ABSTRACT

Indian is a rural dominant economy. It is reflected in the number of people living in rural parts. As per the estimates of 2011 census, 742 million population comprising 72.18% lives in rural areas. Development strategy appears to have been urban biased. The urban bias can be observed in the vast differences between urban and rural areas in all the development indicators. While the urban literacy rate is 84.11% rural literacy rate is 67.77% according to 2011 censes. Similarly in terms of health indicators, like Maternal Mortality Rate, Infant Mortality Rate and prevalence of diseases, the urban population enjoys better conditions. On the other hand work participations rate is high among rural population and especially work participation rate of female is higher in rural areas. The average income and wage rates are lower in rural areas compared to urban areas.

Several policy initiatives have been introduced through different plans for rural development. Many of the programmes are introduced and implemented through the Ministry of Rural Development. Apart from the programmes of MORD, programmes of other departments also have focused on rural issues. For example Ministry of Agriculture implements programmes for the development of agriculture sector which is rural based. Exclusive Programmes like National Rural Energy Programme, National Health Mission etc. have been introduced to cater to the needs of rural population. Though these programmes have reduced poverty to a larger extent, still 26% of the rural population is under poverty line (Planning commission, 2013) and unemployment rate is increasing.

In this context, the Indian Government has introduced Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP) to provide 100 days of assured employment per household. The other important objective of this programme is creation of sustainable rural livelihood through regeneration of the natural resource–base.

In the present study an attempt is made to analyse the efficiency in the implementation of this programme in different states of India and the impact of this programme on rural development in Mysore and CH Nagara districts of Karnataka. This study is based on both secondary and primary data. Macro analysis is based on the secondary data collected from various sources and micro analysis is based on survey conducted in two sample districts viz., Mysore and CH Nagara districts.

DEA analysis is carried to estimate the efficiency of respective states. Factors influencing differences are estimated with Tobit regression. Impact of MGNREGP on rural development is analyzed with primary data collected from sample panchayat.
villages. The sample covers 379 HHs from two districts. In assessing the impact of MGNREGP on rural development the study adopted the analytical framework proposed by International Fund for Agriculture Development (IFAD).

From the secondary data it was found that Nagaland is ranking number one in terms of spending on MGNREGP during 2006 and 2011. The expenditure was Rs 2227 lakhs per million rural population. The data on interstate variation showed that in richer states like Haryana, Maharashtra, Punjab and UT of Dadra and Nagar Haveli, the average expenditure is less than Rs 100 lakhs per million rural population. Among the southern states Kerala has spent least amount of Rs 111.70 lakhs per million rural population. The interstate variation also shows that average spending on MGNREGP is higher in smaller and poorer states and lower in economically richer states. It is observed that highest employment was generated in states with highest level of poverty.

Though, the employment generation in irrigated area is significantly higher than in the dry areas, the probability value is significant at 10 per cent level. It indicates that irrigation levels and employment generation has weak association.

DEA analysis revealed that only 11 states out of 28 states, the Total Factor Productivity (TFP) increased between 2009-10 and 2011-12. The states with positive TFP are Himachal Pradesh, Chhattisgarh, Jharkhand, M.P., Manipur, Mizoram, Nagaland, Rajasthan, U.P., West Bengal and Goa. The positive TFP indicates that there is an improvement in productivity of inputs in these states.

The results from primary data analysis indicate that MGNREGP has a positive impact on rural development through its influence on community assets and services and also through its influence on individual households. The programme has a positive impact on increasing the purchasing power of the rural poor leading to greater food security and purchase of household durables to improve the quality of life of the households. It is also observed that the programme could improve rural transportation, which has a positive impact on the access to education and access to primary markets. The analysis revealed that the programme is more inclusive and it could give more income earning opportunities to those who are illiterate and are low in social status. The programme contributed more to the economic progress of the families, there by the rural villages in C.H.Nagara district, which is a back ward district.

Based on the analysis the study suggested for removal of the provision of works on individual farms and allotment of maximum of assured number of days of employment employment based on the size of the family.