
**STUDY OF SOCIO-ECONOMIC IMPACT OF MAHATMA GANDHI NATIONAL RURAL
EMPLOYMENT GUARANTEE ACT IN RAJASTHAN**

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ABSTRACT

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was notified on September 5, 2005 and implemented in three phases covering all districts over time. Although the focus is on augmenting wage employment, it is ambitious in scope and aims to accomplish a number of things. Amongst other things, the Act envisaged that the works undertaken as part of the programme would strengthen natural resource management and address causes of chronic poverty like drought, deforestation and soil erosion, thereby encouraging sustainable development. While there is a fairly rich documentation of the impacts of the MGNREGA as a safety net programme on wages, income and consumption, very little is known about the nature of assets created and their impacts on peoples' lives. Indeed, the MGNREGA is frequently thought of as a poverty alleviation scheme through the creation of wage employment for unskilled labour and not much else. The fact that it is not simply a work creation programme but derives its legitimacy from being an asset creation programme is often overlooked. When it is not, there is a widespread belief that assets created under MGNREGA are of dubious usefulness.

Key words: Mahatma Gandhi National Rural Employment Guarantee

INTRODUCTION

Recently a few researchers have begun to assess the impacts of MGNREGA works especially focusing on environmental services and water resource availability (Esteves, et al, 2014; Shah and Verma, 2011, Aggarwal, et al, 2012). Such efforts are still relatively infrequent compared with those that focus on labor and wages, etc. One explanation for the paucity of studies focused on the impact of MGNREGA assets until now has been that it was too early for the benefits or problems of these assets to filter through. However, with seven years of the MGNREGA programme behind us, this constraint is less relevant today. At this juncture, we propose to contribute to this emerging body of evidence through a verification exercise of the MGNREGA works, a documentation of the types of works and a survey of select users.

MGNREGA marked a paradigm shift from the other employment programmes with its right based approach. Govt. is legally accountable for providing employment of hundred days to those who demand it. This programme not only provides employment but also focuses on inclusive growth, as it conserves natural resources and creates productive assets. By protecting the environment and reducing rural-urban migration this programme has transformed the face of the rural India. In Dungarpur district agriculture solely depends on monsoon. So villagers have no job when there is no agricultural work. Searching for short period job in villages is very difficult and therefore, many times they earn nothing. Thus, during this period MGNREGA is bliss for them.

SOCIO-ECONOMIC BACKGROUND OF BENEFICIARIES :

Dungarpur is located in the south of Rajasthan having only 1.1% area and 2.0% population of the state. In the district 65% people belongs to ST community & 93% people reside in rural area . The study reveals that 59.0% respondents are tribal, 22.5% are OBC, 13.0% are SC and only 5.5% are from General category. 37.5% beneficiaries are engaged in agricultural activities, 57.0% are labourer, 85.0% households have less than 6 members in the family only 3% respondents have reported that they possess higher education. Very few family lives in Pucca houses, many of them live in huts on the top of a small hill. Main source of drinking water in this

area is the hand pump. It is reported by the respondents that even if there were public taps installed, but availability of water is rare and does not fulfill their requirement. The large section of the respondents fall in the income group of 10,000 to 25,000 Rs. in a year. 65% families have their own land, but the land size is very small. The land available for agriculture is hilly also, so it is difficult for them to use new and scientific techniques of cultivation. Distress migration in the area was also found during the survey.

Table – 1**Caste wise distribution of the facilities available beneficiary families**

Facilities		Gen.	SC	ST	OBC	Total	%age
Electricity	Yes	11	25	97	44	177	85.5
	No	-	01	21	01	23	11.50
Water Connection	Yes	09	08	02	15	34	17.00
	No	02	18	116	30	166	83.00
Connection	Yes	04	08	03	09	24	12.00
	No	07	18	115	36	176	88.00
Television	Yes	10	11	29	17	67	33.50

The following Table-2 shows the daily wage received by male and female migrants, during migration period.

Table 2**Wages reported during migration**

Daily Wages	Female	Male	Total	Percent
Up to 100 Rs.	06	05	11	28.80
100 to 200 Rs.	0	05	05	13.40
200 to 400 Rs.	0	20	20	52.60
Not Responded	0	02	02	05.20
Total	06	32	38	100.00

The study reveals MGNREGA has been successful in increasing the income by providing wage employment to rural households in Dungarpur district. 51% households, who reported yearly income up to Rs. 25000, have admitted that MGNREGA jobs have contributed somewhat from Rs. 5000 to 10000 in the yearly income of their family. Similarly 8% of the total households reported that yearly income from MGNREGA has been more than Rs. 10000 and only 29% respondents have shown yearly contribution from the scheme upto Rs. 5000. It is important to note that 97.5% household reported that this programme has definitely remained beneficial to support in adding their yearly income. The picture of yearly income of 200 MGNREGA beneficiaries is not attractive. 86% beneficiaries have reported that their annual income was up to Rs. 25000 and only 11.5% have reported their annual income more than Rs. 25000. This depiction shows that among this sample mass is earning below 25000. With this yearly income, contribution of MGNREGA income is very good. Out of 200 households, 29% have reported that the contribution of MGNREGA in their total yearly income was up to Rs. 5000 whereas 60.5% have up to Rs. 5000 to 10000 and only 8% of households reported that the contribution of MGNREGA income was more than Rs. 10000 in their annual income.

ASSESSING THE IMPACTS OF MGNREGA WORKS

Apart from verifying if the MGNREGA works do exist and in what condition they are, an overarching aim is to ascertain if the intended beneficiaries in fact value these MGNREGA projects and if so, in what ways and how much. This study did not seek to quantify the benefits and costs of MGNREGA works, which would be a complex and challenging task, particularly for a large sample of very diverse works and given

the constraints on time and budget. Typically, valuation of infrastructural and public works involves the computation of net benefits or social returns on these assets by measuring the difference in economic benefits to the beneficiaries relative to the costs incurred on creating and maintaining this asset and depreciation. This involves a number of assumptions regarding which prices are appropriate to value these, the life span of an asset, and so on.

Rather than use this approach, this survey was designed as a rapid appraisal that relied on *subjective perceptions* of the usefulness of assets. The use(s) of these MGNREGA works to the local community and their own perceptions and perspectives represent one way of measuring value of an asset. Subjective measures entail challenges and limitations of their own, but from the perspective of the goals of this project, seemed an appropriate approach.

Although the assessment of MGNREGA works is a technical subject, beneficiaries can nevertheless hold considered judgments on the quality and usefulness. The central premise of documenting subjective perceptions of potential users of these works is that it is possible to get some catchall measure of the quality and usefulness of the works created under the MGNREGA. Perceptions of benefits and costs or of quality are necessarily subjective in nature and therefore have specific interpretative value. They are best viewed as indicators that complement benefit-cost studies and account for an important dimension of these works from the users' perspective.

This paper focuses exclusively on the usefulness of MGNREGA works as perceived by the users themselves and does not venture to judge whether these works conform to programme norms. Likewise, user assessments of quality of works have little bearing on whether the works undertaken follow technical specifications for the works. Neither can they shed light on whether these works should be judged differently because they form part of a cluster of similar infrastructure, for example, as part of a watershed project. The perceptions of quality in the context of this study are inevitably linked to perceptions of usefulness. This may further vary widely depending on the larger context of living conditions. For example, a road of a certain quality in an inaccessible GP might be perceived to be of high quality and usefulness relative to a road of comparable quality in a well-connected GP. So too, perceptions of usefulness of public works could differ systematically from those for works on private lands.

CONCLUSION

Generally, when income of a family increases, it has a profound impact on the expenditure pattern. It is evident from the data that 79.5% respondents were having mobile sets and 30% were possessing motor-cycles. Similarly 33.5% households have T.V. sets and 88.5% have electricity connection in their dwelling units. This is a bright side of the story. But the other side of the picture is not so good. The data reveal that 83% households do not have gas connection in their kitchen and 90% of our sample households have no toilet facility in their dwelling units. Thus, a long way has to go to improve the quality of life at village level because the absence of these basic amenities to the households ultimately adversely affected the health front of the families.

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