

https://dspace.org/

An impact assessment of India's job guarantee: exploring the gap between theory and practice

Torma, Clara

2022
https://hdl.handle.net/10539/36637

Downloaded from a DSpace repository. https://dspace.org/

Master's thesis

An impact assessment of India's Job Guarantee: exploring the gap between theory and practice.

by

Clara Torma

Economic Policies for the Global transition (EPOG+) – Erasmus Mundus Joint Master Degree

Major C — Development, sustainable development and the ecological transition

Supervisors:

Sigrid Betzelt, Berlin School of Economics and Law, Germany

Gilad Isaacs, University of the Witwatersrand, South Africa

Dany Lang, Sorbonne Université, France

June, 2022

With the support of the Erasmus+ Programme of the European Union

The opinions, views and thoughts expressed in this work are those of the author(s). They are not necessarily those of the programme or involved universities.

With the support of the Erasmus+ Programme of the European Union

To my dear mother and father

With the support of the Erasmus+ Programme of the European Union

ACKNOWLEDGEMENTS

Those last two years were atypical ones. Starting an international master's degree in the midst of a pandemic was totally unexpected and very challenging. I am glad to be able to finish EPOG+ despite all the difficulties on the way. Mostly, I am grateful to conclude this degree in a much better situation than I first started.

Many thanks to Dany Lang, Gilad Isaacs and Sigrid Betzelt, for the availability to supervise my work and for the help provided to develop this research.

Also, many thanks to the EPOG+ coordination team: David, Rhyma and above all Catherine, who has enormously supported the 2020-22 cohort.

All my love and deepest gratitude to my EPOG friends who became my family in various moments and made this journey an extraordinary and unforgettable one. Thanks to the FEPOG alliance, Lorena and Maria, who filled my days with sisterhood, wisdom and care. Also, I thank my Brazilian friends, João and Pedro, who were by my side – from Berlin to Paris – bringing the much-needed doses of our vibrant culture to my daily life abroad. It would have been much harder without all of you!

To Letícia, for her love and endless help in transforming my insecurities into strength to face new challenges: thank you so much for being by my side!

Much love to my beloved family and friends who supported and believed in me in every step of this international adventure. Words are not enough to thank my parents for all the encouragement and love they gave me throughout my life. All my achievements are, in fact, ours! Additionally, I shall mention and thank Valentina and Ana that despite the distance were always present! Wherever I go, I keep you all in my heart.

Lastly, and more unexpected as it may seem, I have two more acknowledgements. First, to the mental health professionals that helped me over my master's years. Mental health in Academia is a serious and often neglected issue. I was lucky and privileged to have the support I needed to carry on. Second, I thank – in broad terms – all the women scholars that directly or indirectly have inspired me during this master's programme. In a still male-dominated science such as economics, it is crucial to have powerful female references to keep dreaming big!

With the support of the Erasmus+ Programme of the European Union

ABSTRACT

In capitalist economies, unemployment has always been a structural and unresolved problem. In this sense, the study of employment policies represents a contribution to addressing this issue. The Job Guarantee (JG) is a public option for jobs that offers employment opportunities to every citizen ready, willing, and able to work. Focusing on further exploring the JG, this research is structured in two pillars. First, to examine and systematise the theory and underlying impacts of the JG proposition advocated by Pavlina Tcherneva, Randall Wray, and other authors from the Keynesian tradition. Second, to study in detail a real-world JG experience: its context, impacts and challenges, being able to grasp to what extent it corresponds to the theoretically expected impacts of a JG implementation. The Indian case was selected since the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) can be considered one of the largest and most ambitious employment generation programmes in the world. The assessment of MGNREGA's performance reveals it is still far from what is expected from a JG in the theory. Its performance certainly leaves a lot of room for improvement. More investment in the infrastructure of poor localities is needed to expand the programme's socioeconomic transformative power in the wages level, unemployment reduction, poverty alleviation, inequalities easing and well-being.

Key words: Job Guarantee, MGNREGA, India, Employment Policies, COVID.

With the support of the Erasmus+ Programme of the European Union

Table of Contents

1. Introduction 8
2. Setting Grounds for the Debate 10
2.1. Unemployment, Full Employment and the Pandemic 10
2.2. On Employment and Unemployment 12
3. The Job Guarantee 17
3.1. On the Definition 18
3.2. The Impacts of the Programme 21
3.2.1. Macroeconomic Impacts 21
3.2.2. Socioeconomic Impacts 25
3.2.2.1. Unemployment, underemployment and informality 25
3.2.2.2. Poverty and inequalities 26
3.2.2.3. Well-being 28
3.2.2.4. Productivity 29
3.2.2.5. Institutional strengthening 30
3.2.2.6. Environmental 31
3.2.2.6. Other relevant aspects 31
4. The case of a Job Guarantee in India 33
4.1. General Aspects of the Indian Socioeconomic Context 33
4.2. The Indian Labour Market and Development Issues 37
4.3. The MGNREGA 40
4.3.1 Antecedents of the Programme 41
4.3.2. The MGNREGA and its main characteristics 42
4.4. Impact assessment of MGNREGA 45
4.4.1. Macroeconomic impacts: Wages 46
4.4.2. Tackling Unemployment 48
4.4.3. Fighting Poverty 53
4.4.4. Effects on Inequalities 57
4.4.5. Enhancing well-being? 60
4.4.6. MGNREGA in times of COVID 64
5. Concluding Remarks 68
REFERENCES 72

With the support of the Erasmus+ Programme of the European Union

LIST OF FIGURES

Figure 1. World Unemployment Rates (1991-2021). 11
Figure 2. GDP growth (annual %). 34
Figure 3. GDP (current US$) in trillions. 34
Figure 4. Unemployment (% of the total labour force). 37
Figure 5. Informal employment rate in India by age (% of total employment) combined with GDP growth (annual %). 39
Figure 6. Average Wage Paid per Day per Person (Rs.) in MGNREGA. 47
Figure 7. People provided employment as a percentage of people who demanded employment under MGNREGA. 49
Figure 8. Estimated Unemployment Rate in Rural India (Monthly, %). 50
Figure 9. Poverty headcount ratio at $1.90 a day (2011 PPP) in India (% of the population). 53
Figure 10. Working poverty rate in India for workers over the age of 25 (% of employed living below US$1.90 PPP). 54
Figure 11. Contribution of MGNREGA to poverty reduction (%) from 2004–05 to 2011–12. 55
Figure 12. Labour share of GDP (%). 57
Figure 13. Labour income distribution in India (%). 58
Figure 14. Minorities participation within MGNREGA. 59
Figure 15. MGNREGA Project's work status. 61
Figure 16. Percentage of households receiving social protection benefits under MGNREGA. 64
Figure 17. Estimated Unemployment Rate in India (Monthly, %). 65
Figure 18. Person/days generated by MGNREGA in 2018, 2019 and 2020. 66

LIST OF TABLES

Table 1. Working hours lost due to the COVID-19 crisis (%). 65

With the support of the Erasmus+ Programme of the European Union

1. Introduction

In capitalist economies, unemployment has always been a structural and unresolved problem. Most economists have neglected the permanent existence of a part of the labour force that is systematically excluded from the labour market. Although employment is considered to be a right by the United Nations, the right to work remains distant from the reality of many.

When the unemployment rate is low and mostly the bottom workers are the ones left out, unemployment is hardly a publicly debated issue. Those employed workers even entitled to the right to work – in most the countries – remain invisible amid more urgent agendas. On the contrary, the situation changes when unemployment rates are high and not only the ones at the bottom are unemployed but also qualified and better-educated workers start losing their jobs. Unemployment then is treated more carefully, and policies are designed to address the problem. In any case, these policies are rarely committed to eliminating unemployment.

The full employment agenda was lost somewhere in the Golden Age of capitalism, in the pre-neoliberal era. However, the socioeconomic severity of the Great Financial Crisis and recently the COVID pandemic have shown the need for employment policies based on job creation to tackle the joblessness resulting from the economic crisis. Therefore, the debate over agendas such as the Job Guarantee (JG) has increased. The present thesis is part of the evolution of this global discussion.

The JG is a public option for jobs that offers employment opportunities to every citizen ready, willing, and able to work. According to Murray & Forstater (2013, p. 4), there have not yet been full experiences of a JG. Some countries, e.g., the US, Argentina, China, India, Ethiopia, Sweden, and France, have implemented employment guarantee schemes but they all differ to some extent from the theoretical foundations of the JG. The 'theoretical JG' to be considered in this work is based mainly on the propositions of Pavlina Tcherneva and Randall Wray, US scholars largely influenced by the Miskyan and Keynesian thought on the employment role in the economies.

Given that, this research focuses on exploring and systematising the theory behind the JG proposed by these authors, and, then, studying in detail a real JG experience: its context, impacts and challenges, being able to grasp to what extent it corresponds to the theoretically expected impacts of a JG implementation. To accomplish

With the support of the Erasmus+ Programme of the European Union

this goal, the Indian experience was chosen because the experience of the country implementing an employment guarantee can be considered one of the world's largest and most ambitious of its kind. The so-called Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA).

When it comes to real-world JG experiences, understanding the Indian case is crucial. Hence, the research questions guiding this study are divided into three blocks, the first two being the core of the research and the third as a complementary question. Those are:

1. What is the socioeconomic relevance of implementing a JG programme? What are the expected impacts of the JG?
2. How effective has been the Indian JG programme? To what extent the Indian practical experience confirms the theoretical impacts expected from a JG implementation?
3. What was the context of the JG implementation in the country that justifies the choice of such (employment) policy?

The research methodology used to answer these questions followed two steps. First, a commented literature review of the main theoretical contributions on the JG is developed, following Keynesian tradition authors. Second, an impact assessment of the Indian JG programme is carried out. This part resorts extensively to data from the Indian Ministry of Rural Development, also using the databases from the Center for Monitoring Indian Economy, World Bank and the International Labour Organisation. Moreover, to complement the impact assessment the work from Desai et al. (2015) was largely used to report data from the India Human Development Survey. Yet, a limitation of this thesis was the access to updated data on all the variables studied in each of the socioeconomic dimensions. This constraint existed with regard to both finding the raw data to be worked on and even finding the data organized and analysed by other scholars. Under this circumstance not all the variables could be evaluated for the exact same period. Finally, the impact assessment was based on two further goals. First, to critically analyse the outcomes of India's JG making use of the data research and collection. Second, to contrast the theoretical analysis built in the first part, on the theoretical potential impacts of the JG, with the impacts experienced in practice under the Indian JG since its creation.

With the support of the Erasmus+ Programme of the European Union

In order to organize these two structuring steps of theory and practice the remainder of this thesis is organised as follows. Chapter 2 sets the grounds for the debate on employment and unemployment issues. Chapter 3 explores the JG definition and theoretical impacts. Chapter 4 contextualises and explains what is the MGNREGA to then perform the impact assessment of the Indian JG programme. Chapter 5 concludes.

2. Setting Grounds for the Debate

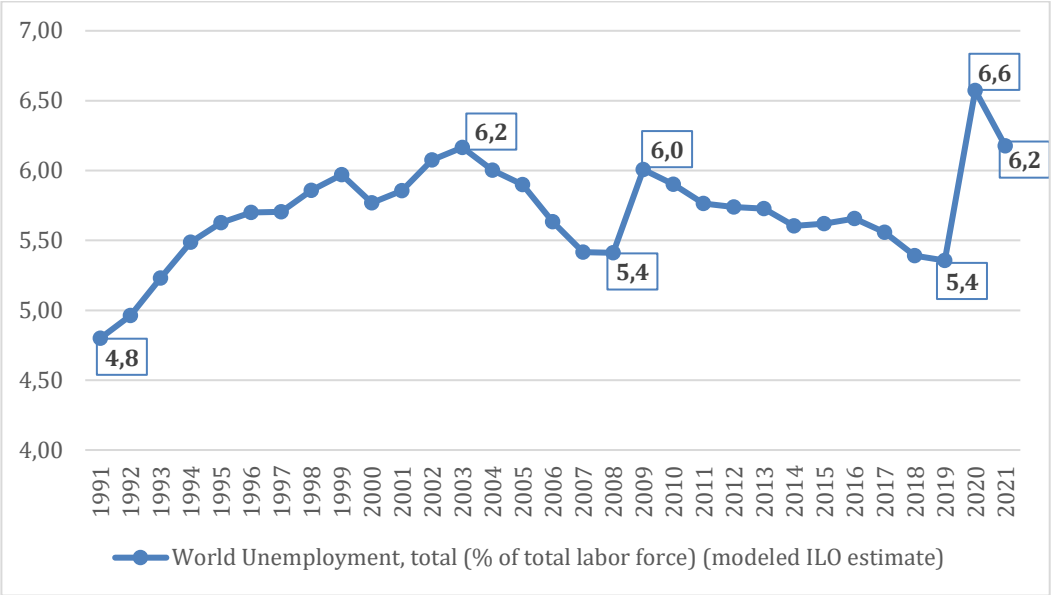
2.1. Unemployment, Full Employment and the Pandemic

The exogenous shock represented by the COVID-19 pandemic produced severe economic impacts by affecting the functioning of productive chains worldwide, slowing down private investments and consumption, and provoking the closure or downsizing of companies. As a direct outcome, labour markets have shown growing unemployment, and underemployment by the reduction of working hours and informality rates (ILO, 2020, p. 1).

Figure 1 illustrates the world unemployment rates for the last 30 years. It is clear how the neoliberal era entailed the rise of unemployment. The series begins with less than 5% of unemployment of the total global force and it reaches a local peak of 6,16% in 2003. After that, the downward trend in the indicator was stopped by the Global Financial Crisis (GFC) in 2007-2008. From 2008 to 2009, the unemployment rate delineated a quick increase of 0.60 percentage points. The same movement, although a stronger one, can be perceived in the event of the COVID crisis: from one year to the next (2019-2020) unemployment grew unprecedented by 1.20 percent points, doubling the unemployment growth observed in the previous global crisis.

With the support of the Erasmus+ Programme of the European Union

Figure 1. World Unemployment Rates (1991-2021).



Source: World Development Indicators, World Bank. Own elaboration.

From 2020 to 2021, unemployment has been reduced. Not only because COVID, as an external shock, a non-economic one, implies a quicker recovery context once the causes of stagnation of economic activity are removed or eased, but also because of the economic and social policies implemented worldwide. In this scenario of a health crisis leading to a major economic one, the biggest global crisis since the Second World War (ILO, 2020, p.1), governments were pushed to protect people's jobs and income regardless of their political orientation towards domestic fiscal policy, i.e., being more or less pro-social expenditures.

As a consequence of the labour market turbulences and in the attempt of providing solutions in times of crisis, full employment propositions regained popularity in the public debate and political spheres. Just like in previous crises, e.g., the recession of 2008-2009, ILO has recommended employment guarantee measures such as large-scale public employment programmes (PEP) or employment guarantee schemes (EGS) highlighting the importance of designing and implementing those programmes following the existing economic, social protection and employment policies in each country to facilitate economic recovery and transitions into formal private employment (ILO, 2020, p.1).

Under the pandemic, the fear of losing employment and/or labour income was generalized which made clear how workers' well-being is extremely dependent on the

With the support of the Erasmus+ Programme of the European Union

labour market conditions and labour market income. Many individuals and families struggled to guarantee fully or partially their income via labour market activities, being subordinated to the government's transfers to secure minimum living standards. As reported by ILO (2020, p. 2), at least 157 states expanded remarkably their economic assistance and social protection through cash transfers, wage subsidies and expanded unemployment benefits. However, those measures had often temporary, *ad-hoc* and piecemeal features with broader implementation in developed countries than in developing ones where workers lacked instruments of social protection and were dragged into the informal sectors striving to survive economically (Seccareccia, 2021, p. 544).

Although the Universal Declaration of Human Rights (UDHR) proclaimed by the United Nations General Assembly in 1948 establishes work as a right in its 23rd article ("Everyone has the right to work, to free choice of employment, to just and favourable conditions of work and to protection against unemployment") capitalist societies have been unable to eliminate unemployment by materializing this right to all the workers. Moments of crises and their aftermath, such as the current times with the pandemic, exacerbate this inability of the states. In this sense, the next section discusses important issues on employment and unemployment to introduce in the sequence the Job Guarantee as a policy proposal toward full employment.

2.2. On Employment and Unemployment

The concepts of 'unemployment' and 'full employment' were transformed alongside the transformation of economies throughout the history of capitalism. Seccareccia (2021, p. 540-543) recovers part of the historic evolution of these ideas beginning in Europe and influencing afterwards the entire global economy. Until the late 18th century, the state of being read, willing and able to work but unable to find a job was not an existent condition. That is so because, at this stage, the dominant sector in the economies was agriculture. Therefore, workers could freely access land and reproduce their lives by their own means. Nonetheless, in the 19th century, the economic context starts to change with the event of the Industrial Revolution. Unemployment becomes more common in the public discourse. First, linked directly to the concept of "pauperism"; after, over the century and from the understanding of unemployment as an economic phenomenon the term has acquired a meaning closer to its current understanding.

With the support of the Erasmus+ Programme of the European Union

In line with Marxist thought, the economic dimension of unemployment occurrence is associated with the kick-off in the process of *commodification of labour* in industrializing societies, meaning the metamorphosis of labour into an object of trade to be exchanged and monetized in the (labour) market. When workers – even the ones who had migrated from the agricultural sector to industry – had the chance to always find an occupation and a source of subsistence in the countryside, the rural sector used to work as a shock absorber, as an employer of last resort, preventing structural and involuntary unemployment, i.e., existing unemployment despite the condition of workers available and willing to work at the market wage. The existent unemployment was only temporary and the condition of such workers was better defined as in "distress and poverty" than "unemployed". However, as the traditional agricultural sector was progressively reduced to a small proportion with respect to industry, farms could no longer absorb workers unlimitedly. Consequently, the number of workers seeking a job was not always matched with the positions available, causing unemployment in the same way as nowadays (Seccareccia, 2021, p. 541).

As well documented by Marx, the growing industrial dominance coupled with privatization and workers' expropriation of their means of production led to the situation in which the proletariat depends on bringing the labour force to the market and making it into a commodity to survive in capitalist societies. In other words, for the working class, the major form of guaranteeing welfare is via labour market income since industrialization and the huge societal transformations that came with it have destroyed the feature of agricultural work as a sort of "safety net", a secure possibility of employability for the ones who need it.

Moving to the orthodox economic theory's side, unemployment has been explained either as a *market failure* – such as market rigidities in the form of non-flexible enough wages, frictions interfering in labour trade, or matching difficulties between supply and demand – or as a *market feature* (Tcherneva, 2017, p. 2). In the latter case, some unemployment level is regarded as a natural feature of the labour market. The work of Friedman (1968) and Modigliani & Papademos (1975) contributed to consolidating the mainstream idea of unemployment as part of the market game; as an acceptable, unavoidable and occasionally needed element in the economy. Those authors introduced, respectively, the concepts of the 'natural rate of unemployment to illustrate the labour

With the support of the Erasmus+ Programme of the European Union

market equilibrium idea and the 'NAIRU' (non-accelerating inflation rate of unemployment) which establishes the relationship between inflation and unemployment while putting forward the notion of a socioeconomic trade-off between them (Snowdon & Vane, 2005, p. 187).

By the turn of the 20th century, the presence and the effects of business cycles were added to the unemployment discussion. The recognition of those cyclical fluctuations of investments and profits of firms – hence, resulting in oscillations on the employment level – as regular endogenous processes instead of independent random shocks gained wide acceptance within the economic field by the work of the institutionalists Thorstein Veblen, John R. Commons, and Wesley C. Mitchell (Seccareccia, 2021, p. 542). However, the big paradigm shift was brought by Keynes (1936) who argued for the existence of involuntary unemployment as a norm, challenging the neoclassical theoretical labour market equilibria with full employment characterized by the presence of only voluntary unemployment. Additionally, he elaborated on the role of expectations on investments concluding that the volatility in investors' expectations implies that full employment cannot be maintained continuously. Keynes disputed the neoclassical theory's propositions and policy implications affirming that markets alone were unable to reach and sustain full employment (Tcherneva, 2012, p. 59). Kalecki was also another author converging with the Keynesian thought claiming that states should use macroeconomic policy to avoid an underemployment equilibrium state and guarantee a real full employment economy in the absence of involuntary unemployment.

Considering the cyclical, structural and involuntary aspects of the unemployment phenomenon, the correspondent space for employment policies is huge (Godin, 2013, p. 10). However, the obstacles of both i) an economic conventional theory treating unemployment as inevitable (Tcherneva, 2017, p. 2), and ii) political economy order make it difficult to implement policies to remedy properly the problem. Regarding the latter dimension, Kalecki (1943, p. 2) presents the idea of a political doctrine of full employment on top of an economic one. In his conception, there would be the opposers of such a doctrine, who he called 'economic experts' of banking and industry, the spokespeople of the most powerful economic sectors arguing against the government's interference in the problem of employment as such, disapproving the direction of public spendings and the underlying social and political changes coupled with the maintenance

With the support of the Erasmus+ Programme of the European Union

of full employment. Kalecki (1943, p. 3) denounced the doctrine of 'sound finance' as a mechanism to maintain "the level of employment dependent on the state of confidence", i.e., if the government tries to reduce unemployment by its own means within the public sector these powerful private sectors would be able to create negative incentives towards this action by labelling government interventions as perilous and reducing the state of confidence of private actors and for private investment. Even in the case of higher profits under a full employment scenario, a certain level of unemployment as a disciplinary factor would be more appreciated among business leaders due to the social control upon a less-assured and articulated working class intimidated by the constant fear of unemployment. Full employment would allow for growing bargaining power of workers potentially increasing the strikes for higher wages and better work conditions. Therefore, Kalecki (1943, p. 3) considers that there are class instincts against full employment. To the dominant class, unemployment is a normal part of the capitalist system and, as mentioned, this 'normality' is reflected in the orthodox economic theory.

More recently, the debate has taken a more positive tone regarding the achievement of the needed policy space for implementing employment policies and guaranteeing full employment. Tcherneva (2020a, p. 111) shows, for example, that in the case of the United States, the national surveys show that the majority of the population – which means people from diverse political spectrums – believes the government should guarantee jobs to the unemployed. In her view, the battle for full employment is similar to previously won battles such as ensuring minimum wages, the reduction of the working week, creating Social Security, banning child labour, and allowing women to work and control their property. Full employment is part of the necessary policy measures to secure economic rights for all and should be taken seriously due to the multiple harmful effects of joblessness on socioeconomic conditions.

Among those harmful consequences are the pecuniary and non-pecuniary costs of unemployment are not always mentioned and dealt with in economic theory. First, research shows that unemployment can be lethal increasing mortality and having a significant impact on the number of suicides and suicide attempts (Tcherneva, 2017, p. 9). The costs of suicide are linked with the loss of labour-power and the multidimensional impacts on families and communities. Second, unemployed people in face of their lack of enough financial resources to appropriately reproduce life tend to be sicker, have less

With the support of the Erasmus+ Programme of the European Union

subjective well-being and self-esteem, and commonly suffer from alcoholism, physical illness, depression, anxiety, and psychosomatic symptoms, thus incurring more expenses on health services in the long-run (Tcherneva, 2017, p. 10). Such health effects make it harder to escape from the unemployment situation. Additionally, the isolation due to the ongoing unemployment condition hinders individuals' social capital and social networks both relevant to reemployment (Tcherneva, 2017, p. 10). Third, joblessness does not only harm the person unemployed but also their families affecting malnutrition and growth stunting and negatively impacting the mental health of partners and children. Children's school performance, labour market prospects, and social mobility are also disadvantaged (Tcherneva, 2017, p. 11). perpetuating poverty and low well-being traps. Forth, unemployment is bounded to economic crimes – with expressive correlation in the case of youth unemployment – resulting from economic distress. The higher the crime rate the higher the costs of police staff and jail maintenance. Hence, the aforementioned elements and the overall waste of labour force power represented by unemployment, mostly in face of all the societal tasks to accomplish, prove how costly and inefficient - for the whole society - is to keep people out of work without the right employment policies to correct this huge economic inefficiency. Instead of paying to tackle health issues, poverty, crime and other associated problems the public sector could have been directing resources to guarantee the employment right to every citizen (Tcherneva, 2017, 10-11).

Furthermore, other challenges and maybe somehow subtle sides of unemployment must be equally tackled by economic policy. Those stand for temporal and geographical dimensions. The former illustrates two further aspects. First, the pace of falling into unemployment and getting back to work is asymmetric in the aggregate of the economy. In other words, lay-offs can occur extremely quickly depending on the intensity of an economic downturn or deacceleration but the recovery in tandem with the sustained rise of employment is often sluggish. Second, unemployment fosters long-term unemployment. The more time a person stays out of the labour market the harder it will be for s/he to be accepted again since gap periods generally correspond to loss of skills and are badly assessed by the employers. In both cases, the immediate consequence is unemployment to persist for a longer time in the economies. Regarding the geographical dimension, the aggregate data often put a veil on the sectorial data and locations that are outliers and therefore count with higher and unresolved unemployment rates in spite of

With the support of the Erasmus+ Programme of the European Union

the average economic behaviour and even in spite of business cycle peaks (Tcherneva, 2017, p. 6). Furthermore, regions suffering from higher rates of unemployment 'export' the problem to surrounding areas due to aggregate demand transmission channels. Fired workers will consume less, demand less, and provoke reduced investment, causing further lay-offs. According to Keynes, "every person who is unemployed puts another one out of work, due to losses in purchasing power" (Tcherneva, 2012, p. 64).

All the costs and inherent issues embedded with unemployment conditions demonstrate the urgency of having employment policies directed to address such labour market challenges. Markets provision and market coordination forces alone were/are not able to secure employment for everyone. Labour market supply and demand have never met in a socially optimum equilibrium point in practice because there was/is always a surplus of labour trying to find demand. In fact, market rationality is not guided by the social needs expected to be met, but by profits. Therefore, some endeavours depend entirely on the public sector to be carried out. Governments are the economic actors who can conduct structural changes and identify major democratic needs (Godin, 2013, p. 12). This is the case for full employment. This is the case for a job guarantee implementation. As highlighted by Minsky (1986, p. 308): "only government can divorce the offering of employment from the profitability of hiring workers, the infinitely elastic demand for labor must be created by government".

3. The Job Guarantee

The 21st century has opened a window of opportunity. First, the Great Financial Crisis by the end of the 2000s and, recently, with the global pandemic progressive scholars and politicians worldwide have started reviving the idea of a Job Guarantee (JG) programme as an alternative to the conventional macroeconomic stabilisation approaches that "produce prolonged and painful jobless recoveries" (Tcherneva, 2020a, p. 9). There is an opportunity to change the attitude towards employment by changing its passive management as collateral of macroeconomic policies (Godin, 2014, p. 2) to resume the conversation about active labour market intervention aiming at full employment.

In the views of Deakin (2020, p. 1) on employment and wage policies, it is possible that "the COVID-19 crisis can serve as a catalyst for the necessary structural break with neoliberal policies (…) since those policies were weakening prior to the crisis". Considering capitalism to be a system containing multiple institutions for

With the support of the Erasmus+ Programme of the European Union

regulation susceptible to be disputed, influenced and managed differently, the political and democratic forces can actively change and create institutions. Wage labour has historically been ruled by various legal interventions which have regulated, deregulated and reregulated labour market relations (Deakin, 2020, p. 16). Institutions can always be shaped and reshaped by policy reforms and the will to transform labour market characteristics. Therefore, the idea that unemployment is an impossible-to-tackle problem for which "there is no alternative" is false. What is required is, in fact, the ability to conceive and implement policies that protect and create jobs on-demand (Tcherneva, 2020b, p. 2).

3.1. On the Definition

The JG is a public option for jobs that offers employment opportunities to every citizen ready, willing, and able to work. The program functions as an active employment policy representing a way to use fiscal policy in a straightforward fashion to affect the labour market and guarantee employment to all. The concept of enacting a programme of on-the-spot public job creation is a long-standing initiative. In line with (Tcherneva, 2012, p. 76), by following Keynes's approach to full employment, several contemporary proposals emerged under multiple denominations: the previous versions of the *Employer of Last Resort* (ELR) by Beveridge (1944) and Pierson (1964) and, subsequently, the newest formulations of Minsky (1986) and Wray (1998); the *Buffer Stock Employment* (BSE) introduced by Mitchell (1998); the *Public Service Employment* (PSE) of Harvey (1989); the *Job Guarantee* (JG) advocated by Gordon (1997) and most recently by Tcherneva (2020a) alongside many scholars from the Levy Economics Institute of Bard College in the United States and the Center of Full Employment and Equity (CofEE) in Australia (Godin, 2014, p. 3). All of those were built on the Keynesian pro-full employment argumentation based on joint concerns with social justice and macroeconomic stabilization.

The main characteristics of the JG conforming to Wray's (2012, p. 221-224) and Tcherneva (2020a, p. 82-88)'s work can be divided into five main axes.

First, the inclusive and voluntary dimensions. The programme is designed to provide full-time or part-time jobs (as preferred by the applicant) to every legal age individual seeking a job regardless of previous labour market status, skills profile, education level, gender, race, sexual orientation or creed. Moreover, no one is required

With the support of the Erasmus+ Programme of the European Union

or forced to work: it is not a means-tested workfare programme. Applicants can present themselves freely but once admitted to a position there are ruled to be followed just like any other employment relation.

Second, participants of the programme work in exchange for a compensation package which ideally should pay the national minimum wage (or another amount close to this) plus social benefits, meaning access to social security – e.g., health insurance, professional childcare, paid leaves, etc – in the similar way of the other formal job positions of the country in question.

Third, although the programme is thought to be permanent, aiming to absorb continuously workers in need during the different phases of the business cycles, it is in no way a perfect substitute for traditional public service job positions or private sector activities. The goal is to enable the constant transition of workers from the JG scheme to non-JG jobs, i.e., in the private sector or other units of the public sector. In the case of JG programmes: the smaller the better, meaning that the economy and the labour market can work well enough to absorb and match employers and employees in better positions than the JG also pressuring less the state budget with the costs of the programme. However, the programme should not be discontinued even in cases of private sector overcapacity because nothing can assure that the private sector will be able to employ the workers dismissed by the public sector.

Forth, the scheme is also planned to provide JG participants with education, training, apprenticeship and job searching facilities to better allow for their transition from the JG to other employment opportunities. This is a way to minimize the potential trend of workers developing a negative dependence on the programme in the medium-long run.

Firth, the communities play a core role in the JG administration. The proposition is to enact a federally funded JG but locally administered, in a decentralised fashion to facilitate the identification of and the attention to local needs. In the initial phase, the projects should be defined by local JG or employment-related bodies in collaboration with community members favouring people's empowerment and democratic participation. And, in the next stage, the implementation part, closer cooperation between federal and local authorities is expected which may include NGOs' involvement to carry out the projects.

With the support of the Erasmus+ Programme of the European Union

Concerning the nature of the projects hosted by the JG, Tcherneva (2020a) divides the recommendations for the projects into three levels of care jobs: caring for people, communities and the environment. The first level includes tasks that strengthen the social care infrastructure, for instance, the provision of meals for the community members, children, elderly and sick care, after-school activities, the organization of nutrition surveys in schools, health awareness programmes for young mothers, hospice and library workers, just to name a few. The second level may encompass:

> Cleanup of vacant properties, reclaiming materials, restorations and other small infrastructure projects, setting up school gardens, urban farms, co-working spaces, solar arrays, tool libraries, and classes and programs, as well as building playgrounds, restoring historical sights, organizing community theaters, car-pooling programs, recycling, reuse and water collection initiatives, food waste programs, and oral histories projects (Tcherneva, 2020a, p. 95).

Lastly, the third level would correspond to projects like flood control, environmental surveys, tree planting, park maintenance and renewal removal of invasive plants, building local fisheries and rooftop gardens, improving fire and disaster prevention measures, promoting composting and sustainable agriculture activities (Tcherneva, 2020a, p. 95).

After the COVID-19 outbreak, ILO suggested another set of activities to be incorporated into employment guarantee schemes regarding specifically the contention of the pandemic and, in general, health emergencies. Those were:

> Mobilizing workers to assist with managing the pandemic including tracking and tracing of those infected or at risk of having been infected; providing support and care to those vulnerable to COVID-19, such as older persons, persons with disabilities or chronic health problems, those sick at home or recovering or those in quarantine; strengthen essential services such as waste collection, public sanitation and WASH facilities where needed. (ILO, 2020, p. 7).

With the support of the Erasmus+ Programme of the European Union

Additionally, Wray (2007, p. 14) emphasizes that the programme should be administered in the presence of "permanent" projects and "need-based" ones. In that way the structure of the JG can be flexible enough to accommodate, on the one hand, the rotativity of participants by maintaining permanent tasks available in a long-run horizon, and, on the other hand, to respond in the short run according to the community demands.

The projects must be designed, managed and improved over time valuing the quality and relevance of the outcomes to be achieved. In other words, the goods and/or services delivered by the JG participants should comply with some basic standards defined domestically to avoid deficient production and the cost of opportunity of wasting labour force potential with useless tasks. Nevertheless, for Keynes the key role of the employment guarantee policies such as public works and their ultimate goal was to secure employment for the workers at the margins, i.e., the ones that most need employment provision and that would not be able to find a job otherwise (Tcherneva, 2012, p. 65). Therefore, the employment creation effect *per se* is more important than what the workers are able to produce. In any case, there is no shortage of things to be done, the list of meaningful projects can be countless depending on the shortcomings of the communities and the creativity of its people and JG managers. Once full employment is reached the programme ought to be monitored, replanned, and redesigned as often as necessary to advance in its success and effectiveness also integrating a broader series of socio-economic and development policies of the state.

3.2. The Impacts of the Programme

Job guarantee programmes can contribute to economies and societies on multiple fronts. A possible categorization of such contributions can be made in terms of the macroeconomic effects linked to the JG and its various (potential) socioeconomic impacts. This double dimension allows for the JG, as an employment policy, to be analysed side by side with overall macroeconomic and social/welfare policies since it has a double contribution in each one of these fields.

3.2.1. Macroeconomic Impacts

Playing a shock absorber role as an employment buffer stock scheme is one of the main inputs of the JG (Wray, 2012, p. 223). Under this scheme, the proposition is to make governments provide an infinitely elastic demand for labour while paying basic

With the support of the Erasmus+ Programme of the European Union

wages and employee benefits. The wages are supposed to be attached to the current minimum wage amount, functioning as a solid floor to all wages and to be defined above the unemployment benefits (Sawyer, 2003, p. 881). However, the setting of a wage anchor is expected to have country-specific traits to correspond appropriately to the working conditions and the labour context of each nation. Besides, social dialogue and democratic participation should shape and guide the definition of the programme's compensation standards over time. The defined wage for the programme is one of the major variables to take into account when implementing a JG because it will directly influence the "effectiveness for improving incomes, the number of people who would want to participate in the scheme, and whether the scheme competes with the private sector for the labour and productivity of those working in the scheme" (ILO, 2020, p. 8). Therefore, the JG wages level must be carefully planned – possibly alongside other labour market and sectorial policies – to represent a decent wage for those who need it but also to avoid harming other economic sectors that may find it difficult to compete with JG wages.

To sustain the overall price floor/wage floor in the labour market during the downturns with reduced aggregate demand the government should act to purchase the surplus from the market, i.e., employ more people in the JG programme at the predetermined price (JG established wages). Accordingly, once the demand recovers and the private labour market reheats, workers can leave their JG positions, re-joining the private sector more efficiently than if they were otherwise unemployed and losing working skills.

Whereas the firm hiring is pro-cyclical the JG embodies a countercyclical macroeconomic stabilization feature and just like other price stabilization policies (e.g., with commodities prices) is planned to keep prices stable. In this specific case, the guarantee of employment is associated with the sustenance of the wage floor which results in increased wage stability. Yet, wages correspond to basic costs influencing all prices in the economy, once income and consumption of JG workers are balanced throughout the business cycles via the wage floor stabilization, overall macroeconomic and price stability will be closer to achieve. The countercyclical mechanism of the programme acts on the entire economy by also softening the private sector investment fluctuations. The strengthening of the aggregate demand propitiated with wage stability

With the support of the Erasmus+ Programme of the European Union

collaborates to produce positive expectations fostering private investments crowding in. Since mass unemployment is avoidable in the presence of a JG, the following contagion effects of unemployment due to deficits in aggregate demand (effective or potential) for the private sector are prevented (Tcherneva, 2017, p. 16). Moreover, the stimulus to the domestic demand not only assists the national economy but also supports, similarly, the regional and global economies by preserving the foreign demand through backed country trade relations (ILO, 2020, p. 3).

The JG advocates claim that the programme is a macroeconomic policy alternative to secure full employment and price stability simultaneously, replacing the non-accelerating inflation rate of unemployment (NAIRU) rationale (Tcherneva, 2020a, p. 41). Mitchell and Wray (2005, p. 237) stress the fact that once the JG wage is determined as the floor for the labour market and lower remunerations are wiped out of the economy, the price structure in the economy might change in face of existing higher labour cost standards. Yet, this price adjustment is a one-off event. There is no reason to believe prices would keep rising, thus no inflationary process is characterized. Moreover, even if the bargaining power of workers increases once eliminated the fear of unemployment wages are not expected to keep rising either. The disincentive to wage hikes is produced because with a JG, enterprises will have the option to replace their employees with JG participants in a scenario of a more competitive labour market because private-sector workers would not be competing with long-term unemployed anymore. Consequently, full employment can prove to be reconcilable with wage/price stability.

On the side of government expenses with the programme, as reported by Godin (2013, p. 29), the ex-post costs of the JG tend to be reduced when compared to the ex-ante public budget forecast. That is so because the JG supplies the economy with jobs and sustains the income of many individuals and families on the bottom of the distribution who would be unemployed otherwise. Those are precisely the ones with the greatest marginal propensity to consume and, therefore, the positive impact upon the aggregate demand and multiplier effects raises the state's revenue collection. It happens alongside the overall reduction of unemployment aid/insurance and, possibly, other social benefits due to the transformation of those recipients into JG participants. Through these channels, the total cost of the programme is lowered.

With the support of the Erasmus+ Programme of the European Union

According to Keynes, it is easier to block unemployment from developing using pro-employment policies than to eliminate it after its spread. In this sense, the public employment alternatives were in his view the most effective type of fiscal policy for three reasons: i) the highest effect of employment-creation due to its direct active nature; ii) the automatic establishment of the point of effective demand at full employment; iii) the absence of inflationary bias and income distribution problems concerning the traditional demand management policies (Tcherneva, 2012, p. 69).

In fact, when comparing both the JG and the traditional demand management policies, i.e., the Keynesian aggregate demand stimulus policies, there are sensible differences between the two in terms of produced effects. Those differences highlight the fact that inclusive employment generation is not simply about aggregate demand stimulation but the method chosen to do it. The work of Godin (2013, p. 30) demonstrates that the income and wealth of households increase more, and mostly on the wage earners side, under a JG than with a Keynesian demand policy (KDP) which proves the JG prevalence on poverty alleviation. Also, the author calculates that both policies can reduce the Gini coefficient but in the case of the JG the reduction is bigger illustrating the greater sensibility of inequalities to direct job creation. That is so because, under a JG, the unemployed can become workers earning more than an unemployment subsidy coupled with the fact that the increased output after the programme implementation goes mostly to JG participants causing a direct redistributive impact. Therefore, on the principles of social justice, the JG is more effective than KDP.

Godin (2013, p. 29) also shows that the GDP and private employment should increase more with KDP than in the JG case. Nevertheless, only with the JG, it is possible to totally remove involuntary unemployment. In the end, this is a political economy choice: to assure the right to a "decent, useful, and remunerative employment opportunity—at all times, good or bad" (Tcherneva, 2020b, p. 3) or to achieve a higher level of GDP and private employment at the cost of having people left out of labour market and bearing the social and individual negative consequences of it. In line with Keynes (1982, p. 409), to employ 80 or 90 per cent of the labour force is not a difficult task but it is challenging to go further than this threshold – leading economists to give up on this goal – which depends on a planned distribution of the demand instead of just high levels of aggregate demand. Recognizing the different effects on employment

With the support of the Erasmus+ Programme of the European Union

creation resulting from different aggregate demand policies, Keynes advocated the idea of a permanent ‘‘on-the-spot’’ (in his words) job generation programme. He argued for a permanent programme of public capital improvements, to close the *demand gap for labour*, as a long-run medicine for unemployment and instability instead of solely depending on pro-growth/pro-investment aggregate demand management policies. The latter would focus primarily to close the *demand gap for output* having the employment level as a by-product rather than the police's core motivation (Tcherneva, 2012, p. 58).

3.2.2. Socioeconomic Impacts

Concerning the socioeconomic expected impacts of the JG, several factors can be approached such as addressing unemployment, underemployment, informality, poverty and inequalities, adding to individual and collective well-being, increasing productivity, and allowing institutional strengthening, on top of positive environmental effects.

3.2.2.1. Unemployment, underemployment and informality

When it comes to labour market analysis, one can say it has quantitative and qualitative aspects. The quantitative side refers to the level of employment or unemployment revealing the quantity/share of people to have access to job positions and those who lack it. The JG is formulated first and foremost to eradicate unemployment, it is designed to fulfil this core purpose, thus taking care of this quantitative dimension. However, the JG also leads to multiple benefits in the qualitative dimension. The qualitative analyses reveal how good or bad are the job positions in a given context, adding a necessary complexity to labour market studies since knowing employment/unemployment rates is not enough to affirm whether workers are placed in *decent* work arrangements or not. The “decent work” concept was launched by the International Labour Organization (ILO) in 1999 and it is characterized as:

> One that is productive and delivers a fair income, safe working conditions and social protection for families, prospects for personal development and social integration, freedom of expression, organizing and participation, as well as equality of opportunity and of treatment for all. (Burchell et al., 2020, p. 1)

As highlighted by Deguilhem et al. (2020, p. 3) in line with (Burchell et al., 2014, p. 1), from the 2000s onwards, different studies have tried to operationalize the

With the support of the Erasmus+ Programme of the European Union

decent work concept by reactivating another concept, the one of "quality of employment" (QoE). According to Deguilhem et al. (2020, p. 3), QoE can be used as a multidimensional tool including the more objective and immediate criteria of income, i.e., the value of the paid wage, and subjective values in the form of psychological, sociological, and even ergonomic concerns.[1] Informal occupations are precisely an example of non-decent or lacking in QoE labour activities. Additionally, the QoE can be undermined also by the underemployment phenomenon. The latter is characterized by the situation in which people, against their will and precisely due to the labour market structures, end up working fewer hours, earning less income and/or using their occupational skills incompletely being less productive than they could (Greenwood, 1999, p. 1).

In this regard, the JG may alleviate to a certain extent some of these labour market challenges by states committed to public job creation assuring decent work conditions, i.e., paying basic wages plus benefits. By creating a public option for jobs, the programme can be effective in significantly eliminating precarious work helping to formalize labour markets. After all, individuals would have another possible choice rather than choosing between the precariousness or unemployment dilemma. Hence, informal sectors are expected to shrink or even disappear. At the same time, the guarantee of full employment rebalances the labour market forces to favour workers, increasing their bargaining power, empowering them to leave or contest abusive employers (Tcherneva, 2020b), and also pushing the overall private sphere to offer better labour conditions by increasing the labour market competition. With a JG programme put in place, informal workers and employees exposed to non-decent workplaces have an option within the programme to secure minimum standards of QoE. Moreover, the project of developing a perennial and universal JG allows the underemployed to find job options consistent with their intended working hours at a minimum living wage yielding better chances of labour market participation and the guarantee of a decent income.

3.2.2.2. Poverty and inequalities

By dealing with unemployment, underemployment and informality, the JG

[1] Still, it is worth noting that the idea of QoE is context-dependent, meaning it is deeply linked to the legal and social environment in which workers are immersed.

With the support of the Erasmus+ Programme of the European Union

automatically leads to poverty reduction (Wray et al., 2018, p. 6). Minsky (1965) advocated for full employment on the lines of a crucial anti-poverty policy. To him, capitalism would necessarily cause "poverty in the middle of plenty", notably the existence of unemployed and people that cannot access the labour market in a way to properly earn a livelihood, thus public works would be the only answer to abolish poverty. While hiring from the bottom of the distribution, the JG admits the poorest ones that are structurally marginalized from labour market opportunities and who most need employment provision.

This includes a very important effect on inequalities as well due to the destination of the public resources. The JG can be read as a pro-poor measure because through the programme the public sector can direct funds to mostly promote and improve the socio-economic situation of the poor, rebalancing the overall income distribution in favour of them. The literature shows that unemployment increases the general level of income inequality in most countries (Sen, 1997, p. 157), implying larger inequalities between labour and capital and within labour itself (Tcherneva, 2014, p. 49), and modelling exercises present concrete numbers for the reduction of the Gini coefficient in the case of a JG institution (Godin, 2014, p. 15).

Yet, inequalities are not only about income inequality. For example, there are sensible effects of unemployment on racial and gender inequalities. Disaggregated statistics of labour markets tend to show more deteriorated results for marginalized groups (or minorities) such as non-white people and women. In the former case, the unemployment condition aggravates interracial and interethnic tensions (Sen, 1997, p. 163) that could be softened if employment was guaranteed and all people were truly integrated into society. In the latter case, women face harsher labour market conditions with respect to the quantitative criteria – i.e., women face higher rates of (market) unemployment although most of the time developing unpaid care activities at home – and considering the QoE women are overrepresented in vulnerable/precarious jobs (ILO, n.d.). A proposition such as the JG could also offer some contributions toward gender equality[2]. First, care activities are among the commonly proposed tasks to integrate the JG programme. This means enhancing the care sector and care infrastructure to release

[2] See the JG in Argentina example (Tcherneva & Wray, 2005).

With the support of the Erasmus+ Programme of the European Union

the female workforce to have more equal workplace experiences when compared to men. When care responsibilities are collectively shared, women can potentially increase their productivity, career progression, and reduce unemployment and underemployment conditions. Second, within the JG programme women and men are supposed to receive the same wages and benefits, assuring gender equality at least in the access to the minimum standards of the economy. Third, the skills and experience acquired through the JG are a tool to increase women's participation in the labour force and the employability of women in the private sector. Also, the more women can work in the public sphere – in other words, outside of their homes – there is a tendency toward their empowerment and more balanced relations within the households for women living with men. Besides the racial and gender dimensions, the JG also contributes to giving a place to other marginalized groups being a bridge to civilian employment for former inmates and veterans, to people with disabilities, and being a stepping-stone for young people entering the labour market (Tcherneva, 2020b, 3).

3.2.2.3. Well-being

Beyond the aforementioned macroeconomic multipliers involved in the JG implementation, one can also argue in terms of social multipliers due to the positive multiplier effects of the socially useful outputs: the improvement of human capital, the expansion of public goods produced by the programme, the alleviation of problems linked to unemployment such as crime, homelessness, and others (Tcherneva, 2017, p. 15). Moreover, in a society where full employment is ensured, there is a space for reducing the household's dependence on debt and containing financialization at the micro-level (Seccareccia, 2021, p. 549). The 'financial inclusion' by the means of growing families' indebtedness has become a way to access welfare compensating for people's various unmet needs due to financial fragility and the lack of enough income. Soederberg (2014)[3] has denominated this phenomenon as the "debtfare states" which can be reined by welfare states' reinforcement measures like the institution of a JG. Therefore, the JG may collaborate on the reduction of socioeconomic insecurities in the form of indebtedness as a last resort to maintain minimum levels of purchase power and

[3] Chapter 3, part I.

With the support of the Erasmus+ Programme of the European Union

job insecurity which is one of the main reasons for job dissatisfaction and mental health struggles. Research shows that temporary work imposes great doses of anxiety and unhappiness when compared to stable full-time jobs (Tcherneva, 2017, p. 17). In this sense, boosting welfare and well-being depends on creating labour market mechanisms to provide people with economic safety, meaningful jobs and a sense of contribution to one's community.

3.2.2.4. Productivity

The JG is deemed to be an advantageous institution to the overall economy including to private firms precisely by virtue of its functioning as a buffer stock scheme inflating in times of crises followed by companies' layoffs and shrinking in times of economic recovery (Wray, 2012, p. 223). As a result, in economic busts the employees from private firms, otherwise unemployed, can still work in the JG, maintaining skills, and even receiving professional training. In the words of Levrero (2019, p. 44), "if administered in the right way, it would also provide education and training", exposing another important feature of the programme which is the contribution to workers' qualification and maintenance of a certain productivity level. Conversely, in economic booms, these employees tend to get back positions in the private sector and they can do it having conserved or even enhanced their abilities. Thus, JG represents a more efficient use of human resources throughout the business cycles and contributes to the QoE not only on the worker's side but also on the firm's side via productivity gains, once absorbing workers from the JG should be more productive than absorbing formerly unemployed workers. Furthermore, innovative public-private partnerships can be explored strengthening the coordination between the JG projects and the private sector (ILO, 2020, p. 7). Depending on the context, developing more market-related projects within the JG may be welcomed. Those could improve not only the efficiency of the public projects but also the work readiness of workers and the transition channel from the programme to non-JG working experiences. The productivity in the economy can also be boosted by using the private sector capacity to provide training to workers in return for labour remunerated partially for the JG (ILO, 2020, p. 7).

With the support of the Erasmus+ Programme of the European Union

3.2.2.5. Institutional strengthening

According to Kalecki (1943, p. 5), a project of full employment capitalism will be accompanied by new institutions that reflect the valorisation of the working force. Introducing a large-scale national employment policy via a JG programme would require the creation or expansion of the institutional infrastructure to run the programme alongside the existing labour market institutions and frameworks. Consequently, it would reinforce the overall public labour market support and management.

In the case of developing countries this is particularly important because, as noted by Deguilhem et al. (2019, p. 2), workers are negatively affected by the fact that formal institutions may face difficulties in channelling information about labour markets – i.e., in the form of available work opportunities and assistance like training, insurances, etc – for the ones who need it. Hence, the strengthening of labour market institutions can remedy this latter aspect by expanding job centres to facilitate labour market insertion, (re)allocation, matching, training, etc, for decent work opportunities, either within the JG programme or outside of it.

Furthermore, stronger labour market institutions assisted by a JG implementation can have positive spillovers in other domains, scaling up to other administrative capacities (ILO, 2020, p. 4). For instance, they can boost the labour market and education links by increasing the dialogue with the national educational system to generate information about promising and declining fields in the economy contributing to directing the workforce to a better adjustment of labour supply and demand.

Also, stronger labour market institutions present an opportunity to improve the welfare state. The JG stipulates the provision of social security benefits, therefore, introducing a JG means to in parallel create or widen the coverture of social policy to all the workers, boosting not only QoE but also collective well-being by the amplification of rights and reduction of social risks. The JG can be read as a vehicle to achieve different goals and, consequently, it should be part of a coherent policy mix involving social and economic policies. Its impact is not only to guarantee employment but also to integrate the social protection mechanisms, thus institutional collaboration across different governmental bodies is required to operate the programme effectively and wisely so it can truly contribute to the multiple factors it has the potential to.

With the support of the Erasmus+ Programme of the European Union

3.2.2.6. Environmental

In face of the current ecological emergency, there is an urgency of incorporating an environmental dimension into every public policy proposal. Thereby, when designing a JG, a major underlying policy recommendation should be to include environmental concerns with respect to the jobs to be developed and their outcomes. Activities within the programme should i) stick to the main purpose of meeting local needs by choosing "as green as possible" methods, i.e., being attentive to the choice of materials and the carbon emission involved, and ii) be designed having in mind the preservation and recuperation of the environment. By doing so, the JG can be also a tool to – alongside various other fundamental policies – collaborate with a just socio-ecological transition.

In the context of the U.S., for example, a Green New Deal was proposed by Congress Representative Alexandria Ocasio-Cortez to address the environmental crisis. The proposal contains a federal JG programme as part of the green strategy of the country (Ocasio-Cortez, 2019) which illustrates with a real case the interface of the JG with other policy goals. As highlighted by Murray & Forstater (2013, p. 4), the design of contemporary JG programmes will differ from other generations, e.g., the last century's public works recommendations, since the societal demands have changed. Currently, the JG advocates propose a wide range of ecological-related tasks to incorporate into the programme. Hence, in the current state of affairs, it is certainly even more counterproductive to remain consorting with involuntary unemployment considering the huge amount of environmental work to be done to attenuate the climate emergency. If put in place, the JG can contribute in both senses.

3.2.2.6. Other relevant aspects

When considering the possible impacts of a JG and its place within the socioeconomic system of a society is important to keep framing the programme according to labour transformations. In the occurrence of COVID-19, PEPs (Public Employment Programmes) needed to undergo adjustments to fit into the new labour context which comprised physical distance, compliance with various health and safety measures, and adaptation to the increasing number of sick leaves and quarantine requests. One resulting impact from that was the enhancement of the social capital as individuals and communities worked together to respond to a moment of crisis (ILO,

With the support of the Erasmus+ Programme of the European Union

2020, p. 4). Another effect of the pandemic was the reaffirmation of the digital economy dominance. The digital forms of work revealed their central role in the global economy not only due to their monetary value creation but also having gained extra value, health and sanitary-wise, preventing people from the virus contamination while allowing social distancing in virtual work arrangements.

However, the rise of the digital comes with some reflections on the contemporaneity of the JG. As discussed previously, the job positions commonly listed by JG proponents do not include the digital economy, but should the digital economy be incorporated into the JG programmes? Would the digital economy pose new challenges to JG programmes? Which ones and how to solve them? Since digitalization is a major trend in the future of work, the answer to these questions seems to be relevant for the JG discussion and must be addressed by policymakers and JG advocates. It is crucial to consider the digital transformation influence when it comes to public policies proposition for the labour market, otherwise, policies will not reflect the challenges of the current 21st century. For Keynes, the ultimate objective on employment issues was beyond merely job creation but the creation of stable and good jobs (Tcherneva, 2012, p. 64). Nonetheless, what is considered to be a good job varies from time to time and society to society, to some extent despite the international standards. Thus, it is crucial to have a JG shaped according to its socioeconomic context and its time.

If the JG stands as a viable possibility for all the workers it should also provide digital projects to maintain the skills of the unemployed workers laid off from occupations based on digital resources and to prepare the youth for the skills desired by a great part of job positions, which includes digital literacy. Moreover, in a world still exposed to a pandemic and under the risk of the emergence of new viruses and diseases putting at risk people's lives, is deemed relevant that JG schemes could have both: i) training for developing workers' digital skills and, ii) flexible frameworks to allow options for digital work positions to build resilience in the programme so it can still be partially operated in the case of further imposed social-distancing situations without putting all the workers under health and/or economic risks in the case of projects' discontinuation.

Finally, the JG programmes can be understood as an exercise of reimagining fiscal policy currently categorized under the rubrics of either labour market programmes

With the support of the Erasmus+ Programme of the European Union

as ALMP (active labour market policies), or social protection measures (as part of a 'safety net'). Yet, they can be an autonomous category on their own playing an important role in the two spheres mentioned (ILO, 2020, p. 4). This double or even multiple features of the JG concerning its functions and impacts make it difficult to establish a common international categorization for these programmes. This flexibility is accompanied by some trade-offs and caveats advanced by the ILO. For example, while seeking to expand the acceptance of workers in the programme some input costs might be minimized once compensated by the greater availability of labour, but more coordination efforts and materials are required at the risk of reducing the quality of assets and services produced by the scheme. This is particularly meaningful when attempting to scale up the JG to cope with times of crisis. Therefore, the multiplicity of areas and goals that the JG can cover should be planned carefully to guarantee the success of the programme.

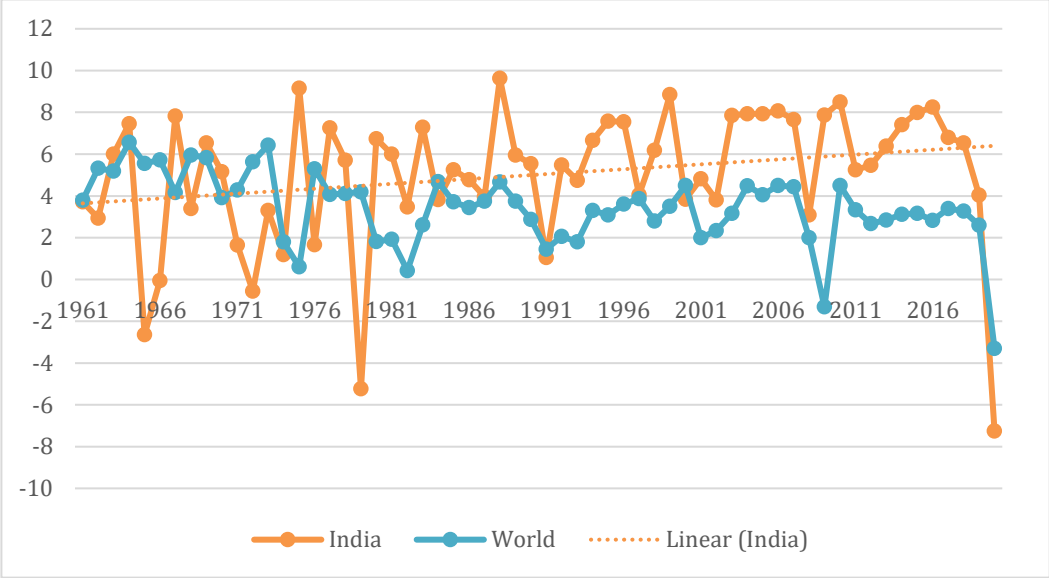
4. The case of a Job Guarantee in India

4.1. General Aspects of the Indian Socioeconomic Context

The Indian economy is one of the largest emerging market economies among the developing nations (Huidrom et al., 2020, p. 2). The country is an ancient Asian civilization and it was a British colony for nearly two centuries, from 1763 to 1947 when independence was declared (Prates, 2013, p. 593). Currently, India is the second-most populous country in the globe (around 1.3 billion people) and also one of the fastest-growing economies worldwide, holding the position of the fifth-largest economy by nominal GDP and third-largest by purchasing power parity (PPP) (Selvi, 2020, p. 114).
The following Figures present the economic growth trajectory of India since the 60s. Figures 1 and 2 illustrate how the Gross Domestic Product (GDP) followed a path of stagnation and meaningless growth in the decades after colonial rule. As demonstrated in Figure 1, up to the early 1980s India grew below or equal to the world average in the presence of high annual fluctuations (Kundu & Mohanan, 2009, p. 6). However, the 80s and mainly the period from the 1990s onwards represented a more dynamic era for the Indian economy under accelerated and sustained growth above the global average.

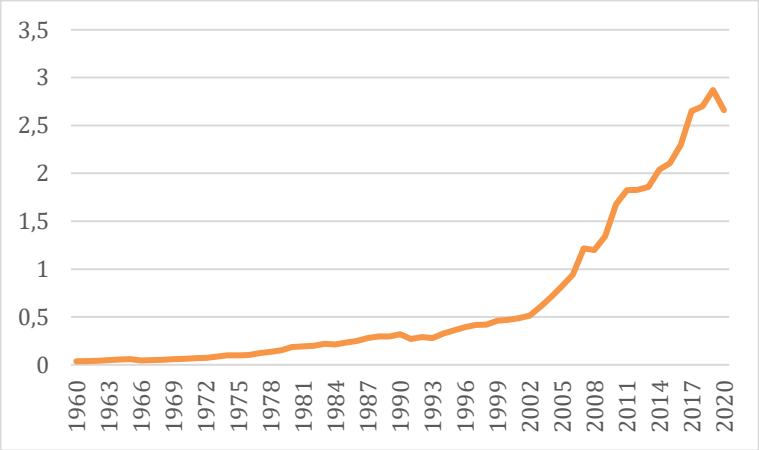
With the support of the Erasmus+ Programme of the European Union

Figure 2. GDP growth (annual %).



Source: World Development Indicators. ILOSTAT database. Own elaboration.

Figure 3. GDP (current US$) in trillions.



Source: World Development Indicators. World Bank. Own elaboration.

According to Prates (2013, p. 640-641), from the GDP trajectory and other economic indicators of the Indian economy, two growth patterns can be identified. The first, from independence (1947) to 1979, was characterized by poor economic growth and price stability with a great deal of State intervention and low foreign capital participation in the productive and financial sectors. Also, this period witnessed a low degree of external openness, conservation of artisanal production and the majority of the population in the rural zones despite advances in industrialisation. The second, from the 1980s,

With the support of the Erasmus+ Programme of the European Union

symbolised the implementation of structural reforms that changed the form of State participation in the economy and its relation with the market but without wiping out its regulatory function. This stage combined higher GDP, investment and productivity rates under low inflation. Moreover, the increased balance between market and state was associated with more economic liberalization and the important attraction of foreign capital in the form of rising foreign investments (Kundu & Mohanan, 2009, p. 7).

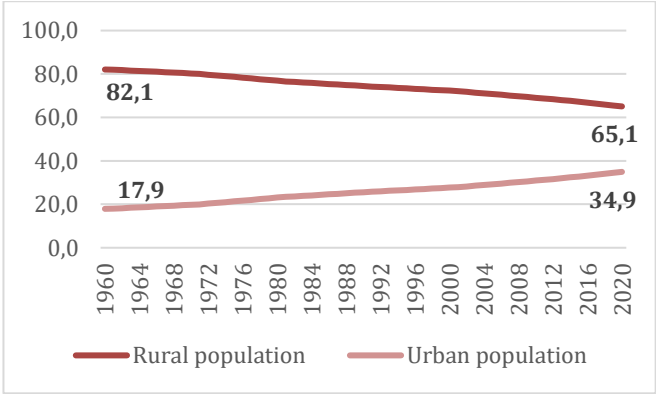
The discussion on Indian economic growth should be complemented by a socioeconomic development dimension. Despite the substantial progress made in terms of GDP performance, India is also known for its high levels of poverty, marginal advancements in the social area under significant heterogeneities (ethnic, religious and linguistic) and rising inequalities in the last decades (Prates, 2013, p. 594).

The inequalities across social groups established and perpetuated by the caste system are a central element of the inequalities structure in Indian society. The castes are divided into two sub-concepts. First, the *jati* corresponds to a geographical dimension, i.e., the community where someone was born. Second, the *varna* is associated with the social occupation of individuals. In old South Asian tradition, people's capacities would be linked to the caste of birth. The *varna* division reflects this belief in its four categories (from the most to the less important in social recognition): priests, warriors, merchants and agriculturalists, labourers and servants (Hoff, 2016, p. 2-3). The lowest-ranked castes were known as "untouchables castes", "Dalits", or Scheduled Castes in the official name given by the British colonial government before independence. Those people formed untouchable *jatis* who used to be placed out of the *varna* scheme, as outcastes, due to their condition of deliberate exclusion and marginalization (social and geographical). Therefore, no social mobility was possible. By 1947 with independence, the political goal was to create a nation free from the caste system and this effort was crystallised in the Constitution which formally abolishes the castes. However, mostly in rural India castes divisions remain strong (Hoff, 2016, p. 2-3). Religion-based heterogeneity and inequalities are also present. Given a Hindu majority, Muslims, Christians, Sikhs and Buddhists – India's prominent minority communities – may face discrimination even though Constitution prohibits discrimination based on caste and religion (Kundu & Mohanan, 2009, p. 10).

With the support of the Erasmus+ Programme of the European Union

Another extremely relevant aspect of inequalities in India is the spatial dimension between urban and rural zones. Figure 3 depicts the proportion of the rural and urban population in India in the last nearly 60 years. During the entire time series, India kept the predominance of a rural population that until the present is significantly high, despite the global urbanization spur.

Figure 3: Rural and Urban population (% of the total population) in India.



Source: World Development Indicators. World Bank. Own elaboration.

According to Kundu & Mohanan (2009, p. 10), inequalities had risen both in rural and urban areas from the 1980s to the late 2010s. However, the inequalities in access to education affect negatively, especially the rural zones which represent a dangerous trap in terms of social mobility and development since the level of educational attainment is perceived to be the most crucial factor impacting poverty. Therefore, larger cities counting on better educational facilities, social and physical infrastructure show lower incidences of poverty when compared to smaller cities and the rural localities. Furthermore, the modernization and technological improvement that accompanied the Indian urbanization process has transformed the urban centres into segregated spaces where the absorption of the often poor, illiterate and unskilled rural workers has become less likely. The rural to urban migration has decreased during the nineties in tandem with rising regional inequalities (Kundu & Mohanan, 2009, p. 14-15). Considering the majority of the population to be rural, the spatial inequalities which favour the urban centres imply directly disadvantages to the greatest part of the Indian population. In this sense, rural development policies are needed to tackle such a situation. As will be

With the support of the Erasmus+ Programme of the European Union

developed next, the Indian job guarantee scheme can be understood as one of these policies.

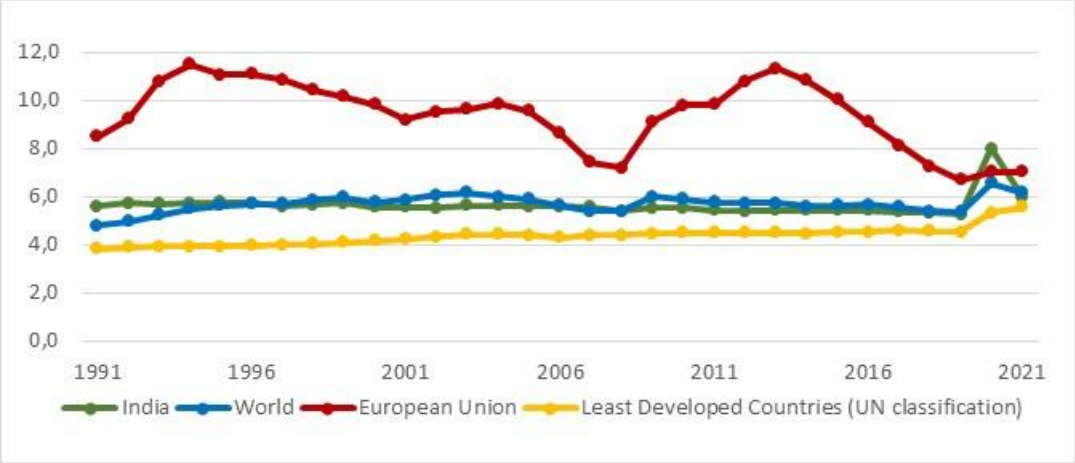
Given its inequalities and poverty rates, India has not yet reached a stage of "participatory growth" as claimed by Dreze & Sen (2002, p. 287). The authors argue for an integrated view of output expansion for India and social opportunities by the enhancement of basic education, health care, social security, and land reforms, among others, that prevent socioeconomic development in the nation. One of the key factors to transform growth into democratic and inclusive development is decent labour market participation.

4.2. The Indian Labour Market and Development Issues

The Indian economy faces a huge – and historic – challenge of translating economic growth into decent employment creation. A report from ILO (2017, p. 1) notes that the Indian informal sector continues to employ the majority of the labour force. Yet, informality is sustained as a trend since most of the new job positions lack access to employment benefits or social security.

When it comes to the unemployment level in the country, it does not perform at concerning levels, as shown in Figure 4. The unemployment level in India is characterised by overall stability over the years, being around 6% alongside the world average rate.

Figure 4. Unemployment (% of the total labour force).



Source: World Development Indicators. ILOSTAT database. Own elaboration.

With the support of the Erasmus+ Programme of the European Union

Lower unemployment rates are (or can be) a structural feature of some developing countries. In Figure 4, when comparing the least developed countries group and the European Union (here representing a set of primarily developed countries), one can perceive lower and stable unemployment rates in the former case while higher and oscillating rates in the latter.

Therefore, in the developing world context, unemployment rates can be deceiving and "poor measures of labour market distress" (Fields, 2011, p. 17) since their low rates may coexist with extremely precarious labour market conditions. That is so because under lower income, lower savings (when compared to developed countries) and less resilient or even inexistent welfare states and social safety nets, there is an important poverty-induced in the labour market. In other words, the workers cannot afford to not work and be unemployed without a source of revenue. Rather, they will find other possibilities to survive in market economies in the informal economy.

Joan Robinson coined the concept of *disguised unemployment* to characterise the adoption of inferior and less productive occupations in the labour market as a consequence of the non-availability of good jobs for all at their skills and potential working level (Robinson, 1936, p. 226). The Indian case can be read in those terms as well: as a country with low unemployment rates but high disguised unemployment on the basis of its huge informal sector. According to Robinson (1936, p. 225), unemployment would be a disease of industrial economies where due to the lack of investments and a sustained level of aggregate demand the dismissed workers would take up activities with reduced productivity. In the developing countries' reality, instead, workers are occupied (low unemployment rates) to some extent regardless of the business cycle and the level of demand. Many of those workers generally do not even reach the more productive occupations during investment peaks or boom moments due to less diversified, less strong and less comprehensive economic structures to secure productive employment for the majority of the labour force.

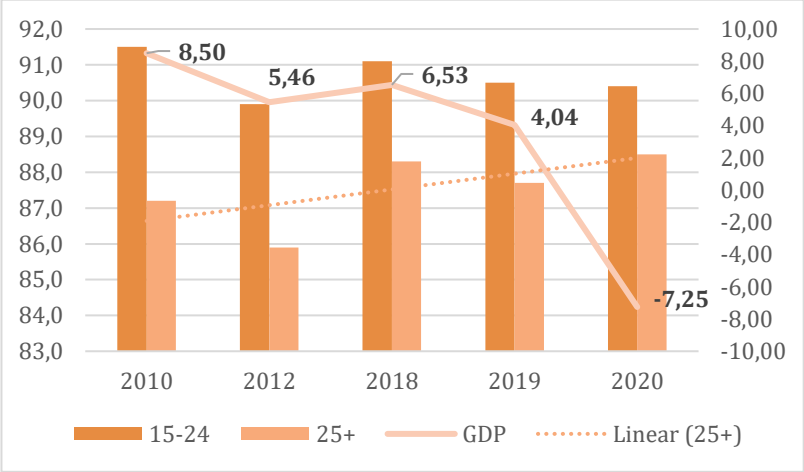
This dynamic is reflected by the weight of the informal sector in the Indian economy combined with GDP growth in Figure 5. The graph shows that even during a period of mostly high output growth[4], in the last decade informal employment has been

[4] Of course, excluding the case of 2020 when the GDP plummets because of the pandemic shock.

With the support of the Erasmus+ Programme of the European Union

superior to 85% of total employment – under no contraction trend – in all the years considered for workers older than 25. Additionally, for young workers (15-24) the informality rates are even higher, surpassing the 90% in all but one of the years assessed, meaning that the young people's insertion in the Indian labour market is made overwhelmingly via informal work. In the country, a considerable part of the youth has reduced education and training possibilities and the skills mismatch is considerable between labour supply and demand, undermining the possibility of higher employability levels in the formal sector. With low human capital formation, the higher levels of labour market participation are frequently linked to low levels of labour productivity (Mitra, 2020, 33).

Figure 5. Informal employment rate in India by age (% of total employment) combined with GDP growth (annual %).



Source: World Development Indicators and ILOSTAT database. Own elaboration.

Considering such an informality background, another structural feature of the developing countries' labour market is the *segmentation*: the fact that different segments are operating in qualitatively different forms. In these countries, labour markets are not homogeneous marked by a dominant formal sector operation but heterogeneous, or *dualistic* if one decides to categorize heterogeneity into two major groups in opposition, e.g., formal and informal activities, industry and agriculture, urban and rural, modern and traditional, capitalist and subsistence, wage employment and self-employment, covered and non-covered, high-income and low income, and good jobs and bad jobs (Fields, 2011,

With the support of the Erasmus+ Programme of the European Union

p. 18). Therefore, when it comes to developing countries although labour force participation and unemployment rates are extremely important indicators of development, the latter being even included in the United Nations Sustainable Development Goals (SDGs) metrics, they should not be regarded in isolation. A comprehensive analysis should go beyond that to take into account other crucial dilemmas.

Currently, the Indian labour market faces a democratic bonus, i.e., the situation in which the working-age population is superior to the non-working age group. This can be considered a socioeconomic threat or an opportunity is managed in the right way. According to ILO (2018, p. 5), India has the largest youth population in the world. To guarantee not only enough but decent employment creation for all these people can be challenging considering the general features of the nation's economy. Nevertheless, the lower dependency burden is an opportunity to reduce health and pension expenditures for elderly ones liberating resources for education, more productive investments, industrial and labour market policies (Kundu & Mohanan, 2009, p. 16). All these policies should be integrating a broad development project, attentive to the labour market's behaviour.

Labour market policies have a crucial place among Indian socioeconomic policies. There is a state tradition to intervene in labour markets in that sense. Therefore, the next subchapter introduces and debates the employment policy considered as the Indian JG.

4.3. The MGNREGA

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA hereafter) can be considered an embryonic JG programme. In broad terms, the mandate of the programme is "to provide at least 100 days of guaranteed wage employment in a financial year to every rural household whose adult members volunteer to do unskilled manual work" (NREGA, 2014, p. 1). This employment guarantee was approved by the Indian Parliament in August 2005 under the name of the National Rural Employment Guarantee Act (NREGA). Only in October 2009, an amendment was made to replace the NREGA denomination with its current version as MGNREGA, paying tribute to Mahatma Gandhi by adding his name to the programme's official nomenclature (NREGA, 2014, p. 2). Before introducing the MGNREGA in further detail, it is worth mentioning the context that led to its creation. This task involves briefly pointing out the antecedents of the programme and the historic presence of employment policies in India.

With the support of the Erasmus+ Programme of the European Union

4.3.1 Antecedents of the Programme

Public works have a long history in India. Those are well-known strategies used by governments to provide income and employment opportunities in harsh times of economic crisis, recessions and natural events that prevent people from working. For instance, the case of droughts are very common events in India and entail serious socioeconomic repercussions. Since colonial India, the British administration used the work requirement as a means to identify the poor in need of public aid to alleviate poverty and famine (Besley & Coate, 1992, p. 249). In this way, the ones who needed supplementary income from the state would take part in the programme of public works. Big and important constructions in India are part of the outcomes produced by employment guarantee policies. For example, the Bara Imambara building in Lucknow during the 18th century and the Umaid Bhavan palace in Jodhpur, constructed in the early 20th century, among other similar initiatives under British rule (Narayanan et al., 2022, p. 2).

After India's independence, many employment guarantee programmes were put in place[5] revealing a path dependency trajectory, i.e., these schemes, as labour market institutions, started – and continued – making part of not only the common policies used by the Indian governments but also enjoyed and demanded by Indian workers. At the state level, the most relevant programme was the Maharashtra Employment Guarantee Scheme (MEGS). It was a major initiative of the government in the state of Maharashtra that started to operate in 1979. Its importance relies on the pioneering recognition of work as a right and the provisioning of gainful and productive employment for those in need. The programme was established in specific areas by the incumbent government back then, notably in the rural zones (Shah & Mehta, 2008, p. 6). The scheme's creation was a result of an acute drought in the 1970s that fostered popular participation in policy-making. To fight drought and rural poverty, concerned citizens, activist groups and opposition parties

[5] Among them are the Rural Works Programme (RWP) in 1961; the Cash Scheme for Rural Employment (CSRE) in 1973; the Food for Work Programme (FFWP) in 1977; the National Rural Employment Programme (NREP) in 1980; the Rural Landless Employment Guarantee Programme (RLEGP) in 1983; the Jawahar Rozgar Yojana and the Nehru Rozgar Yojna (NRY)(JRY) in 1989; the Employment Assurance Scheme (EAS) in 1993; the Swaran Jayanto Shahari Rojgar Yojna (SJSRY) in 1997; the Jawahar Gram Samridhi Yojana (JGSY) in 1999; the Sampurna Grameen Rojgar Yojana (SGRY) in 2001; the National Rural Employment Guarantee Act (NREGA) in 2005. For further description and details of each programme see Abukhadrah (2017, p. 53).

With the support of the Erasmus+ Programme of the European Union

were mobilised to demand an employment generation programme (Shah & Mehta, 2008, p. 5).

According to Narayanan et al. (2022, p. 2), after a positive operating record, the MEGS served as a template for the design of a federal job guarantee programme. Consequently, the MEGS is viewed as a precursor to the MGNREGA which in turn became the national-level strategy for employment-induced poverty reduction. Prior to MGNREGA, several initiatives were kicked off by the Government of India aiming at providing productive employment to unemployed and underemployed rural workers. However, their scale was limited and the impact on unemployment and poverty was marginal (Desai et al., 2015, p. 9). In this sense, MGNREGA is created to be a more comprehensive programme. Furthermore, the reduction of workforce participation rates identified in the preceding decade of NREGA (1993-2004) was a decisive factor behind the urgency of instituting the MGNREGA. Despite the economic growth in the period, it can be described as a jobless growth when considering the deficient reaction of employment indicators vis-a-vis the higher level of economic activity. Given this scenario, policymakers resorted once more to employment generation programmes creating the NREGA and resuming the importance of such programmes in the political agendas (Kundu & Mohanan, 2009, p. 18).

4.3.2. The MGNREGA and its main characteristics

The NREGA was implemented as part of the Five-Year Eleventh Plan executed by the Indian government. This Plan contained the core goal of performing faster and more inclusive growth, thus it was crucial to combine accelerated growth with poverty relief. Despite the dynamic economic growth in India, historically, not all sectors of society can capture the benefits of the rising national income (Shah & Mehta, 2008, p. 4). Furthermore, even under generally low unemployment rates in the country, when disaggregating this indicator, the rates vary and, in fact, some social groups suffer disproportionately with considerably high unemployment, e.g., illiterates and people with low education levels (Kundu & Mohanan, 2009, p. 22). This is the case for many agricultural labourers who are often landless or near-landless and chronically poor. Poverty arrives due to their dependence on wages to guarantee income in the absence of full and appropriate access to labour markets (Shah & Mehta, 2008, p. 4; Kundu & Mohanan, 2009, p.22).

With the support of the Erasmus+ Programme of the European Union

Considering that, NREGA is created and designed to meet particular needs of the Indian context, reaching out to the poorest ones who struggle the most to secure employment: workers located in rural areas. Moreover, agricultural workers within the rural workers' group face twofold difficulties. On the one hand, economic ones, with low productivity and fluctuating growth of Indian agriculture. On the other hand, nature-related ones, considering their heavy dependence on weather conditions and underlying vulnerability to exogenous shocks that often affect the income from the crops (Desai et al., 2015, p. 54-55). Therefore, as advocated by Keynes, to attain full employment a regional approach may be required, privileging public works for special areas defined by policymakers and/or particularly distressed areas (Tcherneva, 2012, p. 71). As follows, MGNREGA is a focalized job guarantee programme. It targets the rural zone, allowing the participation of rural households for up to 100 days within one financial year. It had a phased implementation in the Indian rural areas: first, in 2006, the 200 most backward districts started being covered; second, in 2007, 130 more districts were included; and, finally, in 2008, all the remaining rural districts were incorporated (NREGA, 2014, p. 2).

In line with Desai et al. (2015, p. 10), the employment offer is all based on unskilled manual work so as to incorporate the rural labour force profile who typically search for employment guarantee schemes. The programme is household-based meaning that the access to the total days of work is calculated per household. This offers flexibility to share the work among the household members older than 18 years. Accordingly, it is a demand-driven and self-selecting programme, i.e., all the working-age rural citizens that are ready, able, and willing to work can demand a job in the programme.

The Act operates with short- and long-term goals. The former stands for immediate well-being and livelihood security improvement through wage employment opportunities. The latter aims at promoting long-term gains with the creation of quality and durable productive assets to contribute to rural areas' needs, also rejuvenating the natural resource base in these sites (NREGA, 2014, p. 1). These assets include the strengthening of the national resource base via "water conservation, drought proofing, renovating water bodies, rural connectivity and so forth" (Desai et al., 2015, p. 10) and are a vehicle for the promotion of sustainable development. MGNREGA strives for ensuring social inclusion (and protection) for the most socially disadvantaged people in rural India such as women, Scheduled Castes and Scheduled Tribes.

With the support of the Erasmus+ Programme of the European Union

In its different governance levels, the programme is reviewed and monitored to ensure the quality of implementation, and subjected to social audits to secure transparency and accountability. In this way, there is always feedback flowing from the fields to the implementation bodies which is helpful for the program management. Both the State and the Central Employment Guarantee Council coupled with the district programme officer monitor work progress, quality and payment. Moreover, the Ministry of Rural Development collects overall information to make it publicly available (Desai et al., 2015, p. 12-13).

The programme prescribes some operational details. Concerning financial aspects, the programme should be mostly federally funded, i.e., at least 75% of expenses to be covered by the federal level, and the remainder keeps in charge of the states. At least 50% of MGNREGA's activities must be implemented by the Gram Panchayat, the lowest-level governance structure of the programme, and 60% of the expenditure with the employment guarantee destined for wages. Moreover, workers participating in the projects must be placed in job vacancies not further than 5km from their homes. In case it is not possible, the workers travelling farther should receive 10% more in wages to pay for transportation costs. In the case of a non-sufficient number of workers to develop a project requesting jobs to a Gram Panchayat, the programme officer at the block level must guarantee that these workers can find other options to participate in the programme in the nearby areas (Desai et al., 2015, p. 11-12).

NREGA (2014, p. 4) and Desai et al. (2015, p. 11) argue that the MNREGA represents a paradigm shift in four axes. First, it has a *rights-based approach*, guaranteeing a minimum level of employment as a legal right to the rural population. Second, the programme fosters a *bottom-up approach* [6] with the planning and implementation coming from the bottom of society and lower hierarchy governmental bodies. The citizens interested in participating in the programme can make a registration in public meetings of the village community, the Gram Sabha. Next, this information is

[6] The bottom-up approach of the programme is connected to previous institutional movements toward more democratic and participatory governance systems in India. In 1992, an amendment was passed re-establishing local governments (Gram Panchayats) power which led to the creation of Panchayati Raj Institutions (PRI) counting with the district-, block- and village-level Panchayats. MGNREGA in turn builds on the PRIs institutional setting to guarantee that the demand for work in the lower governance levels can be directed to and provisioned by higher governance levels.

With the support of the Erasmus+ Programme of the European Union

gathered by the Gram Panchayat that is responsible for preparing a list of local projects to present to the intermediate Panchayat asking for project sanctioning. Therefore, the projects are approved by the local government directly in accordance with the popular demands of the villages, fostering democratic participation and the strengthening/empowerment of local institutions. Third, there is an important *sustainability* concern within the programme which seeks sustainable farm productivity while developing land and harnessing rainwater by applying integrated national resource management (INRM) approach. Forth, MGNREGA strives for *institutional complementarity* by planning a direct collaboration with other departments and ministries, optimizing the utilization of human and financial resources.

4.4. Impact assessment of MGNREGA

The MGNREGA can be considered one of the largest and most ambitious employment generation programmes in the world. Since its establishment in 2006, the programme has provided 30,4 billion days of work welcoming more than 50 million Indian households (Narayanan et al., 2022, p. 2). Putting the programme in a recent annual perspective, in 2018 the Act would have employed approximately 76 million people and required more than Rs. 60,000 Crores[7] of the state's development budget (Afridi et al., 2022, p. 5).

As highlighted by the work of Murray & Forstater (2013, p. 4), in all the real-world JG experiences, both in developed and developing countries, the programmes lack several founding characteristics of the 'ideal' theoretical JG formulation, i.e., eligibility restrictions, the level of wages, duration of work provision, etc. Nevertheless, studying concrete JG experiences allows the drawing of important lessons from the identification of opportunities and challenges present in these programmes. In this regard, this subchapter assesses the impacts of the MGNREGA programme with two main goals. First, to critically analyse the outcomes of India's JG making use of the data research and collection. Second, to contrast the theoretical analysis built in Chapter 3, on the theoretical potential impacts of the JG, with the impacts experienced in practice under the Indian JG since its creation. Here, the 'theoretical JG' refers to the JG propositions of Pavlina

[7] One crore equals 10 million.

With the support of the Erasmus+ Programme of the European Union

Tcherneva and Randall Wray, US scholars largely influenced by the Miskyan and Keynesian thought on the employment role in the economies.

In the theoretical chapter, the framework elaborated included two subdivisions: the first, focused on macroeconomics, and the second, on other socioeconomic expected outcomes which included unemployment, underemployment and informality, poverty, inequalities, well-being, productivity, institutional strengthening and environmental areas. Here, to analyse the MGNREGA, it is essential to restate the main goals of the JG specified by the Act: "Ensuring livelihood security for the most vulnerable people living in rural areas by providing employment opportunities for unskilled manual work. Empowering marginalised communities, especially women, scheduled castes and tribes, through rights-based legislation" (Desai et al., 2015, p. 33). Therefore, the research strategy to be pursued in the remainder of this subchapter is to focus precisely on the theoretical outcomes that mostly connect to what was targeted in MGNREGA's implementation. Those are the areas of: wages (= livelihood security), representing the macroeconomics part of the discussion; unemployment (= employment opportunities), poverty (= most vulnerable people), inequalities (= marginalised communities) and well-being (= livelihood security) which all are part of the socioeconomic criteria.

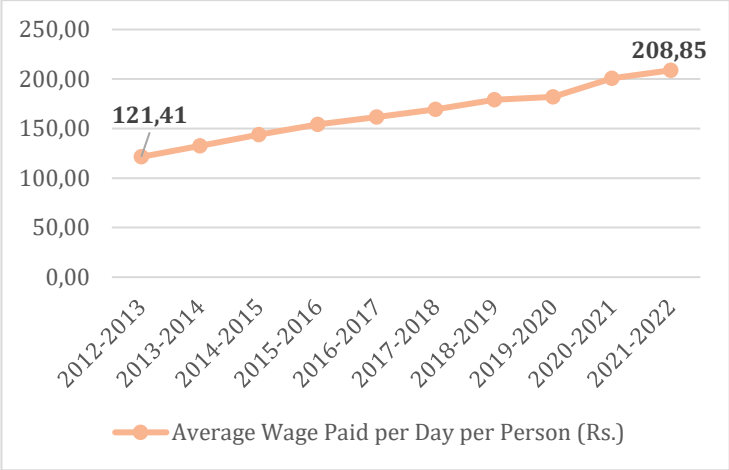
4.4.1. Macroeconomic impacts: Wages

The wages paid in the last decade within the MGNREGA are delineated in Figure 6. In the financial year[8] (FY) of 2012-2013, the average daily wage was 121,41 Rupees or 1,55 US Dollars. It rose 72% reaching the level of 208,85 Rupees or 2,67 US Dollars by the end of the FY 2021-22 and surpassing the 1.90 dollars a day extreme poverty threshold defined by World Bank's international poverty line.

[8] The government's financial year in India is established from the 1st of April to the 31st of March of the following year.

With the support of the Erasmus+ Programme of the European Union

Figure 6. Average Wage Paid per Day per Person (Rs.) in MGNREGA.



Source: Indian Ministry of Rural Development, MGNREGA Dashboard. Own elaboration.

The work of Desai et al. (2015, p. 89) has compared the agricultural wages just before the MGNREGA implementation (FY 2004-05) and a few years after it (2011-12)[9]. Their research revealed that overall agricultural wages were already in an upward trend being just a small part of such expansion explained by the impact of the MGNREGA. Therefore, the programme would not have been decisive to set a new wage floor in the rural economy lifting wages structurally to a new stage. Even so, the institution of MGNREGA has the power of changing the 'psychology of reservation wages', i.e., the lowest wage workers would accept a job, but only if there is sufficient work available in the village. In other words, the increase in the workers' bargaining power who would be able to decline job offers under lower wages with respect to the JG is only materialized if workers have the perception and the confidence that in their localities there is enough job supply provision by the Indian JG. States with higher levels of MGNREGA implementation by 2011-12 recorded higher wages than low implementation states (Desai et al., 2015, p. 88). Thus, the effects on the bargaining power depend on the local context of the programme's implementation.

Indeed, a significant interstate variation in the wages paid by the programme is perceived (Vasudevan et al. (2020, p. 801). There is no homogeneous national impact exerted by the wages set in the MGNREGA. Those are not linked to the national

[9] The reported research uses data from the India Human Development Surveys (IHDS).

With the support of the Erasmus+ Programme of the European Union

minimum wage and their adjustment is based on the consumer price index of agricultural labourers (Dasgupta, 2013, p. 108) which differs sensibly from the theoretical proposition of attaching the federal's JG wages to the country's minimum wage setting a wage floor for the entire labour market. In fact, the disassociation of MGNREGA's wages to the minimum wage opens space for income vulnerability of the participants and casts doubts on the programme's capacity to provide decent jobs. Within the programme, part of the workers reported earning less than sufficient to get through lean seasons, being forced to travel to bigger cities to search for work, and desiring more days of work under the programme to compensate for the lack of financial resources (Dasgupta, 2013, p. 109).

Given these difficulties faced by workers receiving such low wages within the programme, MGNREGA can be deemed as a job guarantee but not as a fully living income guarantee. This is clear when assessing the income structure of MGNREGA households. In the 2011-12 FY, agriculture was the most important income source corresponding to 24,4% of total income followed by non-agricultural labour (20,8%), agricultural labour (19,3%), salary (10,8%), MGNREGA (8%), and other minor categories (Desai et al., 2015, p. 57). Hence, the weight of only 8% of the total income source of MGNREGA households illustrates how the earnings obtained by the participants fulfil the role of financial aid, but a marginal one, which complements overall income without guaranteeing subsistence through the JG. In this sense, the Indian JG departures from the JG theoretical proposition of fully providing decent living wages for workers. In any case, the 8% of income contribution is still crucial for the poor, to sustain an income in lean periods and to attenuate the effects of seasonality on the aggregate demand throughout the year contributing to greater economic stability as expected of a JG functioning.

4.4.2. Tackling Unemployment

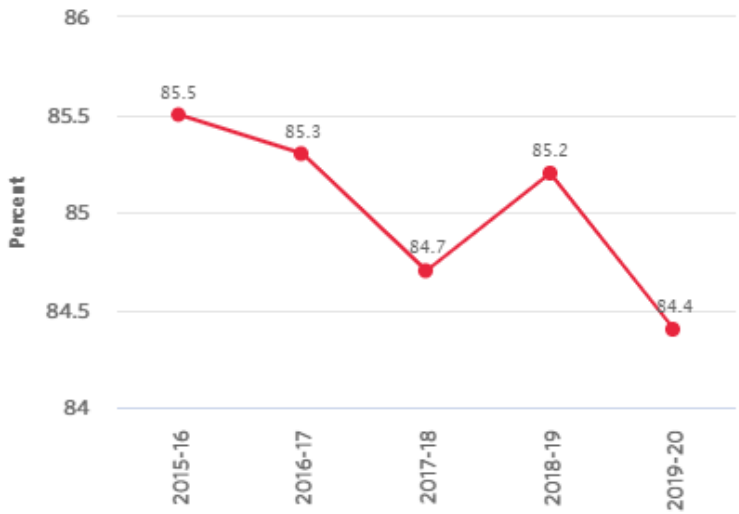
Can MGNREGA guarantee employment? How effectively? Figure 7 kicks off this discussion by showing the capability of the Indian JG in meeting the workers' demand for jobs within the programme. The indicator referred to below "persons provided employment as a percentage of persons who demanded employment under MGNREGA" is part of the Sustainable Development Goals (SDGs) in India, associated with the major goal to "End poverty in all its forms everywhere" and under the target "Implement nationally appropriate social protection systems and measures for all,

With the support of the Erasmus+ Programme of the European Union

including floors, and by 2030 achieve substantial coverage of the poor and the vulnerable" [10] . Accordingly, the discussion of MGNREGA's performance on unemployment is directly associated with socioeconomic development and poverty relief in the country.

As shown in Figure 7, during the second half of the 2010s, the percentage of people who searched for a job in the Indian JG and did not find one never exceed 16%. This is a relatively low percentage. Nonetheless, it proves that even one decade after the beginning of its implementation, MGNREGA has not reached 100% of performance regarding the eradication of rural unemployment, i.e., the provision of employment opportunities for every citizen ready, able and willing to work – as envisioned by the theory.

Figure 7. People provided employment as a percentage of people who demanded employment under MGNREGA[11].



Source: Department of Rural Development, Ministry of Rural Development.

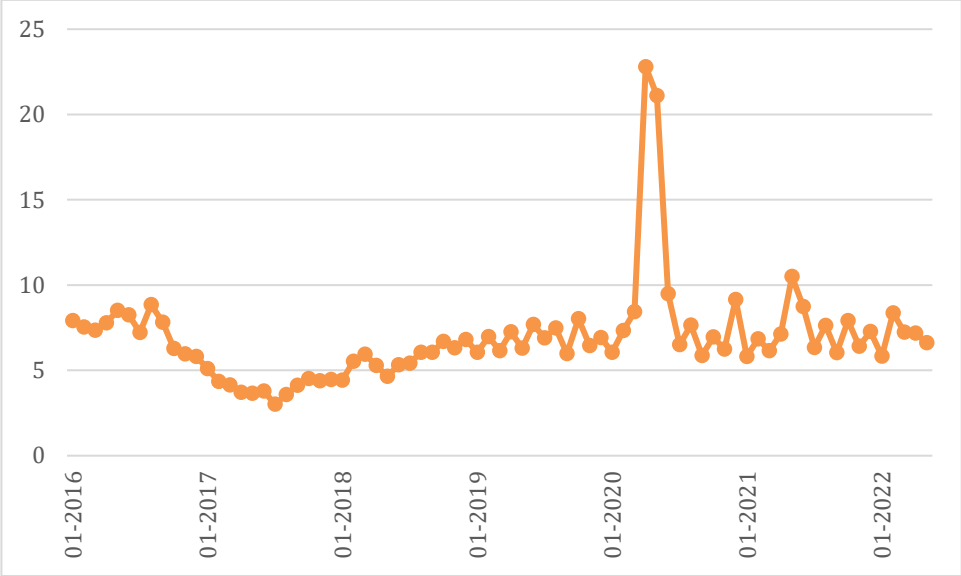
Figure 8 adds to the last statement by showing the estimated unemployment rates in rural India for basically the same period covered by Figure 7. From 2016 to 2022 the rural unemployment rates persisted for almost the whole series in the range of 5-10%,

[10] SGDs information in India is found on the Ministry of Statistics and Programme Implementation website. Available at: http://www.sdgindia2030.mospi.gov.in/dashboard/overview.
[11] The chosen period was determined by the data availability.

With the support of the Erasmus+ Programme of the European Union

except for 2017 and 2020/21 due to the pandemic recession. Without a clear downward trend, this series underlines the argument that the rural unemployment problem has not been tackled by the strategy of assuring 100 days of work under the Indian employment guarantee scheme. These results suggest first, the insufficiency of MGNREGA as it was designed ahead of the rural unemployment challenges in India, and second, problems in scaling up the programme to achieve more relevance in the employment guarantee working as a true rural labour market safety net.

Figure 8. Estimated Unemployment Rate in Rural India (Monthly, %)[12].



Source: Center for Monitoring Indian Economy (CMIE). Own elaboration.

The performance issue stands for the implementation quality of the programme assessing the size of the unmet demand. This is found in the literature under the idea of rationing. Rationing can grow due to negligence towards the programme's management, resource constraints, and limits/struggles in implementation capacity (Narayanan et al., 2022, 3).

The rationing process occurs in all the different phases of MGNREGA's implementation. For instance, in the 2011-12 FY, among all the rural households 42% applied for a card in the programme. Considering those applicants 44% got a card, of

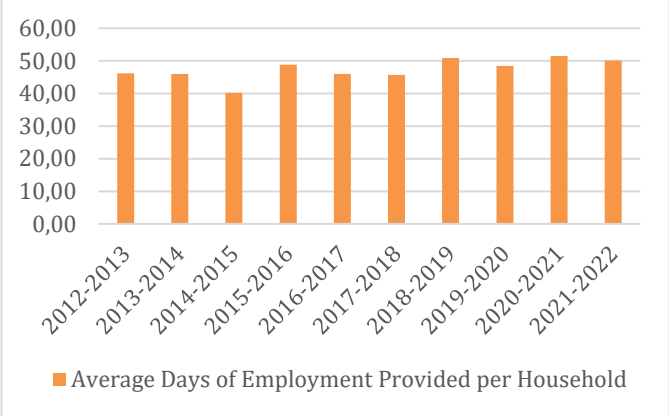
[12] The chosen period was determined by the data availability.

With the support of the Erasmus+ Programme of the European Union

whom 24% worked and finally, among the ones who worked only 4% worked 100 days (Desai et al., 2015, p. 156). Putting it in a general rural economy perspective, the losses of potential workers in each mentioned step led to only 10% of rural women and 13% of rural men working in MNGREGA in the period (Desai et al., 2015, p. 80). The impact of the Act on the overall economy is very small in the view of the population affected. That is so due to low demand and/or low supply of labour. A dynamic economy, functioning well, should mostly generate employment outside of the JG, in better-paid opportunities in the private or public sector. So, on the one hand, the low level of rural workers participating in the programme should not be viewed as an unsatisfactory performance of the programme. On the other hand, the data shows that more people would be interested to participate in the programme, and considering the profound poverty issues in the country, it is regrettable that rationing prevents them to do so.

In spite of MGNREGRA's demand-driven nature, having open and universal access to all the rural workers, the 100 days of labour supplied by the Act are usually not completed by the households due to all forms of rationing. Figure 8 presents how during the last decade the programme has merely ensured an average of employment days between 40 and 50 days of work.

Figure 8. Average Days of Employment within MGNREGA.



Source: Indian Ministry of Rural Development, MGNREGA Dashboard. Own elaboration.

Nevertheless, the rationing context does not prevent the programme from, to some extent, reaching the poor and contributing to better labour market relations. The research of Desai et al. (2015, p. 38) shows that in the 2011-12 FY 31% of the poor

With the support of the Erasmus+ Programme of the European Union

participated in MGNREGA. On top of that, the programme contributed to reducing disguised unemployment and poor job positions by replacing those with JG work. In any case, it is concerning that 69% of the poor were not accessing a public policy designed to be a poverty relief. Furthermore, historically, the poorest states had the less effective covertures, i.e., the highest rationing levels (Narayanan et al., 2022, 3). In states of poor performance of the programme, only 11% of the poor households participated in MGNREGA in the 2011-12 FY, whereas 60% was the number in high-performance states (Desai et al., 2015, p. 2).

As seen before in the wages subchapter, the local context influences a lot, and the experiences concerning the level of employment provision are diverse over the Indian territory. The different political economies are an important explicative variable in this diversity: the Gram Panchayat makes a direct influence on rationing by the favouritism of workers' or farmers' needs and on the degree of passivity and the state-level priorities, whilst farmers can pressure against the MGNREGA implementation due to the conflict of interests of employers and employees. Moreover, the Gram Panchayats may lack the management skills to run the projects adequately (Desai et al., 2015, p. 162). Therefore, despite the powerful and extremely relevant democratic component of structuring the national JG counting on local level-based governance bodies, not always the power decentralisation will necessarily guarantee better decision-making and management of the programme. This is also associated with the village's democratic structures.

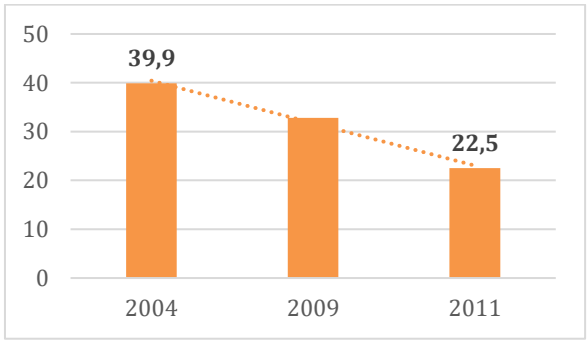
As recommended by JG's theoretical proposition, the Indian JG is locally administered, but in practice, this recommendation faces a lot more political economy challenges (on top of the ones to be faced to implement such a policy nationally). In this sense, the Indian experience can indicate possible policy lessons to secure a more effective unemployment reduction via JG. First, the creation of stronger obligations and/or incentives to make sure that the local bodies implement the programme as thought and designed to work at the federal level. Second, particularly in the developing context, having enough resources locally is decisive to expanding the programme and the projects absorbing more workers. More investment in local infrastructure is paramount to allow the JG to thrive in the localities with poor performance, otherwise, no meaningful results will be achieved.

With the support of the Erasmus+ Programme of the European Union

4.4.3. Fighting Poverty

Poverty in India has diminished over the 2000s. Figure 9 illustrates this reduction trend using the poverty line measure established by the World Bank at the consumption level of $1.90 a day. From 2004 to 2011, poverty in the country almost halved its percentage.

Figure 9. Poverty headcount ratio at $1.90 a day (2011 PPP) in India (% of the population).

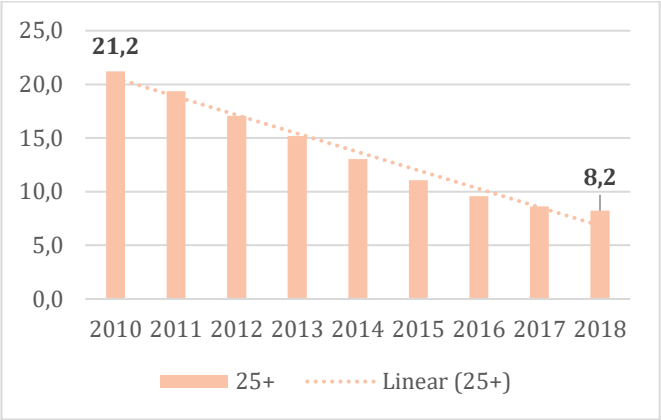


Source: World Bank data. Own elaboration.

Figure 10 brings the working poor statistics to complement the 2000s backdrop of poverty in India. This indicator is indicated by the ILO database as also part of the United Nations SDGs discussion. Developmental concerns are associated with the percentage of employed people who even working remain poor. It means that labour market income is not sufficient to avoid poverty, thus revealing a degree of labour market inefficiency. From 2010 to 2018, once again significant poverty mitigation was perceived, now among the working poor. In this case, the percentage of working poor more than halved, indicating the enhancement of labour market conditions.

With the support of the Erasmus+ Programme of the European Union

Figure 10. Working poverty rate in India for workers over the age of 25 (% of employed living below US$1.90 PPP).



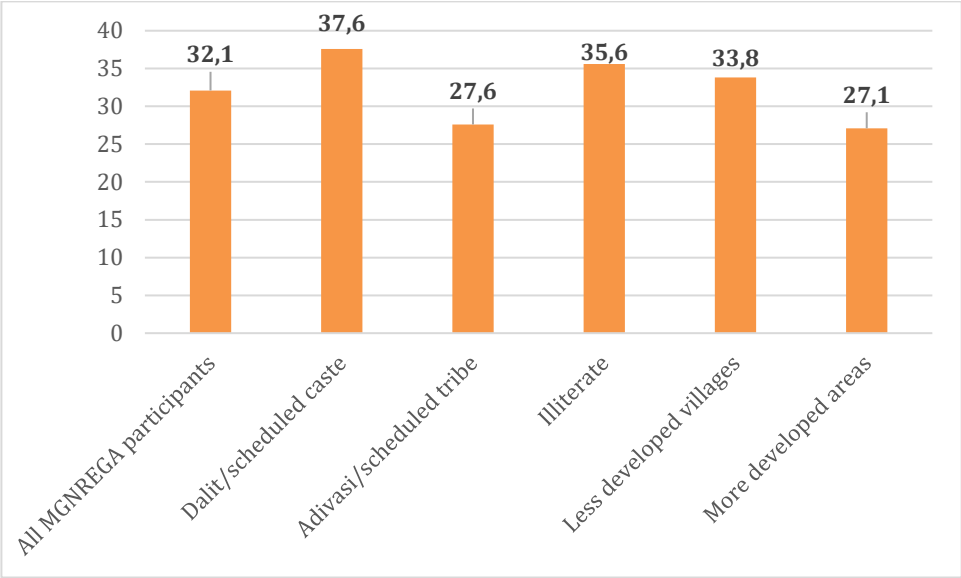
Source: ILOSTAT. Own elaboration.

MGNREGA contributed to those advances by significantly contributing to the reduction of rural poverty among its participants. Data collected from the India Human Development Survey (IHDS) shows that in the first round of the Survey, in 2004-05, the level of poverty perceived among those who would become MGNREGA participants was 52,2% and it was reduced by 20,9%, reaching a 31,3% in 2011-12. Out of the 20,9% in poverty reduction, 32,1% can be explained by the effects of MGNREGA's implementation on poverty relief (Desai et al., 2015, p. 60). Around 14 million people would have been considered poor at the end of the period analysed if the Act was not guaranteeing employment and labour income over this time: 13,4% would have rested in poverty and 7,1% would have become poor (Desai et al., 2015, p. 59).

The contribution of MGNREGA to poverty reduction seems to be greater in the case of marginalized groups and less developed villages, as shown in Figure 11. The most acute is the level of poverty, the more programmes such as a JG will affect their socioeconomic indicators since they depart from a worse-off situation. In this sense, the chart shows the SC as the most benefited group from the programme in terms of poverty alleviation.

With the support of the Erasmus+ Programme of the European Union

Figure 11. Contribution of MGNREGA to poverty reduction (%) from 2004–05 to 2011–12.



Source: Based on Desai et al. (2015) calculations from IHDS. Own elaboration.

As mentioned in the previous subchapters, often the low-participating areas are the ones where most of the people would need the JG effectively working. In the case of poverty, the same situation is replicated. The low-participating areas show the greatest impact of MGNREGA exactly because they face greater socioeconomic distress. In 2011-12, the poverty reduction effect was 27% in high-participating areas against 72% in low-participating areas (Desai et al., 2015, p. 61). However, since MGNREGA has flawed performance in guaranteeing employment, the equivalent happens when it comes to poverty. After checking the power of the programme of truly lifting the poor to a better state, reducing rationing within MGNREGA is a crucial part of the pathway toward poverty reduction in rural India. Hence, rural poverty eradication cannot be deemed achieved under MGNREGA but the programme has created a very important institutional apparatus to collaborate in this direction.

Nonetheless, in the recent years before the pandemic, the Indian government has seemed inclined to shrink instead to broaden and/or strengthen the capacity of the JG. In fact, the Minister of Union Rural Development had even declared his preference for the programme's discontinuation arguing that it was a measure created for the poor and the government was working to eradicate poverty (Narayanan et al., 2022, p. 3). Whether the

With the support of the Erasmus+ Programme of the European Union

best policies to fight poverty are in a debate or not currently in India, one thing is certain: this statement illustrates the understanding of MGNREGA from the policymakers' side and the Act is viewed as a poverty relief scheme. In this regard, a workfare programme.

The workfare tradition in Indian social policy dates back to colonial India with the British administrators' rule reliance on public works to relieve famines (Besley & Coate, 1992, 249). Consequently, the MGNREGA and the Indian background with employment policies seem to be more linked with the preference for workfare over welfare. This may be associated with some possible analyses of the socioeconomic context. First, the acknowledgement of adverse labour market conditions and structural problems to generate enough jobs, resulting in poverty, and creating the need to improve labour market absorption via public works since poverty is generated by scarce labour market access. Second, is the understanding that the poor should not just receive state aid without working for it. Third, is the concern about generating the right incentives for recipients of the benefits. That is so because welfare programmes would require identifying the poor in need of support which can be a costly process whereas the workfare can be universal because in practice only the ones *de facto* needing the assistance will participate. Fourth, the fear of creating dependence on the welfare leads to the implementation of less attractive poor relief mechanisms, i.e., workfare. This is translated into the prioritisation choice of poverty alleviation instead of welfare maximisation (Besley & Coate, 1992, 250).

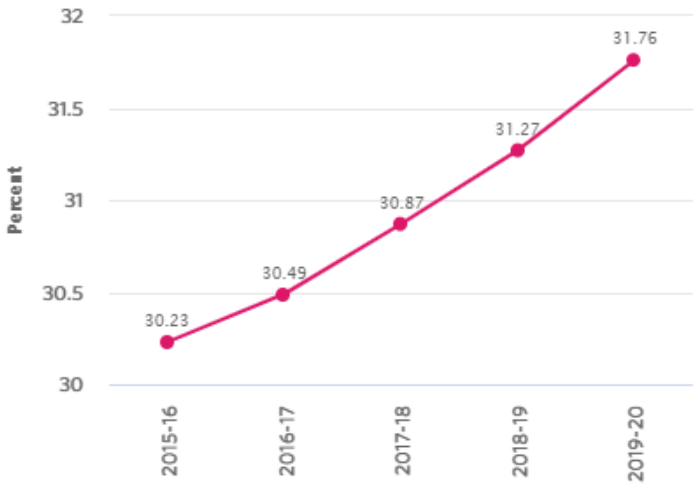
Such rationale diverges markedly from the *raison d'être* of the theoretical JG exposed in this research. In the theoretical perceptive the JG appears, first and foremost, as a socioeconomic mechanism to eradicate involuntary unemployment and as the unique alternative to ultimately achieve this goal. The JG proposition is to function as a safety net for all the citizens, poor and non-poor, that cannot find employment outside of the JG and resort to JG participation. Therefore, in theory, poverty reduction is a by-product of involuntary unemployment elimination through guaranteed employment at the minimum wage remuneration and is not the core goal of the programme as it is in MGNREGA. Moreover, the theoretical JG is thought to be perennial while the MGNREGA has had its long-term duration reviewed by the government. Thus, this poverty discussion shed light on the fact that in essence the 'ideal JG' and the Indian JG are not based on the same premisses.

With the support of the Erasmus+ Programme of the European Union

4.4.4. Effects on Inequalities

In the overall Indian scenario, inequality performance has not been very encouraging. This discussion is introduced in Figure 12 which displays the increase in the labour share of GDP during the second half of the 2010s, registering a minimal increase of roughly 1.5 percentage points in labour participation in the national output (and income). The labour share of GDP indicator is part of the SDGs framework in India, associated with the global goal number 10 ("Reduce inequality within and among countries")[13]. Its relevance for inequalities analysis lies in gauging the distribution of compensations between labour and capital. In the case of India, the labour share for the period virtually stagnated.

Figure 12. Labour share of GDP (%).



Source: Department of Rural Development, Ministry of Rural Development.

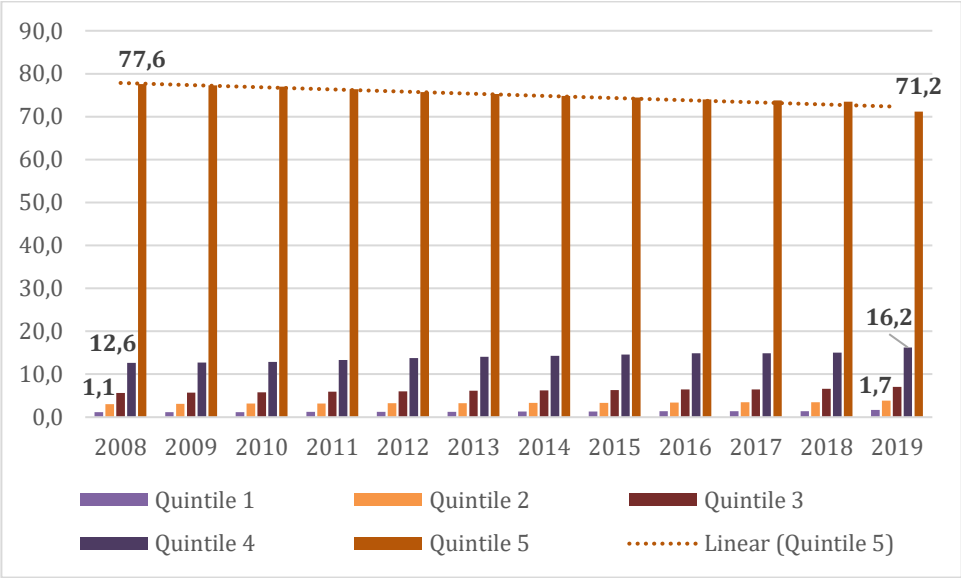
Figure 13 complements this initial investigation by adding the variable of labour income distribution in India. According to the ILOSTAT explanation of the data, labour income includes the compensation of employees and part of the income of the self-employed. The quintiles division illuminates the inequalities pattern experienced in the Indian labour market context. The enormous participation of the 5th quintile capturing more than 70% of the income during the entire period shows how fragmented and uneven is the Indian labour market. Even if the trend was towards reducing the richest quintile's

[13] Information on SGDs in India can be found on the Ministry of Statistics and Programme Implementation website. Available at: http://www.sdgindia2030.mospi.gov.in/dashboard/overview.

With the support of the Erasmus+ Programme of the European Union

participation, the reduction is still very slight and it was compensated mostly by the next richest quintile, the 4th one, while the lowest quintiles had their labour income status stalled over the years analysed. This process is documented in the literature[14] as the Indian embourgeoisement meaning the upward mobility of the ones that were placed already in privileged economic positions in parallel with the limited, or even inexistent, mobility attained by the lower classes and castes (Prates, 2013, p. 602).

Figure 13. Labour income distribution in India (%).



Source: ILOSTAT. Own elaboration.

It is relevant to bring this panorama to verify that in spite of being pro-poor and the largest public employment scheme in the world meant to fight poverty while guaranteeing labour income, the MGNREGA has no impact on the overall Indian economy. It could not affect strongly enough the poorest ones in the country to change the structure of inequalities. Since income inequalities in favour of the poorest were insignificantly changed by the programme implementation, such an outcome challenges the expected income inequalities impact predicted by the theoretical JG. In fact, the key issue is the size of the JG vis-à-vis the whole economy. If the JG is not universal and its coverture is restricted to a small part of the workers as happens under MGNREGA – i.e.,

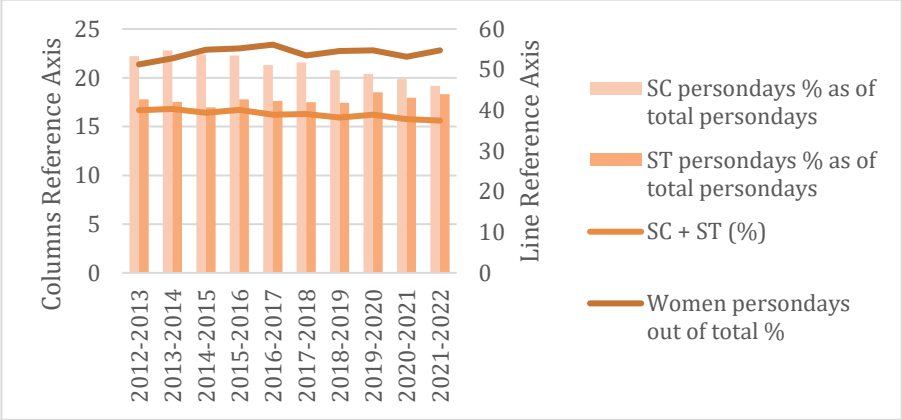
[14] See D´COSTA, A. The long march to capitalism: embourgeoisement, internationalization and industrial transformation in India. New York: Palgrave Macmillan, 2005.

With the support of the Erasmus+ Programme of the European Union

only rural zones, per household, up to 100 days – the significant income inequality impact should not be expected.

However, inequalities are multidimensional. The lack of significant achievements in the realms of income inequalities does not imply the absence of impact on caste-based inequalities and gender inequalities, for example. Figure 14 shows the participation of marginalized groups such as SC, ST and women within the Indian JG. Each SC and ST, as backward castes, have obtained important shares of participation in the programme. Together, those castes equal more than 40% of the total person/days which means MGNREGA has favoured and elevated the income of particularly these social groups. In the case of women, the programme is female-dominated, over all the period displayed they have represented more than half of person/day statistics.

Figure 14. Minorities participation within MGNREGA.



Source: Indian Ministry of Rural Development, MGNREGA Dashboard. Own elaboration.

Among the Act's main goals is the "empowerment of the socially disadvantaged, especially, women, Scheduled Castes (SCs) and Scheduled Tribes (STs), through the processes of a rights-based legislation" (NREGA, 2014, p. 2). The group of disadvantaged may include older, handicapped, and illiterate workers, among others. Therefore, in MGNREGA's own design there is special care for these social groups and in reducing their disadvantages compared to the rest.

Regarding the SC and ST cases, this represents a type of reservation policy for employment applied by the Indian government (Abukhadrah, 2017, p. 27). Also, to them, there are special registration procedures, favourability in case of limited work/ deliberated

With the support of the Erasmus+ Programme of the European Union

rationing, besides the efforts to provide enough and accessible information about their right to employment (Desai et al., 2015, p. 36). All these actions represent the endeavour to reduce social inequalities.

With respect to the push for more gender equality, one-third of the vacancies in the programme are reserved for women, especially the single and disabled ones (Desai et al., 2015, 174) to guarantee access to the female workforce in the JG projects. Additionally, the Act determines equal pay for women and men and bans discrimination on grounds of gender (NREGA, 2014, p. 43). These measures collaborate to enable rural women to participate in the labour market since they struggle with the lack of enough opportunities in their villages, and due to cultural factors, they usually do not travel and leave their localities to search for jobs elsewhere. Traditionally, India has high levels of gender inequalities but from the 2000s the increase in education, employment, and globalization has affected cultural norms and the occurrence of gender-friendly policies such as the JG tended to reduce the gender gap in the nation (Kundu & Mohanan, 2009, p. 11). The access to employment and labour income increased the financial independence of women contributing also to their empowerment, access to health, enhancing the bargaining power and decision-making participation in the households (Desai et al., 2015, 5).

Considering the social inequalities aspect, MGNREGA has met the expectations formulated by the theoretical JG. It has successfully incorporated the minorities and marginalized groups who had historically and structurally faced additional hurdles to guarantee employment. In that sense, the Indian JG has helped to change their condition bridging inequalities.

4.4.5. Enhancing well-being?

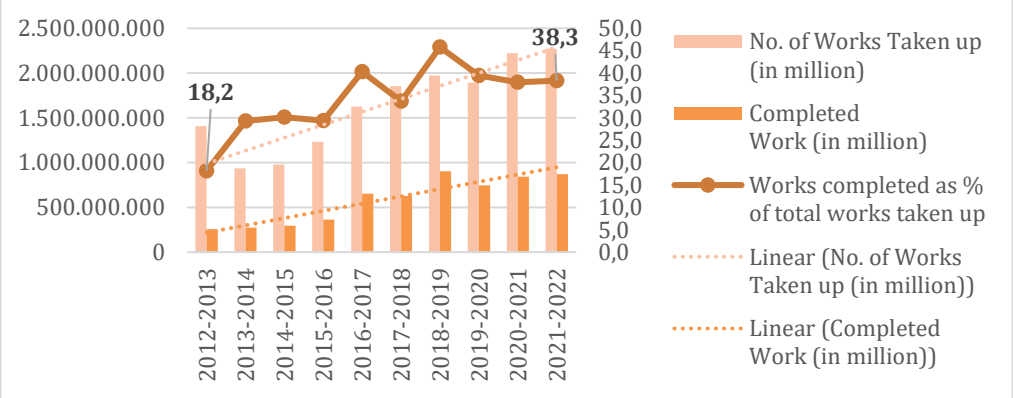
One of the forms to enhance well-being via JG implementation is the expansion of socially useful outputs. JG participants are expected to produce goods and/or services through their work collaborating with their community's needs. The JG Act in India puts at the forefront of the programme's objectives to "create a durable and productive rural asset base" (NREGA, 2014, p. 1). Contrarily to the theoretical argumentation and the Keynesian conception of a JG in which what is produced by the JG workers has a secondary role, the assets to be produced by MGNREGA work are part of the reason for its creation, having central importance under the Act.

With the support of the Erasmus+ Programme of the European Union

In a developing country context, under limited resources and huge bottlenecks in terms of rural infrastructure, the government of India has tried to conciliate the labour demand, i.e., the employment need, with the labour supply, i.e., the work to be done to ameliorate the rural living conditions. In that way, MGNREGA hosts more than 260 project types over the country. Those are classified according to four main groups: public works relating to natural resources management, individual assets for vulnerable sections, common infrastructure and rural infrastructure. Between 2007 and 2013, the projects were mainly distributed in "Rural connectivity (40%), Water conservation (17%), Land development (12%), Renovation of water bodies (11%), Flood control (8%), Micro-irrigation works (5%), Provision of irrigation facility (2%), Drought proofing (2%) and Other activities, as approved by Ministry of Rural Development, (4%)" (Vasudevan et al., 2020, p. 802).

Figure 15 presents the status of MGNREGA projects during the last decade. Overall, there is a growing trend, although not always continuous, in the number of works taken up and the completed work. By the beginning of the series, the percentage of works completed was very low (18,2%) but it has improved over the decade, reaching almost 40% of completed work within the JG projects in the 2021-22 FY.

Figure 15. MGNREGA Project's work status.



Source: Indian Ministry of Rural Development, MGNREGA Dashboard. Own elaboration.

The percentage of completed work is rather disappointing showing the limitations of the programme to deliver concluded the projects. Such an indicator of performance implies lower efficiency and, of course, impacts the quality of the assets produced. Some factors harm the operationalization of the projects, e.g., the delays in the

With the support of the Erasmus+ Programme of the European Union

collection of workers' documentation, poor planning resulting in the abandonment of non-feasible projects, lack of project management and execution skills (Vasudevan et al., 2020, p. 802). Nevertheless, the important learning process that occurred in the period should be noticed. There was progress in the completed work of 20,1 percentage points. Yet, there is a lot of room for improvement to better contribute to communities' well-being and living conditions through a greater provision of assets.

Although less than the half of projects have been completed during the 2010s, the research of Dasgupta (2013, p. 108-133) showcases positive outcomes of MGNREGA work. Based on field interviews, she reported that for many workers the income obtained through the programme had a minor effect on their total income, consumption, and well-being, but the assets created had a major impact on their quality of life and further economic opportunities generated. As cited by various workers, projects of catchment areas creation for rainwater conservation enhanced local well-being, mainly for women who depend on access to water sources for household activities. Another example is given by a village in West Bengal where participants planted kitchen gardens around the pond excavated area to water conservation that was produced as part of MGNREGA's projects. As a result, the community-generated vegetables and fish production not only contributed to their own consumption but also to be sold in local markets, enhancing their well-being, expanding and dynamizing the local economy. Evidence as such demonstrates the transformative power that the JG can have in enhancing people's livelihoods.

Ultimately, the performance of MGNREGA's projects is connected to the strength of village authorities with respect to the field-level implementation. When the projects are well-planned and aligned to the communities' needs, they have great developmental potential. However, in terms of overall public policy planning, it is alarming that significant infrastructure and livelihood needs of the rural population have their provision relegated to JG workers in India. It is welcomed to unite interests of supply and demand of labour, but precisely in the case of the production of major assets in rural areas some questions arise. Should not the government be hiring skilled workers for these activities? Under another work regime, with planning, execution, and monitoring done by skilled teams in the public service to guarantee the quality of the much-needed assets to be produced?

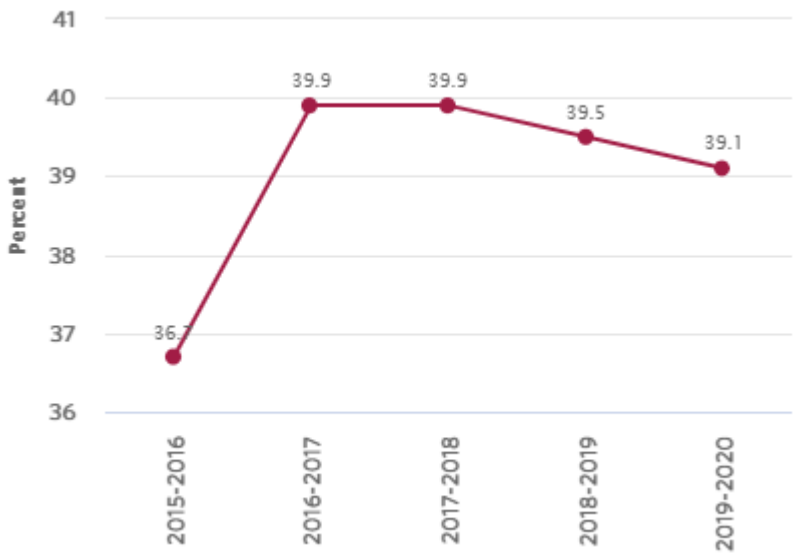
With the support of the Erasmus+ Programme of the European Union

The theoretical approach of the JG recommends that the projects to be carried out within the programme do not require any skills. In addition, they must be of the type that can be easily discontinued. In MGNREGA, workers are admitted regardless of their skills but it may lead to the poor-quality production of important assets. Besides, discontinuation is significant but it is not harmless, instead, it hinders the development of the rural asset base as envisaged by the Act. These differences between theory and practice illuminate the point that joint policies to guarantee employment to unskilled coupled with the production of quality assets to improve livelihoods and well-being might not be the best development strategy. The JG should not be a mechanism for governments to hire workers for lower wages to perform public works traditionally dependent on skilled labour. Thus, the management and execution problems of MGNREGA point to a revision in the programme's goals and design.

Beyond the provision of assets, other aspects are associated with the well-being discussion. First, is the percentage of households receiving social protection benefits under MGNREGA (Figure 16). On top of making part of Indian SDGs, the access to social protection benefits of the Indian JG workers is relevant because, in theory, the JG should be attached to paying wages plus social security benefits. In this way, Figure 16 exposes how access to social protection has mildly increased from 2015-16 to the last years of the 2010s. The percentage of less than 40% of MGNREGA households accessing social protection indicates the programme's very limited coverture. When contrasting with theory, MGNREGA has a huge gap to the 'ideal' in this regard.

With the support of the Erasmus+ Programme of the European Union

Figure 16. Percentage of households receiving social protection benefits under MGNREGA.



Source: Department of Rural Development, Ministry of Rural Development.

Second, the well-being enhancement under a JG can be expressed also by the tendency to reduce indebtedness. The theory points out that JG wages should reduce the demand for loans since the latter would no longer be needed to compensate for the lack of financial resources. In rural India, before MGNREGA the rural workers experienced high levels of indebtedness to moneylenders. Those lenders are characterized by their informal nature – hence, potentially risky – and by the offer of high-interest loans. According to Desai et al. (2015, p. 119) after MGNREGA, the participants reduced their borrowing from moneylenders from 48% (2004-05) to 27% (2011-12) meaning less dependence on complementing income through these means. This result puts MHNGREA in the direction of the theoretical results expected. Still, to grasp the real impact on well-being in this sense further research is required. It is important to assess the current indebtedness level of rural households to formal credit sources (e.g., banks etc), and then conclude whether the Indian JG has truly collaborated with indebtedness reduction or if it has simply replaced the lender figure.

4.4.6. MGNREGA in times of COVID

The last part of this critical analysis is dedicated to briefly assessing MGNREGA's performance in times of crisis by its response to the big demand shock

With the support of the Erasmus+ Programme of the European Union

represented by the COVID pandemic. The first phase of the nationwide Indian lockdown lasted from 24 March 2020 to the 30th of May. The country imposed strict restrictive measures during the period allowing the functioning of only the economic activities considered 'essential'. In June the economy started a phase of reopening, but the recession was already installed. The contraction of the GDP was significant, at 23.9%, from April to June (Afridi et al., 2022, p.5). As a consequence of the economic shutdown, the GDP collapse was accompanied by the deterioration of labour market indicators. Table 1 displays how the Indian loss in working hours was more accentuated than the global average, indicating the severity of the economic consequences for the country.

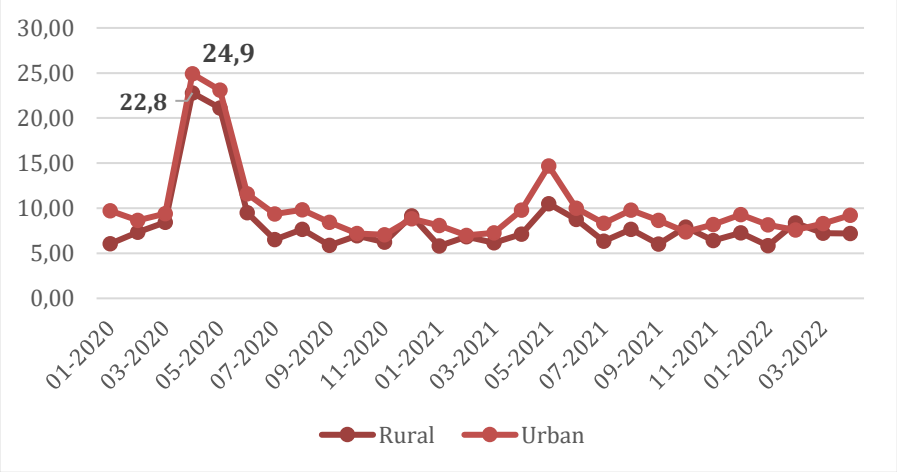
Table 1. Working hours lost due to the COVID-19 crisis (%).

Reference Area	Year	Total
World	2020	8,6
World	2021	3,9
India	2020	14,0
India	2021	5,2

Source: ILOSTAT. Own elaboration.

In addition, unemployment grew intensely in April 2020 as shown in Figure 17. Urban unemployment peaked higher than rural unemployment, and over the pandemic period analysed the rural unemployment rates were less acute than the urban ones. Arguably, the MGNREGA has an influence in this scenario since it cushions rural jobs.

Figure 17. Estimated Unemployment Rate in India (Monthly, %).



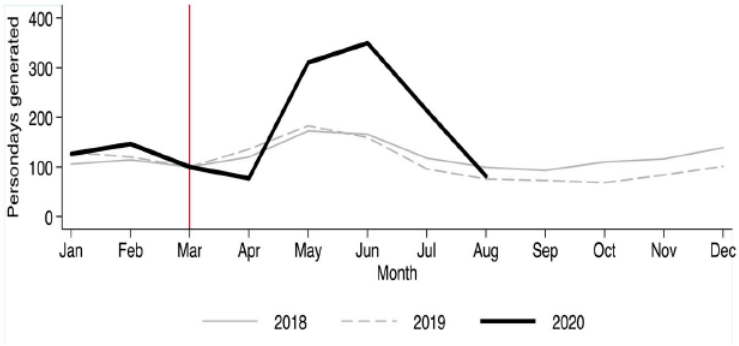
Source: Center for Monitoring Indian Economy (CMIE). Own elaboration.

With the support of the Erasmus+ Programme of the European Union

Under the sudden interruption of economic activity and massive job losses, various urban migrant workers returned to their original rural villages. The government estimates that around 10,4 million workers came back to rural areas putting MGNREGA under a larger demand pressure (Narayanan et al., 2022, p. 2). At the beginning of lockdown MGNREGA was stopped, but right in April – while the rest of the country remained under lockdown – the government decided to resume the programme's activities, deemed essential, and to direct more resources to the scheme. As a result, the budget was expanded to 10.000 Crore and the programme created 2.02-billion-person-days of work until September 2020, contrasting with 1.88 billion generated during the entire fiscal year of 2019-20 (Afridi et al., 2022, p.5).

As highlighted by the work of Narayanan et al. (2022, p. 5) in Figure 18, in June 2020 MGNREGA achieved a peak in employment provision, guaranteeing more employment than ever before in its history. The authors reported that from April to mid-September MGNREGA labour supply increased from 58,5 million households included in the scheme to 83,5 million.

Figure 18. Person/days generated by MGNREGA in 2018, 2019 and 2020.



Source: Narayanan et al. (2022, p. 5).

Therefore, the incorporation of millions of workers in the programme indicates its practical functioning as a buffer stock scheme, as conceived in the theory. The period of crisis has created unemployment and the programme has responded by allocating the unemployed to its safety net. Moreover, just like the theory suggests, MGNREGA incorporated not only the poor but also professionals with higher educational levels and formal workers laid off from their positions due to the recession.

With the support of the Erasmus+ Programme of the European Union

However, this overall inclusion had several problems. Rationing also occurred during the pandemic: from May to August 2020, it was estimated at 22.7% compared to 15,1% in 2019 (Narayanan et al., 2022, p. 8). Higher rationing indicates that despite the unprecedented inclusion effort, MGNREGA could not incorporate unlimitedly the labour demand. Its performance was limited in the task of providing employment and income guarantee to every citizen who requested. Such hurdles to scale-up were translated into: i) less than proportional employment creation in the districts with highest poverty levels and outmigration rates, i.e., MGNREGA prevented poverty but it was less effective in the case of the poorest ones, and ii) the bigger expansion in the days of work per household (intensive margin) than in the number of households participating (extensive margin), instead of both (Narayanan et al., 2022, p. 12).

By evaluating this pandemic scenario two main points emerge. First, the strategy to keep workfare provision – which means people should work on-site to receive the income aid – even under the presence of a deadly virus seems an inadequate response to the type of crisis and the type of shock represented by the COVID-19 pandemic. It seems irresponsible to consider MGNREGA work as essential and allow poor people, with no other alternatives, to keep working together on the projects in spite of a national lockdown. MGNREGA's income was certainly essential, but having had to work to earn it during the unclear early times of the pandemic was certainly not. The Indian government could have been flexible in this regard. An alternative would have been to provide MGNREGA correspondent wages without the work obligation, changing MGNREGA’s status to a temporary cash transfers programme just like in other countries where in-cash social benefits were implemented or expanded to compensate for the income losses of the period. Of course, targeting problems would have come up, but it is important to search for welfare strategies when workfare puts workers’ lives at risk. Second, cash transfers would have been easily scalable according to the defined criteria for the ones eligible for the aid. On the contrary, due to the rationing problems MGNREGA has neither guaranteed employment nor income to all who needed, letting many in deprivation. Thus, if the JG has no means to be truly universal in practice as thought to be in the theory, in times of crisis it cannot be the solely – nor the best – policy to prevent poverty (via employment creation).

With the support of the Erasmus+ Programme of the European Union

Lastly, the COVID crisis has spurred the debate around the idea of creating an urban JG in India. Urban informal workers were the group harmed the most by the labour market effects of the pandemic (Basole & Swamy, 2020, p. 1). Hence, a Decentralised Urban Employment and Training (DUET) was proposed to be more than a momentary public works programme but a lasting institution, perennial like the 'ideal' JG. Considering the different motivation and rationale behind the DUET with respect to MGNREGA, the urban JG is being debated as a separate measure instead of one, national, integrated, rural-urban JG (Drèze, 2020, p. 1). In any case, the flourishing of the debate over the DUET may pave the way to overall revision and improvements of JG schemes in India.

5. Concluding Remarks

The JG is an institution for change. For an economic and social change. This research aimed at presenting the main characteristics of a JG programme in the theory and contrasting them with the practical experience in India. The implementation of a JG is profoundly country-specific. That is to say that employment policies as such will be shaped according to the biggest labour market challenges in each nation. India is an emerging economy that has made substantial progress made in terms of GDP performance but, in contrast, remains known internationally for its huge informal labour market, and high levels of poverty, especially among the rural population. Another important characteristic of the Indian context highlighted by this research is the seasonality variable regarding the agricultural activities in the rural zones. The seasons of the year have a great impact on the income of workers because due to this specificity of agriculture during the lean period this labour market can work properly to sustain the employment level. To tackle these issues, and after a long-standing tradition of employment policies in the nation, India launches the MGNREGA one of the largest and most ambitious employment generation programmes in the world. Its core mission is to both alleviate rural poverty, by securing jobs for households up to 100 days in each financial year and create rural assets to enhance the rural infrastructure.

This study has analysed the real-world experience of India with a JG programme against the theoretical formulation of how an ideal JG should look like. In this regard, an impact assessment of MGNREGA was carried out contrasting the programme's objectives that mostly matched with the main impacts put forward by the theory. Those

With the support of the Erasmus+ Programme of the European Union

objectives were divided into five areas of analysis: wages, unemployment, poverty, inequalities and well-being. Additionally, to further the discussion approaching the most recent performance of the programme, a subchapter on MGNREGA's response to COVID was added.

By using this strategy, the following conclusions were reached.

First, when it comes to wages, the Act has not been decisive to set a new wage floor in the rural economy lifting wages structurally to a new stage. Also, the low wages fixed by the programme seem to have created an employment guarantee but not a fully living income guarantee which departs from what the theory envisions.

Second, unemployment was not fully guaranteed either, even if the programme is rights-based. The rationing process occurs in all the different phases of MGNREGA's implementation and prevents a part of the unemployed or underemployed citizens who are ready, able and willing to work from actually finding a project to participate in the programme. The ideal JG has unemployment eradication at its core, therefore MGNREGA is not fully achieving this goal.

Third, despite the rationing problems, the programme has contributed significantly to the reduction of rural poverty among its participants. Hence, this was an objective accomplished by the Act in line with the theoretical expectations, although it has been less powerful than it could have been if unemployment had been wiped out. Moreover, in this part, a relevant aspect of this critical discussion was observed: the essential difference in the rationale behind the MGNREGA and the theoretical JG. While the former strives primarily for poverty relief and uses employment creation as a means, i.e., it is workfare, the latter focus especially on unemployment elimination leading to poverty alleviation as a direct consequence. Thus, there is an essential gap between the two proposals. Although the MGNREGA is called a JG because, in fact, it guarantees employment, the Indian programme cannot be considered a JG in the terms discussed and advocated by the theoretical trend followed in this research, notably the conceptions of Pavlina Tcherneva and Randall Wray which are based mainly on a macroeconomics view of the programme.

Forth, overall, the MGNREGA has no impact on the structure of income inequalities in India. Such an outcome is not attainable considering the size of MGNREGA with respect to the overall Indian economy, the fact it is focalized on the

With the support of the Erasmus+ Programme of the European Union

rural context and further constrained by the household units and the days of employment guarantee. Nevertheless, the Act has affected positively social inequalities improving the conditions of SC, ST, and women. Thus, in income realms the India JG is delinked from the theoretically expected impacts in the case of marginalized groups it presents promising results according to the theory.

Fifth, the well-being through the provision of assets created by the JG participants has been problematic within MGNREGA because the completed work percentages are very low. That condition raised an important differentiation between the theoretical views and the practical necessities in India concerning the skills and discontinuation of projects under a JG programme. In a developing country with large infrastructural gaps, it may be important to have skilled workers and continuity in vital projects to the development process. In this sense, the theory proposes jobs that are easily discontinued while MGNREGA's goal of producing quality assets to enhance rural livelihood is been harmed precisely due to the big number of projects uncompleted. This stresses the fact of different concerns and the necessity of different programme designs to address developmental questions using a JG strategy. Furthermore, well-being was assessed through social security access which is low under MGNREGA, deviating from the theory. And, the reduction in indebtedness goes hand-in-hand with theoretical predictions.

With regard to the COVID crisis, MGNREGA was absolutely relevant in cushioning jobs, to the poor and the non-poor, and not only to rural-based workers but also to the rural citizens that were in urban zones but returned to their rural villages. It functioned in the practice as a buffer stock scheme just like conceived in the theory. However, MGNREGA represented higher health risks to the workers working on-site and problems to expand to meet the real demand for work. While in theory the JG is supposed to be perfectly scalable, the challenges on the field are greater and a deep crisis like the pandemic raises questions about welfare alternatives to poverty relief.

A factor in common noticed over the study of these categories was the huge importance of local context and political economies in the programme's performance. The wages, employment level, poverty impact, assets produced and the response to covid were more effective in the villages where the programme had a tradition to work well, and those are not the poorest localities. Therefore, this research concludes that the bottom

With the support of the Erasmus+ Programme of the European Union

workers may not be receiving the expected benefits from the programme, and although MGNREGA successfully reaches the ones who need it fails to reach the ones that need the most. For addressing this issue, the programme must find alternatives to deal with the problem of rationing: the biggest challenge involved in its implementation. In the pursuit of those alternatives, one element is sure: more investment in local infrastructure is needed because the lost potential in rationing is associated with poor resources for managing the programme.

Putting all these elements together, the conclusion reached by this thesis is that the MGNREGA is still far from what is expected in the theory. Its performance certainly leaves a lot of room for improvement. In any case, the resume of full employment conversation triggered by the pandemic coupled with the public debate on the possibility of creating an urban JG in India is a promising scenario. It may lead to rethinking employment schemes in the country, rethinking MGNREGA itself, and, hopefully, taking action to promote its better implementation expanding its socioeconomic transformative power.

With the support of the Erasmus+ Programme of the European Union

REFERENCES

Abukhadrah, S. (2017). Can ELR contribute to Women's Empowerment (Doctoral dissertation, Master Thesis]. CEPN, Centre d'Économie de l'Université Paris-Nord).

Afridi, F., Mahajan, K., & Sangwan, N. (2022). Employment guaranteed? social protection during a pandemic. Oxford Open Economics, 1.

Basole, A & Swamy, R. (2020, October 19). DUET: Expand to include social protection for informal workers. Ideas for India for more evidence-based policy. https://www.ideasforindia.in/topics/poverty-inequality/duet-expand-to-include-social-protection-for-informal-workers.html.

Besley, T., & Coate, S. (1992). Workfare versus welfare: Incentive arguments for work requirements in poverty-alleviation programs. The American Economic Review, 82(1), 249-261.

Beveridge, W.H. (1944). Full Employment in a Free Society, New York: W.W. Norton & Company, Inc.

Breuer, C., & Rottmann, H. (2014). Do Labor Market Institutions Influcence Suicide Mortality? An International Panel Data Analysis.

Burchell, B., Piasna, A., & Sehnbruch, K. (2020). Decent Work: Conceptualization and Policy Impact. In: Leal Filho W., Azul A., Brandli L., Lange Salvia A., Wall T. (eds) Decent Work and Economic Growth. Encyclopedia of the UN Sustainable Development Goals. Springer, Cham.

Burchell, B., Sehnbruch, K., Piasna, A., & Agloni, N. (2014). The quality of employment and decent work: Definitions, methodologies, and ongoing debates. Cambridge Journal of Economics, 38(2), 459–477.

Case, A., & Deaton, A. (2017). Mortality and morbidity in the 21st Century. Brookings Panel on Economic Activity (BPEA) Working Paper. Brookings Institution.

Darity Jr, W. (1999). Who loses from unemployment. Journal of Economic Issues, 33(2), 491-496.

Dasgupta, P. (2013). Employment generation schemes and long-term development: A case study of the NREGA in India. In Employment Guarantee Schemes (pp. 103-125). Palgrave Macmillan, New York.

Deguilhem, T., Vernot-Lopez, M. & Delmas, B. (2020). Quality of Employment in = Bogota (Colombia): Concept, Method and Evidence. Forum for Social Economics.

Deguilhem, T., Berrou, J–P., & Combarnous, F. (2019). Using your ties to get a worse job? The differential effects of social networks on quality of employment in Colombia. Review of Social Economy, 77(4): 493–522.

Desai, S., Vashishtha, P., & Joshi, O. (2015). Mahatma Gandhi national rural employment guarantee act: A catalyst for rural transformation (No. id: 7259).

Drèze, J. (2020, September 09). DUET: a proposal for an urban work programme. Ideas for India for more evidence-based policy.

With the support of the Erasmus+ Programme of the European Union

https://www.ideasforindia.in/topics/poverty-inequality/duet-a-proposal-for-an-urban-work-programme.html.
Dreze, J., & Sen, A. (2002). India: Development and participation. Oxford University Press on Demand.
Fields, G. (2011). Labor market analysis for developing countries. Labour Economics, 18, S16–S22.
Friedman, M. (1968). The Role of Monetary Policy. American Economic Review.
Fougère, D., Kramarz, F., & Pouget, J. (2009). Youth unemployment and crime in France. Journal of the European Economic Association, 7(5), 909-938.
Godin, A. (2013). Green Jobs for full employment, a stock flow consistent analysis. In Employment guarantee schemes (pp. 7-46). Palgrave Macmillan, New York.
Godin, A. (2014). Job guarantee: a structuralist perspective. Revue de la régulation. Capitalisme, institutions, pouvoirs, (16).
Gordon, W. (1997). Job Assurance: The Job Guarantee Revisited. Journal of Economic Issues 31(3): 826–834.
Green, C., Kler, P., & Leeves, G. (2010). Flexible contract workers in inferior jobs: reappraising the evidence. British Journal of Industrial Relations, 48(3), 605-629.
Greenwood, A. M. (1999). International Definitions and Prospects of Underemployment Statistics. Proceedings for the Seminario sobre Subempleo, Bogota, 8-12.
Harvey, P. (1989). Securing the Right to Employment: Social Welfare Policy and the Unemployed in the United States. Princeton, NJ: Princeton University Press.
Hoff, K. (2016). Caste system. World Bank policy research working paper, (7929).
Huidrom, R., Ayhan Kose, M., Matsuoka, H., & Ohnsorge, F. L. (2020). How important are spillovers from major emerging markets?. International Finance, 23(1), 47-63.
International Labour Organization (ILO), Country Office for India. (2017). India Labour Market Update. https://www.ilo.org/newdelhi/whatwedo/publications/WCMS_568701/lang--en/index.htm.
International Labour Organization (ILO). (2018). India: Decent Work Country Programme for 2018-2022. https://www.ilo.org/newdelhi/whatwedo/publications/WCMS_650119/lang--en/index.htm.
International Labour Office. (2020). ILO Policy Brief on The role of public employment programmes and employment guarantee schemes in COVID-19 policy responses. Development and Investment Branch (DEVINVEST), ILO.
International Labour Organization. (2022, February). The gender gap in employment: What's holding women back?. InfoStories. https://www.ilo.org/infostories/en-GB/Stories/Employment/barriers-women#intro.
Kalecki, M. (1943). Political aspects of full employment. New York and London.
Keynes, J. M. (1936). The General Theory of Employment, Interest and Money. London: Macmillan.

With the support of the Erasmus+ Programme of the European Union

Keynes, J. M. (1982). Activities 1931–39. World Crises and Policies in Britain and America. Volume XXI of Collected Works, D. Moggridge (ed.). London, UK: Macmillan.

Keynes, J. M. (1983). Economic Articles and Correspondence: Academic. Volume XI of Collected Works, D. Moggridge (ed.), London, UK: Macmillan.

Kundu, A., & Mohanan, P. C. (2009, April). Employment and inequality outcomes in India. In Joint Seminar on Employment and Inequality, organized by the Employment, Labour and Social Affairs Directorate and Development Centre, Paris (Vol. 8, pp. 1-43).

Levrero, E. S. (2019). On the criticisms of and obstacles to the Employer of Last Resort proposal. International Journal of Political Economy, 48 (1): 41-59.

Linn, M. W., Sandifer, R., & Stein, S. (1985). Effects of unemployment on mental and physical health. American Journal of public health, 75(5), 502-506.

Minsky, H. P. (1965). The Role of Employment Policy. in M. S. Gordon, ed., Poverty in America. San Francisco: Chandler Publishing Company.

Minsky, H. P. (1986). Stabilizing an Unstable Economy. New Haven: CT, Yale University Press.

Mitchell, W. F. (1998). The Buffer Stock Employment Model: Full Employment without a NAIRU. Journal of Economic Issues 32(2): 547–55.

Mitchell, W., Wray, L. R. (2005). In defense of Employer of Last Resort: a response to Malcolm Sawyer. Journal of Economic Issues, 39 (1): 235–244.

Mitra, A. (2020). Long-term growth–employment relationship in India. Journal of Asian Development Research, 1(1), 28-40.

Modigliani, F. & Papademos, L.D. (1975). Targets for Monetary Policy. Brookings Papers on Economic Activity.

Murray, M. J., & Forstater, M. (2013). Introduction: Employment guarantee schemes—development, environment, and community. In Employment Guarantee Schemes (pp. 1-5). Palgrave Macmillan, New York.

Narayanan, S., Oldiges, C., & Saha, S. (2022). Does workfare work? India's employment guarantee during COVID-19. Journal of International Development, 34(1), 82-108.

Nordt, C., Warnke, I., Seifritz, E., & Kawohl, W. (2015). Modelling suicide and unemployment: a longitudinal analysis covering 63 countries, 2000–11. The Lancet Psychiatry, 2(3), 239-245.

Nrega (2014). Online available at: http://nrega.nic.in/Circular_Archive/archive/nrega_doc_FAQs.pdf (fix this reference > wrong!).

Ocasio-Cortez, A. (2019). H. Res. 109 - 116th Congress (2019-2020): Recognizing the duty of the Federal Government to create a Green New Deal. Available at: https://www.congress.gov/bill/116th-congress/house-resolution/109. (Date of access: 13.05.2022).

Paul, K. I., & Moser, K. (2009). Unemployment impairs mental health: Meta-analyses. Journal of Vocational behavior, 74(3), 264-282.

With the support of the Erasmus+ Programme of the European Union

Pierson, J.H.G. (1964). Insuring Full Employment: A United States Policy for Domestic Prosperity and World Development, New York: The Viking Press.

Prates, D. (2013). Investimento e transformação estrutural na economia indiana: dois padrões de crescimento (1950-1979 e 1980-2008). Padrões de desenvolvimento econômico (1950-2008), 2. (ajeitar pra APA format)

Reichert, A. R., & Tauchmann, H. (2011). The causal impact of fear of unemployment on psychological health. Ruhr Economic Paper, (266).

Robinson, J. (1936). Disguised unemployment. The Economic Journal, 46(182), 225-237.

Sawyer, M. (2003). Employer of last resort: could it deliver full employment and price stability? Journal of Economic Issues, 37: 881-907.

Seccareccia, M. (2021). What is Full Employment? A Historical-Institutional Analysis of a Changing Concept and Its Policy Relevance for the Twenty-First Century Post-COVID-19 Economies. Journal of Economic Issues, 55(2), 539-551.

Selvi, S. J. (2020). COVID-19: An overview of economic waves on Indian economy. Shanlax International Journal of Economics, 8(3), 114-119.

Sen, A. K. (1997). Inequality, Unemployment and Contemporary Europe. International Labour Review 136(2): 155–71.

Shah, A., & Mehta, A. K. (2008). Experience of the Maharashtra Employment Guarantee Scheme: are there lessons for NREGS?. Available at SSRN 1538914.

Soederberg, S. (2014). Debtfare States and the Poverty Industry: Money, Discipline and the Surplus Population. London: Routledge.

Simon Deakin. (2020). Employment and wage policies in a post-neoliberal world. In Philip Arestis and Malcolm Sawyer (eds.). Economic Policies for a Post-Neoliberal World. Palgrave Macmillan, London.

Snowdon, B. & Vane, H. (2005). Modern Macroeconomics: Its Origins, Development And Current State. Cheltenham: Edward Elgar.

Tcherneva, P. R. (2012). Permanent On-The-Spot Job Creation—The Missing Keynes Plan for Full Employment and Economic Transformation. Review of Social Economy, 70 (1), pp. 57–80.

Tcherneva, P. R. (2014). Reorienting Fiscal Policy: A Bottom-up Approach. Journal of Post Keynesian Economics 37(1): 43–66.

Tcherneva, P. R. (2017). Unemployment: The silent epidemic. Levy Economics Institute, Working Papers Series, (895).

Tcherneva, P. R. (2020a). The Case for a Job Guarantee. Cambridge, Polity Press.

Tcherneva, P. R. (2020b). Guaranteeing Employment during the Pandemic and Beyond (No. 20-4). Levy Economics Institute.

Tcherneva, P. & Wray, R. (2005). Gender and the Job Guarantee: The Impact of Argentina's Jefes Program on Female Heads of Poor Households. Kansas City: s.n.

Vasudevan, G., Singh, S., Gupta, G., & Jalajakshi, C. K. (2020). MGNREGA in the Times of COVID-19 and Beyond: Can India do More with Less?. The Indian Journal of Labour Economics, 63(3), 799-814.

With the support of the Erasmus+ Programme of the European Union

Venator, J., & Reeves, R. (2013). Parental Unemployment Hurts Kid's Futures and Social Mobility. Social Mobility Memos. Washington, DC: The Brookings Institution.
Wray, L. R. (1998). Understanding Modem Money. Northampton, MA: Edward Elgar.
Wray, L. R. (2007). Minsky's approach to employment policy and poverty: Employer of last resort and the war on poverty. Working Paper 515. The Levy Economics Institute of Bard College.
Wray, L. R. (2012). Modern Money Theory. A Primer on Macroeconomics for Sovereign Monetary Systems. Basingstoke, Palgrave Macmillan.
Wray, L. R., Kelton, S. A., Tcherneva, P. R., Fullwiler, S., & Dantas, F. (2018). Guaranteed jobs through a public service employment program (No. 18-2). Levy Economics Institute.

With the support of the Erasmus+ Programme of the European Union