CHAPTER – II
REVIEW OF LITERATURE

This chapter deals with the review of literature regarding the MGNREG Scheme. The review of literature enables the researcher to know about previous studies related to the present study. It guides the researcher to head start the present study with the help of the previous studies. This throws light on the views, procedures, findings, conclusions etc. of the various writers and the present researcher regarding Mahatma Gandhi National Rural Employment Guarantee Act.

Vaidyanathan (2005)\textsuperscript{1} reviewed the Standing Committee’s recommendations on the NREGA and the basic changes envisaged in the draft bill. The author opined that those changes were essential. He insisted that if the programme is to be effective, it should require strong support and willingness of states to abide by implications. The author thought that the most serious lacuna in the Standing Committee report was its sidestepping of the problems in ensuring involvement of states.

Kannan (2005)\textsuperscript{2} viewed the MGNREGA as much needed developmental perspective that seeks to enhance human development by inclusion of the rural poor. He opined that the goal of investing in human capital can be completed through MGNREGA if projects like construction of schools, health centres at local level along with the repairs of existing buildings are undertaken. This will be the best way to utilize the unutilised potential in rural areas.

Manohar Puri (2006)\textsuperscript{3} points out that the National Rural Employment Guarantee Act is a revolutionary step for India’s poor. Since independence, it was being demanded that right to work should be included in the list of Fundamental
Rights. It was a matter of concern for all governments that in spite of their best efforts, the problem of unemployment and poverty never come under control. The government, through this Act, aims at removing poverty in the rural areas and thus improve infrastructure. Keeping this in view, the works to be done under this scheme are related to drought, deforestation and soil erosion. The objective behind this is to rejuvenate natural resources to stimulate the local economy and to stop local population from migration to the cities.

Centre for Science and Environment (2006) hinted, in a report, that the major challenges in implementation of the MGNREGA in 200 backward districts are the problems such as location of these districts in the arid and semi-arid regions, below the national average socio economic indicators of these districts and the most backwardness in terms of connectivity. It was reported that these districts are primarily agricultural based with high per cent of agricultural labourers, landlessness, lack of employment opportunities in non-agriculture sector, lower incomes and non-existence of Panchayats which impede the implementation of MGNREGA.

Mathur Lalit (2007) explained that “Employment guarantee progress so far” depicted in the findings that MGNREGA could act as a great agent of socio-economic up-liftment, providing livelihood security of poorest of the poor in India, if implemented earnestly. The employment and the earning under MGNREGA should be treated as additional Income for such households.

Singh (2007) in his study concludes that the programme is still in infancy stage and it has a long way to go, but that does not take away from, what it has achieved in its infancy. Today many families are happier because of NREGS. If targeted and implemented effectively the NREGS could decrease poverty in the
deprived areas. With the launch of the NREGS, which provides the country with a potential social safety net, there is need to revisit the multiplicity of poverty alleviation schemes. The effective implementation of NREGS is critical for improving inclusiveness. It should reduce poverty and improve rural infrastructure, and any failure to do so will be on its ineffective implementation.

Dev (2007)\textsuperscript{7} reported that initial reports on the working of MGNREGS have been positive although there were problems at the ground level. The MGNREGS was relatively better implemented in A.P. because of tracking the progress with IT, social audit, involvement of post-offices etc. He suggested that the delivery systems in all the direct programmes can be improved with the new approach of participatory development, social mobilization, Right To Information, involvement of the civil societies and Panchayati Raj Institutions. The author viewed that if there is political will, it is possible to implement NREGS effectively with the new approach.

Datar (2007)\textsuperscript{8} reported the reason for failure of MGNREGS-Maharashtra as lack of enthusiasm among political and bureaucratic classes to NREGA because of its decentralised, transparent and accountable nature. The authors reported that the politicians were providing last minute support to drought affected farmers and landless labourers by sanctioning works in an arbitrary manner. In many districts, officials on contract basis have not yet been appointed. When poor pressurise the GPs, CEOs and BDOs, then NREGA will become vibrant in the state.

Dre’ze and Oldiges (2007)\textsuperscript{9} were critical about the MGNREGA website for its oddly scattered or mix of valuable data with dubious statistics. After analysis of data they estimated the employment generated under NREGA (90 crore persondays during 2006-07) was much more than the employment generated in earlier years under
NFFWP and SGRY. The authors analysed the official data and concluded that the southern states and western states did better than most of the northern states. They also opine that the women participation in MGNREGS brings social change. With regard to wage rates, the authors observed that a debate is needed in regard to the adoption of state specific rates or national norms. The authors expressed the view that MGNREGA has shown greater economic security and its implementation has led to rise of agricultural wages, slowing down of migration, creation of productive assets and women having more economic independence, changing power equations and so on. Based on Surguja and Koriya’s experiences they also reported that corruption has come down.

Santhosh Mohrotra (2008)\textsuperscript{10} observed that the caste-wise analyses of the impact of NREGA revealed that employment generation was greater among SC’s and ST’s. While the share of SC in India’s population is 14%, their share in household who received employment under the NREGA is 29%. In fact, while the share of ST’s in the total population is only 8%, they constituted 32% of the total employment under the NREGA. One of the most important impacts of NREGA was increase in the value of assets in rural areas, particularly in watershed development. Majority of the works undertaken under NREGA was for the conservation of water, land development and drought proofing. All these work together account for four fifth of all works undertaken through NREGA. Apart from this, road construction constituted another 16%. The emphasize on water conservation, drought and flood proofing is also critical as it underscores water security as the pre-requisite and foundation for rural transformation.

Pramathesh et al., (2008)\textsuperscript{11} argues that NREGA cannot realize full potential due to moribund structure of governance. He further said that the bureaucracy
is uncontrolled and corrupted by referring to the CAG report; he gives the following reason for his argument. They are (i) non-appointment of fulltime program officer in 19 states (ii) deputation of BDOs and officials from other departments : for the block of 140 villages there are only four to five junior engineers, two of whom are given additional responsibility (iii) non-appointment of accredited engineers who do the costing and valuation of works (iv) absence of panel accredited engineers in 20 states to cost measures and valuation of the works done (v) absence of technical resources support in 23 states to assets in planning, design, monitoring, evaluation, quality audit, training and hand holding.

Narayanan (2008)\textsuperscript{12} wrote an article based on the social audit survey findings on crèche facilities and childcare practices under NREGS in Villupuram district of Tamil Nadu. It elaborates the difficult predicaments of young mothers who worked under the MGNREGS and provides ample evidences of urgent need for childcare facility at all worksites. She also suggested the government to develop a blueprint for childcare facility at worksite and cost norms with specific instructions on where to incorporate these expenses in the financial estimates. She prescribed that a crèche has to be provided if at least five workers (male and female) demanded for it, as many workers are unwilling to bring their children to the worksite unless childcare is available.

Rao and Durgaprasad (2008)\textsuperscript{13} studied the survey results of 10 states. Their paper describes that the backward states like Bihar and UP which together account for 37 per cent of rural poor have not gained adequately from MGNREGS, whereas Chhattisgarh and M.P. could take full advantage of MGNREGS to enhance
livelihood security. In A.P, the SCs and STs share in employment was very low and in fact OBC households availed of more employment through MGNREGA. In respect of wage income, the differences in minimum wages and low turnout under the piece rate system were responsible for the variations in average wage incomes. The Poverty Gap Index (PGI), with and without MGNREGS, points out that most of the worker households were closer to the poverty line after participation in MGNREGA. The impact of quality of assets created, increase in wages of unskilled workers in other activities would determine the likely flow of benefits in reducing rural poverty. The paper concludes that MGNREGA is moving in a positive and significant direction and yet to become a demand-driven one.

Reetika Khera and Nandhini Nayak (2009) in their study observed that the participations of women in NREGA is high in states like Rajasthan and Madhya Pradesh. However, it is low in states like Chhattisgarh, Jharkhand, Bihar and Uttar Pradesh (less than 25%). In terms of women participation rates Rajasthan and Madhya Pradesh were at the top and UP was at the bottom. For many of the men (45%) and women (55%) NREGA becomes the only sources of income, women constituted 46% of all persons working in 2007 – 2008. Another achievement of the NREGA was the increase in the number of days of employment. The propollion guaranteed 100 days of work in a year, in practice it provided 43 days of employment on average in India during 2006 – 2007. Statistics on the generation of employment showed vast variations in states like West Bengal and Kerala, the number of man day of employment generated was 14 and 23 during 2006 – 2007. During 2007 – 2008 it has increased to 22.2 days in West Bengal and 28.6 days in Kerala. But states like Orissa, Tamil Nadu and Karnataka have generated 57.5 days, 57 days and 41 days during the first year, during the second year these generated 37 days, 57 days and 44 days.
Sankari and Murugan (2009)\textsuperscript{15} opine that MGNREGS can have a positive impact on the social and economic wellbeing of rural labourers and their families. In particular it holds the powerful prospect of bringing major changes in the lives of women. This is especially true in a state like Tamil Nadu where women constitute an overwhelming proportion in the workforce. Further, this also reduced the wage dissimilarity between men and women workers by increases in the minimum wages. For the success of the scheme, it is imperative that a village level micro plan is prepared and the works taken up under MGNREGS form part of the village area plan. Lastly, PRIs should be made solely responsible for the implementation of the MGNREGS successfully.

Saxena and Ritesh (2009)\textsuperscript{16} points out that MGNREGS will enable better planning and effective investment in rural areas. In the three years of implementation of MGNREGS, benefits are evident in the increase in employment opportunities compared with earlier wage employment programmes, increase in minimum wages, stemming of distress migration, increased soil and water conservation works resulting in increased productivity. It is revealed that the MGNREGS was introduced with the aim of improving the purchasing power of the rural people, primarily semi or un-skilled work to people living in rural India, weather or not they are below the poverty line. Around one-third of the stipulated workforce is women. The MGNREGS achieves the twin objectives of rural development and employment. MGNREGS has the potential to transform the geography of poverty.

Ambastha (2009)\textsuperscript{17} recommended the establishment of National Authority for NREGA (NAN) to perform key functions like human resource development, streamlining IT systems to facilitate effective monitoring and social
audits. The four departments of proposed NAN would perform specified functions to strengthen the NREGA at national level. The authors suggested that the evaluation, social audits and grievance redressal would be made independent of RD Department at state level for effective implementation.

Naganagoud and Uliveppa (2010)\(^{18}\) conclude that the Women’s work force participation was 41% in 2006-07 and has further increased to 48% during 2008-09. In the last year, highest percentage of women participation was in Tamil Nadu (82%) followed by Rajasthan (70%). At the national level average wage paid under NREGA has increased from Rs.65 in 2006-07 to Rs.84 in 2008-09. As agricultural laborer, women earn a paltry Rs. 30 per day for 6 to 7 hours of back breaking work. This enhanced wage rate have led to strengthening of the livelihood resource base of the rural poor in India. Provision of effective child care facilities, protection to women against sexual harassment at worksite, provision of rest-shed, keeping first aid kit have to be taken care in practice. No payment and delayed payment to women are also heard at many NREGS worksites. These issues calls for though inspection, monitoring, by both official and non-official bodies. This programme should instead, be treated as a National Mission of Government of India.

Jeyashree et al., (2010)\(^{19}\) in their study analysed the MGNREGS in the Thevarkulampanchayat. The study has shown that the scheme has made a positive contribution in creating social assets. But they have no significant impact on the social and economic standards in the life of rural people and in generating employment to the rural poor. The benefits appear to be inadequate. This scheme provided only temporary solutions to the problem of poverty. Instead of touching the root cause of the problem,
the scheme tries to solve the problem of superficiality and inequality that too for a particular period of time only. Instead of giving fruitful employment opportunities to many members of the family, it is better to identify the skilled member of the family and ensure regular employment for him/her. A meticulous planning is imperative to remedy the maladies of the economy. This programme should be restructured in such a way to generate employment throughout the year.

Venkata Naidu et al., (2010) revealed that the desertification of the district of Anantapur is to some extent stopped because of this programme as the workers and farmers are involved in contour bunding, tree plantation and water storage management. It results in the stopping of the migration of farmers and labourers in good numbers. Because of the increase in their income levels, their children are able to get good education. Education leads to better opportunities to the students hailing from this working class. Hence, efforts are to be made to ensure effective implementation of NREGA.

Mallika (2010) in her study concluded that a majority of the poor in rural areas of the country depend on what they earn through unskilled, casual, manual labour. Many farmers and workers are not assured of a regular income for their livelihood throughout the year. Often, their jobs are seasonal. To such, the NREGS is a great boon, being a source of sustenance during lean periods. NREG is a program for social transformation. It needs effective watchdogs from society to attain its prospect of not only transforming livelihoods of the poorest people of our country but also heralding a revolution in rural governance in India. National Rural Employment Guarantee Program is one of the best ways in India to reach BPL households. NREGP can serve as a tool for creating healthy citizenry and ensure poverty alleviation and achievement of the Millennium Development Goals.
Hans Raj Yadaw and NidhiGarg (2010) reported that in a rural agrarian labour surplus economy, sections of rural populations depend on the wages they earn through unskilled, casual, manual labour. The Mahatma Gandhi National Rural Employment Guarantee Act was enacted to reinforce the commitment towards livelihood security in rural areas. The programs provide income transfers to poor households during critical times and therefore enable consumption smoothing, specially during slack agricultural seasons or years. In countries with high employment rates, transfer benefits from workfare programs can prevent poverty from worsening, especially during lean periods. Majority of the respondent i.e. 44 per cent gave high version to join. MGNREGA to fulfill their basic necessities of life like food, clothing and shelter. The next main factor which pushed the people to join the scheme was large size of family. To cater the need of the entire family members they joined to enhance their income. During the survey it was found that 59 per cent of total workers under MGNREGA belong to below poverty line (BPL) family and rest 41 per cent workers belong to above poverty line (ABL) family.

Suresh kumar et al., (2010) state that women constitute about half of the total population of the country but they suffer from many disadvantages as compared to men in terms of literacy rates, labour participation and earnings, etc. Social, economic and political empowerment is the need of the day, as it is the only surest way of making women as ‘equal partners in development’. National Rural Employment Guarantee Act plays a substantial role in socially and economically empowering women by generating wage employment and laying the basis for greater independence and self esteem. Further, the MGNREGS signals a possible reshaping of State priorities in India through a democratic determination to provide real livelihood opportunities for the rural poor.
According to Kataria (2010) it is generally said that schemes like MGNREGS does not lead to ‘skill generation’ and without generating or upgrading skills no community can be self sustained. On the other hand, NREGS is oriented towards unskilled worker whether an individual has traditional skill or not. It is also observed that MGNREGS is increasing the buying capacity of rural poor, so inflation is also high, but it is good sign to maintain 6-7 per cent growth rate in global slowdown.

According to Yadav et al., (2010) the significance of MGNREGS lies in the fact that it creates a right-based framework for wage employment programmes. In this way, the legislation goes beyond providing a social safety net towards generating the right to employment. It creates durable assets and strengthens the livelihood resource base of the rural poor. The choice of work suggested in the Act addresses causes of chronic poverty like drought, deforestation and soil erosion, so that the process of employment generation is maintained on a sustainable basis.

Patel Amrit (2010) states that the participatory approach accompanied by empowerment and capacity building of Grama Participatory and GramaSabhas under NREGS will create productive assets, generate massive employment among poor and disadvantaged groups, improve productivity of small farms and contribute to inclusive growth in rural India. NREGS combined with right to food and education should help erase India’s image as the land of poor, hungry and illiterate.

Jhilam Roy Chowdhury (2010) says that MGNREGA has been more successful in states like Rajasthan where civil societies’ involvement is much extensive - starting from implantation to monitoring and evaluation of employment guarantee Act. Their participation has resulted in higher rate of pro-active disclosure which, in
turn, raised the level of accountability in implementation. Where as in states like Orissa and West Bengal a very poor performance of NREGS is visible where the implementation is associated with higher rate of corruption and enormous wastage of public investment.

Kumar and Ravindranath (2011) indicate that the multidisciplinary rapid scientific appraisal in Chitradurga district of Karnataka was undertaken to understand the benefits of the MGNREGS in enhancing environmental services and reducing vulnerability to climate variability. The findings clearly indicated that the MGNREGS has provided multiple environmental services and reduced vulnerability apart from providing employment and income to rural communities. The environmental service includes groundwater recharge, water percolation, more storage in tanks, increased soil fertility, reclamation of degraded lands sequestration. These services contributed to increased crop and livestock production.

Amutha and Mary Manonmani (2011) in their study concluded that, rural women are economically benefited by the implementation of NREGA. At same time the flip side of the scheme is that is on consideration about the age and health condition of the women in work allotment. For the income sake, the poor unhealthy and illiterate rural women are forced to work under the hot sun without any rest. If these problems are properly rectified by the authorities concerned, NREGA will be a real gift to the poor rural women.

Velu Suresh Kumar (2011) points out that, the goal of MGNREGA being growth engine for sustainable development of an agricultural economy, by strengthening the natural resources base is fully achieved in this village. It has
increased the cultivation area with less rainfall. So the water conservation work directly provided employment and indirectly improved the living standard of the farmers by making changes in cropping pattern.

Venkatesan (2011) says that, we have to generate more employment opportunities to the rural poor people and improve their livelihood through policy intervention. It may be mentioned that availability of food would not solve the problem of hunger unless people have enough money to buy food. The various employment generation programmes, more particularly, the Mahatma Gandhi National Rural Employment Programme are helping to provide the minimum essential purchasing power. By covering the MGNREGA with SGSY, the rural women hands will be raised and they are ultimate authority to decide and purchase the commodities are necessary for the household level, in turn reduce the prevalence of malnutrition among women and children. A number of centrally sponsored schemes have been implemented under Rural Development Mission and for the welfare of the poor. But the MGNREGA is one of the greatest experiments undertaken in India to eradicate rural poverty

Jawed Akhtar et al., (2011) in their study reported that Mahatma Gandhi National Rural Employment Guarantee scheme is India’s policy and program commitment to achieve Millennium Development Goals and efforts are on towards total eradication of poverty by 2015. United Nations Development Programs Network links and coordinates global and national efforts to reach these Goals. The year 2009, marked crossing of halfway point of MDGs, Yet crucial development policies and finance were not systematically aligned with MDGs. As port of its poverty reduction mandates UNDP is working to bridge this gap. UNDP is supporting a unique low cost ATM polite initiative for NREGA implementation. In addition, the Ministry of Rural
Development and UNDP are in the process of piloting an IT initiative to link 200 District Collectors Virtually under the United Nation Country Team solution Exchange model. UNDP is in the process of commissioning up to 20 additional TV spots that document best practice implementation on MGNREGA from across the states and five major research institutions were established to undertake a review of MGNREGA implementation and compliance.

Vimala (2011)\textsuperscript{33} in her study concluded that the National Rural Employment Guarantee Act is by far the most ambitious attempt of Government of India to tackle the unemployment problem head on. An employment revolution of this type will change the face of rural poverty. Employment brings income which raises standard of living and assured income brings a measure of stability. Though there are certain problems, it is obvious that the scheme focuses on natural resource management and has opened up the space for pro-poor innovation. NREGS, as it is seen, hold out the prospect not only in transforming livelihood of poorest people of the country but also in heralding a revolution in rural governance in the state.

Harish \textit{et al.}, (2011)\textsuperscript{34} show that his study has evaluated the impact of MGNREGA on income generation and labour supply in agriculture in one of the districts in central dry zone of Karnataka. Results have shown that the number of days worked in a year with the implementation of MGNREGA programme has significantly increased to 201 days, reflecting 16 per cent increase. The increase in income is to the tune of 9.04 per cent due to additional employment generated from MGNREGA. In the total income, the contribution of agriculture is the highest (63%), followed by non-agricultural income (29%) and MGNREGA income (8%). Implementation of MGNREGA works has led to labour scarcity to the tune of 53 per cent and 30 per cent
for agriculture operations like weeding and sowing, respectively. There has been a decline in area for labour-intensive crops like tomato and ragi to the extent of 30 per cent due to MGNREGA implementation.

Rakesh Tiwari et al., (2011)\textsuperscript{35} indicate that the National Rural Employment Guarantee Act has provided multiple environmental services and reduced vulnerability, apart from providing employment and income to rural communities. The environmental services include groundwater recharge, water percolation, more water storage in tanks, increased soil fertility, reclamation of degraded lands and carbon sequestration. These services contributed to, and had positive implications for, increased crop and livestock production. The NREGA activities were found to reduce the vulnerability of agricultural production, water resources and livelihoods to uncertain and low rainfall, water scarcity and poor soil fertility. The implications measured in this study are only for about one to three years of NREGA activities. A thorough analysis of investment in different types of NREGA activities, especially in the long term, is also required. Investment in NREGA activities, given their scale and importance, should focus on a sustained flow of benefits such as employment, income, water supply and food grain production. Investment could be focused more on activities providing benefits at the community level so that the poor derive maximum benefits. Ultimately, the enhancement of environmental services will lead to long term and sustained employment and incomes for rural communities, the main goal of the NREGA.

Prattoy Sarkar et al., (2011)\textsuperscript{36} conducted a study in the Burdwan district of West Bengal, has examined the socio-economic impact of Mahatma Gandhi National
Rural Employment Guarantee Act on the rural poor who are mainly comprised of small and marginal farmers and agricultural labourers. It has been found that significant changes have taken place in the socio-economic variables like annual per capita income, monthly per capita food expenditure, annual per child expenditure on education, per capita savings, condition of the dwelling houses, access to healthcare facility and possession of other assets or luxury items for those households which are regularly working in the scheme. According to the value of the socio-economic index prepared, it has been found that in the initial year of implementation (2007-08) of MGNREGA in the study area, 43.9 per cent beneficiary households were in poor socio-economic conditions which have gradually improved in the succeeding years and decreased to 18.3 per cent in 2009-10.

Kalarani Rengasamy and Sasi Kumar (2011) in their comparative study attempted to analyze the state-wise performance of the MGNREGA and its impact on various streams of agriculture and rural agricultural wages. To start with funding of the scheme has been very balancing between the state and centre. It ranges around 80 : 20 in the implementation of the scheme between the state and the centre. In terms of employability, it states that around 13,332 crore persondays are created and 7.08 lakh assets are built, out of 25.98 lakh taken up. Under the program of the total persondays created, 51.02 per cent are the persondays earned by the women labourers. When it comes to coverage of population, the states that claim to have covered more than 50 per cent of the households are Chhattisgarh and Madhya Pradesh, with both of them having poverty rates that are much higher than the national average, followed by Bihar and Jharkhand, with over 30 per cent coverage but very high levels of poverty.
Besides on the total expenditures it suggests that Madhya Pradesh, Andhra Pradesh and Rajasthan have distributed Rs.10-17 billion as wage payments followed by Uttar Pradesh, Chhattisgarh, West Bengal and Bihar with the utilized amounts ranging between Rs.5 and 10 billion each. Another important thing to consider about the scheme is about the impact on farm mechanization of agriculture. Ultimately, it is worth mentioning here that the MGNREGS has benefitted the agricultural labourers not only directly but also indirectly as the scheme pressured the minimum Agricultural wage rate to be increase.

Vanitha and Srikantha Murthy (2011)\textsuperscript{38} in their study reported that the women participation among total registered workers in Mahatma Gandhi National Rural Employment Guarantee scheme has been found significant at 47.8 per cent. Among the total number of works executed under MGNREGS in the sample villages, 96.8 per cent have been natural resource management works and 74.2 per cent community works. More number of natural resource management works are needed to be taken up on individual farmer fields to make MGNREGS complementary to agriculture. Among the total participants and non-participants of MGNREGS, 70 per cent in each case were agricultural labourers. In the total income earned by participants and non-participants, a major proportion from agricultural labour work (60.55 per cent and 52.59 per cent respectively), followed by crop cultivation (24.95 per cent and 47.41 per cent respectively) and MGNREGS (14.50 per cent in case of participants) Average annual person-days of employment generated from MGNREGS works was 57. About 68 per cent of landless participants derived 28 per cent of their household income from MGNREGS compared to only 6 per cent in the case of participants with land. The study has found that, there has been reduction in the supply of labour to agriculture to
the extent of 40.67 person-days per year on an average after the implementation of MGNREGS. Hence, MGNREGS works need to be executed only during off-season.

GangadhahaRao and MohanaRao (2011)\(^\text{39}\) studied in the annals of rural employment generation schemes after independence, MGNREGS stands as the grandest one. It has provided ‘right to work’ to rural population. India is abundant with manual workforce, which is the only source to it to eke out livelihood. This involves not only the empowerment of women but family welfare also. Women population and labour share are given due weight in the Act to enlarge opportunities and income levels. It is the sustained effort of the academics and activists for the Act to reduce poverty among marginal groups. There are provisions which are clearly meant for female workforce in rural India. No restriction for number of women participation from a household and equal wage for both men and women is Act’s innovation. It arranges childcare in worksites for children of female workers. The economic dependence of women on men in rural India plays a major role in the subjugation of women, and in this respect, NREGA is an important tool of social change. The women participation in MGNREGA in Kerala is the highest (92.26 per cent) in 2010 to 2011 followed by Rajasthan (81.59 per cent). A very low level of participation has been there in Jammu & Kashmir during 2007 to 2011.

Venugobalan (2011)\(^\text{40}\) shows that the Mahatma Gandhi National Rural Employment Guarantee Scheme is one of the best poverty eradication Programs of the Central Government launched in the year 2006. The scheme aims at the development of the rural poor by giving employment to both men and women and consider gender equality. This scheme creates employment opportunities, thrift among the people improves the standard of living of the rural people, empowerment of women, creates
infrastructure development in the rural area, prevent the migration of the rural people to urban area and largely participated in the financial inclusion process by opening bank or post office accounts. In the year 2009-10, the authority issued job cards to 25.99 lakh household in Kerala. Out of this, 3.50 lakh households belongs to SC and 0.9 lakh belongs to ST households. The actual households demanded jobs was only 36.83 per cent of the households having job cards. The MGNREG scheme in the state during the last year shows an upward trend in all the aspects - increase in the number of households, increase in expenditure, increase in persondays etc had a real impact on the worker’s standard of living, their savings, migration of the workers household assets benefits of the community (population) include better network of roads, regeneration of water bodies, improved irrigation facilities and so on. The participation of men in the scheme was only 11.18 per cent. In Kerala, more than 85 per cent persons employed are women. Proper utilization of funds under this scheme will have positive impact on the rural people, rural development and economic development of the state.

Shobha and Vinitha (2011)⁴¹ in their study concluded that as majority of women live below poverty line and are engaged in subsistence struggle, macroeconomic policies and poverty alleviation programs are to address the pitiful problems of poor women. Steps are being taken for mobilization of poor women, convergence of wide range of economic and social options along their capabilities. The economic conditions of the women beneficiaries improve after joining MGNREGA which is a good sign of development. Women beneficiaries had also started repaying their debt. The beneficiaries had faced problems relating to low wages, hours of work and hard work. Due to low wages, they were unable to purchase better products. Since
women were engaged in construction work, they found it difficult to cope up with new type of work. It is necessary to improve the wage level of the workers and raise their living standards.

Ratna Sudarshan (2011)\textsuperscript{42} brings out that his research examines women’s participation in NREGS in selected areas in three states: Kerala, Himachal and Rajasthan. The Indian Government’s NREGS has succeeded in bringing large numbers of women into paid work, many of them for the first time. This report explores the complex reasons why women’s participation in the scheme varies significantly across and within the states, and suggests improvements that could maximize impact. NREGS has achieved some success in empowering women, economically and socially. But the author suggests that the minor changes to the scheme, to address local development challenges and priorities, could deliver better outcomes.

Chaarlas and Velmurugan (2012)\textsuperscript{43} show that according to a recent Indian Government committee constituted to estimate poverty, nearly 38% of India’s population is poor. More than 75% of poor people reside in villages. Rural poverty is largely a result of low productivity and unemployment. In order to alleviate rural poverty by generating employment and creation of sustainable assets in Rural India, Government of India brought in the flagship programme called Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) 2005. However, social security programmes are not free from flaws. So is the case with MGNREGA. The study highlights the issues and challenges being faced by Government while implementing the world’s largest employment generating programme and the issues among the people covered under the scheme.
Ashasharma (2012)\textsuperscript{44} highlights that the high status of women among the SC/ST groups in the Rajnandgoan, Jhabua, Mayurbhani and Cuddalore has important effect on generating community assets and enhancing their spending capacity. High poverty rates pose to be significant obstacles in attaining empowerment among SC/ST women in rural India. By putting cash earning in women’s hand, NREGA both increased and diversified the contribution that women are making to household incomes as wage earners. Employment is considered to be an important tool for improving the status of women among the SC/ST in rural India. Aggregate statistics often paints a dismal picture of the employment and empowerment among the SC/ST women in rural India and this needs to be emphasized in order to understand the importance of MGNREGA.

Krishnan and Bala Krishnan (2012)\textsuperscript{45} indicates that in India rural masses lack the basic infrastructure facilities to sustain their life. Rural India constitutes about 72 per cent of the total population. Their small holdings provide them with minimal yield to support their existence. The opportunities to have better standard of living in rural areas of our country are minimal. The labour force will be increased by 520 lakhs during the 11\textsuperscript{th} plan period, based on the growth of working age population. If the current fact of more women seeking job continuous, mostly in rural areas, the labour force will be around 650 lakhs. This increase will be in addition to the current 350 lakhs unemployed. So, India has to provide employment to 1000 lakhs people most of them in rural areas. The goal of MGNREGA is to make sustainable development of agriculture, by strengthening the natural resources base of the villages. One can come to the conclusion based on the empirical evidence that the MGNREGA has increased
the areas under cultivation. The water conservation works undertaken under this scheme have directly provided employment opportunity and indirectly improved livelihood and food security of the farmers. Thus it could be drawn that the watershed works of MGNREGA has made positive impact of reduction of poverty directly and indirectly in the study village.

Ramanathan et al. (2012)\(^{46}\) in their study concluded that MGNREGA create social and economic security to rural poor in the study area. Even it encourages sustainable standard of living of the poor through enhancement of income, saving, investment and optimum consumption level. While it successfully curtailed poverty and migration in the rural area, at the same time, it failed to provide maximum satisfaction of the rural man in terms of wage and social responsibility; hence, only women participation is continuing rapidly.

Venkadesh Boopathy (2012)\(^{47}\) reveals the ranks among the most powerful initiatives ever undertaken for transformation of rural livelihoods in India. The MGNREGA is, useful to workers to improve the economic conditions. The Act is a milestone in the history of transformation of rural economy and society in independent India. The prestigious MGNREGA provide a legal guarantee of employment to the needy rural unemployed or under-employed. If the loopholes found in implementing the scheme have been rectified, then it will prove to be effective instrument in empowering rural people and contribute much to achieve faster economic development.

Neelaperumal and Geetha (2012)\(^{48}\) says that today MGNREGA workers are more willing to take up activities that were once considered the preserve of agriculture, and have proved that they could earn money to contribute to the growth of
the economy. No doubt that the workers play a vital role in the field of unorganized
sector like MGNREGA, but still they face variety of problems like low wage rate, non-
awareness of initiatives under MGNREGA, creation of family problem, absence of
medical and accidental care and insecurity.

Soumya Mohanty (2012) argued that, Mahatma Gandhi National Rural
Employment Guarantee Act is considered as a “Silver Bullet” for eradicating rural
poverty and unemployment, by way of generating demand for productive labour force
in villages. It provides an alternative source of livelihood which will have an impact on
reducing migration, restricting child labour, alleviating poverty, and making villages
self sustaining through productive assets creation such as road construction, cleaning up
of water tanks, soil and water conservation work, etc. for which it has been considered
as the largest anti-poverty programme in the world. But the success of this Act depends
upon its proper implementation.

Sanjay kumar Pradhan (2012) indicates that the NREGA, a self-
targeting programme, is intended in increasing outreach to the poor and marginalized
section of the society such as women and helping them towards the cause of financial
and economic inclusion in the society. In the rural milieu, it promises employment
opportunities for women and their empowerment. While their hardships have been
reduced due to developmental projects carried out in rural areas, self earnings have
improved their status to a certain extent. However women’s decision for participation
and their share in NREGA jobs is hindered by various factors. Apart from some
structural problems, ineffectiveness and improper implementation of scheme, social
attitudes, exploitation and corruption have put question mark over the intents of the
programme. At this juncture, the litmus test of the policy will have an impact on the
entire process of rural development and women employment opportunities in India.
Surendra Singh (2013) concluded that MGNREGA was a part of series of rural development programmes which were implemented in rural areas since independence but one significant difference between MGNREGA and other rural development programmes is that it’s bounded 100 days employment to a single rural household in a financial year who are willing to do unskilled manual works under this scheme. MGNREGA has given job assurance to peoples and it created social inclusion because it gave 33% jobs Assurance for women. It is one of the important opportunities for women.

Shashi Kumar (2013) observes that the National Rural Employment Guarantee Act enacted on 25th August 2005 and renamed Mahatma Gandhi National Rural Employment Guarantee Act on 2nd October 2009, includes activities under nine different heads to provide employment to village communities and improve their livelihoods. During 2006-2007 against the total available fund of Rs.12,073.56 crore, Rs.8,823.36 crore was utilized. The average fund utilization per district was Rs.44.12 crore. In Karnataka considerable achievements have been made in the financial inclusion of NREGA workers. Total number of households registered under NREGA in Karnataka are 15,65,679 the total number of job cards issued are 14,79,744. The total available funds constitutes of Rs. 1,81,472.56 lakhs, Belgaum is top on the list, it accounts 8.8 per cent, followed by Gulbarga 8.2 per cent, In 2011-12 the allocation was 2,412.76 crores and the target was 1,155.34 of the number of persons days generated but the achievement was not satisfactory because it is just around 699.57.

Prabeena Kumar Bebarta (2013) in their study assess the implementation of Mahatma Gandhi National Rural Employment Guarantee Act and its various impacts in the lives of tribal people in the district of Gajapati. As known,
the MGNREGA provides employment guarantee to the rural households. It empowers the marginalized through decentralized planning and ensures the livelihood security by creating durable assets. It was understood that the tribal households in the Gajapati district have been benefited from MGNREGA in many ways as it has increased their income resulting in multiple impacts in their social and economic life; however there is still a long way to fulfill the purpose and objectives of MGNREGA and ensure the livelihood security of the rural and tribal households.

Tarakumari and Masenamm (2013)\textsuperscript{54} in their study revealed that the MGNREG scheme is a tangible commitment on the part of the Government to protect the poor, to earn a minimum wage without loss of dignity. As such, the MGNREGS schemes are to be extended more vigorously into the non-farming sector of the rural areas and efforts may also be made to bring in more numbers of workers into its fold in rural regions. Maximizing the number of beneficiaries under schemes like MGNREGS will ensure the objectives of inclusive growth. The results of this study ultimately reveals that MGNREGS is able to improve the economic status of women in the interior rural areas of Visakhapatnam district.

Chitra (2013)\textsuperscript{55} in her study points out that the Government has come forward to allocate huge amount of money in the budget for the implementation of the program. MGNREGS has mainly facilitated the elderly people, the illiterate persons, the female and the SC and ST population in overcoming poverty. These sections of the society are the most vulnerable, as their socio-economic endowments are almost nil or very less. Thus, they lack the ability to move out seeking greener pastures, as other could do. Among these segments, MGNREGS has certainly reduced the extent of poverty in a significant measure, by increasing their number of days of employment,
monthly income and per capital income. They are able to spend more on their basic requirements and are able to send their children to school, as they are backed up by the additional income by the program.

Usha Kiran and Maschender Goud (2013)\textsuperscript{56} illustrate that MGNREGS provides great contribution in the form of guaranteed employment to the rural people. The demographic profile of Andhra Pradesh state clearly suggested that the share of rural population is very high. Hence, there is a need for strong execution of MGNREGS scheme. There is a huge opportunity for the rural workers to get employment through MGNREGS as there is still 8 times worth work yet to be completed in the state. The scheme of guaranteed employment is a blessing on the rural, illiterate and unskilled poor. The government should ensure that the rural poor should not become lethargic on the scheme. When all sections of the society gain, automatically the country prospers.

Shenbagaraj and Arockiasamy (2013)\textsuperscript{57} in their study conclude that the general economic condition in the Thoothukudi district like high incidence of agriculture labourers, low rainfall, industrial backwardness, low level of net irrigated area indicate that the programmes like MGNREGA would create a positive impact on increasing the quantum and level of employment. But the available data show that MGNREGA has created employment only for a limited number of days and the earnings of the households was also very low.

Yanyan and Christopher Barrett (2013)\textsuperscript{58} in their study found that the self-targeting design of the MGNREGS leads to greater rates of self-selection into the programme by poorer and disadvantaged (ST/SC) households, as reflected in statistically significant negative associations between MRNREGS jobs seeking and household per capita expenditures nationally and in virtually every state. At the
national level, the administrative rationing of MGNREGS jobs is not pro-poor but, rather, exhibits a sort of middle class bias as households near the poverty line are more likely to receive the jobs they seek than are poorer households, although those in the upper reaches of the expenditure distribution are least likely to secure MGNREGS jobs. The MGNREGS fares less well in reaching poor female headed households, due to both self-selection and rationing effects, male headed households are more likely to seek and receive MGNREGS jobs over most of the per capita expenditure distribution. Finally, roughly half the states exhibit rationing and participation profiles that signal effective pro-poor targeting. At least is five states, performance is truly exemplary, clearly signaling that the MGNREGS can be effectively deployed to attract, employ and improve the well-being of poor rural households. But half of the India’s states struggle to avoid high rates and regressive patterns of administrative rationing of MGNREGS jobs to which the poor have a legal right.

Virenderkoundal (2013) describes that the main distinguishing characteristics of the scheduled castes are their reality, illiteracy, economic backwardness like lower income, higher indebtedness, fewer assets, etc and social retardation like low status. During the last six decades several schemes have been initiated for the upliftment of the weaker section, particularly for scheduled castes. These schemes aim to provide additional and seasonal employment and also supplement their income. One such scheme which central government has launched for rural areas in MGNREGA. The scheme is expected to enhance people’s livelihood on sustained basis by developing economic and social infrastructure in rural areas, attacking the cause of chronic poverty such as drought, deforestation and soil erosion. This scheme generates employment for only 100 days which is a temporary solution of the poverty and unemployment, but we want a permanent solution for the problem.
Asha Sharma (2013)\(^6\) in her study that the Ministry of Rural Development is one of the important ministries in India involved in development of rural areas of the country. The mission and the vision of the ministry exhibits a sustainable and inclusive growth of rural India. The ministry is striving hard to increase livelihood opportunities and improve quality of life of rural poor people. Furthermore, eradicating poverty is a significant endeavour of the ministry. Implemented by the Ministry of Rural Development, National Rural Employment Guarantee Act (NREGA) is the flagship program of the Government that directly touches lives of the poor and promotes inclusive growth. There is no uncertainty that the Mahatma Gandhi NREGA has been successful in achieving its primary objective of providing wage employment to rural households in India.

Mahendra Nath Pandey (2013)\(^6\) brings to light that the MGNREGS is the most ambitious anti-poverty scheme launched anywhere in the world. The flagship program of Government of India touches the lives of rural poor and promotes inclusive growth. It also mandates 1/3 participation of women in total persondays generated. The objectives of MGNREGS include augmentation of wage employment and strengthen natural resource management in rural areas. It address the causes of chronic poverty like draught, deforestation and soil erosion etc. The scheme has shown several anomalies when it comes to implementation. Though the government has taken many initiatives for increasing transparency, accountability and administrative management of the scheme, the challenges still persists. If the anomalies are removed, the scheme, has potential to alleviate poverty in rural areas, besides creating long term natural assets for sustainable development of the country.
Grace Carswell, Geert Deove (2013)\textsuperscript{62} conclude that in Tamil Nadu MGNREGA is being implemented with a large degree of success and is certainly benefiting the rural poor, and poor women in particular. The MGNREGA has indeed a number of direct advantages for the rural poor; most importantly, it is available whenever they need it and fills gaps in household income where normal employment is subject to seasonal variations or other fluctuations in labour demand. It is particularly valuable for some of the most vulnerable members of rural society; Widows; divorced and separated women, the weak and the old, and people for whom other work is increasingly difficult to manage. When comparing MGNREGA works with local private employment, the disadvantage for the rural poor is that the MGNREGA wage is lower than most alternatives in this region of Tamil Nadu. MGNREGA pays less than both agricultural work (particularly at certain times of the year) and non-agricultural work, especially for men. But MGNREGA work has the advantage of being available both continuously and locally, which again benefits women in particular. Furthermore, it is locally considered an “easy work”, with fixed and regularly paid wages and, crucially, with equal pay for men and women, which enhances women’s self-perceptions and self-confidence.

Shanthi and Geetha (2014)\textsuperscript{63} in their study concludes that to, under the MGNREGA the sample beneficiaries have marginally gained in terms of better employment opportunities and increased days of employment, which had improved their per capita income and helps to lead a better standard of life. The quality of life index prepared revealed that the tribal households, especially those below poverty line had poor socio-economic index and the need to ameliorate the living standards
by enhancing their income levels. There is huge potential for using the MGNREGA programme as an approach to reduce the vulnerability in the livelihood of tribal household both in the short term and long term.

Hanumantha Rao (2014)\textsuperscript{64} indicate that while the impact of the NREGA on overall poverty reduction may be moderate, it certainly results in reducing the intensity of poverty of the beneficiary households, which is directly related to the days of participation in the scheme and innovative ways of planning the works. ‘Rights’ based interventions such as NREGA per se cannot resolve the socio-economic problems of the rural poor community that has been experiencing multiple deprivations and has been denied justice over a long time.

Vetrivel and Ragunath (2014)\textsuperscript{65} in their study concluded that the MGNREGP has started yielding dividends in terms of improved wages, improved income and marginal improvement in living standards and so on. The scheme has witnessed certain problems which include delayed payment of wages, instances of fudging of muster rolls, corruption, more emphasis on employment rather than long-term interest such as ownership and maintenance of assets, shortage of dedicated human resources at the panchayat level, failure to provide employment within 15 days of demand for work, non-convening of Gramasabha meetings, uneven performance within the state and across the states and so on. Thus, the government must take an important step to remove all the hurdles pertaining to MGNREGP. If the Government take measures to eradicate all the problems in MGNREGP, the programme goals may be achieved and also the country’s village economy will flourish a lot.

Negi \textit{et al.}'s (2015)\textsuperscript{66} study indicates that the introduction of the programme of MGNREGA had a clear positive impact on the rural economy through
employment and income generation and also through raising the standard of living and socio-economic performance of the rural community of the district. So it is recommended that the present programme should be further spread in the rural areas by means of proper planning, adequate supervision, effective implementation and better monitoring. The MGNREGA scheme should not be confined into 100 day’s work for wage earner's income only.

Rahmatullah\(^67\) brings to light that poverty in India, according to the Planning Commission report, has reduced successfully in 2009-10 from 1973. Likewise, the rural poverty also declined during the same period. However, India is still facing mass poverty even after successful completion of Eleventh five year plan. For poverty alleviation, India started a number of programs and policies; but all remained unsuccessful. Despite achieving more than 5 per cent economic growth, the trickle-down effect idea to reach the benefit of growth to the poor also failed. Several laws were passed for poverty alleviation, but they too could not help much the poor. Now, the Planning Commission thought of “inclusive growth” for the poor to be included in the growth and development process. MGNREGA is one of the important Act for the rural people to be included in the growth process. It is helpful in reducing poverty in rural areas by providing 100 days guaranteed wage employment. In the villages, the infrastructures are created, which is of prime importance for the development of the rural as well as the urban areas. MGNREGA is also helpful in raising the standard of living of the rural people.

Jaswal Anshuman and Mistry Paulomees\(^68\) study on summary report on “Will MGNREGA ensure security against hunger” in Gujarat, Madhya Pradesh, Rajasthan, Maharashtra, concluded that in 42% of the cases creation of new ponds
and deepening or cleaning of existing ones was undertaken, in 26% of cases, work related to road construction and maintenance was provided, check-dam related work formed 16% of the case, rest of the cases comprised of works like canal maintenance and mud-work (digging and carrying). Hence it is clear that the emphasis is on creation of assets which form a part of the basic infrastructure for the community.

To Recapitulate

The review of more than fifty studies on the subject of the present study attempted so far, are of relevance to the subject. The claim of one of the studies that the MGNREGS Act is a “Silver Bullet” for eradicating rural poverty and unemployment, by way of generating demand for productive labour force in the village” is the base point of most studies. When the typical self-targeting programme is intended in increasing out reach to the poor and marginalized section of the society, such as women, it helps them to gain economic inclusion in the society. In this context, the role of MGNREGA is promoting employment opportunities for women and their empowerment is dealt at length in some studies.

The various factors that find the achievement of the scheme are also given. Apart from some selected problems in effectiveness and improper employment of the scheme, social attitude, exploitation and corruption have put question marks over the intents of the programme.

Studies discuss problems at the ground level - participating development, social mobilization, involvement of the civil societies in panchayat institutions and political will are stressed by different studies as pre requirements for effective employment of the scheme.
An important finding of these past studies is the vast differences in the level of achievement of the MGNREGA in different states - a finding which brings out the worth of studies on particular areas focusing on the working of the programme helping to probe into the success/failure of the scheme locally. Hence, the proposed study 'An Economic study on the Impact of MGNREGA on Poverty Reduction and Unemployment in Kanyakumari District'.
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