsidy-like expenditure amid rising welfare commitments & creates fiscal space for capital investment and social infrastructure.
- **Integrated Planning** – Alignment with village development plans and national infrastructure planning enhances resource optimization.

What are the concerns regarding the constitutional obligation of rural social security?

- **Dilution of the Right to Work** – The shift from a statutory demand-driven guarantee (MGNREGA) to allocation-based implementation weakens the enforceability of employment.
- **Impact on the Right to Livelihood** – In Olga Tellis v. Bombay Municipal Corporation, 1985, the Supreme Court recognized that livelihood as an integral part of the right to life under Article 21; so the reduced employment access could weaken this protection.
- **Weakening Directive Principles** – It may affect realization of
  - Article 39 (adequate livelihood),
  - Article 41 (right to work within the State's economic capacity),
  - Article 43 (living wage and decent standard of life).
- **Reduced Responsiveness During Distress** – Demand-driven employment serves as an automatic stabilizer during droughts, pandemics, or economic shocks, whereas fixed allocations fail to expand in response to rising rural distress.
- **Risks of Exclusion** – The Budget ceilings may lead to rationing, delayed works, or prioritization, excluding deserving households which affects the scheme's effectiveness.
- **Reduced Labour Protection** – The 60-day "pause" during peak agricultural seasons may weaken workers' bargaining power and reduce the scheme's role as a safety net.

What are measures need to be taken?

- Retain a minimum statutory employment guarantee while allowing allocation-based planning for additional works.
- Create an automatic contingency fund for climate shocks and economic crises.
- Ensure timely Centre-State fund flows and strengthen social audits, transparency, and decentralized planning through Gram Sabhas.
- Prioritize vulnerable groups such as women, Scheduled Castes, Scheduled Tribes, and landless labourers.

Conclusion:

The transition reflects a shift from a rights-based welfare model to a resource-based development framework. Fiscal sustainability is an important constitutional objective, but it should complement (not replace) the State's obligation to secure livelihood, dignity, and

social justice. A balanced approach that preserves employment guarantees while improving efficiency would best align with the constitutional vision of inclusive rural development.

