



ROLE OF THE MGNREGS IN IMPROVING SOCIO - ECONOMIC CONDITIONS OF SCHEDULED CASTES IN GUNTUR DISTRICT AN ASSESSMENT

CHEBROLU RAVI KUMAR,

Research Scholar

Dept. of Rural Development

**Acharya Nagarjuna University, Nagarjuna Nagar Guntur, Andhra
Pradesh.**

Dr. K. SOMASEKHAR,

Associate Professor

Dept. of Rural Development

**Acharya Nagarjuna University, Nagarjuna Nagar
Guntur, Andhra Pradesh.**

Abstract

The present paper is an attempt to assess through empirical experiences of the Mahatma Gandhi National Rural Employment Guarantee Programme among the Scheduled Castes in the Guntur district of Andhra Pradesh. The purpose of implementing the MGNREGS in nearly 200 backward districts across India is to provide employment to the rural poor. In rural Indian majority of the social groups involved in agriculture and the allied sector as skilled employees and rural poor belongs to Scheduled Castes.

Keywords: MGNREGS, Scheduled Castes, Rural Poor, Unemployment, Socio-economic transformation.

Introduction

In phase II, the MGNREG act 2006 extended to 130 background districts. Hence, as a result, for now, nearly 645 rural districts are under this act 2006 being implemented across India. The objective of the MGNREG act 2006 was to provide work-guarantee to poor rural households precisely underprivileged and backward geographical regions in India. The economic benefits to the backward population by offering a minimum of 100 days of labor work. According to **NREGA Gazette 2005**, *“An Act to provide at least 100 days of guaranteed wage employment in each fiscal year to every household whose adult members volunteer to perform unskilled manual labor, as well as for matters related thereto or incidental thereto, in order to improve the livelihood security of households in rural areas of the country.”* NREGA 2005 was launched in 2006 as the first phase of MGNREGA. However, the MGNREGA name was introduced in January 2010 and several reforms were made in subsequent years¹. This act 2006 differs from NREGA 2005 mainly in duration for full-time labor work. Earlier, schemes for rural development includes National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana (JRY), Employment Assurance Scheme (EAS), Jawahar Gram Samridhi Yojana (JGSY), Sampoorna Grameen Rozgar Yojana (SGRY) and National Food for work program (NFFWP) implemented in the period 1980-89, 1983-89, 1988-89, 1993-1999, 1999-2002, 2001-06 and 2004-06 respectively.

On February 2nd, 2006, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was put into effect. It was the first act of its type anywhere in the world to grant the right to labor to about two-thirds of the people as a means of economic security. The scale used to supply it roughly 1/10th of the world's population is just astounding. It was the second in a series of right-based policies the Government of India has rolled out in the past decade. The others are the Right to Information (RTI) Act, the Right to Food Act, the Education (RTE) Act, and other laws that were passed in 2005, 2009, and 2013 accordingly. It was carried out in stages, with Phase I (2006–2007) covering the first 200 most underdeveloped districts. Phase II added another 130 districts, and phase III took care of the remaining rural districts. Currently, the Act applies to all 645 rural districts across India. Since its start, it has produced 1679.01 crore person days of employment at a cost of Rs. 250310.81 crores.

The MGNREGA act has admirable goals, including providing poor rural households an employment guarantee on the one hand and creating high-quality assets, building the rural resource base, promoting social inclusion, and strengthening Panchayati Raj institutions on the other. However, concerns have been expressed with regard to the timing and intent of the act, its structure, and design, the rationality of government intervention in the labor market in an era of liberalization, the program's potential effects on economic growth and asset creation, as well as its overall effectiveness. According to Sharma (2010, 2011), MGNREGA represents a substantial shift away from these supply-driven,

¹ Mukherjee, D., & Sinha, U. B. (2013). Understanding NREGA: a simple theory and some facts. In *Human Capital and Development* (pp. 103-128). Springer India.

work-based employment policies and toward right-based, demand-driven policy. The Maharashtra Employment Guarantee Scheme (MEGS), which began as a drought relief measure in the years 1972–73 and eventually evolved into a legal guarantee program in the year 1975, served as the model for the MGNREGA. This act was the first of its kind policy based on an entitlement-based approach and demand-driven work-based employment regulations, and it contains a number of innovative policy design elements.

MGNREGA was envisaged as a demand-driven program where the work in a particular village is undertaken based on the demand from a number of households demanding such work in a given year, the upper cap being 100 days per year per household. The costs are to be shared by both the center and states, though the larger part of the financial burden is to be taken care of by the center as it has more resources. The center will provide 100% funding of wages for unskilled manual work and 75% of the material cost of the schemes including payment of wages to skilled and semiskilled workers while the States will fund 25% of the material including payment of wages to skilled & semi-skilled workers. It was also decided that in case the states are unable to provide the required employment opportunities at the stipulated time, they will be entitled to an unemployment allowance to be paid by the respective states². This was thought to act as a deterrent for possible lags in implementing the scheme on the part of the state government.

Considering previous rural development programs, the MGNREG act 2006 was designed with multiple features and provides benefits of work-based employment by the MGNREGS act 2006³. The MGNREGS act 2006 was drafted with a special design where the act is irrevocable and can be dismissed by only other act of parliament. Hence, the legal aspect this act 2006 ensures employment for the rural and underprivileged population from backward areas. Additionally, the MGNREG act 2006 is bound with legal obligations for providing funds for MGNREGA. This act 2006 was designed with budgetary allocation where 60% of allocated for unskilled labor and 40% to semi-skilled labor. **Sharma 2011** clearly demonstrates MGNREGS act 2006 policymaking where challenges with previous social reforms were considered⁴. Considering the performance of the act 2006 to date, there has been a continuous decline in the employment rate and safeguard of economic benefits. According to government data during 2006-2014, a steady decline in % employment was seen from 55% to 30%. This is interesting when the budget allocation was raised during 2006-2014.

² Kamath, R. (2010). National rural employment guarantee act: An effective safety net?. *IIMB Management Review*, 22(1), 42-55.

³ Sharma, A. (2011). The Mahatma Gandhi National Rural Employment Guarantee Act. *Innovative*, 271. ⁴ Pankaj, A. (Ed.). (2012). *Right to Work and Rural India: Working of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)*. SAGE Publications India.

⁴ Sharma, A. (2010). Mahatma Gandhi National Rural Employment Guarantee Act, 2005: A Rights-based Law for Inclusive Growth”.

Positive impact

The impact of the MGNREGA program has gained success in offering a safeguard of employment and improving economic status at the regional and national levels. According to Ghatak and Roy 2007 MGNREGA served as an effective tool to implement employment and secure income source for a deprived and backward population⁵. The objective of this act 2006 implementing economic reforms in the rural area precisely backward populations. Another outcome of this act 2006 was highlighted by implementing and offering women employment and distress migration. Sinha and Mukherjee (2010) argue a critical impact of the MGREG act 2006 on poor and socio-economic status⁶. JP Morgan (2011) analyzed the impact of the MGREGA act 2006 on rural wages and reported a significant increase⁸. Shah and Jose (2009) provided statistical data clearly indicates an increase in employment opportunities in rural areas as a result of the implementation of this act 2006. Indian demography largely depends on rural income and the MGREG act 2006 provided an opportunity in boosting the rural economy⁹. In rural India gender-based discrimination for employment is significant and the MGREGA act 2006 offered an opportunity to all beneficiaries with any biasness. Based on present data (Government data) during 2006-2014, this act has significant positive impact for improving rural livelihood and sustainable asset creation.

Objective of the study

Aim of present study to understand and evaluate impact of MGNREGS act 2006 on socio economic status of Scheduled castes population at Pedakakani, Guntur Andhra Pradesh. In Guntur district Andhra Pradesh, Pedakakani is village in Guntur district located at 16°20'24"N 80°29'27"E and is spread over an area of 16.80 km². The demography of Pedakakani represents a population 23, 201 according to 2011 Census of India with a sex ratio 1051 females per 1000 males. In the population, male represent 11, 315 and females with a higher number i.e. 11, 886 along with children of age group 0-6 years. Pedakakani population literacy rate stands at 70.05% which is significantly higher than state average literacy rate. During the last one decade, several employment schemes were launched under MGNREGS act 2006 at Pedakakani village. The overriding goal of present study is to examine impact of MGNREGA program to Scheduled caste population at Pedakakani to ensure livelihood security by providing employment. The evaluation can take into account, among other things, productive assets, environmental protection, empowering rural women, lowering rural-urban migration, and promoting social fairness⁷.

⁵ Ghatak M and Roy S, Land reform and agricultural productivity in India: a review of the evidence; Oxford Review of Economic Policy, Volume 23, Number 2, 2007, pp.251–269

⁶ Sinha, U. B., & Mukherjee, D. (2010). *Understanding NREGA: A Simple Theory and Some Facts* (No. id: 3099). ⁸ JPMorgan (2011). Wages in Rural India Accelerated Sharply Post-NREGA. India Equity Research. Accessed on 22nd May 2014 from <http://indiaer.blogspot.in/2011/10/indiarural-wages-surge-to-support.html> ⁹ Sharma, A. (2011). The Mahatma Gandhi National Rural Employment Guarantee Act. *Innovative*, 271.

⁷ Reddy, D. N. (2012). MGNREGS and Indian Agriculture Opportunities and Challenges. *Right to Work and Rural India: Working of the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS)*, 246.

Ever since the MGNREGS act 2006 implementation 661 districts of the country 210 crore person-days of work created of which the share of Scheduled Castes 19.49%. The percentage of Scheduled Castes engagement in MGNREGS program varies among the states and districts. Guntur district including Pedakakani is diverse in social structure i.e. caste such as Scheduled caste. During last one decade, Scheduled Caste's have benefitted much in employment through MGNREGS. The grown concern here is does MGNREGS program essentially offered employment universally to local population and to Scheduled caste in Pedakakani village. Also aim of study is does female population which is at higher proportion get benefitted under MGNREGS scheme not only in securing employment but also improving socio economic status. The selection of Pedakakani village in Guntur district to evaluate impact of MGNREGS was based on large number of scheduled caste population and a high female population as well.

The study provides scientific basis of an attempt to examine the impact of the MGNREGS in employment generation, reduction of poverty check of migration and standard of living among the Scheduled Castes. Basing on the analysis suggestions will be offered for effective implementation of MGNREGS in order to achieve the desired results of the programme transformation of rural areas by providing guaranteed employment with much emphasis on Scheduled Castes. The effectiveness of MGNREGA program largely depend, first nature of schemes and second its implementation. As predefined objectives under MGNREGA scheme 2006 wages offered to rural population engage in program for work entirely focus on rural development. The areas under rural development include irrigation facilities for landowners by households belonging to SC/ST or to land of beneficiaries of the INDIRA AWAAS YOJANA, water conservation and harvesting, drought proofing, including afforestation and tree planting, irrigation canals including micro and minor irrigation works, and drought proofing. The MGNREGA programme for 2006 also includes improvements to traditional water bodies, such as the removal of tanks, land development, flood control, and protection of infrastructure, such as the drainage of swampy areas, and rural connection to offer all-weather highways. Many backward classes in India including Scheduled caste remain marginalized since ancient time and hence MGNREGA offer a platform not only for employment but also social improvement. Here, in the study examine impact of MGNREGA in improving socio economic status to Scheduled caste population at Pedakakani district Guntur, Andhra Pradesh.

Objectives

In the light of MGNREGA act and implementation, in the present study the objective were drafted to evaluate impact on Scheduled castes population in the Guntur District, Andhra Pradesh as

- a. To examine whether MGNREGA implementation had offered 100 days paid work to the Scheduled castes population in the Guntur district, Andhra Pradesh?
- b. To assess the implementation of MGNREGA in the Scheduled castes population in the Guntur district, Andhra Pradesh improved socio-economic status of local population.

- c. To understand whether the local population i.e. Schedule castes population in the Guntur district, Andhra Pradesh are aware of MGNREGA policies and benefits.
- d. To know external or internal assessment plan or policy to examine whether the objective of MGNREGA were fulfilled. What are the measures to examine the lives of Scheduled castes population in the Guntur district, Andhra Pradesh has been improved after MGNREGA?
- e. To offer suggestions to improve the MGNREGA implementation after having data and analysis from Scheduled castes population in the Guntur district, Andhra Pradesh.

Methodology

To investigate impact of MGNREGA scheme on the Scheduled castes population at Pedakakani, Guntur Andhra Pradesh the primary and secondary research data was analyzed. The primary data was collected using pretested questionnaire from the population directly and in directly linked with MGNREGA scheme. The data already published was also retrieved from different peer reviewed journals. Secondary data was collected from Census reports, reports of the National Sample Survey Organization (NSSO), reports of the Ministry of Rural Development of the Government of India, Department of Rural Development of the Government of Andhra Pradesh and MGNREGA website.

Scheduled Castes, MGNREGS and safeguard of employment

Ghatak and Roy 2014 argue how rapid Indian economy has grown in the last couple of decades¹⁴. The growth in Indian economy also improved social livelihood and economic safeguard. However, the impact of economic improvement was not universal in Indian social structure and as a result a larger section of Indian population remains illiterate, living under poverty, deprive of educational and other fundamental benefits. The practice of caste system in the Indian social structure played a pivotal role in marginalizing one section i.e. Scheduled caste for prosperity. Despite improved economy, scheduled castes in India fail to improve in economic reforms where sector such as agriculture, industry and services. Several factors play a critical role in Indian social structure for backward social and economic status such as dependence on agriculture, rural social structure, and discrimination practices, etc. Even in 21st century a larger section of Scheduled Castes depends on agriculture for their livelihood and lack other resources for income. As a result, poverty tends to get concentrated among socially disadvantaged sections of the population such as Scheduled Castes and Scheduled Tribes. Compiling the given facts, Scheduled Castes are the most vulnerable population in the Indian demographic structure due to a lack of access to productive resources and education, the existence of caste-based discrimination in the labor market, and other factors.

As a result of the MGNREGS guidelines of 2013, the objective of employment was not limited to the economically weak Indian population but also focused on Scheduled Castes and Scheduled Tribes. The opportunity was created under the MGNREGS program to safeguard employment and economic improvement providing work in farm development, horticulture, plantation, creation of farm

ponds, and provision of irrigation facilities. Several other areas such as agriculture-based employment such as vermi-compositing, and bio-manure. Additionally, MGNREGS also ensures employment in other areas such as livestock and the creation of a shelter for cattle, goats, and poultry. New employment sectors such as fish drying yards, vegetation belts in coastal areas; rural drinking water like the creation of soak pits, recharge pits, etc; and, rural sanitation related works such as individual latrines, toilet units, etc. In the listed areas for employment under MGNREGS a larger population is SC's.

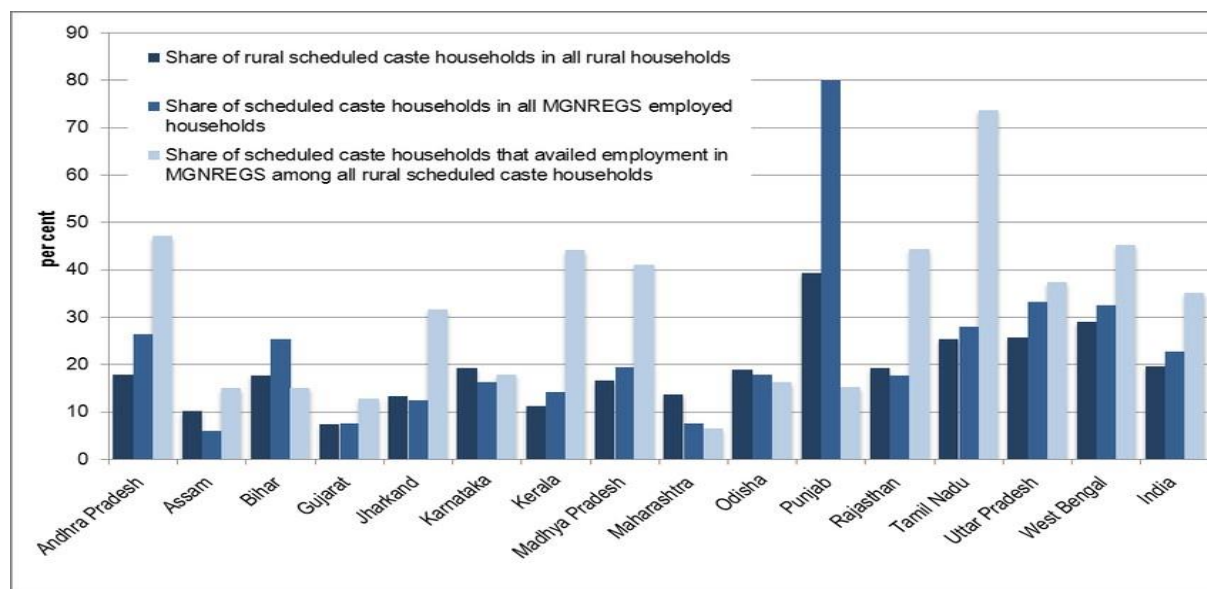


Figure 1: A comparative analysis of engaged population (Scheduled castes) under MGNREGS⁸.

MGNREGS an impact on Scheduled castes

The objective of the MGREGAs act 2006 is to provide a fixed day's employment to economically and socially underprivileged populations. Based on government data nearly 2% of work under MGNREGA has been completed where participation of Scheduled caste is minimal. MGNREGS program in the safeguard of employment and economic status to the underprivileged rural population such as scheduled castes fail to deliver aimed objectives. There are several factors associated with the poor performance of MGNREGAS precisely for the underprivileged rural population such as scheduled castes such as lack of awareness of the program, issues with documentation such as Job cards and work, and payment of wages. The government data demonstrates engagement of scheduled castes populations in rural areas did not meet the objective completely. The data shown in figure below, Andhra Pradesh rural Scheduled caste population ranked third in India this program despite a largest demographic population.

The Indian government has introduced several wage employment and social protection programmes in the post-independence period; of them, MGNREGS is the flagship scheme. The design of the programme is such that it seeks to work towards the upliftment of the socially vulnerable groups

⁸ Census of India. 2020. Government of India

by providing employment for 100 days in a year. Due to lack of access to resources like productive assets and education, discrimination in the labour market, and caste based prejudice; SC households are frequently at risk. In this situation, it is natural to know how much SCs have profited from and participated in MGNREGS

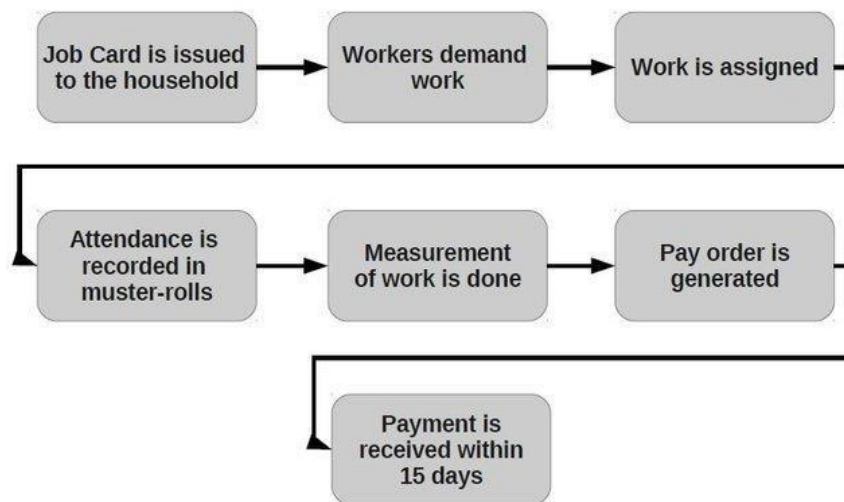


Figure 2: The different stages in NREGA workflow⁹. <https://oniondev.com/airavat-anautomated-system/>

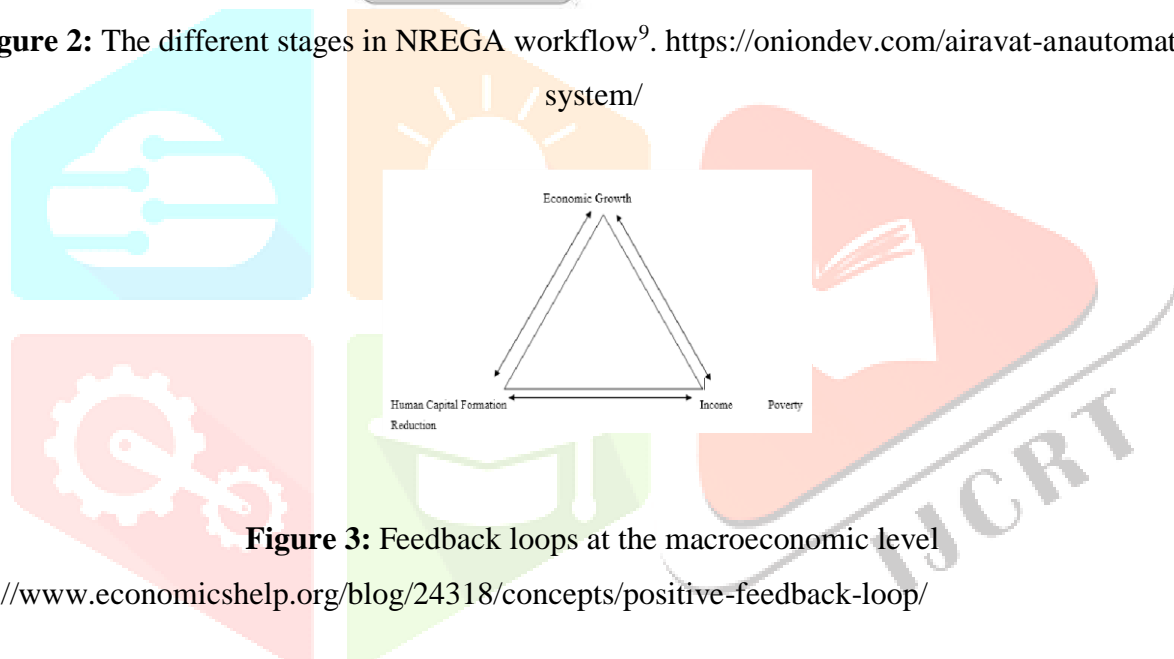


Figure 3: Feedback loops at the macroeconomic level

<https://www.economicshelp.org/blog/24318/concepts/positive-feedback-loop/>

Statistical analysis and validations

Data analysis and validation was carried out using statistical tools. Chi-Square test was performed after tabular analysis for the data collected as primary and secondary.

| p value | Specifications | Summary |
|-------------|-----------------------|---------|
| >0.05 | Non-significant | ns |
| 0.01to 0.05 | Significant | * |
| 0.001-0.01 | Very Significant | ** |
| <0.001 | Extremely Significant | *** |

⁹ Srinivasan et al., 2013. Proceedings of the Sixth International Conference on Information and Communications Technologies and Development: Notes - Volume 2. Association for Computing Machinery, New York, NY, USA

Conclusion

In this paper, we discussed the Role of MGNRES in Socio – Economic Conditions of Scheduled Castes participants in Guntur district of Andhra Pradesh with the help of secondary and primary data as well as a review of existing studies. Since MGNREGS has been one of the largest social protection programmes in the world, it is essential to understand the extent to which Scheduled Castes have benefited from the programme. As these households are typically vulnerable and wage labour-dependent, MGNREGS has built-in provisions to see that Scheduled Castes indeed benefit from the scheme. But, according to the study the MGNREGS in the safeguard of employment and economic status to the underprivileged rural population such as scheduled castes fail to deliver aimed objectives. As part of this, poor awareness of entitlements, irregularities in the issue of job cards, non-provision of work despite the demand for the same and non-payment or irregular payment of wages have contributed to the exit of SC households from the MGNREGS programme. Despite a few faults, the program is a success. However, more transparency in program implementation is required in the future.

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