The impact of Mahatma Gandhi National Rural Employment Generation Program (MGNREGP) on the lives of the beneficiaries

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Abstract

The livelihood securities are the essential tool for the quality of life and economic welfare of the people. The MGNREGP is a vital program for eradicating the rural unemployment and poverty by offering 150 days of guaranteed labour in the villages. It offers an alternative and tangible source of livelihood by creating the labour in the village level, alleviating poverty to some extent, and making villages self-sustaining through productive assets creation such as road construction, cleaning up of water tanks, soil and water conservation work, planting tree saplings etc. In this paper the researcher presents the potential benefits of MGNREGP and the impact created by MGNREGP on the beneficiaries towards the objective for which the program had been designed.

Key words: MGNREGP, quality of life, economic welfare, eradication of rural unemployment, guaranteed labour, tangible source of livelihood, self-sustainment, productive asset.

Introduction

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is said to be a “Silver Bullet Program” for eradicating rural poverty and unemployment, thus generating demand for productive labor force among the rural households. Unemployment and poverty are found in all the societies and more visible amidst rural households. When there is an increase of unemployment, there is an increase of poverty. There is also a widespread assumption that unemployment and poverty are two sides of the same coin. Both have been present in India in an unprecedented manner in the past. It is the result of incidence of illiteracy, hunger, slowdown in the economic growth, seeking for employment in abroad, migration towards cities, poverty and the failure of agricultural production. Thus it has resulted in unemployment and poverty. The Government of India after independence has been taking efforts for the purpose of socio-economic improvisation and upliftment of rural occupants through divergent schemes such as:

a. Rural Development Programs (IRDP): Integrated Rural Development Programs such as TRYSEM – Training of Rural Youth for Self Employment, DWCRA-Development of Women and Children in rural areas, SITRA – Supply of Improved Tool Kits to Rural Artisans and GKY – Ganga Kalayan Yojana


c. National Food for work program (NFFWP).

1 Sundaram and Suresh, “Poverty has declined in the 1990’s”, Economic and Political weekly 38, No.4 (2013)
Social Security Programs (NSAP): National Social Assistance Program, NOAPS – National Old Age Pension Scheme, NFBS – National Family Benefit Scheme, NMBS – National Maternity Benefit Scheme etc.,

Prelude of the MGNREGA
MGNREGA is the rural employment program comprising both Central Government and State Government. This Act incorporates 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 and Jawahar Gram Samridhi Yojana (JGSY) 1999-2002. Sampoorna Gramineen Rojgar Yojana (SGRY) 2001 and National Food for Work Programme (NFFWP) 2004. Differing from all the other schemes, Mahatma Gandhi National Rural Employment Guarantee Act has been enforced by law thus the beneficiaries of MGNREP will have more durable legal entitlements. The objective of the Act is to increase the livelihood security in rural areas by way of providing at least 150 days of guaranteed wage employment in a financial year to every household wherein the adult members should voluntarily register to do the unskilled manual labour. The Act was initially notified in 200 districts as the first phase effecting from 2nd February 2006 and later extended to additional 130 districts in the year 2007-2008. The rest of the districts have been notified under the NREGA with effect from April 1, 2008. Thus, MGNREGA covers presently the entire country with a rare exception of districts that have a hundred percent urban population.

In the state of Tamil Nadu the MGNREGP was implemented in six districts namely Sivagangai, Dindigul, Nagapattinam, Cuddalore, Villupuram and Tiruvanallmalai on the eve of 2nd Feb, 2006 as a first phase. The districts of Tirunelveli, Karur, Thanjore and Tiruvarur were included in this program as a second phase from the first day of April 2007. The remaining 20 districts were included from 1-4-2008 under this programme.

Objectives of the study
In this study an attempt has been made to fulfill the following objectives:

a. To present the potential benefits of MGNREGP
b. To examine the impact of MGNREGP

Methodology
The study was conducted in the Sivaganga District of Tamil Nadu. The primary data has been used in the present study. The required primary data were collected from January to March 2015 from 530 sample respondents selected through simple random sampling. Interview schedule was developed for this purpose and pretested before it was used for the data collection. The data collected was tabulated and analyzed with the help of SPSS package and necessary inferences were drawn to list the findings.

Potential Benefits of the MGNREGP
The unorganized sector accounts for 91% of employment. Women still constitute about one-third of the working population but their share in the organized sector is proportionately much higher. Remnants of bonded labour persist in many parts of the country. The highlight of this program is given below.

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5 Ibid.
One hundred days of guaranteed employment at the minimum wage makes a big difference for those living in the margin of subsistence.

If the work is available in the neighborhood, many of the families will stay in their place instead of heading for the cities.

Guaranteed employment can become a source of empowerment for women fraternity.

This program is an opportunity to create tangible and useful assets in the rural areas.

Guaranteed employment is likely to change power equations in the rural society and to foster a more equitable social order too.

This Act assures the bargaining power of unorganized laborers and thus entitling them for minimum wages and social security.

In fact, it is a unique opportunity for “unorganized workers” to organize themselves which could afford a new lease of life to the labor movement.

Impact of MGNREGP on the Beneficiaries

In order to study the impact of MGNREGP on the individual beneficiaries, 13 variables have been identified. The respondents are asked to rate these variables at five point scale according to their perception on the impact of the program. The mean score of each variable in individual impact among the male and female respondents have been computed separately along with its ‘F’ statistics. The results are given in Table 1.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Variables in Individual Impact</th>
<th>Mean score among Male</th>
<th>Mean score among Female</th>
<th>F* statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ensures continuous employment</td>
<td>3.2674</td>
<td>3.7374</td>
<td>-2.4517*</td>
</tr>
<tr>
<td>2</td>
<td>Eradicates poverty</td>
<td>3.1173</td>
<td>3.8184</td>
<td>-2.7309*</td>
</tr>
<tr>
<td>3</td>
<td>Improves the quality of life</td>
<td>3.0917</td>
<td>3.6609</td>
<td>-2.5143*</td>
</tr>
<tr>
<td>4</td>
<td>No exploitation of labour</td>
<td>3.1279</td>
<td>3.7224</td>
<td>-2.5996*</td>
</tr>
<tr>
<td>5</td>
<td>Enables group task and effort</td>
<td>3.0973</td>
<td>3.6334</td>
<td>-2.4889*</td>
</tr>
<tr>
<td>6</td>
<td>Paves a way for communal harmony</td>
<td>3.0417</td>
<td>3.5994</td>
<td>-2.3084*</td>
</tr>
<tr>
<td>7</td>
<td>Guaranteed wage leads to stress free life</td>
<td>3.1884</td>
<td>3.7087</td>
<td>-2.4173*</td>
</tr>
<tr>
<td>8</td>
<td>Reduces anti social activities</td>
<td>3.1799</td>
<td>3.7117</td>
<td>-2.6045*</td>
</tr>
<tr>
<td>9</td>
<td>Reduces contamination</td>
<td>2.7394</td>
<td>3.3994</td>
<td>-2.4173*</td>
</tr>
<tr>
<td>10</td>
<td>Develops self esteem</td>
<td>3.0144</td>
<td>3.4667</td>
<td>-2.0099*</td>
</tr>
<tr>
<td>11</td>
<td>Dependents are taken care off</td>
<td>2.9962</td>
<td>3.5089</td>
<td>-2.1734*</td>
</tr>
<tr>
<td>12</td>
<td>Guaranteed wage leads of self contentment</td>
<td>3.0224</td>
<td>3.6173</td>
<td>-2.4089*</td>
</tr>
<tr>
<td>13</td>
<td>Due to the group link there is a change in my attitude</td>
<td>3.1177</td>
<td>3.5884</td>
<td>-2.0934*</td>
</tr>
</tbody>
</table>

*significant at 5 percent level

As regards the impact of NREGS on the beneficiaries, the highly viewed variables in by the male respondents are ‘ensures continuous employment’ and guaranteed wage lead to stress free life since their mean scores are 3.2674 and 3.1884 respectively. Among the female respondents the highly viewed variables regarding the impact of MGNREGP on the beneficiaries are ‘eradicates poverty’ and ‘ensures continuous employment’ since their mean scores are 3.8184 and 3.7374 respectively.

Regarding the impact of MGNREGP on the beneficiaries, significant difference among the male and female respondents have been noticed in the case of all 13 variables since their ‘F’ statistics are significant at five percent level.
Reliability and Validity of Variables included to assess the Impact of MGNREGP on the Beneficiaries

The mean scores of each variable in individual impact among the male and female respondents have been computed separately along with its ‘F’ statistics. The score of all 13 variables in individual impact have been included for Confirmatory Factor Analysis (CFA) to examine the reliability and validity of variables in it. The CFA has accepted only 10 variables in it. The overall reliability has been assessed with the help of Cronbach alpha. The results are given in Table 2.

Table 2
Reliability and Validity of Variables included to assess the Impact of MGNREGP on the Beneficiaries

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Variables included to assess the Impact of MGNREGP</th>
<th>Standardized Factor Loading</th>
<th>‘F’ statistics</th>
<th>Composite Reliability</th>
<th>Average variance extracted</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>It enables group task and effort</td>
<td>0.9099</td>
<td>4.1173*</td>
<td>0.7844</td>
<td>56.79</td>
</tr>
<tr>
<td>2</td>
<td>It is developing the individual self-esteem</td>
<td>0.8773</td>
<td>3.7042*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>It reduces anti social activities</td>
<td>0.8518</td>
<td>3.3979*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>It enables group task and effort</td>
<td>0.8044</td>
<td>3.0971*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>It does not exploit labour of an individual</td>
<td>0.7917</td>
<td>2.9905*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>It removes poverty of an individual</td>
<td>0.7676</td>
<td>2.8841*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>It paves a way for communal harmony for individual living</td>
<td>0.7244</td>
<td>2.6082*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>It reduces intonation</td>
<td>0.6971</td>
<td>2.5617*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>It ensures continuous employment of an individual</td>
<td>0.6509</td>
<td>2.3914*</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>It enhances the quality of individual’s life</td>
<td>0.6214</td>
<td>2.1773*</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Cronbach alpha 0.8041

*significant at 5% per cent level

The standardized factor loading of the variables included to assess the impact are greater than 0.60 which reveals its content reliability. The significance of ‘F’ statistics of the standardized factor loading of the variables in it reveals its convergent validity. It is also supported by the composite reliability and average variance extracted since these are greater than its standard minimum of 0.50 and 50.00 per cent respectively. The variables included to assess the impact of MGNREGP on the beneficiaries explain it to an extent of 80.41 percentages since its Cronbach alpha is 0.8041.

Level of Impact of MGNREGP on the Beneficiaries

The level of impact of MGNREGP on the beneficiaries has been measured by the mean score of the ten variables. In the present study the score on impact of MGNREGP on the beneficiaries is confined to less than 2.00, 2.00 to 3.00, 3.01 to 4.00 and above 4.00. The distribution of respondents based on the level of impact of MGNREGP on the beneficiaries is given in Table 3.

Table 3
Level of Impact of MGNREGP on the Beneficiaries

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Level of Impact</th>
<th>Number of Respondents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Male</td>
<td>Female</td>
</tr>
<tr>
<td>1</td>
<td>Less than 2.00</td>
<td>14</td>
<td>10</td>
</tr>
<tr>
<td>2</td>
<td>2.00 - 3.00</td>
<td>29</td>
<td>117</td>
</tr>
</tbody>
</table>
Table 3 reveals that 43.40 per cent of the respondents are having 3.01 to 4.00 level of impact. Among the male respondents the highest level of impact is 3.01 to 4.00 which constitute 41.59 per cent to its total. Among the female respondents the highest level of impact is 3.01 to 4.00 which constitute 43.88 per cent to its total. The analysis reveals that the level of impact is higher among the female respondent than that among the male respondents.

Findings of the study

- As regards the impact of NREGS on the beneficiaries, the highly viewed variables in by the male respondents are ‘ensures continuous employment’ and ‘guaranteed wage lead to stress free life’.
- Among the female respondents the highly viewed variables regarding the impact of MGNREGP on the beneficiaries are ‘eradicates poverty’ and ‘ensures continuous employment’.
- Regarding the impact of MGNREGP on the beneficiaries, significant difference among the male and female respondents has been noticed in the case of all 13 variables. It shows that the opinion of the male and female respondents differ regarding the impact of MGNREGP.
- The highest level of impact of MGNREGP on the beneficiaries is 3.01 to 4.00 which constitutes 43.40 per cent to the total. Among the male beneficiaries the highest level of impact is 3.01 to 4.00 which constitute 41.59 per cent to its total. Among the female beneficiaries the highest level of impact is 3.01 to 4.00 which constitute 43.88 per cent to its total. The analysis reveals that the level of impact is higher among the female beneficiaries than the male beneficiaries.

Conclusion

MGNREGS is described by various names such as ‘Flagship Program’, ‘First ever scheme that guarantees wage employment at an unprecedented scale’, ‘Mother of all development program’, ‘Demand driven and people-centered program’, ‘Boon to rural poor’, Life line to the marginalized and landless’, ‘Largest employment program in the history’ etc.

This program aims at the development of four dimensions of human phenomenon, that is, basic elements related to physical health, economic dimensions related to employment, employability and material development, social dimensions related to social relationship and social status including gender equity and social justice, political dimensions including political participation and empowerment.

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