



General Studies-2; Topic: Welfare schemes for vulnerable sections of the population by the Centre and States and the performance of these schemes

Social Registry for Targeting Welfare Beneficiaries

Introduction

- The socio-economic caste census (SECC) is being increasingly used for targeting in welfare schemes.
- But there are discrepancies with other measures of deprivation.
- A social registry linking Aadhaar to residence info can target aid to the vulnerable during a pandemic.

Problem with SECC

- Discrepancies in the set of data
 - In the recent National Family Health Survey (NFHS 2015-16), there are considerable differences when it comes to identification of the most backward districts.
 - SECC was conducted to identify the potential beneficiaries of government schemes better. As a result, it is likely that the SECC overestimates deprivation, at least in some parts of the country.
 - Respondents had a vested interest to overstate the extent of their deprivation in order to be identified as beneficiaries of welfare schemes.
 - Errors in enumeration may have led to under-counting of the poorest sections.
 - With regard to the caste information, there were around 81 million errors reported, that are still being rectified.

Problem with the targeted approach

- Targeted programs create tensions between those who are excluded.
- Tendency of politicians to abuse targeted programs by converting them into instruments of patronage.
- Most of the benefits meant for poor end-up being elitist.
- As, Amartya Sen points out, "benefits that go only to the poor often end up being poor benefits."

Challenge of targeting welfare beneficiaries

- **The case of US:**

- The US government had enacted the CARES Act that sends \$1,200 to each individual below the income threshold of \$75,000 to provide relief on account of the COVID-19 to poor and middle-class individuals and to stimulate the economy.
- Yet, according to The Washington Post millions of households were yet to receive their stimulus payments.
- Account information was not available for the poor, whose incomes were below the income threshold, hence authorities found difficulty in reaching them leading to exclusion from safety nets.
- **India's Case**
 - Under Pradhan Mantri Garib Kalyan Yojana (PMGKY), an ex-gratia payment of Rs 500 was credited to women Jan Dhan account holders.
 - Similarly, Farmers registered for PM-KISAN also received Rs 2,000 in their accounts immediately.
 - However, the money did not reach the most vulnerable households.
 - Data suggests that 21 per cent of farm households received transfers through PM-KISAN. However, 42 per cent of such households belonged to the wealthiest.
- **Universal Social Protection**
 - It will lead to serious fiscal impacts if expanded nationwide because most disasters are geographically clustered.
 - For example, Floods or earthquakes often devastate a few districts not all, similarly pandemics may affect densely-populated cities more than villages.
 - Hence Universal social protection schemes can benefit the well off more than the needy.

Way Forward

- Need to set up social registries that identify individuals, their place of residence, and their bank accounts, these linkages can be used to transfer funds to everyone living in the affected area quickly.
- Aadhar linkages of individuals and bank accounts already exist. If residential information in the Aadhar database can be efficiently structured, this would allow for geographic targeting.
- The Role of National Social Registry in promoting participatory decision making in channelizing welfare schemes for all is crucial for democratic development.
- Any social registry that can serve as a potential beneficiary platform for safety nets inherently runs the risk of violating individual privacy.
- To avoid privacy issues, such social registries can be allowed to store only basic information such as location, instead of more sensitive identifiers.