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MGNREGA for inclusive development in India: an analysis

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Abstract

Short title: MGNREGA is it inclusive?

The rural development strategies in India made remarkable achievements in the long saga of social and economic welfare of people living in rural India. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is considered as a vibrating force for eradicating rural poverty and unemployment, by way of generating demand for productive labour force in villages. It provides an alternative source of livelihood which will have an impact on reducing migration, alleviating poverty, and making villages self-sustaining through productive assets creation such as road construction, soil and water conservation, etc. For which, it has been considered as the largest anti-poverty programme in India. In this paper, an attempt has been made to comprehensively understand the livelihood strategies through rural employment generation. The researcher used qualitative research methodologies to obtain information pertaining to the study through the Focus Group Discussions (FGDs) and Key Informant Interviews (KIIs). The study revealed that MGNREGAS generating demand for productive labour force in Indian villages. It provides an alternative source of livelihood which will have an impact on, alleviating poverty, and making villages self-sustaining through productive assets creation under social and physical infrastructure facilities. The study also found that there is a much scope for inclusive development of the social groups. To sum up, it is observed that, the scheme played a vibrant role as a safety net for the unemployed youths in the study area.

Keywords: Rural development, employment guarantee act, self-sustaining, development projects

1. Introduction

In India, out of total population of 121 *crores*, 83.3 live in rural areas as per 2011 census Report of Government of India (Government of India, 2011). Thus, nearly seventy percent of the India's population lives in rural areas. These rural populations can be characterized by mass poverty, low levels of literacy and income, high level of unemployment, and poor nutrition and health status. In order to tackle these specific problems, a number of rural development programmes are being implemented to create opportunities for improvement of the quality of life of these rural people.

The term 'Rural Development' is of focal interest and is widely acclaimed in both the developed and

the developing countries of the world. It is a comprehensive and multidimensional concept and encompasses the development of agriculture and allied activities - village and cottage industries and crafts, socioeconomic infrastructure, community services and facilities, and above all, the human resource in rural areas.

It is a comprehensive and multidimensional concept, and encompasses the development of agriculture and allied activities, village and cottage industries and crafts, socioeconomic infrastructure, community services and facilities and, above all, human resources in rural areas. As a phenomenon, rural development is the end-result of interactions between various physical, technological, economic, social, cultural and institutional factors. As a strategy, it is designed to

improve the economic and social well-being of a specific group of people - the rural poor. As a discipline, it is multidisciplinary in nature, representing an intersection of agriculture, social, behavioural, engineering and management sciences. (Singh, 1999)

The various rural development programmes conceived and introduced at different points of time have been intended to reduce the poverty and unemployment, to improve the health and educational status and to fulfil the basic needs such as food, shelter and clothing of the rural population. To improve the socioeconomic conditions of people, Government of India launched some schemes as to surmount the problem of poverty. Poverty alleviation programmes comprising of wage employment programmes, rural housing schemes and a public distribution system have been initiated from time to time (Dey and Bedi, 2010). Some were moderately successful in addressing the issue of poverty whereas others suffered from major flaws in their implementation. In the past, there have been a series of Wage Employment Programmes for the poor but the National Rural Employment Guarantee Scheme represents a model change and is different from the early Wage Employment Programmes in several aspects (Khera, 2008).

1.1. Statement of the problem

The National Rural Employment Guarantee Act (NREGA) 2005 later renamed as MGNREGA is a landmark in the history of Rural Development in India (Mehrotra, 2008). The scheme, addressed especially to the problem of galloping rural unemployment, commands a leadership in amelioration of poverty and unemployment in the post-independent era (Dey and Bedi, 2010). The underlying objective of the scheme is to ensure livelihood security of the rural people by providing at least 100 days guaranteed wage employment to every rural household in a financial year whose adult member volunteers to do unskilled manual labour at a statutory minimum wage. Apart from, this work guarantee can also serve other objectives such as generating productive assets, protecting the environment, empowering rural women, reducing rural-urban migration and fostering social equality among others (Government of India, 2005; Khera, 2008). In the light of this backdrop, this study attempts to investigate the implementation of MGNREGAS in India through some case studies.

2. Material and methods

2.1. Section A: MGNREGA - A saga of Rural Development in India

In the post-independence era the Government wanted to uplift the socioeconomic condition of their people who mainly depended upon forest

products and daily labour. Another important component of the governmental perspective was to settle the rural population as agriculture population. The MGNREGA, 2005, guarantees 100 days of employment in a financial year to any rural household whose adult members are willing to do unskilled manual work. The Act has come into force with effect from February, 2006 in 200 districts initially and later on, it was extended to all the rural districts of India from the financial year 2008-09.

MGNREGA has come after almost 56 years of experience of other rural employment programmes, which include both Centrally Sponsored Schemes and those launched by State Governments (Mehrotra, 2008). These comprise the National Rural Employment Programme (NREP) 1980-89; Rural Landless Employment Guarantee Programme (RLEGP) 1983-89; Jawahar Rojgar Yojana (JRY) 1989-1990; Employment Assurance Scheme (EAS) 1993-99; Jawahar Gram Samridhi Yojana (JGSY) 1999-2002; Sampoorna Grameen Rojgar Yojana (SGRY) 2001; National Food for Work Programme (NFFWP) 2004, etc. Among these programmes, the SGRY and NFFWP have been merged with NREGA in 2005. The Act was implemented in phased manner -130 districts were added in 2007-08. With its spread over 625 districts across the country, the flagship programme of the United Progressive Alliance (UPA) Government has the potential to increase the purchasing power of the rural poor, reduce distress migration and to create useful assets in rural India. Also, it can foster social and gender equality as 23% workers under the scheme are Scheduled Castes (SC), 17% Scheduled Tribes and 50% women. In 2010-11, 41 million households were employed on MGNREGA worksites. This Act was introduced with an aim of improving the purchasing power of the rural people, primarily semi or unskilled work to people living in rural India, whether or not they are below the poverty line.

2.2. Section B: Theoretical background

There are several studies made by various scholars to understand the performances of MGNREGAS to give a proper orientation and perspective to the present work. It is felt that justification of present study can be made by reviewing the earlier studies conducted on the subject. Therefore, an attempt has been made to review the work done on the subject so as to establish the relevance of the present study.

A number of authors have attempted to study the MGNREGA in detail and its related problems. Dreze (2007) looks at the corruption in rural employment programmes in Orissa (India) and how this has continued in a NREGA as well.

According to Report of Ministry of Rural Development, inclusion of *dalits* with special reference to women quite impressive nearly one fourth of the 701 million employment days were availed by SC. States like Punjab, Haryana, Uttar Pradesh and Tamil Nadu accounted for the highest coverage of SC under MGNREGA, to the extent of 55.7% of all job to them. On the other hand, their coverage in states likes Gujarat, Rajasthan, and Tripura did not even match up in proportion to the existing numbers of SC in the population of these states.

According to Mathur (2007), a system of regular and continuous flow of authoritative information is essential, as opposed to the random reports and studies dependent on the initiative of individuals and groups. To improve implementation, the government needs to solve problems, modify policy directives, and issue operational guidelines for the district, block and village levels. The government must take the lead, be proactive, mobilize institutions and groups, and use the media effectively. MGNREGAS involves several *lakhs* of government officials, *panchayat* functionaries, elected representatives, NGOs and community groups (Mehrotra, 2008). They play a critical role, but had little preparation for the challenge. MGNREGAS in fact is a programme of national importance which has been marginalized. Ambasta *et al.* (2008) gave some important recommendations. These are deployment of full-time professionals dedicated to MGNREGA at all levels, especially at the block level. Intensive efforts at building up a massive cadre of fully trained grass-root workers are required at the *Gram Panchayat* level through a nationwide movement for capacity building, engaging government and non-government training institutions (Roy and Samanta, 2010).

Mathur (2009) states that in social audit undertaken in Andhra Pradesh (India), it was found that in certain villages, some people stated that they had not been paid for the work done. When comparisons were made of the payments as per the pass-book with the payment as per the job card, it was discovered that the job card did not contain the inner pages that record the work done by each person; it itself was incomplete. The MGNREGAS needs to be a support system for the desperately poor and should enable, encourage and empower them to stand on their own feet. In its present format, it could become yet another subsidy programme that runs the risk of becoming a burden on the nation (Mehrotra, 2008).

Rural Development is the need of the hour. It not only constitutes the development of rural regions but also aims at improving the well-being and quality of life to the rural poor through integrated process. It is clear from the review that though this

programme is meant for improving the life conditions of the people in the rural settings but it suffers from a number of shortcomings. Thus, the detailed review of literature clearly indicates that there is a need for extensive anthropological research work for understanding the socioeconomic impact of MGNREGAS programme in rural India.

2.3. MGNREGAS in Karnataka: An overview

Karnataka has witnessed remarkable achievements during the implementation of MGNREGAS. These achievements are linked with Ministry of Rural Development's advice to all states for ensuring wage payment to MGNREGAS workers through bank and post office accounts. So far 1.6 *crores* accounts have been across the country. In Karnataka considerable achievements have been made in the financial inclusion of them. Total number of households registered under MGNREGAS in Karnataka are 15065679, the total number of job cards (Employment Assurance Card) issued are 14079744. The numbers of bank accounts opened are 11,036,844; the total numbers of post office accounts opened are 2011952. Then in Table 1, clearly explained that the progress of district wise of MGNREGAS from 2006-07 to 2010-11. The total available funds constitutes of 181472.56 *lakhs*, Belgaum is top on list it accounts 8.8%, followed by Gulbarga 8.2%. In addition to this Belgaum has the highest share is about 13%, then Davangere and Shivamogga equally shared by 10% in terms of total percentage share of employment in MGNREGA programme. After briefly review the performance of MGNREGA in Karnataka, the study taken up with specific objectives as follows.

2.4. Objectives of the study

Keeping in view the previous observations made by others studies in the country; this paper explores some insights of working of MGNREGAS and its focus in rural areas to assess their contribution towards inclusive growth in rural economy:

- To assess the progress of MGNREGAS as well as critically review the social-economic impact of different rural development programmes on the lives of the rural people.
- To document the changes brought by MGNREGAS in the lives of the rural poor at the household and village level.

3. Results and discussion

The study is an exploratory in nature and exploring multidimensional facets of MGNREGAS. Predominantly the information for the study is quantitative and qualitative based on secondary data such as Government of India

websites, reports daily newspapers, and internet, etc.

Focus Group Discussion (FGDs) and Participatory Rural Appraisal (PRA) methodologies are also adopted.

The following case studies are based on first-hand fieldwork conducted at village of Tumkur district in Karnataka, and Madanapalli village of district in Andhra Pradesh.

Case 1: Rajappa, aged 43. He lives in Gowripura village of Tumkur district, Karnataka State and is an agricultural labourer. He has studied up to primary level and his son who studies up to under graduate level. He says that agricultural work is available only for about 6 months by year and that too not continuously. Work like harvesting paddy is done by couples (husband and wife together) and he is not able to go for work due to lack of self-confidence and low esteem feeling which is caused because of low income and caste factor. He was unable to participate in social activities such as village festival and other cultural events occurring in the village and came to know about MGNREGAS and is able to work under the scheme. He has worked for 30 days in 2011-2012 and has used the income to support his son's education, and taken care of family expenditure. He is happy that MGNREGAS wages are paid every week and actively participated in understanding the village development activities by educating the poor about the programmes and motivate them involve. Further it is observed that, he made up his mind to send his son for pursuing higher education but earlier he decided to get a job card for the son also.

Case 2: Kempamma, aged 37. She is a Dalith-a socially marginalized community woman lives in Madanapalli village of district in Andhra Pradesh. She is an illiterate, has Bellow Poverty Line (BPL) card and her family used to stay in a *kacca* house. Recently, she and her husband built a brick house for them. They are agricultural labourers and hence only limited working man days were available and remaining days she was working as maid to washing clothes, cleaning, etc. In new of this, she was facing hardships to pay the costs of education to her children. She came to know about the provisions under the MGNREGAS through a public announcement in the village. Last year, she and her husband worked under MGNREGA for 100 days and earned a good amount of money at the rate of Rupees 75/per day (1\$). As the small amount of land they have is enough to fulfil their basic food necessities. Finally, they decided to spend money earned by MGNREGA to proper house for them. Thus, it is clear from the cited cases that MGNREGAS is a very important Rural Development programme as it helps the rural poor to earn their livelihood.

3.1. Inclusive growth

India has to acknowledge the critical role the MGNREGAS has played in providing a measure of inclusive growth. It has given people a right to work, to re-establish the dignity of labour, to ensure people's economic and right based approach and entitlements, to create labour intensive infrastructure and assets, and to build the human resource base of our country. The entitlements paradigm is still to be established in many states in the country. The crucial issues like the expansion of the categories of permissible works needs to be taken up with labour and the deprived continuing to be the central focus. The improvements must be to strengthen, not divert from these basic tenets. In the midst of the current economic slowdown, there is enough evidence that this kind of commitment can work to help reduce the slowdown. The MGNREGAS can give people an opportunity to make the entire system truly transparent and accountable. Properly supported, people's struggles for basic entitlements can, in turn, become the strongest political initiative to strengthen our rural democratic system.

4. Conclusions

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) plays a significant role in eradicating rural poverty and unemployment, by way of generating demand for productive labour force in Indian villages. It provides an alternative source of livelihood which will have an impact on reducing migration, restricting child labour, alleviating poverty, and making villages self-sustaining through productive assets creation such as road construction, leaning up of water tanks, soil and water conservation work, etc. For which, it has been considered as the largest anti-poverty programme in the world. The scheme has to be implemented properly with revision of minimum wage from time to time the distress migration from rural areas especially during the off season can be checked.

In the light of the above, it is strongly argued to carry out an in depth review of these rural development programmes with two different strategies, i.e.: 1) All India studies by capturing signals from all over the country, taking into account all the regions; 2) Comprehensive coverage of all the objectives and clauses preserved in the MGNREGA in a broad manner. Thus, there is also a need to critically examine the implementation process of this programme and its impact on livelihood of the rural people. There is a great scope for inclusive development of the social groups such as Schedule castes and Schedule tribes, the minorities and the other backward classes. Impressive participation of women in MGNREGA is a harbinger of social change.

In this context, it is need of the hour to strengthen empirical research as well as action oriented research. It can be concluded that the success of this Act depends upon its proper implementation and in this scenario, the community participation should be ensured only through rural decentralized governance model.

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Table 1. Progress of MGNREGA across the districts (2006-07 to 2010-11) in Karnataka state

Districts	Total available funds	% Share of funds	Expenditure (In lakhs)	No. of Mandays	Employment provided to No. of HHs	% Share of employment
Bagalkot	6,018.28	3.32	2,726.00	16.39	44,318	6.00
Bangalore (R)	3,501.12	1.93	2,124.22	6.18	14,980	2.00
Bangalore (U)	2025.52	1.12	532.61	0.98	2894	0.00
Belgaum	16014.44	8.82	9056.69	39.99	95968	13.00
Bellary	9229.67	5.09	6254.11	27.53	50927	7.00
Bidar	6203.79	3.42	3496.69	10.27	37087	5.00
Bijapur	5655.93	3.12	2431.14	2.21	6876	1.00
C.R.Nagar	2817.60	1.55	999.47	1.52	7267	1.00
Chikkaballapur	4407.57	2.43	2190.70	4.30	8858	1.00
Chickmagalur	4336.70	2.39	1506.97	8.27	21821	3.00
Chitradurga	9140.94	5.04	6050.79	13.38	40434	5.00
D.Kannada	3123.90	1.72	305.18	1.68	5661	1.00
Davanagere	10672.49	5.88	7407.82	32.43	78779	10.00
Dharwad	4460.33	2.46	2216.85	11.32	36484	5.00
Gadag	2899.97	1.60	1267.49	2.23	9391	1.00
Gulbarga	14986.16	8.26	4605.61	3.50	8921	1.00
Hassan	5309.24	2.93	1533.97	7.03	26604	3.00
Haveri	6638.54	3.66	4861.86	13.60	33984	4.00
Kodagu	2264.59	1.25	1067.95	5.47	13305	2.00
Kolar	4223.18	2.33	2393.60	2.25	11299	1.00
Koppal	6423.15	3.54	3891.84	4.61	13419	2.00
Mandya	3824.59	2.11	1136.50	2.02	8671	1.00
Mysore	5531.03	3.05	1484.81	5.97	18030	2.00
Raichur	8525.10	4.70	6343.37	17.06	37168	5.00
Ramanagar	3984.68	2.20	1976.31	1.06	4456	1.00
Shimoga	7338.00	4.04	4505.99	20.35	72637	10.00
Tumkur	12305.66	6.78	3313.66	1.81	4716	1.00
Udupi	1840.35	1.01	92.30	0.70	3242	0.00
U.Kannada	4440.04	2.45	1939.95	10.01	32138	4.00
Yadgir	3330.00	1.83	1686.38	3.41	13037	2.00
Total	181,472.56	100.00	89,400.83	277.53	763,372	100.00

Note: Rs. in lakhs