

**Role of Mahatma Gandhi National Rural Employment Guarantee Act
(MGNREGA) for economic development of rural workers:
A study in Serchhip block, Mizoram**

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Abstract: *Indian economy is purely rooted with rural development where more than 70 percent of population depending the rural based occupation such as Agriculture and allied sector employment. In village situation most of villagers have faced a lot of barriers such as insufficient rain, climate change, financial constraint, unemployment and the like. In this scenario, Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA) was implemented on September 7, 2005 to enhance the socio-economic condition among villagers with 100 days work guarantee and equal wage and employment between men and women. The study analyses the socio-economic impact of MGNREGA scheme on the life Beneficiaries of Mizoram and examines the earning level of each house hold and expenditure pattern on food and non-food item 120 beneficiaries are selected based on systematic random sampling for the study. The findings revealed that MGNREGA has helped to bring down the level of unemployment and has also reduced the supply of labour to the agriculture. Minimum wages for agricultural labourers have increased after the implementation of MGNREGA, Under MGNREGA the sample beneficiaries have marginally gained in terms of better employment opportunities and increased days of employment, which has been improving their per capita income and helps to lead a better standard of life. The author suggested 100 days offer employment to a family in one financial year is no way sufficient to sustain a family. There should have been some weightage for Below Poverty Line (BPL), landless families in providing job opportunities. Work should be allotted according to the preference of the workers and the need of the people. Quality awareness campaigns with focus on details of the provisions and entitlements of the scheme should be launched.*

Introduction

As Mahatma Gandhi remarked, “India lives in the villages”. It is true more than 75 percent of Indian population lives in villages. Mahatma Gandhi defined Rural Development as “Rural Self-Reliance”. He was of the opinion that village life must be touched at all points as it is through rural development that the entire process of decentralization and distribution can be facilitated. He wanted that the forced idleness of Indian farmers should go and they should be provided work of a permanent nature. With this end in view, in the recent years, the government, private and NGOs have initiated several measures such as IRDP, MNREGA, simulation of farm research, adoption of new technology etc., and provision of chief institutional finance. The renewal of interest in integrated rural development with accent on ‘growth’ and ‘better living conditions of the masses’ can be basically traced to the ‘self – reliance’ concept of Mahatma Gandhi.

At the outset, The Mahatma Gandhi National Rural Employment Guarantee Act 2005 (MGNREGA) called as a flag ship programme in India. The MGNREGA community based de-

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velopment programme implemented properly and promptly in order to bring out the revolution among the rural communities especially on socio - economic centric development in 2005 by Government of India. In the view of societal development it marked a paradigm shift from the previous wage employment programmes with its rights- based approach that makes the Government legally accountable for providing employment to those who demand it. The Act aims at “enhancing livelihood security of households in rural areas of the country by providing at least one hundred days of guaranteed wage employment in a financial year to every household whose adult members volunteers to do unskilled manual work”. The MGNREGA programme belongs first rank among the most powerful initiatives ever undertaken for transformation of rural livelihoods in India (Ghosh, 2009). In many ways the MGNREGA is a replication of earlier schemes with a legal guarantee. The most critical difference now is that people’s entitlement, by law, the employment is mandated through MGNREGA. While other programmes are allocation-based, MGNREGA is demand-driven (Dreze, 2008).The Act has been universalised w.e.f. 1st April 2008 and now covers the entire country. The programme has been renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) since October 2009 (Datta and Sharma 2010). It can't be disputed that NREGA scheme, if implemented properly, can have ever lasting implications for the beneficiaries economically and socially. Also the face of the society can be changed by giving employment opportunities to all adults who demand jobs. in plethora studies has done to analyse the changes brought about by the scheme in terms of supplementing employment and livelihood opportunities, income and wages, and building social capacity in the study areas.

Review of Literatures

MGNREGA has attracted a considerable amount of academic interest because of its features, size and implications for rural India. The review of literature helped in understanding the entire process of MGNREGA planning and implementation related issues particularly in Mizoram.

Suman Pamecha and Indu Sharma (2015) conducted the study on ‘Socio-economic impact of MGNREGA’ The study was undertaken among Beneficiaries of 20 villages of Dungarpur District of Rajasthan, The study tried to analyse the socio-economic impact of MGNREGA scheme on the life Beneficiaries of Dungarpur district. The study examines the earning level of each household and expenditure pattern on food and non-food item. An effort was made to find out views and feedback of the beneficiaries about the programme. The study also tried to observe the socio-economic condition of migrant people. The study found that the female members of these households preferred local migration only. Therefore the assured employment in rural areas could certainly reduce out-migration. MGNREGA can certainly check distress related migration from rural areas. Thus study observed that the wages received by female-worker at migrated place was not different from the minimum MGNREGA wage. The study revealed that the programme has brought the change in the lives of the beneficiaries. Though it is always debatable issue that such changes, by MGNREGA and sustainable or temporary.

Krushna Ranaware.et.al (2015), conducted the study on “MGNREGA -Works and their impact” the study report on a survey of 4,881 users of more than 4,100 works created under MGNREGA in Maharashtra. It provides evidence that MGNREGA works support agriculture, and benefit large number of small and

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marginal farmers, an overwhelming 90% of the respondents considered the works very useful or somewhat useful, while only 8% felt they were useless. Further, most work continue to be maintained and are in a good condition overall, the study suggest that the widespread perception that the MGNREGA does not create anything productive appears to be misplaced, although there is scope for improving the choice of works, and their execution.

Azhagaiah. R and Radhika. G (2014) analyse the study corroborated on “impact of MGNREGA on economic well-being of unskilled workers: Evidence from Puducherry region”. The study revealed that there is a significant increase in the welfare of the family for both men and women workers in respect of spending more for family, children’s education and enables them to save in bank/post office after working under MGNREGA. However, the economic wellbeing will be improved still better if 100 days of employment in a year is providing to them.

Prasanna. N et al (2014) conducted the study on “Socio-economic impact of MGNREGA in Tamil Nadu, India” the study analyses the real impact of MGNREGA in the state of Tamil Nadu, India in terms of financial inclusion of the rural poor, particularly women, SC and ST populations through employment generation. It examines the level of migration after implementation of MGNREGA, participation of skilled labourers in unskilled work, the difference among agricultural, non-agricultural and MGNREGA wages, and the awareness of provisions in MGNREGA by the stakeholders. The study finds that financial inclusion has taken place in the study area. The study also finds that migration has been reduced and the levels of agricultural wages have gone up after the introduction of MGNREGA in the study area. Most importantly, women have been empowered by bargaining power in terms of wage rate.

Statement of the Problem

In India, rural people are suffering a lot with unemployment and the traditional imbalance of gender inequality. Especially, in employment and wage structure. Mizoram is economically backward state. The state Economy is mainly agrarian, about 70 percent of the population is directly of in directly dependent on agriculture. Agriculture still remains under-developed and the primitive method of shifting cultivation known as ‘jhum’ predominates where about 75 percent of rice alone comes from outside the state. In Mizoram MGNREGA is an instrument for ensuring livelihood security for the rural masses. There is a policy shift in India towards rural employment generation which has made the government to ensure employment as one of ‘right’ of the people. The public policy of right to employment has provided the people to participate in the government offered employment programme and manage income. The present study is focused on people’s participation in this right based programme as beneficiaries and its effects on income, change in consumption and expenditure pattern and the household .This present research paper examines the economic conditions of 120 rural workers and analyse their contemporary issues and suggest measures for their overall betterment.

Objectives of the Research Study

1. To analyses impact of MGNREGA in economic condition of MGNREGA beneficiaries
2. To offer the suggestion for betterment of Rural workers

Area profile of the present study:

Serchhip district is one of the key districts among 8 districts in Mizoram state in India. The district is bounded on the north and northwest by Aizawl District, on the west and south by Lunglei district, on the southeast by Myanmar and on the east by Champhai district. The District occupies an area of 1421.60km. Serchhip town is the administrative headquarters of the district. This district came into existence on 15 September 1998. As of 2011 census, it has the highest literacy rate in India, and the second least populous district of Mizoram.

Research Design and sampling

The present study nature is descriptive one, and based on secondary and primary data. The present research study has undertaken with 120 samples in Serchhip District, Mizoram State. The study was explored to enlist the possible effect of the MGNREGA of rural workers.

Stages of selection

1. Selection of District: In Mizoram there are 8 districts and out of it Serchhip District, which is having 2 RD blocks is randomly selected for the study
2. Selection of block: Out of 2 block in Serchhip District, Serchhip block is purposively selected based on more number of persons were provided employment during the year 2013-2014 as compare to other block in Serchhip district.
3. Selection of village: In Serchhip block there are 38 villages out of 38 villages in Serchhip block Thlentlang village is purposively selected for the study as almost all the Adult population of the poor households are engaged in MGNREGA works.
4. Selection of Beneficiaries: Out of 280 registered under MGNREGA 120 beneficiaries are selected based on systematic random sampling for the study.

Sources of Data

Both secondary data and primary data were used for the study. Which consisted two types of interview schedules was bearing on the objective of the study, one for the NREGP beneficiaries and another one for village council president. Primary data was collected through direct personal interview with the respondent using interview schedule. Secondary data was collected through collateral sources such as records of councils, government documents, journals, magazines, newspapers, electronic media etc.

Tools of Data collection

The data were collected with the help of interview schedule and group discussion
The study is based on multi-stage random sampling technique

Result and Discussion

Income generation is the most important indicator and also deciding factor of standard of living. Access to food, shelter, economic, comforts and social appreciation, greatly depend upon one's income level. Hence, aiming at bringing socio-economic proliferation among people, many programming organisation avowed objective of augmenting the income level of rural workers. For this reason, the study analysed about their income level of MNREGA Rural workers in Serchhip District, Mizoram.

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Table 1: Distribution of respondent by Annual Income

Range of Income	Respondents	Percentage
> 5000	62	51.67
5000-10000	42	35
< 10000	16	13.33
	120	100

Source: Field Survey

The annual income of the respondents has been depicted in the above table 1.0. It reveals that, 13 percent of respondents are earning above Rs.10,000. 35 percent of income between Rs. 5000 to 10000 and 52 percent of the respondents are earning below Rs. 5000. It corroborates that most of respondent still under financial crisis stage.

Table 2: Expenditure details of MGNREGA workers

Items	Respondents	Percentage
Household Needs	80	67
Health Facilities	22	18
Education	12	10
Others	6	5
Total	120	100

Source: Field survey

The table shows the wages of spending additional earned by MGNREGA workers. It is clear from the table that 67% workers spent their increased income on household needs. About 18% of the workers reported their income on Health needs and 10% workers spent on their children education the rest 5% spent on other purposes like social ceremonies and sanitation.

Table 3: Economic Impact of MGNREGA workers

S.No	Particulars	Beneficiaries
1	Increase in wage rate	55
2	more economic independence	23
3	Rise in demand for labour	27
4	Reduction in dependence on wage work in agriculture	22.66
5	Increase work opportunities	14
6	Decrease indebttness	20
7	Increase in durable assets	12
8	increase in rural connectivity	43
9	Shift in the pattern of employment	43

Source: Field survey

Employment opportunities and wage rate have gone up leading to significant lent in poverty in rural. Increase in wage rate and number of workdays in rural areas increased the income of rural households. Increase in income has resulted in increase in ability of rural households to purchase foods grains, other essential commodities and to access education and health care.

Suggestions

- 100 days offer employment to a family in one financial year is no way sufficient to sustain a family. There should have been some weightage for Below Poverty Line (BPL), landless families in providing job opportunities.
- Work should be allotted according to the preference of the workers and the need of the people.
- Quality awareness campaigns with focus on details of the provisions and entitlements of the scheme should be launched

Conclusion

The findings revealed that MGNREGA has helped to bring down the level of unemployment and has also reduced the supply of labour to the agriculture. Minimum wages for agricultural labourers have increased after the implementation of MGNREGA, Under MGNREGA the sample beneficiaries have marginally gained in terms of better employment opportunities and increased days of employment, which had improved their per capita income and helps to lead a better standard of life. Even though NREGA has brought changes in the quality of life go beneficiaries especially from economically and socially backward communities, a lots more has to do to achieve the expectations of the society at large. People are still not empowered to use their right to demand and ensure transparency in the implementation of this scheme. it calls for intervention by authorities to ensure smooth functioning of this programme ,free from malpractices and corruption so that it can act as a tool to rejuvenate the otherwise unproductive and under productive areas of our country

To sum up, MNREGA had a significant impact on the economic condition of MNREGA workers by providing them work opportunities, rise in wage rate, creating assets and bringing economic independence especially in the case of woman workers.

Authors' Note

This manuscript is the authors' original work, has not been published and is not under consideration for publication elsewhere.

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