

NOTES AND COMMENTS

FIFTEEN YEARS OF INDIA'S MGNREGA: EMPLOYER OF THE LAST RESORT?

Ravi Kumar Gupta*
Vaibhav Kant Mishra**

ABSTRACT

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) of India was enacted by the Government of India with the prime objective of improving the security of the households in rural areas of the country by providing 100 days of wage employment annually to every rural household who wishes to work and ask for unskilled manual work. In this paper we have made an attempt to assess the performance of the scheme particularly in the context of how it has delivered benefits to women in the rural areas during the last fifteen years. The study found that women's socio-economic conditions have improved gradually; however, there are developmental initiatives that can be incorporated into the plan to hasten the rate of this improvement. In this context, multi-agency strategy could potentially be a successful plan for the improvement of the socio-economic situation of the rural people in the country in general and the women in particular.

Keywords: MGNREGA, Household, Women Empowerment, Socio-economic Development, Employment, Assets, Community and Development

* Assistant Professor, Department of Humanities and Social Science, Madan Mohan Malaviya University of Technology, Gorakhpur, Uttar Pradesh, India; E-mail of corresponding author: ravikumareco@gmail.com

** Department of Management Science, Madan Mohan Malaviya University of Technology, Gorakhpur, Uttar Pradesh, India; E-mail: vaibhavkantmishra15771@gmail.com

1. Introduction

Mahatma Gandhi National Rural Employment Guarantee Act, initially named National Rural Employment Guarantee Act or NREGA, enacted by the Government of India in 2005, is the largest employment programme ever started in the country with a huge public investment. The prime focus of the scheme is to provide 100 days of wage employment per year to every rural household whose adult members wish to do unskilled manual work. The Scheme played a critical role during the COVID-19 pandemic to combat the loss of lives, livelihoods, jobs, and income (Hale et al., 2020). Its goal is to promote rural government through decentralization (Jean Dreze, 2020) and the regeneration of the natural resource base, which entails increasing productivity and assisting in the creation of long-lasting assets. MGNREGA treats work as a right and is designed to be demand-driven, making it conceptually distinct from the past government's employment plans.

It has been more widely acknowledged that MGNREGA has the power to alter rural social structures and economic systems. Almost every facet of the Scheme's performance has demonstrated a steady improvement over time. Rapid growth in the number of households receiving jobs through MGNREGA demonstrates the programme's broad scope. The rising employment of people per family, the growing engagement of women, and the average salary per person per day—all point to the fact that households participating in the Scheme have been earning a sizable income.

According to Gangadhara and Aswath (2016), the MGNREGA has aided in providing employment, building permanent assets, reducing rural-urban migration, and employing women, SCs, STs, and people with disabilities. This programme's primary focus is on wage workers, and it has tremendous potential to improve the socio-economic circumstances of the rural people, many of whom are landless agricultural labourers and marginal or small farmers (Narayan, 2022).

The MGNREGA programme offers many job-seekers a ray of hope that may eventually result in a reliable source of income. The campaign has also approached the women in the society, especially those in rural India who have long suffered due to the system's complications. MGNREGA stands out from the other programmes since it is demand-driven and has a longer lifespan (especially for women) than any of other programmes. However, the MGNREGA did not grant women the same socio-economic position as men, despite the fact that it has inspired several pieces of legislations that raised women's status in the society.

The primary focus of this study is on the impact of the MGNREGA on rural women. Right now, MGNREGA is operative in every rural region of the nation. Families who have found work have opened bank accounts because

of the significant financial inclusion facilitated by MGNREGA. The Ministry has encouraged all state governments to guarantee complete payment of wages through accounts. The scope of the study states that, for many job seekers the MGNREGA programme represents a glimmer of hope that will eventually lead to a stable source of income.

The objectives of this paper are to evaluate the sustainability of the assets created by MGNREGA in the selected village and to evaluate the income of women beneficiaries of MGNREGA. At the local level, a number of actions were taken to increase the participation of women. In the communities, committed supervisors are being hired in order to boost the engagement of women. They support management and supervision jobs, as well as job portals.

1.1 Women's Contribution in Rural India

India is one of the middle-income nations in the world where, over the past three decades, female labour force participation has surprisingly decreased from 30 per cent in 1990 to 24 per cent in 2016, despite significant economic development rates. Only one-third of jobs are supposed to be reserved for women, according to NREGA. However, since the national law's inception as a demand-driven programme, consistently more than half of the workers have been women (Narayanan, 2008), mirroring the Maharashtra experience. Women made up 53 per cent of the employees in the NREGA worksites in 2020-21, a rise of 36 per cent over the previous fifteen years. NREGA has emerged as a torchbearer of women's empowerment. More than 80 per cent of the NREGA employees are women, particularly in the southern states of Karnataka, Kerala, and Tamil Nadu. Paying fair wages is another important factor. NREGA is one of the few government programmes, which pay equal wages to women for unskilled jobs as to men.

In contrast, women earn less in the agricultural or non-agricultural markets than males. According to data from the Labour Bureau (2022), the NREGA-notified wage rates for 2020-21 were specifically equal to or slightly lower than the comparable prevailing farm wage rates for female agricultural labourers in January 2020 in the seven large southern and western Indian states of Karnataka, Tamil Nadu, Maharashtra, Gujarat, and Madhya Pradesh. However, based on the scant data currently available for eastern and northern India, it appears that NREGA wages there were significantly less than the women's agricultural market wages.

2. Review of Literature

According to NSS (2009-10) report on "Does India's Employment Guarantee Scheme Guarantee Employment?" the MGNREGS will be more in demand for employment in India's poorer states. In all states, especially in the poorest ones where the Scheme is most required, there is a sizable number of unmet demands

for employment in the plan. However, the programme attracts backward classes and poor women to the workforce in rural areas (Dutta et al., 2012). The official data were compared as to how the policy affected the socio-economic vulnerabilities in the state. Their analysis was based on a time-series-based field investigation that was carried out in the Budgam district's Kage block in 2010 and 2012. They discovered that the statutory 33 per cent reservation for women in the workforce exceeded its ceiling at all levels in India, reaching 51.92 per cent, but in Jammu & Kashmir, the involvement of women under the MGNREGA programme is still only 20.05 per cent. Additionally, Dutta et al. (2012) compared the percentage of women in the workforce with that of SCs and STs, concluding that at the start of the MGNREGA programme, SCs and STs held better jobs than women (Malla, 2014). The MGNREGS impacted beneficiaries' social and economic circumstances in Rajasthan's Dungarpur district. The study by Pamela & Sharma (2015) used a field survey, and the Dungarpur district was specifically chosen for the thorough investigation. There were 200 MGNREGA beneficiaries in the entire sample. They found that MGNREGS has been beneficial in raising rural households' income. For instance, 51 per cent of the families acknowledged that joining MGNREGS had boosted their annual income from Rs. 5000 to Rs. 10,000, while 8 per cent stated that MGNREGS had increased their annual income by more than 10,000. Beneficiaries of the MGNREGA experience a rise in consumption and income each year. As for example, 79.5 per cent of respondents owned mobile sets and 35 per cent owned motorcycles. Because of the adoption of MGNREGS, there was a decline in migration in the research area (Pamela & Sharma, 2015). Utilizing the secondary data sources and empirical data analysis, using fundamental statistical tools like percentages and graphs, and through analysis of different study variables, Bhat and Yasmin (2021) looked into the effectiveness of MGNREGS in Jammu & Kashmir. The survey found that, from 4.97 lakh in 2008-09 to 12.53 lakh in 2017-18, the number of families acquiring job cards had increased dramatically since MGNREGA started. The number of households looking for work and the level of employment in the state has increased. The number of person days of employment generated increased from 32.3 to 84.61 lakhs, and the total number of person days of employment provided by SCs, STs, and others increased from 1.7, 7.5, and 23.05 lakhs to 4.09, 17.27, and 63.25 lakhs, respectively (Bhat and Yasmin, 2021). One of the biggest issues in India is rural unemployment. People moved to metropolitan cities because there were few employment prospects in rural areas. To address this problem, to create jobs, and to stop rural migration, the Indian Union government enacted the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2005. The MGNREGA's primary objective is to provide rural communities with 100 days of guaranteed employment. Erramani and Begari (2018) tried to find out how the programme was advertised in Andhra Pradesh between 2006 and 2011. Secondary data sources compiled from several public sources served as the foundation for this study (Erramani and Begari, 2018). The "Rural Manpower Programme" taught

the lesson of financial management, the “Crash Scheme for Rural Employment” taught the lesson of development for outcomes, and the “Pilot Intensive Rural Employment” taught the lesson of development for outcomes, etc. during the first 30 years of research into employment generation schemes in rural areas of India (Vasu, 2018). MGNREGA has increased consumer spending and asset accumulation, notably for households that depend on casual work and members of scheduled castes and scheduled tribes, as demonstrated by Deininger & Liu, 2013. In the State of Andhra Pradesh, SCs and STs concentrated on five districts. By increasing monthly per capita spending on food and non-food goods, the plan has also significantly decreased the number of missed weekly meals per home (Deininger & Liu, 2013). It is critical to assess the breadth and direction of the advantages the MGNREGA legislation has generated because it has the potential to have a major influence on some areas, particularly in poverty reduction and rural development. Drèze (2010) even praised MGNREGA for its ability to remove “the dictatorship of the private employer” by providing minimum salaries and increasing the bargaining power of rural employees (Breitkreuz, 2017; Carswell, 2014; Reddy, 2014).

3. Research Methodology

The present study is descriptive, analytical, and based on primary and secondary sources. The study employs a range of research techniques to examine the impact of MGNREGA on the neighborhood families. The research problem is stated using a qualitative approach. Information pertinent to households has been acquired from all MGNREGS beneficiaries through an organized schedule of interviews. The researcher is guided by a set of questions on the pre-defined interview schedule as they gather information on the research problem. The objectives of the questions were to elicit the most precise and accurate answers from the respondents in the fields.

The Gorakhpur district of Uttar Pradesh has been specifically chosen for this investigation as a substantial proportion of women in this district hold work cards under the MGNREGA programme. This study has been conducted in the Bansgaon and Kauriram blocks of the Gorakhpur district, where the MGNREGA programme indicates that women have the highest employment status. The study has used a random sampling method in selection of female workers from various backgrounds and ages. Creating a study instrument to achieve research objectives is essential in any research effort. An interview strategy was formulated after reviewing relevant literature, and after speaking with the MGNREGS women beneficiaries, while keeping in mind the subject and goal of the study.

94 per cent of the sample is made up of married respondents. 90.7 per cent of the families of respondents were led by men. Among the respondents, 100 per cent are homeowners. There are two to three wage earners in the respondents' homes

(80.34 per cent). 79 per cent of the participants of this Scheme who joined for the fixed wage was successful. 85 per cent of members reported their income. 90 per cent of MGNREGS members earn less than Rs. 2500 as their monthly income. 95 per cent of MGNREGS members report the need for earning more money from the project. 80 per cent of the respondents stated they frequently save money.

4. Data Analysis

The demographic profile of the respondents is shown in the first section of the survey results, which are organized as follows. The section finishes with a discussion of the participants' opinions and the socio-economic outcomes of the data analysis.

Table 1: Demographic Characteristics of Respondents

Variables and Categories	N=120	%	Variables and Categories	N=120	%
Name of Panchayat			Community		
Kauriram	90	75	SC	83	69.2
Bansgaon	30	25	ST	27	22.5
Name of Village			Others	10	8.3
Bhagarai	11	9.1	Education qualification		
Bela	33	27.5	illiterate	89	74.1
Maloan	22	18.3	8th class	20	16.6
Devkali	19	15.8	High School	11	9.16
Bhiti	12	10	Intermediate and graduation	0	0
Kashihar	23	19.1	Marital Status		
Age (yrs.)			Single	7	5.83
Below 30	9	7.5	Married	113	94.1
31-40	38	31.6	Family headed		
41-50	41	34.1	Women headed	13	10.83
Above 50	32	26.6	Men headed	107	89

Source: Primary Data, 2022

The demographic characteristics of the respondents considered for this study are shown in Table 1. The Kauriram Block had the highest percentage of respondents (75 per cent), whereas the Bansgaon Block had the lowest (25 per cent). The two-block samples included the following villages: Bhagarai, Bhiti, Bela, Maloan, Devkali, and Kashihar. Based on the age groups of the respondents from the sample as mentioned above, it can be inferred that the bulk of the women MGNREGS beneficiaries are from older age groups—under 30 years

(7.5 per cent), 31-40 years (31.6 per cent), 41-50 years (34.1 per cent), and above 50 years (26.6 per cent). A majority of per cent the women (89 or 74.1 per cent) who participated in the MGNREGA programme were illiterate, among them 83 (69.1 per cent) women received benefits. This indicates that more rurally backward women received benefits from the programme. Most respondents (118 or 98.3 per cent) are married, while the majority of the respondents' families (113 or 94.1 per cent) are headed by men. The satisfaction level of the women beneficiaries of MGNREGA is depicted in Table 2. The majority of percent women (51 or 42.2 per cent) are dissatisfied with the number of days of employment offered under the MGNREGA.

Table 2: The Satisfaction Level of Women Beneficiaries of MGNREGA

Variables and Categories	N=120	%	Variables and Categories	N=120	%
Satisfaction in working days			Satisfaction in wages		
Highly satisfied	14	11.66	Highly satisfied	13	10.8
satisfied	39	32.5	satisfied	17	14.1
Neutral	16	13	Neutral	18	15.4
dissatisfied	51	42.2	dissatisfied	72	60.3
Satisfaction with working conditions					
Highly satisfied	18	14			
satisfied	42	35.9			
Neutral	36	30.1			
dissatisfied	24	20			

Source: Primary Data, 2022

Most respondents (72 or 60.3 per cent) expressed dissatisfaction with the wages offered in MGNREGA. Regarding MGNREGA's working conditions, 96 (80 per cent) people are delighted, content, or neutral, while the remaining 24 (20 per cent) are dissatisfied or extremely dissatisfied. It may be inferred from the above table that most MRGNREGA members are disappointed with the factors mentioned earlier.

Table 3: Economic Status of MGNREGA Members

Variables and Categories	N=120	%	Variables and Categories	N=120	%
Residency details			No. of Family members		
Own house	120	100	1-2	27	22.5
			3-4	57	47.5
Type of house			5 & above	36	30
Kutcha	7	5.8	No. of earning members		

Semi-pucca	32	26.6	0-1	13	10.83
Pucca	81	67.5	2-3	97	80.83
			Four and above	10	8.3
Own land					
Less than 10 cents	70	58			
10 to 20 cents	3	2.5			
No land	47	39			

Source: Primary Data, 2022

The socio-economic level of MGNREGA participants is shown in Table 3. 120 respondents (100 per cent) have their own house, of which 32 (26.6 per cent) have semi-pucca house, 81 (67.5 per cent) respondents live in pucca house, and 7 (5.8 per cent) respondents live in kutchha house. 70 respondents (58 per cent) have land worth less than 10 cents. A family consists of three to four people in the case of 57 (47.5 per cent) respondents, one to two people in the case of 27 (22.5 per cent) respondents and five people or more in the family of 36 (30 per cent) respondents. Only 10 (8.3 per cent) respondents have four or more earners in their family, as compared to 97 (80.8 per cent) respondents who have earning members between two and three. Thirteen (10.8 per cent) respondents have just one earner in the family.

Table 4: Number of Days worked and Level of Income

Variables and Categories	N=120	%	Variables and Categories	N=120	%
No. of days worked			Increasing the level of income		
15 to 35 days	47	39.1	Yes	17	14.1
36 to 75 days	59	49.1	No	103	85.8
76 to 100 days	14	11.8	State your monthly income.		
Reason for joining the MGNREGS			Below Rs.2500	90	75
Site Location	40	33.3	Rs.2501 to 4000	30	25
Fixed wages	79	65.8	Have sufficient income from the NREGA scheme		
Govt. work	11	9.1	Yes	5	4.1
Have regular savings habits			No	115	95.9
Yes	97	80.3			
No	23	19.1			

Source: Primary Data, 2022

Table 4 depicts the effects of MGNREGA on its participants. The majority of (59 or 49.1 per cent) members worked for 36-75 days under this programme

during a year, while 47 (39.1 per cent) members worked for 15-35 days during a year and 14 (11.7 per cent) members worked for 76-100 days. Most of the participants (79 or 65 per cent) who joined for the fixed wages were successful in this programme. 103 (85.3 per cent) members said their income did not rise after enrolling in the programme. Majority of MGNREGA participants (90 or 75 per cent) have monthly income of less than Rs. 2500. The remaining 30 (25 per cent) participants have monthly income between Rs. 2501 and Rs. 5000. 95 per cent of MGNREGA participants (115 people) do not have enough money coming in from this programme. 23 respondents (19.1 per cent) do not have regular savings habits, as compared to 97 respondents (80.3 per cent) who do have so on regular basis.

5. Asset Creation under MGNREGA

The MGNREGA aims to build permanent assets rather than only provide cash transfers to rural Indians. In the end, it depends on the beneficiaries of the MGNREGA. Assets developed on private property and assets created on community land are the two basic categories into which the “assets created under the MGNREGA project” can be divided. The types of work undertaken under MGNREGA are presented in Table 5.

Table 5: Types of Works under MGNREGA

Type of Work	Nature of Work
Water conservation and harvesting	Digging new tanks/ponds, small check dams, etc.
Draught proofing and plantation	Afforestation, tree plantation, etc.
Flood control and protection	Drainage in waterlogged areas, construction, and repair of embankment, etc.
Land development	Plantation, land levelling, etc.
Micro-irrigation Works	Minor irrigation canals, etc.
Renovation of Traditional Water Bodies	Desilting tanks/ponds, Desilting of old canals, desilting of traditional open wells, etc.
Provision of irrigation facility, land owned by	Scheduled castes and scheduled tribes, beneficiaries of land reform etc.
Rural connectivity	Construction of roads, etc.
Any other activity approved by the Ministry of Rural Development	Other works, etc.

Source: Compiled from <http://nrega.nic.in>

Table 6: Opinions about Community Assets created after the Implementation of MGNREGA

Opinion	Kauriram	Bansgaon	Total
Yes	45 (75%)	41 (68.3%)	86 (71.6%)
No	15 (25%)	19 (31.6%)	34 (28.3%)
Total	60 (100%)	60 (100%)	120 (100%)

Note: Figures in brackets represent percentages.

Source: Primary data

The opinions about the community assets created after the implementation of MGNREGA reveals that 71.6 per cent of the respondents think the MGNREGA-created assets are effective, whereas 28.3 per cent do not think so (Table 6). The findings demonstrate that most of the respondents think the MGNREGA programme's assets are effective and have contributed to their own and others' income growth.

6. Conclusion and Suggestions

The study revealed the socio-economic status of the women who routinely work in rural areas under the MGNREGA programme. They are the ones who are in the greatest need of this scheme. As per the findings of our study, the strategy did not increase the predicted level of socio-economic situations for the rural women. Rural women raise their income by working more days and earning more money. Even if the socio-economic situation has improved progressively, additional developmental initiatives can be added to the programme planning, primarily focusing on those women who have been working consistently under the programme for extended periods. For the improvement of the socio-economic circumstances of rural women, a multifaceted plan and a multiagency strategy may also be considered.

The respondents would prefer something other than the number of working days that MGNREGA offers. Therefore, the government is trying to extend the scheme's working week. Because respondents were unhappy with the ongoing wage, the government tried to raise the MGNREGA wage. After enrolling in this programme the MGNREGA beneficiaries income level stayed the same. Therefore, the government is trying to raise the MGNREGA recipients' income level. However, the working conditions of the scheme must be improved.

As per the statistics demonstrated in the study, most respondents claimed that work on rural roads, rural connections, and land development had been done in the research region as part of the MGNREGA initiative. Enhancing the productivity of lands entails constructing irrigation infrastructure suitable for irrigation, such as bund plantations, farm ponds, earthen bounding, bush cutting, stone bounding, boundary trenching, and other water harvesting

structures. Renovating traditional water features includes de-silting of tanks, boosting tank storage capacity, recharging the groundwater table, expanding access to drinking water, and enhancing tank command catchment areas. These resources aid in the growth of the community.

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