Objective: Poverty plays an important role in influencing crime and addressing poverty should supposedly reduce it. MGNREGA participation brings cash and economic prosperity to women, and arguably reduction in incidences of crime.

Does the Safety Net Programme Reduce Crime Against Women? A Case of MGNREGA in India.

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Research Question: Does the participation of women in MGNREGA reduce incidences of crime against them? Does it have any heterogeneous effect across the alignment of the states with the central government?

Introduction:

- 1. India is one of the fastest growing economies in the world, yet there exists a huge inequality in the country. Economic theory predicts lower crime with increased employment and reduced poverty, but real-world outcomes defy these expectations.
- 2. Poverty and crime are positively correlated and addressing poverty supposedly should reduce crime. To reduce consumption poverty, the Government of India introduced the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005 with the aim of providing employment to rural households.
- 3. Despite the safety net programme in place, crime has been increasing over the years, especially against women. Therefore, this paper aims to look at the impact of a poverty alleviation policy on crime against women in India.
- 4. There is limited research conducted on the performance of MGNREGA and its impact on gender-based violence. This paper seeks to investigate whether the states aligned with the central government demonstrate better performance under the scheme compared to the states that are not, and this therefore has any heterogeneous effect on crime.
- 5. The paper adopts a panel data approach from 2014 to 2021, using district fixed effects to assess the programme's impact on crime.

Relevance:

The research undertaken is relevant because it has been more than 15 years since the implementation of the programme and although women have consistently outperformed men in participation, crime against them has increased. This paper contributes to the limited literature on the relationship between crime and employment in a developing country, providing valuable insights into the intersection of socio-economic policies, political alignment, and crime dynamics.

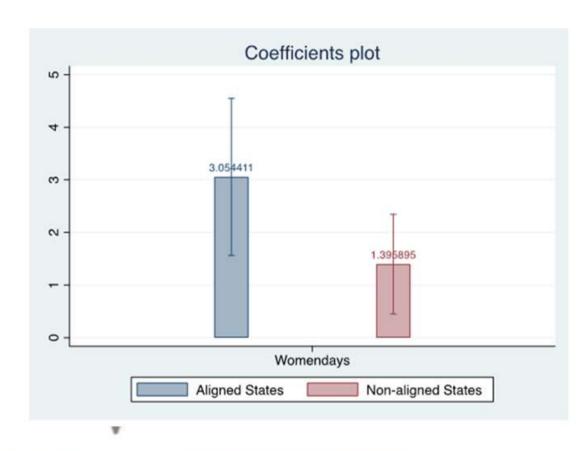
Literature Review:

Poverty, Inequality and Crime



Female empowerment and Male backlash

MGNREGA and Crime



Methodology:

Model 1: Pooled Ordinary Least Squares $Y_{dt} = \beta_0 + \beta_1 W D_{dt} + \beta_2 W D_{dt}^2 + \beta_i X 1_{dt} + \beta_k X 2_{dt} + \varepsilon_{dt}$

Model 2: Fixed Effects

 $Y_{dt} = \beta_0 + \beta_1 W D_{dt} + \beta_2 W D_{dt}^2 + \beta_j X 1_{dt} + \beta_k X 2_{dt} + D_d + \varepsilon_{dt}$

Data and Variables:

Panel Data

- Cross-sectional Dimension: Districts of India (716)
- Time-series Dimension: Years (2014 - 2021)

Variables and Sources

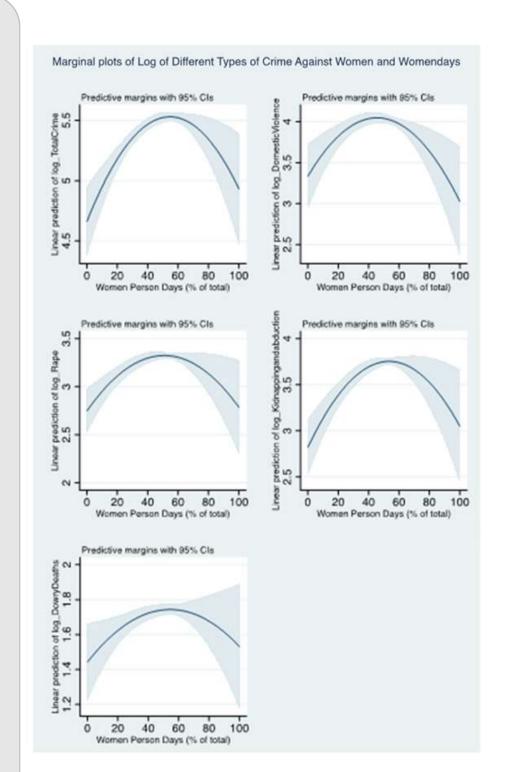
Type:

Name (Source):

- Dependent
- Crime against women (NCRB)
- Independent
- Womendays in MNREGA (MoRD)

Results:

The OLS and FE results are consistent across all specifications. The plots below show the marginal effect of womendays on different types of crime against women. There is a non-linear trend suggesting that crime is increasing at a declining rate. Initial increase in crime suggests that there is not only household resistance but also the social stigma regarding females working and earning which therefore increases crime against them. Within the controls, as the sex ratio and poverty ratio increase, crime against women also increases. Meanwhile, a higher literacy rate, owning a house and agricultural land leads to a reduction in crime.



Robustness Check:

To check the robustness of the results, a sub-sample analysis is conducted:

Sample 1: districts of the aligned states

Sample 2: districts of the non-aligned states

Same analysis is repeated for both samples. Results are similar and consistent for both samples suggesting that with rise in womendays, crime is increasing but at a decreasing rate.

The findings indicate that states not aligned with the central government show a slower increase in crime against women, suggesting a potentially positive impact of the program in these states. However, the difference in sample sizes could affect the precision of the estimates. Other factors, like the state's judicial system and social and economic factors, also influence crime reporting. Thus, these results should be viewed as preliminary evidence of government influence on crime against women through efficient implementation of MGNREGA.

Conclusion:

This paper attempts to disentangle the effect of women's employment through MGNREGA on crime against them. The paper finds some evidence to support the hypothesis that addressing poverty reduces crime as well. However, the reduction in crime only occurs after a substantial level of income is earned. Initially, as women start to work in MGNREGA, crime against them increases, which is consistent with the male backlash theories, but after women work for a certain number of days, crime against them starts to decline. While policy makers often focus on law and order to fight against crime, they should bear in mind that other mechanisms also play an important role in influencing crime. Policies designed to provide employment, education, financial and social security may also reduce crime against women.