CHAPTER - 2
LITERATURE SURVEY

2.1 Introduction

An important objective of development planning in India has been to provide increasing employment opportunities to the unemployed as well as to the new addition to the labour force. The future challenge is not only to generate more employment but also to increase the average productivity in all jobs. Employment generation is the most effective step to achieve the objectives of poverty reduction and social justice. Since 1960s India has adopted public work programs to generate additional employment opportunities for skilled and unskilled labour. One of the flagship employment generation programmes of Government of India is Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS). MGNREGS with its legal framework aims to ensure livelihood security through employment generation in rural areas. The scheme has been in operation since 2008 in all parts of India. A number of studies have been conducted at national, regional and state level to assess the working of MGNREGS.

This chapter is an attempt to review the literature related to conceptualization, implementation and impact of MGNREGS in various parts of India highlighting the success stories as well as the problems under the scheme. Some of the studies highlight the inter-state variation due to different approach of authority towards implementation of the scheme. This chapter is an attempt to review the existing literature relevant to the present research work.

2.2 Survey of Literature: Studies Related to issue of Unemployment in India

In recent years, the growth process is termed as ‘jobless growth’ and capital intensive. It indicates that economic growth is a necessary but not a sufficient condition to tackle the problem of unemployment. This phenomenon has been supported by Krishna (1973). There is a need for a shift in employment generation strategy of labour intensive pattern of production (Dantwala 1979). In India, agriculture sector is the main provider of the employment opportunities and 48.9 per cent of labour still depends on agriculture. This sector is characterized by disguised
unemployment and low productivity. Over the years, employment elasticity has declined in India (Bhalla and Peter, 2003). However, in India unemployment rates are not as high as people cannot afford to be unemployed (Mulji 2003). But the quality of work and social security are not desirable. Another characteristic of labour force is that half of the women workforce is self-employed or engaged as casual labourer in agriculture. In the labour market, wage differences exist for male and female workers (Srivastva and Srivastva, 2010). Public employment generation programs have been started by the government to provide work opportunities to the unemployed. Various studies have been carried out to evaluate the functioning of these schemes at national level. The studies have highlighted that these schemes faced many loopholes in built in the implementing process. It has been criticized that cash transfer schemes are better than public employment programs in terms of impact on poverty (Murgai and Ravallion, 2005).

Krishna (1973) has highlighted the strange phenomenon of a positive growth of unemployment associated with a positive growth of output for the period of 1950-70. The growth process is associated with the high rate of decline in labour-intensity. Krishna has also presented the controversy about definition on unemployment in India on the basis of data relating to 487 male workers of four villages in Rajasthan, different estimates of the same population in 1971-72. The author suggest that development policy should be targeted to influence the growth of population, rate of participation, rate of investment and technological changes in the growth process. Employment growth model was used to identify the condition of full employment by equating the growth rate of population with the growth rate of employment.

Dantwala (1979) has argued that employment strategy depends upon the high rate of economic growth, policy measures to make labour-intensive pattern of production and to regulate the technological changes. The root cause of the low level of employment during the period of 1973-78 was inadequate resources and lack of skills formation.

Bagchee (1984) has examined the provisions of Employment Guarantee Scheme (EGS) in Maharashtra which came into existence in 1973. The study
analyzed the major two objectives of employment generation and assets formation. It was found that the objective of assets creation has been neglected under the Scheme. The author suggested that there was need of suitable monitoring and evaluation policy for the implementation of the scheme to achieve its objectives.

Galab (1993) carried out a study in Anantapur district in Andra Pradesh to analyze the functioning of employment generation program. The data was collected from Panchayat raj departments and individual beneficiaries in the sample villages. It was found that contractors neither paid minimum wages nor distribute subsidized food grains as a part of wages to workers. The author stressed that village level agency, voluntary organizations; Gram Panchayats, development committee etc. should be assigned the responsibility of execution of employment generation program. Then, benefits would reach to the target groups.

Dantwala (1990) reviewed the Economic Advisory council’s Interim report titled ‘Towards Evolving an Employment oriented strategy for development in 1990s. He argued about employment strategy towards the role of agriculture and shift from large scale industries to small and labour intensive industries suggested by the Economic Advisory Council (EAC). Dantawala analyzed that the agriculture capacity to absorb additional labour force is limited and has been declining. The growth rate in agriculture was 2.32 per cent p.a. in 1972-78 declined to 1.20 per cent p. a. during 1983-88. It concluded that past strategy related to employment should be considered to know the pattern of unemployment and the need for employment generation. The shift frame agriculture to non-agriculture sector required a policy of technological up gradation of industries. The service sector can absorb labour especially in public sector.

Radhakrishna (2002) has opined that development process should consider the inter-dependencies between food market and labour market. The magnitude of the interdependency depends on employment-output elasticity and income elasticity of demand for food. He pointed out that the contribution of all public work programs was very small as compared to the extent of under-employment during the period of 1970-98. The author suggested a strategy of growth of agriculture and non-farm sector and social development in rural areas. This would lead to diversification of employment opportunities.
Bhalla & Peter (2003) have analyzed the relationship between the rate of growth of agriculture and employment by using Ishikawa`s rectangular hyperbola (1964) hypothesis. It was found that the elasticity of employment for agriculture has declined in eleven states of India from 0.73 during 1962-95 to 0.59 during 1992-95.

Mulji (2003) highlighted the official NSSO estimates to conclude that the level of unemployment in India is not high but the quality of work offered was not desirable and productive. The author pointed out that the important thing was whether a person`s work participation add to national production or not. He proposed for huge investment in agriculture to bring dry land under cultivation.

Ghose (2004) focused on the nature of unemployment in India and policy measures to deal with this problem. This paper was based on NSSO data and census 2001. Agriculture provided 59 per cent of total employment in the economy, less than 8 per cent were employed in organized sector and 50 per cent of the employed worked as self-employed including unpaid family workers. The rate of unemployment was only 2.8 per cent as the poor could not afford to be unemployed. The wage gap was very large between regular and casual labourers.

Gaiha (2005) has attempted to analyze the role of the Employment Guarantee Scheme (EGS) on the basis of evidence collected from the planning Department of Government of Maharashtra and field survey conducted in two villages of Ahmednagar district in 1999-2000. The effect of EGS on wages and labour participation has been analyzed by using panel data technique and Granger-Sim Causality test. This study highlighted the need of higher funds outlay for backward regions under EGS.

Murgai & Ravallion (2005) compared the cost of implementation of an employment generation scheme with untargeted transfer scheme. This analysis was based on employment-unemployment schedule of National Sample Survey (NSS) for 1999-00. The estimates have been based on econometrics model of wage determination, casual labour-market participation and poverty line defined by Planning Commission. The rural sample includes about 61000 households from fifteen major states. For an employment guarantee scheme providing 100 days of work in the agriculture lean season at wage rate 40 rupees was sufficient for the
average rural families to cross the poverty line. The poverty rate fell from 34 per cent to 31 per cent. It cost to 1.7 per cent of GDP at rupees 40 wage rates. The guaranteed minimum wage scheme has been compared with a hypothetical family allowance scheme named a budget neutral transfer to rural areas. It was found that the untargeted policy would have a greater impact on poverty with same fiscal outlay.

Yesudian (2007) has analyzed the functioning of poverty alleviation programs for reducing poverty from economic and social perspectives in India. These programs have been classified as wage employment programs, self-employment programs, food safety and social security program and urban poverty alleviation programs. The parameters used for analysis were utilization of allocated funds, change in poverty level, person days of employment generated and number of beneficiaries. The paper highlighted the economic and social impact of these programs. It was reviewed that too much of the Government officials involvement led to poor targeting, corruption, high administrative cost. It is suggested that the involvement of local communities is key to the success of poverty alleviation programs. These programs should be implemented by strengthening the Panchayat Raj Institutions. The author presented that economic upliftment alone could not alleviate poverty but it must lead to social upliftment through access to employment, empowerment and independence.

Srivastava & Srivastva (2010) have analyzed the work participation of women in rural areas and examined the trends and nature of employment for women. The analysis was based on the data published by National Sample Survey Organization (NSSO), National Family Health Surveys (NFHS), Agriculture census and national income data. Logistic Regression analysis was used to analyze the determinants of participation of women in rural areas. The women participation in employment has grown over the decades but they are largely self-employed or employed as casual labourer in agriculture. Women faced various form of discrimination such as low paying jobs. The determinants of women work participation are possession of land, education and demographic variables as age, marital status, number of children etc. Education is the most important determinant of better quality non-agriculture work.
2.3 Studies Related to MGNREGS

2.3.1 MGNREGS: Success Stories

As noted in the previous section, the experience of employment generation programs adopted over time indicated the need to redesign the strategy of wage employment programs to address the shortcomings of earlier programs. Accepting the need of right to work, MGNREGS also focuses on the issue of sustainability through asset creation in rural India. It has completed ten years of journey with a mixture of good and bad experiences. We first take up the studies related to success of MGNREGS in Kerela, Orissa, Tamilnaidu, Northern states- Rajasthan, Madhya Pradesh, and Utter Pradesh etc. The scheme has a positive impact on livelihood security for the beneficiaries.

Centre for Sciences and Environment (2008) examined the short term and long term impacts of the program to provide food and livelihood security in two districts- Nuapada district in Orissa and Sindhi district in Madhya Pradesh. The study was based on both primary as well as secondary data. For the primary data collection, two blocks were selected from each district and four villages were randomly chosen from each block. The sample size of 480 households were chosen and contacted to assess the impact of the program on their livelihood. It was found that Sindhi has realized the potential of the NREGA to generate employment opportunity and traditional ecological balance through creation of productive assets. The active Gram Panchayat played an important role for the success of the program. On the other hand, Nuapada has been failed to reap much benefits and treated it like all other employment programs. The report suggested that the effectiveness of NREGA must be evaluated on the basis of three parameters- increase in average annual income of households, increase in productivity of small and marginal land holding and contribution in creating productive assets.

Institute of Applied Manpower Research (2008) investigated the impact of NREGA on the overall quality of life of workers including major aspects such as impact on income level of household, expenditure on food and non-food items and asset creation under the program. The study was conducted in 20 districts all over the country for the period 2006-07. Two blocks were selected from each district and
three Gram Panchayats were identified from each block for field survey. Total numbers of 6000 beneficiaries were contacted to assess the impact of NREGA. It was found that there was a positive shift in the expenditure pattern for food and non-food items. It has enhanced the income earning capacity of beneficiaries to purchase moveable assets as sheep, goats, cow etc.

Jacob (2008) examined the impact of NREGA on rural-urban migration in Villupuram district in Tamilnadu by using both primary as well as secondary data. The primary data was collected from fifty households each of Kalrayan hills and Neelamangalam Panchayat in Kallakurichi block. In Kalrayan Hills, NREGA has led to decrease in migration of female workers for work. But, the male workers told that they would continue to migrate due to the difference in wages earned under NREGA and wages earned in other works. The minimum wage was 80 rupees per day in NREGA while they could earn 200 to 300 rupees per day outside the village. The respondents complained about the low minimum wages in NREGA works. In Neelamgram Panchayat, it was found that after the implementation of the scheme, income of the beneficiaries has increased from around 9000 rupees to twelve-thirteen thousand rupees a year. The overall migration had decreased in the study area.

Dreze & Khera (2008) conducted a study in six states of north India i.e. Rajasthan, Bihar, Uttar Pradesh, Madhya Pradesh, Jharkhand and Chhattisgarh in May-June 2008. The field data was collected from 1000 workers employed on 100 worksites. It was found that targeting was good as 81 per cent of the sample workers lived in kachha house, 61 per cent were illiterate and 73 per cent of them belonged to SCs and STs. But, only 13 per cent of the respondents had completed 100 days of work under the program. There was a wide spread inter-state variation regarding performance of MNREGA. Rajasthan and Pati block of Patna district showed the success of this program providing employment opportunities to the poor. In Rajasthan, there were muster rolls at the worksites and regular maintenance of job cards, active vigilance committees, social audits led to the transparency in the implementation process. These are weapons against corruption to implement the program in right direction. The findings are significant in view of the larger area of coverage and sample size.
Nair, Sreedharan & Kumar (2009) has attempted to study the impact of NREGP in three Gram Panchayats (GP) of Kasaragood district in Kerala. The study is based on primary as well as secondary data. The secondary data has been collected from NREGA section, Gram Panchayats(GP), Block Panchayats, Department of Economics and Statistics and official website of NREGA. The primary data has been collected by conducting interview of registered persons under NREGP, registered but not worked under the scheme and unregistered persons. From each GP, two wards were selected on the basis of expenditure criterion- one with the highest expenditure and the other with the lowest expenditure. The study found that this scheme has succeeded in raising the level of employment, income of rural household and purchasing power of beneficiaries. It was observed that the success of scheme depended on the proper implementation and micro level planning by advisory council and the vigilance and monitoring committee. In the study area, there was lack of staff at micro level to implement the scheme. There was a need to prepare a work calendar and work days to be generated in agriculture in the lean season. It was also noted that NREGA has caused shortage of labour for agriculture in peak season and affected production in fields.

Khera & Nayak (2009) have gauged the impact of NREGA on the socio-economic condition of women participants through their access to local employment at equal minimum wage rate with relatively safe work conditions. A field survey was conducted in six northern states-Bihar, Chhattisgarh, Jharkhand, Madhya Pradesh, Rajasthan and Uttar Pradesh in 2008. In total, ten sample districts were selected from these six states and 98 worksites were visited randomly including interviews of 1060 workers (including 32 per cent women workers). State level variation in female participation in the program was observed. Rajasthan and Madhya Pradesh showed high participation ratio of women with 71 per cent and 44 per cent respectively while in other states, the women participation ratio was lower than 33 per cent. The program was considered `very important` by 68 per cent of the respondents for providing income earning opportunity to women, who were hardly available before it. More than fifty percent of the sample workers stated that NREGA had helped them to avoid hunger and migration. 79 percent of the women workers has collected their wages from bank themselves and decided to spend their
money. Widows were found to be more confident due to work availability at village level.

Roy & Samanta (2009) have explored the relationship between good governance and employment generation through NREGA by conducting a case study of 120 Gram Panchayats of West Medinipur district of West Bengal. The study is based on primary as well as secondary data collected for the year 2007-08. The five parameters namely participation, transparency, effectiveness and efficiency, accountability and equity were considered as components of good governance. A linear regression model was framed by identifying average person days generated per household as a dependent variable and five components of good governance as independent variables. It was found that there was a positive relationship between employment generation and good governance. The regression results for accountability, effectiveness and efficiency and equity were statistically significant. The study concluded that improving the governance through Gram Panchayats can enhance the performance of NREGS by reducing poverty level.

Roy (2010) has carried out a study in Tripura to evaluate the performance of NREGS based on both primary as well as secondary data. The primary data is collected from 100 beneficiaries of the scheme and 42 respondents involved in the implementation process including Panchayat Secretary, Gram Rojgar Sevaks, Gram Panchayat members. The study highlighted that performance of NREGS was satisfactory with regard to employment generation, women participation and created community assets, especially rural infrastructure in the form of roads, land development and water conservation. The impact of NREGS on rural population was multi-dimensional. It has increased income level, lessened incidence of poverty, provided food and health security, provided access to productive assets and led to women empowerment. It was observed that the Panchayat Raj Institutions were efficient and effective for the implementation of scheme. There was proper mechanism for work measurement and social audits and the work plan was formulated through the Gram Sabha.

Dheeraja,Siva & Rao (2010) have analyzed the impact of MGNREGS on gender relations and women empowerment in Sikkim. This study was conducted in
two districts namely west Sikkim and East Sikkim in 2008-09. The sample size of 240 respondents was chosen to find the impact of this scheme on economic, social and political gender relations. Likert scale (three point scale) was employed and it was found that the gender relation index score has gone up from 37 per cent to 56 per cent after inception of MNREGS. The scheme has positively and significantly contributed to improvements in gender relations including economic, social and political aspects.

Jahan (2010) has explored the impact of Hundred Days Employment Program (HDEP) on the socio-economic conditions of the extreme poor people in Bangladesh. The Government of Bangladesh launched the HDEP to provide a financial support to the poor severely affected by inflation in 2008. The study has been conducted in two unions named Mouchak and Haldia. Mouchak was an industrial area near to Dhaka. On the other hand, Haldia region was prone to natural calamities like flood, river erosion etc. the analysis was based on the primary as well as secondary. The primary data was collected through questionnaire from fifty six beneficiaries of the two unions and ten officials of the program. The ‘Top-Down Approach’ of policy implementation has been used to analyze the policy implementation process. The field survey found that there was a significant positive effect on the quality and quantity of food accessibility to the beneficiaries. The targeting under the program was effective through the access of poorest of the country.

Dasgupta & Sudarshan (2011) have focused on women’s participation in the NREGP and analyzed its impact on women’s access to work and wages for women workers in rural areas. The study was based on secondary data obtained from the National Sample Survey Organization survey for 2004-05 and state level data from official website of NREGA. The study found a positive correlation between state wise women’s participation in NREGP and overall women’s participation in rural areas. Further, it highlighted that women’s participation was negatively related with gender wage differences prevailing for the unskilled agricultural labour. The provision of equal and minimum wages has thus motivated that women worker to work in NREGP. It has caused to increase in wages in private sector for women.
Palanichamy (2011) has examined the role of MNREGP in providing employment opportunities to the rural poor of Thiruvanmlai district in Tamilnadu. The study like most of the studies is based on both primary and secondary data. Two villages were purposely selected from the study area and sample of 100 beneficiaries was randomly chosen. The hypotheses were tested whether there was any significant impact of MNREGP on socio-economic conditions, income level and employment availability to the beneficiaries in the study area. The techniques of correlation analysis, Chi-square and Likelihood ratio were used to interpret the results of the study. It was found that annual income of the respondents after joining the work under the program has increased in the sample villages. There were significant changes in income level before and after implementing MNREGP with a positive correlation between monthly expenditure and annual income. The author suggested that there was a need to address specific infrastructure activities under the program to shift from short term job provider activities to long term sustainable livelihood enhancement initiatives.

Chandrasekhar & Ghosh (2011) conclude that MNREGA has positively affected women workers in rural labour market by causing real wages to rise in agriculture sector. The data of 64th round of NSSO was used to compute changes in wages for male and female workers from 1993-94 and 2007-08. Real wages for both male and female have increased over time, but more rapidly for the female workers. Further, days of employment for rural women workers under MNREGA has increased around 4.4 times during 2004-05 to 2007-08. The main reason of this program attracting women workers is that there is no gender gap in wages paid. The average wages received in MNREGA were significantly higher than casual wages paid in open market in other kind of works.

Azam (2012) has assessed impact of NREGA on public work labour-force participation and real wages of casual workers using difference-in-difference (DID) analysis. This analysis is based on individual level data of the National Sample Survey Organization (NSSO) and Government of India for 1999-00, 20004-05 and 2009-10. The study classified districts as treatment districts where NREGA was implemented in Phase-I and Phase-II and control districts where it was implemented in Phase-III. It was found that NREGA has a positive impact on labour-force
participation (especially that of female workers) and wages of workers. The results showed that real wages of female casual workers are 8 per cent more in NREGA districts as compared to non-NREGA districts.

Berg, Bhattacharyya, Durg, & Ramachandra (2012) have examined the impact of NREGS on agricultural wages. The analysis is based on the monthly wage data for the period 2000-2011 for 250 districts across 19 Indian states. Real wages have been computed by deflating monthly with consumer price indices for rural labour. It was concluded that NREGS has caused the real daily agricultural wage rates to increase by 5.3 percent. There was no significant difference in the wage impact of NREG on wages for male and female workers. The validity of the results was confirmed by using Placebo tests.

Das (2012) has explored the impact of MGNREGS on women empowerment in Assam by using secondary data. The study finds that this program has positively affected employment pattern for women both at individual and community level. It has enhanced women’s capacity to earn and contribute in family income. At community level, women participation in Gram Sabha, public meetings etc. have increased.

Kareemulla, Ramasundaram, Shalander and Rao (2013) have examined the impact of NREGS on rural employment in four states namely Andhra Pradesh, Karnataka, Rajasthan and Maharashtra for the period 2008-10. A total of 528 respondents has been contacted both beneficiaries of NREGS and 288 farmers. The study finds out that the seasonal migration has come down significantly and increased income 12 per cent to 33 per cent. Beneficiaries used this additional income for food, education, medical care and repayment of loans. Farmers told that NREGS has led to abnormal rise in the agricultural wage rate.

Ravi Kiran (2013) has carried out a study in three districts named- Majha, Malwa and Doaba in Punjab. The study is based on secondary data the period 2006-07 to 2009-2010. It analyzed the impact of NREGA on rural labour market, income level and agricultural production. It is found that the scheme has positive impact on rural poor but the less significantly.
Bhowmik (2013) has examined the functioning of the MGNREGS in Tripura with reference to the issues of equity and efficiency. The findings are based on both primary and secondary data. Total number of 747 households - 400 MNREGS workers and 347 non-workers; have been contacted to collect the information about the functioning of the scheme. It is found that the scheme has promoted equity both in terms of caste and gender in the study area. The scheme appears to be efficient particularly related to enrolment and allocation of work. The study concludes that the scheme can be termed successful in improving the livelihood of the poor in rural areas. It indicates need of improvement in delivery mechanism in the scheme.

Venkata, Rao and Ashok (2015) has analyzed the progress and performance of the MGNREGS at all India level and in general and in Guntur district of Andhra Pradesh in particular. The study concludes that MGNREGS has enhanced income of the beneficiaries and helped for food security of poor. The scheme has impact on employment level and wage rate in the study area.

2.3.2 MGNREGS: Grim Picture and Areas of Concern

One of the grounds on which MGNREGS is criticized as this Act has high cost burden – it is estimated that it costs app. 5 per cent of the GDP. Further, corruption can lead to exclusion of target group under this act. The productivity of labour under MNREGA is perceived to be very low and therefore creation of durable assets has remained a distant dream. In this sub section, we survey some studies related to the problem of ineffective Gram Panchayats, corruption under the system, poor quality of assets created, delay in wage payments, fake entries in the muster rolls etc. in connection with MNREGS.

Datar (2007) has attempted to identify the causes of failure of NREGS in Maharashtra. The field survey was carried out in two districts namely Chandrapur and Nandurbar during 2005-07. It was observed that political as well as bureaucratic will was absent in implementing the scheme. Information sharing appeared to be the major problem so that even the implementing staff did not know how to execute the scheme. In Chadrapur district, out of twenty villages only thirteen villages had some ongoing construction work. There were complaints from the beneficiaries about irregular and delayed wage payments. The poor had become weary of the scheme
and seasonal migration had increased.

Dreze (2007) pointed out the existence of contractor system in the implementation of works under NREGA. A survey was conducted in October 2007 in 30 Gram Panchayats of three districts named Bolargarh, Buodh and Kalahande of Orissa. For the field observation, one work site was selected randomly from each panchayat to verify the muster rolls. It was found that contractors were involved in the form of village labour leaders or in other forms on 15 NREGA work sites. It was observed that it had become a routine practice to adjust the muster roll entries. The job cards did not have any column for wages paid to the individual. The use of code language in job cards had made it unreadable and complex to understand. The study suggested that transparency in the implementation process is the best way against the traditional system of corruption.

Dev (2009) investigated the performance of the NREGS in terms of three aspects viz. targeting under the program, efficiency of Panchayat Raj Institutions and economic impact of the program on households. The study was based on primary data collected from 2249 beneficiaries of 500 households during 2006-09. The results of regression model showed that program was well targeted in the study area. However, there was no significant impact on the economic status of the households. A statistically significant relation between work under NREGS and reduction in the stress of being unemployed was established in the study. NREGS also offer better working condition and has a potential to improve economic and social condition of beneficiaries. But the PRIs were inefficient and were not implementing the program effectively.

Jha, Bhattacharya, Gaiha & Shakhar (2009) has examined the extent of capturing of National Rural Employment Program in Andhra Pradesh and Rajasthan by the non-poor. The states were selected as Andhra Pradesh (AP) has a high growth and a high poverty elasticity and Rajasthan has a low growth and low poverty elasticity. The analysis was based on data collected from three villages of Udaipur district in Rajasthan and Chittor district in Andhra Pradesh. A total 942 households were interviewed in 2007- 340 households from Rajasthan and 602 households from Andhra Pradesh. The aggregate analysis of both the districts showed that size of
landholding was a negative predictor of participation in NREGP. But at disaggregate level; in Andhra Pradesh it was found that there was a positive relation between landholding and participation in NREGP. This indicates that the program had been captured by the non-poor in Andhra Pradesh. The main factors responsible for this capture were the geographical remoteness of the villages and relatively greater political interference in NREGP at village level in Andhra Pradesh.

Sanyal (2011) has investigated the implementation of MGNREGA in Bihar from three perspectives-the total person days of employment generated, women participation and the ratio of job cards issued with actual participation of beneficiaries under the program. The study was based on primary data collected from six Gram Panchayats of Muzaffarpur and Gaya district in Bihar. The analysis highlighted that the performance of NREGA was influenced by socio-economic conditions and socio-political relations at village level. The program was not performing well in providing employment opportunities to the target group. The village level power relations influenced the implementation process and hindered the functioning of Panchayats Raj Institutions (PRIs) which resulted in poor performance of the program. The study, therefore, suggested that the program should be designed keeping into view the existing complex social structure to reduce poverty.

Shome, Shetty, Joseph & Dash (2012) have attempted to assess the effectiveness in implementation of NREGA and its impact on quality of life in the Anekal taluk of Bangalore district in Karnataka. The study is based on primary data collected from a sample of two hundred respondents randomly selected from four Gram Panchayats in the taluk. To measure the quality of life, an index was prepared using four parameters as income level, housing condition, education level and health condition. The rating for these parameters was taken on a five point Likert scale. The results of regression model showed that the NREGA has a significant positive impact on both quality of life of the beneficiaries and village level infrastructure development. The infrastructure at the village level has been improved due to the NREGA work including drought proofing, land development activities, rural connectivity, renovation of water bodies and irrigation facilities.
Farooqi & Saleem (2015) has examined the extent to which MGNREGA has uplifted the standard of living of women. It is found that the scheme has contributed additional income to women but the scheme failed to develop any skills to the women.

Saha & Debnath (2015) has compared the efficiency level of different states of India in implementing MGNREGA for 2008-09 to 2013-14. For India as a whole, the efficiency scores were less than one in all the years. The poor states and low literacy rate states are inefficient to implement the program properly. The technical efficiency scores calculated by using DEA, shows that states Tripura and Goa have been consistently efficient in the performance, scoring one for the entire period under the study. Further, Kerala, Utter Pradesh and Mizoram were efficient for the period under the study.

Sharma, Poonam and Santosh (2014) have analyzed the slacks in inputs and outputs of 21 districts of Haryana causing inefficiency in the implementing the scheme during the period 2011-12 to 2012-13. It is found that out of 21 districts, five districts namely Kurukshetra, Rewari, Rohtak, Sonipat and Yamunanagar performed poorly due to the existence of slacks in inputs and outputs. Due to presence of slacks, these sampled districts could not use their inputs according to the targeted goals under the scheme.

2.3.3 Studies suggesting Measures for the Success of MGNREGS

The experience of functioning of MGNREGS has highlighted both the success stories and grim picture of the functioning of the scheme. It has been observed in many studies related to inter-state analysis that the role of MGNREGS is not uniform all over India. This sub-section is devoted to some major attempts in this direction and suggests the measures to implement the scheme in effective manner.

Visaria & Visaria (1973) analyzed the role of public work programs for providing additional employment to unskilled labour force. The experience of employment generation programs provided useful insights into the problem of better utilization of rural unskilled labour. There were regional variation of wage rates and locations of worksites were far away from the residential place of the labour. It
concluded that the organizational capacities for formulating and implementing these programs should be strengthened. It identified that the location of worksites and wage rates offered for work would be significant factors to generate employment opportunities effectively.

Bagchee (1984) has examined the provisions of Employment Guarantee Scheme (EGS) in Maharashtra which came into existence in 1973. The study analyzed the major two objectives of employment generation and assets formation. It was found that the objective of assets creation has been neglected under the Scheme. The author suggested that there was need of suitable monitoring and evaluation policy for the implementation of the scheme to achieve its objectives.

Gaiha (2005) has attempted to analyze the role of the Employment Guarantee Scheme (EGS) on the basis of evidence collected from the planning Department of Government of Maharashtra and field survey conducted in two villages of Ahmednagar district in 1999-2000. The effect of EGS on wages and labour participate on has been analyzed by using panel data technique and Granger-Sim Causality test. This study highlighted the need of higher funds outlay for backward regions under EGS.

Shankar, Rao & Banerji (2006) has argued that the schedule of rates (SROs) for NREGA was anti-labour and encourages use of machinery. The SORs assumed that the average productivity of workers would be uniform throughout the state. It did not address the variation in geographical region, climate and variation with in workforce. Due to these variations, workers would not be able to earn the minimum wage for work done during a day. Time taken for the task was not considered to pay wages under the program. The study suggested that there was need to modify the SORs to take care of different geographical and climate conditions across and within district. A working group including Gram Panchayats, Zilla Panchayat, NGOs, Govt. officials etc. should be set up to deal with the SORs.

Menon (2008) has attempted to explain the significance of Right to Information (RTI) in improving transparency and accountability to check corruption and leakage of public finding in NREGA in an effective manner in Rajasthan. The study was based on primary as well as secondary data for the period 2006-07. The
field experience of Dungarpur, Jalore and Udaipur districts in Rajasthan found NREGA was successful to generate employment opportunity, rural assets creation, micro watershed development, checking urban migration etc. It was found that NREGA had led to substantial rise in daily income and standard of living of beneficiaries. At least one member from fifty percent of the household was employed in this program. The households had played an active role through Gram Sabha and all works were planned by them. The work selection process focused on deepening of canals, water harvesting system, plantation of trees. This resulted in preventing soil erosion and led to water conservation. The use of RTI act has created the culture of transparency and accountability, for instance higher level of awareness among the workers and mustor rolls were available on all work sites. The challenges associated with the implementation of NREGA can be effectively tackled with a vigilant civil society to monitor the program.

Ambasta (2008) has highlighted the potential of NREGP as a revolution in rural governance if its implementation is backed by political will. The field experience in Gujarat, Madhya Pradesh, Chhattisgarh and Orissa indicates the problem of corruption, inefficiency and non-accountability in the structure of NREGP. The study suggested that work under NREGP must focus on enhancing agriculture productivity in the most backward regions. The system of continuous monitoring and evaluation at every stage of the program should be maintained to ensure the quality and use of information technology. It would infuse transparency, accountability and performance in the process of sanction of works, release of funds and wage payments.

Bassi & Kumar (2010) have argued that works under NREGA related to water management are undertaken without consideration of physical and socio-economic realities. This has led to negative impact on the productive potential of the program. Three broad and distinct regional typologies have been identified in this study (naturally and physically water abundant region, naturally water abundant but physically water scarce region and naturally and physically scarce regions) to implement water management activities for different regions all over the country. The study proposed that flood control and protection related works would be highly effective in naturally and physically water abundant region, works related to water
harvesting and irrigation facilities on the land holding by weak classes can be carried out in naturally water abundant but physically water scarce region of Northern and North-Eastern region of India. On the other hand, in the physically and naturally water scarce region of western, North-Western Central and Penesulae India, works of renovation of traditional water bodies and on-farm water management activities will be important and effective. Proper planning and implementation of water management works under NREGA for each typology has the potential to enhance the livelihood of rural communities.

Srivastava & Srivastva (2010) have analyzed the work participation of women in rural areas and examined the trends and nature of employment for women. The analysis was based on the data published by National Sample Survey Organization (NSSO), National Family Health Surveys (NFHS), Agriculture census and national income data. Logistic Regression analysis was used to analyze the determinants of participation of women in rural areas. The women participation in employment has grown over the decades but they are largely self-employed or employed as casual labourer in agriculture. Women face various form of discrimination such as low wages in works. The determinants of women work participation are possession of land, education and demographic variables as age, marital status, number of children etc. Education is the most important determinant of better quality non- agriculture work.

2.4 Conclusion

The MNREGA act addressed many of the weakness of the earlier programmes through introduction of a right-based framework, a legal guarantee of work, time bound action work within 15 days of demand for work, disincentive for non- performance as unemployment allowance to be paid if work is not provided and accountability of public delivery system through social audits. In this scenario, the act is an important step towards realization of the right to work. It is also expected to enhance people’s livelihood on a sustained basis by developing social and economic infrastructure. Despite the practical problems, the MGNREGS proved by and large, effective in providing gainful employment to the poor who depended on it for their livelihood.
This review study explores that MNREGA is popular among the workers as a 100 days employment program. It ensures minimum and equal wages for the male and female without any discrimination and provides work in their own villages. It has enhanced rural infrastructure in terms of ponds, streets, renovation of traditional water bodies and development of common waste land. But, the economic returns are not immediate as any skill formation, low productivity and less assets creation.

**PRI’s active participation and will to implement the scheme:** The success of the program depends on the active participation of Gram Panchayats. This review study supports that there were different experiences in the reviewed study depending on the willingness of implementation authority and sarpanchs as where Panchayats were active to start the program, MGNREGS was functioning well.