CHAPTER-I

INTRODUCTION, REVIEW AND METHODOLOGY
Expanding productive employment is central for sustained poverty reduction and food security in low income countries, as labour is the main asset for a majority of the people. It is also known that a high output elasticity of employment generally contributes to egalitarian society. However, in spite of its importance, the concern for employment in development thinking has been pushed aside particularly in the last two decades. It is important to place the employment issue at the centre of the national and international agenda. There are new challenges for governments in recent years due to economic liberalization policies adopted by many of the countries on low incomes. Given the nature of the liberalization measures, they are likely to have significant implications for employment and labour market, in addition to the impact on overall growth of an economy.

The experience in the last one and a half decades in India showed that employment opportunities created were inadequate in spite of rapid growth. The general perception in the country is that although GDP growth has accelerated, it has not been accompanied by a commensurate increase in employment leading to a worsening situation in the employment in the post-reform period. These considerations have led to a demand for greater attention to the employment objective and improving incomes. There is also a concern on youth and educated unemployment as increase in it will lead to waste of human resources and social tensions (Subhanil Chowdary, 2011).

In India, it is true that unemployment rate (daily status) has increased in the 1990s. However, the employment problem in India is that of working poor. The poverty of workers was around 33 per cent in India in the year 1999-2000 (Chandrasekhar, C.P. and Ghosh, J. 2011).
Poverty among casual workers is very high. Ghosh says that the problem of working poor can be addressed either by reducing the level of underemployment, increasing the real wage rate for casual labour, or shifting poor self-employed and casual labourers to regular wage category.

Creation of quality or productive employment is central and it is an inclusive growth approach. According to approach paper of Eleventh Five Year Plan, the labour force will increase by about 52 million during the plan period. If female participation rates rise, the increase could be 65 million. This is in addition to 35 million unemployed on a typical day (Report to the People, GOI, 2009). Since inclusiveness requires a shift of employment from agriculture to non-agriculture. We must plan for at least 65 million additional non-agricultural opportunities in the Eleventh Plan. However, even this modest goal implies that the rate of growth of non-agricultural employment would need to accelerate to 5.8 per annum from 4.7 per cent in 1999-05.

Whenever there is a discussion of the Indian economy, a common topic that comes up is that of unemployment which has been plaguing the nation. Unemployment refers to a situation in which people who are able and willing to work do not get employment opportunities and jobs that match their capabilities and skills.

There are different kinds of unemployment - open unemployment, under employment, disguised unemployment, seasonal unemployment, structural unemployment and technological unemployment - apart from educated unemployment. In order to provide employment to the unemployment, the Indian government has launched several programmes.

Following is the discussion about the important employment generation programmes.
India’s long history (of at least Four decades in post-independence India) of wage employment programmes had shown the following perennial weaknesses: (i) low programme coverage; (ii) more than 50 per cent beneficiaries not from most needy group; (iii) bureaucracy dominated planning and little participation of community in planning; (iv) work to women lower than stipulated norm of 30 per cent; (v) durable assets are not created; and (vi) corruption reports of false muster rolls; contractors persisted; payment often less than prescribed minimum wages.

Keeping this in view, different wage employment programmes were introduced in the country. One popular wage employment programme which continued in the country up to 2007-08 was Sampoorna Grameen Rozgar Yojana, popularly known as SGRY. It was launched on 25th September, 2001 and subsumed with National Rural Employment Guarantee Scheme on 1st April 2008, which is now continuing in the country under National Rural Employment Guarantee Act (NREGA) and as a programme, National Rural Employment Guarantee Scheme (NREGS). Apart from SGRY, from time-to-time, different wage employment programmes were introduced in the country. These, inter alia, include Rural Manpower Programme (RMP), Crash Scheme for Rural Employment (CSRE), Pilot Intensive Rural Employment (PIREP), Food for Work Programme (FWP), National Rural Employment Programme (NREP), Rural Landless Employment Guarantee Programme (RLEGP), Jawahar Rozgar Yojana (JRY), Jawahar Gram Samridhi Yojana (JGSY), Employment Assurance Scheme (EAS) and Sampoorna Grameen Rozgar Yojana (SGRY). MGNREGS is the only wage employment programme presently in operation in rural India.
Employment generation programmes in India have been re-structured and re-designed with a view to generate employment and income. The major schemes of poverty alleviation could be grouped under two heads, viz., (1) Self-Employment and (2) Wage Employment.

**Self-Employment Schemes**

Lack of assets is a major source of poverty in rural areas. Since radical land redistribution has not been possible the second best solution was to transfer non-land productive assets that would generate incomes for the poor through self-employment programmes. Accordingly, Integrated Rural Development Programme (IRDP) was started in 1980-81 in all the blocks of the country and continued as a major self-employment scheme by way of providing subsidy accompanied with bank credit on soft terms to enable rural poor households to purchase/create income generating assets for supplementing their income. Subsequently TRYSEM, DWCRA, SITRA, etc., were introduced as special programmes of IRDP to take care of the specific needs of rural population.

The IRDP and allied programmes were merged into a single programme known as SGSY (Swarna Jayanti Gram Swarozgar Yojana) on 1st April, 1999. The SGSY aims at bringing every assisted family (Swarozgari) above the poverty line in three years by organizing them into Self-Help Groups (SHGs) through a mix of bank credit and government subsidy. This aims at building the self-confidence of the poor through community action, collective decision-making, prioritization of their needs and resources so as to improve their collective bargaining power and empowers them socially and economically. SGSY tries to integrate various agencies-Districts Rural Development Agencies (DRDA), banks, line departments, Panchayat Raj
Institutions (PRIs), Non-Governmental Organizations (NGOs) and other semi-Governmental Organizations.
Important Employment Generation Programmes

The main objective of the various five-year plans was to create employment avenues for millions of rural people every year. The addition to the number of unemployed in rural areas is reportedly increasing at the rate of nearly one million a year. The problem can be solved in the near future if only rural employment increases from the present 2.2 per cent to 2.6 per cent per annum.

The rural labour force is adversely affected due to meager wage rates and rising unemployment. The government sought to improve the plight of the rural labourers by implementing: (i) special programmes for supplementing work opportunities, and (ii) programmes for increasing labour absorption in agriculture. While the former provides temporary relief, the latter is crucial for long-term employment growth. But programmes so far implemented to enhance the labour absorption capacity of the agricultural sector have failed to reach the point of success. In the following pages an attempt has been made to present the nature, progress and problems of major employment generation programmes.

Rural Works Programme

The Rural Works programme was taken up towards the end of 1960-61 in 32 community development blocks on a pilot basis for utilizing rural manpower to provide employment for 100 days to at least 2.5 million persons by the last year of the Third Five Year Plan, especially in areas exposed to pronounced seasonal unemployment and under-employment. However, due to resource constraints, a little over 20 per cent of the outlay of Rs.150 crore, originally
envisaged could be provided and the programme ended in 1968-69, resulting in generation of 137 million man-days of employment (Lingaiah Karnati, 2000).
This centrally sponsored scheme for employment generation suffered from serious irregularities in implementation besides providing opportunities to unscrupulous politicians and their allies in the bureaucracy for illegal gratification. The delivery system has also been defective and ineffective. No significant changes in the administrative structure have taken place since the days of Rajiv Gandhi as Prime Minister. The state governments have been working on strategies to collect central funds for various employment schemes and divert them for various other unintended purposes. The canon of accountability is skirted.

**Crash Scheme for Rural Employment**

The Crash Scheme for Rural Employment (CSRE) was initiated in 1971-72 for generating employment opportunities in rural areas. It lasted for three years. During this period, it is supposed to have generated employment to the tune of 3.150 lakh man-days. Its achievements are related to minor irrigation works, land development including reclamation, soil and water conservation, groundwater recharging, drainage and water-logging and flood protection. It also contributed to the development of pisciculture and the extension of roads and culverts (Galab, S., 1994).

The CSRE was designed to generate on an average 2.5 lakh man-days of employment in every district. According to the guidelines, the projects were to be labour-intensive and to promote the development of districts. The cost of material, equipment, etc., was not to exceed 25 per cent of the total cost. The scheme was administered by the Department of Rural Development at the Centre and its counterparts at the state level.
**Pilot Intensive Rural Employment Projects**

The Pilot Intensive Rural Employment Projects (PIREP) was launched as action-cum-research studies in 1972 for a period of three years in 15 selected blocks in the country—one block was selected from each of the major states.

The works selected under PIREP have been directly related to agricultural operations. The states were made responsible for the actual implementation of PIREP. The programme gave top priority to minor irrigation strategies and roads (S.M.Krishnan, 2008).

However, PIREP has not produced results commensurate with the investments made. The programme faced the same problems experienced by earlier programmes, namely RWP and CSRE.

**Employment Guarantee Scheme**

The Employment Guarantee Scheme (EGS) was launched by the Government of Maharashtra in May 1972, but because of relief works till 1973-74, the implementation of the programme was not a high priority issue till 1974.

Legislated in December 1974, the EGS aimed at providing employment to all those who seek it with special emphasis on daily wages. The aim is to provide manual jobs particularly during the lean/dry season.

The EGS has been in operation in the rural areas as well as in the areas of ‘C’ class municipal councils since 1972-73. The salient features of the programme are noted below (K.Venkat Reddy, 2001).
It was stipulated that 40 per cent of EGS expenditure should be wage expenditure and the remaining 60 per cent for all other expenses i.e. cost of materials, tools, project planning and supervision etc.
The EGS has in essence contributed to the stabilization of incomes of the poor. It also prevented, to some extent, rural-urban migration. It has been noticed that the delivery system has fared much better in areas where voluntary organizations have been active.

**Food for Work Programme (FWP)**

The Food for Work Programme was launched in 1977 to provide opportunities of work for the rural poor, particularly during slack employment seasons and at the same time, create durable productive capital assets in the form of roads, canals, minor irrigation projects, etc. The basic aim was one of the generating additional employment in rural areas and in the process creates durable community assets which would strengthen the rural infrastructure. The workers on the projects were paid partly in cash and partly in food grains by utilizing the surplus stocks of food grains.

In the initial stages, the results were said to be quite encouraging. However, certain shortcomings have been pointed out in its operation, resulting in a steep decline in employment in terms of man days. The FWP helped to generate additional employment of 444.34 man days in all-India during 1977-78 and it increased to 3,557.97 man days during 1979-80. But, disappointingly, the corresponding figure for 1980-81 was 1,611.62 man days. In view of this, in October 1980, the Food for Work Programme was reshaped into National Rural Employment Programme (Katar Singh, 1999).

**National Rural Employment Programme (NREP)**
Some of the rural development schemes initiated in the early stages of the planning era aimed mainly at resource development on the individual or area. Further, special programmes for solving the problems of unemployment and underemployment were formulated and implemented in isolation of the on-going developmental projects. It is necessary to consider employment as an integral part of development of formulated to a suitable programme. Again, it should be noted that a large number of people in rural areas are without assets or have meager assets. This segment of the rural poor depends primarily on wage employment and such rural people do not have any source of income during the lean agricultural period or during the severe drought conditions. Some of the developmental schemes can be taken up by utilizing the unemployed rural labour and derive the double benefit of generation of employment to the unemployed and creation of certain assets of durable nature that will benefit the rural community at large in due course of time. It was to fulfill this objective that the NREP was launched in October, 1980.

The NREP aims both at providing employment opportunities to rural workers, particularly at a time when they are not able to find gainful employment, as well as creation of durable community assets for strengthening the rural infrastructure which will lead to the rapid growth of rural economy and rise in the income level of the rural poor. The NREP is expected to generate additional employment to the extent of 300 to 400 million man days per year (G.R.Madan, 1983).

The Sixth Plan made an allocation of Rs.1,620 crore for the NREP. Allocation of financial resources to the States and Union Territories is made on the basis of prescribed criteria under
which 75 per cent weightage is given to agricultural workers and marginal farmers and the remaining 25 per cent to the incidence of poverty. The wage under the programme should be on par with the minimum agricultural wages prescribed for the area and part of the wage is paid in food grains. According to the guidelines, food grains were to be provided at the rate of one kg per man day. This is being done with a view to improving their nutritional standards, the food grains being priced since January 1984 at subsidized rates.

The employment generation target under the NREP has been consistently achieved during the Sixth Plan. It is rightly observed: ‘It is not known as to how much of this has been directed towards those who are landless and the poorest among the poor. To this extent, the programme has apparently lacked a direct focus on the target-group population, for whom it was meant.’ Some of the asset building works was also subjects to criticism on the grounds of lack of expertise and high material costs. In some State, 10 per cent of the outlay earmarked for works of direct benefit to Scheduled Castes and Scheduled Tribes was not fully utilized. In view of its potential for creation of employment and community durable assets, the NREP was being continued in the Seventh Plan as an important component of the anti-poverty strategy.

**Rural Landless Employment Guarantee Programme (RLEGP)**

The Rural Landless Employment Guarantee Programme was launched in August 1983 with a view to alleviating poverty, unemployment and underemployment among the rural landless workers. The programme mainly aims at improving and expanding employment opportunities for the rural landless and providing guarantee of employment to at least one member of every landless labourer household up to 80 to 100 days in a year, (b) creating
durable assets for strengthening of the rural infrastructure capable of boosting production. Of them, there are rural link road, field irrigation channels, land development, reclamation of waste lands, social forestry, soil and water conservation, etc. The highest priority will be accorded to labour intensive projects in backward areas drawn by the State Governments and approved by the Central Government. A portion of the wages will be paid in the shape of food grains wherever possible. While the NREP is for generation of additional employment for the unemployed and underemployed persons, the RLEGP provide guaranteed employment to at least one person of every landless labourer household up to 100 days in a year.

The RLEGP has helped in the creation of a good number of durable community assets and economic infrastructure in the rural areas. However, the tendency to concentrate on asset creation rather than creation of required quantum of employment to the landless labourers was subject to criticism (Singh Katar, 1999).

**Training of Rural Youth for Self-Employment (TRYSEM)**

The National Scheme of Training of Rural Youth for Self-Employment was launched by the Central Government on August 15, 1979. The main aim of the TRYSEM is to equip the rural youth with necessary skills and technical knowledge to enable them to take up self-employment in different vocations. Under the scheme, rural youth in the age group of 18 to 35 years from the target group of families in the rural areas having an income of less than Rs.3,500 per annum are eligible for training. Only one rural youth per eligible family is to be selected for training. The vocations confine broadly to the fields of agriculture and allied activities, industry, services and business activities, etc. TRYSEM, as a part of Integrated Rural Development
Programme (IRDP), aims at training two lakh rural youths every year at an average rate of 40 youths per block.

**Jawahar Rozgar Yojana (JRY)**

The JRY was launched as a centrally sponsored scheme on April 1st, 1989 by merging the National Rural Employment Programme (NREP) and the Rural Landless Employment Guarantee Programmes (RLEGP). The main objective of the programme is generation of gainful employment for unemployment and underemployed persons, both men and women, in the rural areas through the creation of rural economic infrastructure, community and social assets. This programme is targeted at people living below the poverty line. However, preference is given to Scheduled Castes/Scheduled Tribes and bonded labourers. Further, at least 30 per cent of the women are to be covered under JRY (Hanumantha Rao, C. H. 1994).

A review of the programme in 1992-93 revealed that the employment generated under JRY was inadequate and did not provide enough income to the poor. It was also noticed that the resources under JRY too thinly spread and adequate attention was not given to the backward areas of the country. The Evaluation report brought into focus certain inadequacies against the target of 30 per cent. It was also noticed that 49.47 per cent of the works could not be completed in time on account of shortage of funds. It was noticed that there was vast difference in the wages paid to the male and female workers under the scheme. Non-utilization of locally available material was another shortcoming observed. It was further noticed that the annual action plans under JRY were not discussed in the Gram Sabha meetings and hence...
involvement of local people in identification and implementation of schemes was very much missing.

**Employment Assurance Scheme (EAS)**

The EAS is a centrally sponsored scheme launched on 2\(^{nd}\) October, 1993 in 1775 identified backward blocks situated in drought prone, desert, tribal and hill areas. Subsequently, the scheme has been extended to some more blocks earlier covered under JRY. The EAS now covers all the rural blocks in the country.

The main objective of the EAS is to provide about 100 days of assured casual manual employment during the lean agricultural season at statutory minimum wages to all persons above the age of 18 years and below 60 years, who need and seek employment. The works are to be selected by the District Collector and implemented through the concerned departments in such a way that the ratio of wage and non-wage component would be at 60:40.

Upto 1996-97 a total amount of Rs.6,514.65 crore has been released out of which total utilization was Rs.5,278.16 crore or 81.02 per cent. Under the EAS, 25.90 million persons registered themselves for employment. The scheme generated 1,086.60 million man days of employment from 1993-94 to 1996-97 (Katar Singh, 1999).

**Sampoorna Grameen Rozgar Yojana (SGRY)**

The Sampoorna Grameen Rozgar Yojana (SGRY) was launched on 25\(^{th}\) September 2001 by merging the on-going schemes of Jawahar Gram Samruddhi Yojana (JGSY) and Employment Assurance Scheme (EAS).
The objectives of the Programme are to provide additional wage employment in the rural areas as also food security, alongside the creation of durable community assets, social and economic infrastructure in the rural areas. The programme is self-targeting in nature with special emphasis to provide wage employment to women, scheduled castes, scheduled tribes and parents of children withdrawn from hazardous occupation.

The programme resources are shared by all the three tiers viz. District Panchayat, Panchayat Samiti and the Gram Panchayat in the proportion of 20:30:50. Each level of Panchayat is an independent unit for formulation of Action Plan and executing the scheme (Ministry of Rural Development, 1999).

To ensure that maximum benefits of the programmes accrue to the people in villages, the Ministry has adopted a ‘four-pronged’ strategy of creating ‘awareness’ about the programmes, ensuring ‘transparency’ in their implementation at field level, encouraging people’s ‘participation’ in the development process and promoting the concept of ‘social audit’ for accountability.

**Swarnjayanti Gram Swarozgar Yojana (SGSY)**

The Ministry of Rural Development, Government of India has been implementing the Swarnjayanti Gram Swarozgar Yojana (SGSY) as a major self-employment Programme in rural India since April, 1999.

Earlier Programmes like Integrated Rural Development Programme (IRDP), Development of Women and Children in Rural Areas (DWCRA), Training of Rural Youth for Self-Employment
(TRYSEM), Supply of Improved Tool kits to Rural Artisans (SITRA) and Ganga Kalyan Yojana (GKY) were merged in this programme.

SGSY would provide opportunities for self-employment to the rural poor. The programme would shift to a process-oriented approach in five stages (Ministry of Rural Development, 1999) i.e. Social mobilization for formulation of self-help groups; Saving among the group and internal lending among its members; Provision of a revolving fund; Micro-finance, and Micro-enterprise development.

Network of institutions that promote the self-help movement would be created during the Plan period. Partnership would be forged among NGOs and other community based organizations, government agencies and other financial institutions.

Access to land will be an important element in the poverty alleviation strategy. Tenancy reforms, record of rights of land owners and tenants, computerization of land records, prevention of alienation of tribal lands and issue of land right for women were the major reforms.

The above discussion on centrally sponsored employment generation programmes have suffered from serious irregularities in implementation besides providing opportunities to unscrupulous politicians and their allies in the bureaucracy for illegal gratification. The evaluation of various wage employment schemes suffered due to several anomalies, which are common as well as different for various programmes. They are:
1. The previous wage employment programmes provided employment for a short duration and were unable to improve the lot of rural downtrodden of the society. Thus they were not vulnerable and were only temporary.

2. The crash scheme for rural employment failed due to non-following of norms by the contractors.

3. The delivery system has also been defective and ineffective under Pilot Intensive Rural Employment Projects (PIREP). It is one of the defective of almost all wage employment programmes.

4. Under, Employment Guarantee Scheme (EGS) the unskilled workers could not get higher wages. Under this scheme there is a sub-optimal use of the potential created.

5. Under the Food for Work Programme, there are a number of deficiencies. These included erratic disbursement of food grains, delay in measurement of earthwork, non-durability of assets, inadequate technical support and lack of supervision. Moreover, the programme was implemented on an ad-hoc basis. No attempt was made by the states to prepare shelf of projects taking into account the local needs.

6. The NREP suffered due to local pulls and pressures geared to a desire for a very wide range of coverage. Under the scheme, many states were not able to spend the earmarked outlays. It is true with regard to other wage employment programmes also. Moreover, sufficient details of the types of works taken up in under the programme are not clear.
7. The Rural Landless Employment Guarantee Programme (RLEGP) became ineffective due to diversion of the rice (meant for a part of wages to workers) to public distribution system by State Governments.

8. In Jawahar Rojgar Yojana, nearly 50 per cent of the Indian villages did not get the benefits of any work under this programme.

9. Many erstwhile employment generation programmes involving substantial investments have run into rough weather because of flaws reported in the implementation, monitoring and evaluation of such programmes.

10. The State Governments have been working on strategies to collect Central funds for various employment schemes and diverting them for various other unintended purposes.

In view of the above difficulties and keeping in view of the past experience in planning and extension of the various employment generation programmes, government has launched NREGS (National Rural Employment Guarantee Scheme).

The rural poor, who depend on monsoon rains cultivate groundnut crop during Kharif season and remain unemployed rest of the year. This unemployment leads them to lethargy and discomfort including loss of purchasing power. The people below poverty line who work under landholders get meager income to sustain them. The income derived during Kharif season is spent towards drinking and they continue to borrow amounts from land-holders leading them to debt-traps.
Based on the poor socio-economic of rural masses the Government of India launched the NREGS in the country. This Programme was launched in Anantapuramu District, which is the selected district for the purpose of present study, on February 2, 2006 by the Prime Minister of India, Dr. Man Mohan Singh, came into effect from 1.4.2006 in 200 drought prone and backward districts in India. Subsequently NREGS has been renamed as MGNREGS (Mahatma Gandhi National Rural Employment Guarantee Scheme) on 2nd October 2009.

**Significance of MGNREGS**

Employment is the main source of livelihood and self-fulfillment for most women and men. It is critical to the way women and men live and view their lives. A well-nurtured and productive labour force contributes towards a dynamic economy and equitable society. Lack of access to employment, that is decent and remunerative, lowers self-esteem and leads to denial of basic needs of the individual and the family, and can lead to social instability.

The programme reverses the way the Indian State has traditionally dealt with issues and envisages a complete change in the manner of interaction of the state, the local power elites and the local working classes in rural India. The NREGS is therefore completely different in conception from the earlier government employment schemes since it treats employment as a right and the programme is intended to be demand-driven. Further, the Act and Guidelines anticipate substantial participation of the local people in the planning and monitoring of the specific schemes, to a degree which has not been at all common. National Rural Employment Guarantee Act (NREGA) has also initiated the world’s largest financial inclusion measure by providing poor people access to the formal banking system (Jogender Sharma., 2009). The Act
recognizes employment as a universal legal right and thus it gets priority in the allocation of public funds over several other competing demands (CUTS, 2008).

The NREGA is an important step towards realization of the right to work. It is expected to enhance people’s livelihood on a sustainable basis by developing economic and social infrastructure in rural areas. One of the most distinguishing features of the NREGA is its approach towards empowering citizens to play an active role in the implementation of employment guaranteed schemes through gram sabha social audit, participatory planning and other activities. Transparency and accountability to the poorest and the weakest is the potential contribution of NREGA (Keshava, 2010).

Review of Literature

Review of literature is the most important aspect in any research work. It is a measure stating the recent output on a particular area of research and organized in a helpful sequence to strengthen the present research techniques. The main objective of the review of literature is to understand the research activities that have taken place in a particular discipline so as to measure the performance of the programme based on the strengths and weaknesses.

The review of literature relating to wage employment programmes in general and the MGNREGS programme in particular is attempted in the following pages. The review covers combinations of national, state and district level.

All India level Studies:
Indira Hirway, (2004) in his scholarly article entitled, “Providing Employment Guarantee in India - Some Critical Issues” discussed the employment guarantee plan announced in the common minimum programme, which has been designed to protect the interests of the poor, by detailing the rules of the guarantee and imposing penalties for non-compliance. It has also drawn heavily on the Maharashtra Employment Guarantee Act, which has been in operation for 30 years. It identifies two major drawbacks of the proposed programme. They are its unrealistic underlying assumptions and short-term vision. The provisions of the employment guarantee programme should be strengthened to achieve the objectives of poverty reduction, construction of productive assets and promoting mainstream employment.

Santhosh Mehrota (2004) in his commentary on “Job law can sharply cut poverty this decade” expressed that rural employment guarantee programme will yield immense benefits. Labour-intensity can be high in watershed development, land regeneration, and prevention of soil erosion. He further adds that a jobs programme that focuses on such work would not only protect the environment, it would also enhance land productivity and promote rural employment in the future. Such a plan would also have positive second-round effects on household incomes, by raising agricultural wages and investment in human capital. Besides, improving watershed development, it could reduce damage to life and property caused by frequent floods. He argues that the employment guarantee is therefore being penny wise and pound foolish.

Arun Bagchee, (2005) in his article entitled, “Political and Administrative Realities of Employment Guarantee Scheme,” says that there are essentially two lessons to be learnt from
Maharashtra’s Employment Guarantee Scheme. One, the programme was initially very successful because it enjoyed a commitment widely shared across the political spectrum. Second, it needs strong departmental inputs in terms of planning; budgeting and technical supervision should involve local government and be responsive to needs of the poorest. It may be difficult to replicate the same political commitment in India. Yet, the case for an employment guarantee remains strong because it is unacceptable that despite the country approaching middle-income status there are 250-300 million people desperate for work and better livelihood.

Jeans Dreze (2005) in his article entitled “Employment Guarantee Act: Promise and Demise” discussed the pros and cons of the then proposed Act and expresses three common fears. One is that the money will be wasted due to widespread corruption. The second fear is that Employment Guarantee Act will lead to financial bankruptcy. The third fear is that the government will get entangled in endless litigation, as holders of aggrieved labourers take the local authorities to court. To dispense these fears, however, he said that the proposed Act aimed at empowering the disadvantaged, and included extensive safeguards against and dereliction of duty from the concerned authorities.

T.S.Papola, (2005) in his article entitled, “A Universal Programme is Feasible”, hopes that it is feasible to have an employment guarantee programme covering all rural households and offering work to all persons, on all the required days, in all districts right from the beginning at a cost lower than the one being projected for a restricted programme. A universal programme
will be closer to the spirit of a guarantee and reduce the bureaucratic problems in administering a restricted programme.

Bela Bhatla and Jean Dreze (2006) in their article entitled, “Employment Guarantee in Jharkhand: Ground Realities” presented a survey report in two districts of Jharkhand. In their survey they found many serious flaws in the implementation of the National Rural Employment Guarantee Scheme. They also discussed various aspects of the implementation of NREGA in the light of their field investigation. Judging from their field they stated that there is no doubt that the coming into force, NREGA has become a matter of great interest in rural areas. There is growing awareness of the promise of “100 days of employment for every household” and widespread demand for job cards. They further say that, even though there is growing public awareness of NREGA as a new initiative to provide rural employment, there is very little understanding of the basic features of the Act in the survey area. In their survey they identified a range of problems and irregularities emerged in relation to wage payments. Four issues they specially mention are, fudging of muster rolls, flawed work measurement, non-payment of minimum wages and delays in wage payments.

PACS First Monitoring Report, (2006) entitled “Status of NREGA Implementation 2005-06” covered 107 villages of 87 Gram Panchayats from 20 districts in six PACS intervened states. The report observed that the status of registration for the job cards was poor in the states of Maharashtra and Bihar. It was also observed that the job cards were not being used properly in any of the states. There was a lack of demand for jobs under NREGA as people were not aware of the fact that they can demand employment under the Act. As far as resources available and
the resources utilized were concerned, Madhya Pradesh was the best performing state among
the six states and Maharashtra was the poorest performer. The lack of worksite facilities,
medical care for injured workers was also conspicuous in all the states. At the institutional level,
it was observed that the districts with high utilization had started facing shortage of funds
because of non-compliance of certain aspects like release of state share, formation of State
Employment Guarantee Fund, formation of the State Employment Guarantee Council etc. The
lack of funds at the district level also had adverse effect on the Panchayats as they were not
able to pay the wages of the workers on time. The top-down approach of planning was also
adversely affecting the functioning of Panchayats. It was also observed that there was
inadequate flexibility with the Panchayats to use the NREGA funds for addressing local issues.

Jos Chathukulam and K.Gireesan (2006) in their article entitled “Political Economy of
Pre-Launch Preparedness of NREGA in Kerala” analysed the implementation of different Wage
Employment Programmes in the State of Kerala and various other aspects connected with it,
before taking up the Kerala Rural Employment Guarantee Scheme (KREGS) in the state. They
identified that the lack of ownership by the state government, local bodies, political parties and
by the third sector organizations, had adversely affected the implementation of the wage
employment programmes. They analysed the implementation of KREGS in the Palakkad district
of Kerala. In the implementation of the programme they identified administrative defects like
non-adherence to the time line for preparation of Action Plan, procedural issues and issues of
hierarchy. They also identified political defects like lack of seriousness among political parties
and political affiliated organizations. In view of this, they make several suggestions. The
important among them are noted below:
1. There is a need for wide ranging discussions between elected members of PRIs and leadership of major political parties for drawing maximum mileage by executing the scheme creditably, efficiently and transparently, thereby contributing to the reduction of poverty.

2. Implementation of KREGS should not be viewed as the exclusive responsibility of Rural Development Department and Panchayat Raj Institutions alone. There is a need for developing total synergy between different stakeholders like labourers, civil society organization, educational institutions, academicians, etc.

   Kiran Bhatty (2006) in his article entitled “Employment Guarantee and Child Rights”, makes a survey of NREGP in Dungarpur district of Rajasthan. He recalls NREGA guidelines with regard to children at work. The NREGA clearly states that a woman should be deputed to look after young children at the work site whenever five children under the age of six are present.

   Karuna Vakati Aakella and Sowmya Kidambi (2007) in their article entitled, “Challenging Corruption with Social Audits”, opined that social audit-a transparent, participatory and active evaluation process-has the potential attack on the corruption that plagues anti-poverty programmes. They identified several challenges in the process of institutionalizing social audit. To begin with, the administrative machinery which has till date functioned under the Official Secrets Act and in turn used it as a cover for the inefficiencies and misuse of the system will now have to learn to work under the new Right to Information Act where the public has full access to information. They will also have to learn to be accountable to the public instead of just the higher ups within the administration.
P.K. Singh (2007) in his essay on “NREGA: A New Hope for Rural Employment Generation” explains the growth of employment in organized sector during the period of economic reforms. The results of NREGS implementation are that the programme is supplementing the meager incomes of rural poor and reducing their dependence on money lenders. If targeted and implemented effectively, he hopes that the NREGS could decrease poverty in the deprived areas. This can be hastened by taking up works that rejuvenate the natural resource base of the livelihood of poor communities. That the NREGS should be able to mitigate the hard times and increase the abysmal household earnings for the poorest.

Mathur (2007) thinks that a system of regular and continuous flow of authoritative information is essential, as opposed to the sporadic reports and studies dependent on the initiative of individuals and groups. There is room for the government to take up concurrent evaluations, more effective monitoring, time-series studies, and focused reports on critical aspects like minimum wages, muster rolls. The states should also shoulder responsibility through rural development department, labor, agriculture, forests, planning, the CSSO and its network. To improve implementation, the government needs to troubleshoot, modify policy directives, and issue operational guidelines for the district, block and village levels. The government must take the lead, be proactive, mobilize institutions and groups, and use the media effectively. NREGS involves several lakh government officials, panchayat functionaries, elected representatives, NGOs and community groups. They play a critical role but have had little preparation for the challenge. Government has the primary responsibility, and fortunately, also the capacity to do so, with its training in budget, infrastructure and network of support institutions. Most importantly, the isolation in which the NREGA now operates must end – as a
mere scheme of one ministry, and no more. This in fact is a program of national importance which has been marginalized. While the ministry of rural development is the nodal ministry at the centre, every relevant department and agency requires being involved.

Ambasta, Shankar and Shah (2008) gave a number of important recommendations. These included deployment of full-time professionals dedicated to NREGA at all levels, especially at the block level. Intensive effort at building up a massive cadre of fully trained grass-root workers required at the gram panchayat level through a nationwide movement for capacity building, engaging government and non-government training institutions. There is also a need for provision of adequate resources and setting up systems for continuous monitoring and evaluation at every stage of the program to ensure quality. Information technology has to be utilized optimally to infuse more transparency, accountability and speed at all stages, from sanction of works, release of funds, wage payments to social audit. The author also recommends revision of the Schedule of Rates so that they are in line with a program that bans machines and contractors, are gender sensitive, more accurately reflect variations in climate and geology, valuate separately the different activities that comprise works and move in tandem with changes in statutory minimum wages.

Mehrotra (2008), a civil servant who has worked in implementation of the scheme, believes that four per cent of program costs now allocated to administrative costs and professional support is still quite low and does not recognize the fact that a program of the scale of the NREG requires serious professional support. If the two per cent per annum agricultural growth rate is to be reversed, the rain-fed areas that constitute 60 per cent of the
agricultural cropped area in the country have to raise their land productivity; they have to move from one crop per year to preferably two if not three crops per year. The evidence from watershed development programs in the past has demonstrated that such programs can repay the investment on them many times quickly. Therefore, if the NREG scheme continues with existing manner, the program runs the risk of going the way of most previous wage employment programmes. On the other hand, if its design weaknesses, as well as the flaws in the design of its implementation are addressed, it can raise the stagnating rural wages, push up productivity, stem the tide of rural urban migration and have second- and third-round effects that go well beyond the policymakers’ original design.

Khera (2008) thinks that the successful implementation of the MGNREGA in the Pati block in Orissa state goes beyond the ability of its residents to claim their rights. This is brought out by the high levels of engagement with the program in terms of planning, implementation and monitoring. Apart from its immediate aim of being a form of social security for the rural poor, by providing them local employment, it was expected that the NREGA would contribute to activating gram sabhas, empowering women and developing rural areas. In this sense, the organization studied by the author in Madhya Pradesh has fully imbibed the spirit of NREGA, where it is looked upon as an opportunity to promote the overall development of the village as well as to alter the balance of power in the village society. Aside from showing that it is possible to make the NREGA work, the Sangathan’s experience also provides important insights into the transformation that is possible if the Act is effectively implemented.

Institutional arrangements were the focus of another team of researchers. Mihir Shah, Ambastha and Shankar (2008) commented that NREGA had great promise but it could not be
realized if it was implemented in the same framework of governance which has served India since independence. The NREGA Act had made provisions for provision of separate staff for implementation: a full time programme officer in each block; an employment guarantee assistant in each Panchayat; panels of accredited engineers at the district and block levels; technical resource support groups at the state and district levels. Hardly has any state government appointed them. The lack of dedicated technical resources led to routing through normal department channels that are already burdened. There were no specified time frames for processing of proposals so there were inevitable delays. The authors advocated an appropriate human resource support structure for MGNREGA with mechanisms for continuous capacity building is essential.

Anish Vanaik (2008) in his commentary on “NREGA and the Death of Tapas Soren” discussed and analysed the corruption practices in the implementation of NREGP scheme in Hazaribagh district of Jharkhand. He narrated the story of Tapas Soren, a tribal of Birakhap, who committed self-immolation, impoverished by the constant demand for bribes by local officials for work done under the NREGP. Only a couple of hours before his suicide, Mr.Soren had met the Block Development Officer (BDO) of Churhuad Panchayat to discuss matters relating to a 20ft well that was being constructed on his land under NREGP. He pinpointed the loopholes in NREGP like delay in payment, providing only 34 days of work in a year, low volume of works, etc.

Santhosh Mehrotra (2008) in his article entitled, “NREGA two years on: where do we go from here?” examines the performance of the National Rural Employment Guarantee Programme since its launch in mid-2005. The author initially makes a summary of progress in
certain areas and then highlights specific weaknesses of the scheme. To realize the major benefits of the NREGA he made suggestions.

V. Mohan Rao (2008) in his article entitled “Employment Guarantee Scheme is a lifeline for the vulnerable sections”, narrated salient feature of the NREGA and performance highlights of the programme. He boasted that the NREGP scheme gave a big boost to the water conservation. He further expressed that the implementation of NREGP in some of the naxal affected areas was very effective.

Retika Khera and Nandini Nayak (2008) in his work on “Women Workers and Perceptions of the National Rural Employment Guarantee Act” examined the socio economic consequences of the NREGA on women workers. He also attempts to understand the perception of the NREGA legislation as reported by workers. Looking at all India women on participation rates in the first two years of NREGA complementation it increased from 40 per cent in 2006-07 to 44 per cent in 2007-08. He indentified following five barriers to women Participation. Which are; Traditional social norms, Illegal presence of contractors, Lack of child care facilities, Law rates of wages and Delay in Payment of wages.

Siddhartha and Anish Vanaik (2008) in his essay on “CAG Report on NREGA: presented different aspects of the CAG report that have either been insufficiently emphasized or ignored altogether, so far, along with an appraisal of the strengths and weaknesses of the report. They argue that the report of CAG is half hearted performance audit. They further argue that the report has little to say about actual socio-economic outcomes, whether it is the impact of NREGA on poverty, or on women’s empowerment, or on agricultural productivity. They suggest
that NREGA outcomes ought to be assessed in terms of the socio-economic impact on the lives of people.

The Centre for Science and Environment (2008) submitted a report to the Ministry of Rural Development in which it assessed the performance of NREGA in terms of its potential for creation of natural wealth. It pointed out that NREGA needs to provide both short and long term food security through work on improvement of agriculture and provision of water. According to CSE there is less focus on water conservation activities due to the wage structure under the Act which has made the creation of productive assets less attractive. Since wages are based on task rate, the payment is irregular and less than the minimum wages. So panchayats seek road construction work where wage payment is irrespective of work completion. There is bad planning of water conservation works and the lack of maintenance is putting a large number of structures into disuse. It concluded by saying that instead of evaluating NREGA on the number of jobs created it should be evaluated and monitored for its impact on livelihood security. Works should improve village ecology instead of being stand alone activities.

Jogender Sharma (2009) in his article on “Potential and Challenges” analyzed data of NREGS for 2007-08 and 2008-09. The study reveals that the supply exceeded demand in a majority of the districts in Rajasthan, Tamil Nadu and Andhra Pradesh. In 2008-09, the average duration of employment per household under MGNREGS was a mere 47 days.

B.K.Patnaik, (2009) in his article entitled “National Rural Employment Guarantee Scheme: Some Preliminary Findings from Hoshiarpur District”, made an attempt to analyze the implementation of NREGS and equity and efficiency issues in Hoshiarpur district of Punjab. Initial findings of this study shows that the scheme has been successful in achieving the equity,
while its efficiency is still a question to be effectively dealt by the implementers of the programme. The better nexus and coordination between the government and the Panchayats would enable efficient implementation of the scheme at the village level.

Dr. Subhabrata Dutta (2009) in his article on “NREGA in West Bengal: Success and Challenges” discusses some of the important challenges that plague the scheme. The first relates to corruption and leakages, fraud in muster rolls and embezzlement of government funds are rampant. Second problem relates to variation in wages. The Act stipulates that labourer under the NREGA is entitled to minimum wages, (Rs. 73). However, major interstate variations are noticeable in average wage-cost per man-day i.e. average wage rate in rupees per day. It is true corruption and lack of adequate preparation in implementing NREGS has led to some setbacks. But these slippages do not reduce the landmark legislation to irrelevance.

Barna Maulick (2009) in his field study on “Implications of NREGA: District Barabanki, Uttar Pradesh: A Case Study” assessed the implementation of MGNREGS in Barabanki district of Uttar Pradesh. The distribution of job cards has been 100 per cent and of the 110510 labourers to whom employment was provided, 62.29 per cent were among the SCs while the participation of women stood at 1.30 per cent only. The extent of employment demanded was for 3846320 man days but total number of man days generated were 3685215 mandays i.e. 95.81 per cent achievement. The contribution of SCs in the total man days generated has been 64.82 per cent and 0.08 per cent was the contribution of women. It is laudable that all the labourers demanding work, i.e. 110510, got employment opportunities.
Raj Kumar Siwach and Sunil Kumar (2009) in their article entitled, “Implementing NREGA in Haryana: A study of social audit”, they explain the potentials not only to strengthen social security in India, but also strengthens community’s mobilization to ensure better responsiveness of local government to community’s needs and priorities. They made instigations into the programme in Sisra District of Haryana. They have selected five villages for the study. The basic aim of the Study is to investigate the impact of Social Audit in the selected villages. Keeping in view this objective, the following were the major findings. No regular meetings of Social Audit, poor participation of stakeholders, lack of mutual understanding and motivational spirit, incongruity between officials’ dictates and ground realities, culture of antithesis, rising upsurge.
Anupam Hazra (2009) in his article on “Transforming Rural India” visualizes the involvement of local people in every decision of NREGA – whether it be the selection of works and work sites, the implementation of projects or their social audit. It strengthens the democratic decentralization process at the grass root-level by incorporating Gram Sabha in the entire planning and decision-making process. It also infuses transparency and accountability in grass root democratic processes through social audits. He considers that the health status of the village is likely to improve through proper implementation of NREGA due to (1) regular availability of clean potable drinking water, (2) construction of drainage that will improve the cleanliness in the village, and thereby reduce the chances of occurrence of diseases, (3) construction of toilets will also improve the level of cleanliness in the village and public health status, (4) reduction in unpaid drudgery of women will reduce their time stress and provide them more time to relax or to work and (5) construction of child, who will receive nutritious food and clean nutritious environment. This will reduce their expenditure on health (which is usually private expenditure) and improve their productivity at work. Considering the fact that ill health is one of the major risks that throw people in poverty, the improved status of health will go a long way in reducing vulnerability and poverty of people.

Shankar Chatterjee (2009) in his essay on “Rural Employment Programmes: Fuelling Development of Indian Economy”, explained the striking features of Swarnajayanthi Gram Swarojgar Yojana (SGSY) and National Rural Employment Guarantee Programme (NREGP). According to him the striking features of SGSY and NREGP are that, SGSY is based on group approach where NREGP is to rural households. He further says that both the programmes have been generating employment vis-à-vis community assets. Creation of assets enhances capital formation, which in turn helps enhance GDP.
Sanjoy Roy (2009) in his article on “Impact on the Villages in Tripura- Field Study” studied the impact of NREGA on the living conditions of rural masses in four villages of Tripura. The study shows that 10 per cent of women participating in NREGS have been subscribing to LIC policies recurring deposits. Majority of women have reported that NREGS has enabled them to be health cautions. Creation of durable community assets like rural roads, water bodies, tanks, market sheds for the unemployed youths have brought a shift in the livelihood of rural people and given a fresh impetus to the tottering hope of common people. The study shows that land-leveling activities undertaken in Lankagram gram panchayat under west Tripura District has brought more than 10 hectares of barren and unproductive lands to a cultivable stage. Land leveling works under Narsingarh gram panchayat in west Tripura District have led to the establishment of a big banana orchard by some poor SC group people.

Hema Bannerjee (2009) in his paper on “A Study in Andaman & Nicobar Islands” considers that the new employment scheme has evoked tremendous response among rural people of the Islands. He has given a clear picture of participation rate of rural masses in Island. Within a very short period, more than 50 thousand households have registered their names in the scheme. But only 60 per cent individuals have received the job cards.

However in Middle and North Andaman district only 40 per cent applicants have received job cards, whereas, in Nicobar 90 per cent people have received the job cards. In proportion to the cardholders, less number of them had got job opportunities. On an average, only 30 per cent card holders have been engaged in the scheme. In south Andaman only 10 per cent households got the jobs among the cardholders. However, in Middle & North Andaman 80
per cent card holder received jobs. But in Nicobar only 15 per cent have been provided job. Around 1.45 lakh man days have already been generated within a short period. Within this period 220, numbers of works have been undertaken or completed.

V.Sankari, C.Siva Murugan (2009) in his field study on “Impact in Udangudi Panchayat union, Tamil Nadu–A case Study” assessed the impact of NREGP on employment generation in Udangudi Panchayat Union, Thoothukudi District, and Tamil Nadu. The study covered 16 villages. The major findings of the study are, the study reveals that most of the beneficiaries belong to the age group ranging from 26 years to 35 years (40 per cent), which is a productive age group. There is reduction of wage different in various works by creating equal wages to male and female workers.

Jean Dreze and Christian Oldiges (2009) in their paper entitled, “Work in progress”, makes a comparison of the first two years of the implementation of the NREGA. They question accuracy of the official figures and calls for urgent scrutiny. They opine that independent large-scale surveys of the NREGA would be very useful. They identified that, there are crucial gaps in the present “Monitoring and Information System” (MIS). Similarly, there is no systematic record of delays in wage payments. If labourers remain unpaid for weeks at a particular worksite, there is no trace of it in the MIS. This is one reason why long delays in wage payments persist in many states, causing immense hardship to NREGA workers and even inducing some of them to quit.

people, by the people and for the people. In his paper, he discussed the success and failure of the scheme as well as future prospects in all its pros and cons through SWOT analysis i.e. Strength, Weakness, Opportunity and Threat have been analysed and some theoretical as well as practical suggestions have been made.

D.Muthamizh Vendan Murugavel (2009) in his article entitled “Driver of Rural Economy” analysed the NREGS during first three years of implementation. During the first year of implementation (FY2006-07) in 200 districts, more than 2.10 crore households were involved and 90.5 crore man days were generated. In 2007-08, 3.39 crore households were provided employment and 143.59 crore person days were generated in 330 districts. In 2008-09, 4.5 crore households have been provided employment and 215.63 crore person days have been generated across the country. He considers that social audit is essential for the effective implementation of NREGS. According to him the social auditing process has brought down fraud at the muster roll level and ensured that the rural poor receive money for work done.

Ashok Pankaj Rukmini Tankha (2010) examines the empowerment effects of the National Rural Employment Guarantee Scheme on rural women in Bihar, Jharkhand, Rajasthan and Himachal Pradesh. They argue that women workers have gained from the scheme primarily because of the paid employment opportunity, and benefits have been realized through income-consumption effects, intra-household effects, and the enhancement of choice and capability. Women have also gained to some extent in terms of realization of equal wages under the NREGS, with long-term Implications for correcting gender skewness and gender discriminatory
wages prevalent in the rural labour market of India. Despite the difficulties and hurdles for women, prospects lie, inter alia, in their collective mobilization, more so in laggard states.
Prem Chand Kamboj, Manoj Siwach and Navpreet Kaur (2010) in their study on “Impact of NREG Scheme on Agriculture Sector” discussed the impact of NREGS on the agriculturally advanced state like Haryana. An attempt has been made to assess the nature of works undertaken through NREGS and its impact on employment, income and migration in the rural agriculture sector along with suitable suggestions for changes in NREGA. In the changed scenario, there is need to motivate the small and marginal farmers to register themselves under NREGS, so that more projects may be started for the development of agricultural sector.

S.P. Naganagoud and H.H. Uliveppa (2010) in their article on “Employment Guarantee and Human Rights: Some Observations” considers that, it will not be possible to achieve the full potential of NREGA unless the structure for its implementation is more adequately strengthened. Particularly the women participation is less in some states. Recent Social Audit of NREGA indicates the programme can have a positive impact on the socio-economic well being of rural labourer and their families. In particular, it holds powerful prospect of bringing major changes in the lives of women. This is especially true in a state like Tamil Nadu, where women constitute overwhelming proportion (80 per cent) of NREGA workers. The provision of NREGS should be reviewed separately for tribal people in general and tribal women in particular.

Anindita Adhikar, Kartika Bhayia (2010) in their article entitled “NREGA wage payments can we bank on the banks” considers that the NREGA is the world’s largest ever financial inclusion scheme. They cited the following three reasons for introducing bank payments or some areas post office payments for NREGS works.
1. The payment of wages by non-implementing agencies (bank or post office) will avoid the
prepositions of take muster rolls.

2. The possibility of middlemen laying their hands on the wages of workers will be made
more difficult.

3. Workers will be initiated into the organized banking system which will help them pave
the way for developing of bank payments was also expected to lead to more
transparency in record keeping, as banks generally mountain fairly good records.

the scheme has the cascading effect of revising wage levels in the private sector. He considers
that the statutory Social Audit has been a radical and innovative aspect of the Act. According to
him, social audit unearthed several cases of diversion of funds, detraining mechanism that went
all the way up from sarpanch at the bottom to block and district level staff. He quoted several
irregularities cited by the Bhilware social audit, which was conducted jointly by civil society and
Rajasthan Government. The Bhilware social audit has revealed that the government orders
were unheeded. He concludes that there is a need to find out irregularities in NREGA by Civil
Society participated social audit.

Guarantee: Key to Women Empowerment” discussed the provision of effective child care
facilities, protection to women against sexual harassment at worksite, provision of rest-shed,
keeping first aid etc. The study revealed no payment and delayed payment to women are
reported at many NREGS worksites. These issues call for thorough inspection, monitoring by
both official bodies. This programme should instead, be treated as a national mission. The
women’s work force participation was 41 per cent in 2006-07 and has further increased to 48 per cent during 2008-09.

Kurukshetra (2010) in its editorial essay on “Reaching out to the Rural Mahathma Gandhi NREGS Scheme the Way” analyses various aspects of MGNREG scheme. The highlights of the scheme is allocation of funds for 2010-11; Employment provided to 5.25 crore households; real wages revised to Rs. 100 per day. Social Audits were conducted in 2.43 lakh Gram Panchayats by June 2010. The monitoring of social audit is online through the website which examines all critical parameters such as job cards, muster rolls, wage payments, number of days of employment provided and works under execution online for monitoring and easy public access for information.

Dr. Amrit Pater (2010) in his article on “NREGA and Panchayati Raj Institutions” says that the participatory approach accompanied by empowerment and capacity building of Gram Panchayats and Gram Sabhas under NREGS will create productive assets, generate massive employment among the poor and disadvantaged groups, improve productivity of small and marginal landholdings and contribute to inclusive growth in rural India. He concludes that the NREGS combined with right to education shall help to erase India’s image as the land of poor, hungry and illiteracy.

Bharat S. Sontakki and Laxman M. Ahire (2011) consider that farmers with large farm holdings who invariably depend on farm labourers would be inversely affected by the NREGS scheme. According to them when the daily wages are more in NREGS quite naturally the labourers preference would be to work through it. It would not be economical for the farmer to
provide higher wages to the labour in order to retain the labour in his field. In the other sense the food prices have to be increased so that the farmer can hire labour for higher wages. The implementing agency of NREGS failed to look into these matters. Tea gardens in Tripura area facing a shortage of labour with the expansion of NREGA in all four major tea producing districts of the State, thus absorbing about 20-22 per cent tea workers.

Jawed Akhtar S.M. (2012) attempts to examine and assess the environmental implications of the activities implemented under the MGNREGS. He considered that an ecological act is one of the best features of the MGNREGA as it designates a balance between human action and natural resources creating sustainable economic security through green jobs. The scheme must be strengthened and revamped to provide not just wages for work done but work that will make regeneration possible. The author validates that assets created under the scheme have been useful and have contributed towards natural resource regeneration. Since MGNREGA is an ecological Act, it was suggested to set up a biological hedge that grows by the year and not regenerate like sea walls made of stone boulders.

Puja Dutta, Rinku Murgai, Martin Ravillion and Dominique Van De Wale, (2012), find a considerable unmet demand for work on the scheme in all states, and more so in the poorest ones, where the scheme is needed most. The scheme is reaching the rural poor and backward classes and is attracting poor women into the workforce. The confirm expectations of the scholars that the demand for work on MGNREGS tends to be high in poorer states. This appears, they opine, it will reflect the scheme’s built-in “self-targeting” mechanism, whereby non-poor people find work on the scheme less attractive than the poor people. The authors
argue that the scheme’s strong effect of relative wages on women participation - both wages on the scheme relative to the market wage and the male-female differential in market wages.
Studies on Andhra Pradesh

Mamidipally Rajanna, Gundeti Ramesh (2009) in their scholarly article entitled “NREGP-Facet of Inclusive Growth-A Study of Karimnagar District in Andhra Pradesh” appraised that NREGP has become a beacon of light in the rural areas, and contributed substantially for the increased living and economic conditions by reducing the income in balances in the rural area. Through their study they listed the following findings.

1. Increased living and economic conditions by reducing the income imbalances in the rural area.
2. Reduction of wage differences in various works by creating equal wages to male and female workers.
3. Helped to overcome the uncertainties in the employment.
4. Work culture norms in bringing cohesiveness among the workers in the rural areas irrespective of caste and creed, gender and age.
5. As a subsidiary activity it helped a lot in improving the main occupation of the workers and enhancing their income levels.
6. Reduced the migration from rural to urban, and
7. Helped to some extent in reducing the disguised and seasonal unemployment and under employment.

Mathur (2009) states that in social audit undertaken in Andhra Pradesh, it was found that in certain villages, some people stated that they had not been paid wages for the work done. When comparisons were made of the payments as per the pass-book with the payment
as per the job card, it was discovered that the job card did not contain the inner pages that record the work done by each person; the job card itself was incomplete. This came as a surprise as it had not happened in any region so far but then this area had resisted the initiative. The MPDO was asked to ensure that complete job cards were issued, investigate the lapse, fix responsibilities and send a report. Earlier, several officials, Field and Technical Assistants and Mates admitted to irregularities and about Rs. 50,000 were returned. From separate discussions with the sarpanches, it was evident that they were keen to ensure that there was no irregularity in their villages. In one of the regions, Thimmapur Mandal had been selected as a pilot project for the payment of wages through Smart Cards, which work like ATM cards and are given to each person registered under the NREGP. The bank concerned at the mandal headquarters appoints an agent to make payment for each village under the scheme. The Kollampalli village agent was a young lady who was also the President of a successful SHG. She operated a simple instrument connected on line with the bank, and after biometric identification each worker was paid the wage earned that had been deposited in the savings account. The families preferred this procedure to that of payments through the Post Office.

Gundeti Ramesh, Dr T.Krishna Kumar (2009) in their article on “Facet of Rural Women Empowerment: A Study in Karimnagar District in Andhra Pradesh” finds that NREGP has become a beacon of light in the empowerment of rural women, and contributed substantially for the increased living and economic conditions by creating equal wages to male and female workers and increasing the minimum wages. The study reveals that 51.6 per cent of the workers are backward class communities, and 46.6 per cent of workers are from S.C Category and the rest are from ST and O.C communities.
The study reveals that the beneficiaries expressed the following changes in the programme: Wages should be paid to workers on time. Health and life insurance is required not only during the working days but other days and there should be better communication between beneficiaries and officials, the nature of the work should be amicable to all the workers and beneficial to the community. Effective social audit is necessary to eliminate bogus beneficiaries.

Karuna Vakati Aakella, Sowmya Kidambi (2007)“Social Audit in Andhra Pradesh: A Process in Evolution” where the "social audits" are in progress, state that there have been several instances of voluntary return of money. In the list there are field assistants, technical assistants, assistant engineers, branch post masters, Sarpanches and a stray MLA's "right hand". These people have embezzled money fraudulently by creating fake muster rolls, inflated bills, exaggerated measurements, and non-existent works, all through bribes and cuts from wage seekers. Approximately Rs.60 lakh has been returned to the system or to the wage seekers, from whom it has been siphoned off. The return of money on public platforms and in large gatherings of wage labourers at the social audit public meetings lends legitimacy and credibility to the ongoing concurrent social audits in AP.

Vijay Korra (2011) in his scholarly article entitled “Labour Migration in Mahabubnagar: Nature and Characteristics” pointed out with regard to seasonal labour migration in the Mahabubnagar district of Andhra Pradesh. The study evaluates the forms / types of migration and analyses the migrant’s wage rates, working conditions and the expenditure patterns. The study reveals that the migration in the study area is essentially seasonal and cyclical in nature and differs for the rural and the urban migrants. The study also finds that migration takes place
mainly for survival and repayment of debts, and that a large proportion of their earnings from migration are utilized for day to day expenses.

Mariandrea Chamorro et.al. (2011) in their report on “Holding Government to Account: The Case of the National Rural Employment Guarantee Act (NREGA) in Andhra Pradesh, India” examine NREGA and the social audit process in one region of AP, and to consider their potential impact in creating social and economic change. They surveyed NREGA laborers in Medak, Khammam and Kadapa districts of AP. The report considers the impact of the NREGA and social audits in relation to their original design in Andhra Pradesh, given this state’s reputation for relative successful implementation of the Act. The report highlights how the AP government has executed the state program with particular emphasis on social audits, RTI and accountability. Social audits, one component of the NREGA, are a progressive means of keeping local governments accountable to their constituents; they fight corruption by promoting transparency and empowering local people to publicly proclaim their grievances.

Bharat S. Santakki and Lakshman M. Ahire (2011) in an article “Rural Employment Guarantee Scheme: Boon or Bane to Indian Agriculture” make an assessment impact of MGNREGS on labour shortage in farm sectors of Andhra Pradesh. Farmers with large farm holdings, who invariably dependent on farm labourers were inversely affected by the MGNREG scheme. This shortage of agriculture labour, according to them will increase the prices of food products as the farmers hire the labourers for higher wages. Therefore, it is essential to emphasize, henceforth on Minimum Support Price fixation for various crops and commodities
by taking into consideration of the facts of NREGA. They conclude that the impact of NREGA needs to be reassessed and it cannot be weighed in just political terms.

Studies on Anantapuramu

Dr. S. Venkatanarayana Reddy & Dr. M. Usha Rani (2010) in their paper “Impact of NREGS on Rural Employment and Poverty Alleviation: A Study in Anantapur district; A.P” analysed various facets of the scheme by Revenue Division wise. The study reveals that the divisional variation in terms of employment generation is not significant in the study area. There is a significant increase in employment generation through NREG Scheme in the study area. The analysis shows that the impact of NREG Scheme on male employment generation is positively significant in the study area. On the other hand, female employment generation after implementation of NREG Scheme there is 94, 95 and 98 days of employment increased in Anantapur, Dharmavaram and Penukonda divisions respectively. So, this increment is also positively significant at 0.10 per cent probability level in the study area.

G. Venkata Naidu, T. Gopal and K. Nagabhushan (2010) in their article “Impact of NREGA on the Living Condition of Rural Poor” studied the impact of the programme on the drought prone districts of Anantapur. They assessed the working of NREGS in four villages of Anantapur District namely 1) Bukkapatnam, 2) Siddarampuram, 3) Gunipalli and 4) Marala in Andhra Pradesh. The study reveals that nearly 65 per cent of migration in these villages decreased after launching MGNREGS.

G. Satyanarayana, A. Rammohana G. Raju (2010) in their paper “MGNREGS and Asset creation – A Study in Kandukur Panchayat of Anantapur District” estimated that the Kandukur
panchayat got 86 works at an expenditure of Rs 178.66 lakh for the year 2010-2011, but it was only 36 works taken up at an expenditure of Rs 96.43 for the year 2010-2011. The total number of workers engaged for the year 2010-2011 for only 170; of which 135 women and 35 men. It is pertinent to note that neither ST households nor disabled households participated in the works. It is mentioned that only 26 SC works engaged in the works undertaken in the panchayat. The average wage for worker was Rs 87.97 per day. The average number of day’s employment provided for household only 20.24. The total number of person days generated was 3,178 for the year 2010-2011 in the panchayat. The study reveals that the wages was too meager to save and invest in any asset creation activities. Nevertheless, twenty per cent of women workers manage to buy 2-3 Sheep/Goats. They conclude that the overall picture in the remaining Panchayats of the district was in no way better than what it is obtained in Kandukur panchayat.

Dr. B. Deevene Margaret (2010) in her paper “Implementation of Rural Employment in Anantapur District under National Rural Employment Guarantee Scheme” considers that the NREG Scheme positively influenced rural poor to approach the Gram Panchayati Coordinator for work and wages. The transparency in allocation of work and auditing imbibed confidence among the households. This has stopped migration of rural poor to cities and towns. This has reduced poverty stricken deaths, as rural households are assured of 100 days employment with definite wages. Avoidance of middlemen and contractors pave the way for fearless approach towards the NREG scheme and unemployment allowance guarantees them livelihood.

Sivaiah G. and Nageswara Rao K., (2011) in their study revealed that Andhra Pradesh Rural Employment scheme succeeded in providing wage employment to the unskilled workers
in the rural areas particularly to women, with least concern to promotion of social benefit. They pointed out that the unique feature of NREGS in Anantapur district is the execution of minor irrigation tank works popularly known as Indiramma Cheruvulu under water conservation and renovation of traditional water sources. Another important feature of NREGS in Anantapur district is the execution of works under horticulture programme with an objective to enhance livelihood security to small and marginal farmers by providing sustainable source of income generation, productive assets and protecting environment through land development and cultivating horticulture plantations in the district. The important works executed under horticulture programme are pit digging, minor irrigation installations and planting. They further pointed out that a developing economy with scarce financial resources for productive investment has to ensure effective utilization of funds for the socio-economic development of rural and backward areas. Hence the scheme has to guarantee not only employment but also village development by honoring the Minimum Wages Act 1948.

It is evident from the above review of literature that quite a good number of studies have concentrated on MGNREGA legislation and its implications on rural poor. But these studies made a bird’s eye view of the programme at national and state level by taking two or more states as sample. Some of the studies focused on the major components of the scheme like social audit, administrative mechanism, etc., while some of the studies remarked on the pros and cons of the scheme. But nobody has studied the functioning of the schemes in Anantapur District which is drought prone and backward. Moreover, no one concentrated on the impact of the scheme on rural livelihoods. Hence, the present study is an attempt to study the impact of MGNREGS on the livelihood of rural poor in Anantapuramu district which is the
most backward and drought prone district in the entirety country. Surplus labour force is abundantly available in the district and migration is the common factor in a majority of the mandals in the district.

The empowerment of rural poor depends on the availability of employment opportunities and increasing level of income. As per MGNREGA, providing 100 days of employment to the rural poor especially during the lean agricultural season improves not only the livelihood opportunities but also enhances the socio-economic status of the labour force in rural area. For this purpose, it is necessary to study whether the labourers are getting 100 days of employment through MGNREGA. In MGNREGA there is a ban on contractors, so the present study helps to know whether there is any involvement of contractors at mat. The study is also important to understand and identify the issue relating to job cards, wage discrimination, provision of facilities at work spot, social work etc. A study in Anantapuramu district has been conducted to know whether MGNREGA is effectively implemented and its impact on employment generation. The study is also useful to assess the utility of the activities such as land development, road connectivity, flood controls and protection of water conservation etc.

**Need of the Study**

In spite of the many schemes undertaken for the betterment of rural lives, it is only the MGNREGS (Mahatma Gandhi National Rural Employment Guarantee Scheme) that has mobilized the rural folk involvement and gained widespread support in the rural areas. The present study is a humble attempt in assessing the impact of MGNREGS on its performance on different aspects associated with it with special emphasis on livelihood opportunities in
Anantapuramu District, which is one of the drought prone and backward districts in India. Anantapuramu District has been purposefully selected on the ground that the NREG programme has been launched in the district by the Dr. Manmohan Singh in the presence of Mrs. Sonia Gandhi on 2nd February 2006, and so the district attracted the attention of educationalists, policy makers, developmental agencies and voluntary organizations and involved them successfully in implementation of the MGNREG Scheme. The full benefit of the development can only be realized with the effective people’s participation. Therefore, the present study, in this context is relevant and appropriate. Besides, no study of this kind has been made in Anantapuramu district.

Launching of the programme in the district is due to severe unemployment and more than 40 per cent of the households in the district are trapped in poverty. Abundant surplus labour, non-availability of non-agricultural vocations, erratic uneven and untimely rainfall are the major reasons of the backwardness of the district. Against this backdrop the Anantapur district has been chosen purposefully for the present study.

**Objectives of the Study**

The specific objectives of the present study are:

1. To portray the profile of Anantapuramu District with reference to MGNREGS and its livelihood opportunities;
2. To present the socio-economic characteristics of the sample respondents of the present study;
3. To analyse the role of people’s participation in MGNREG Programme with reference to livelihood opportunities of the sample respondents of the study;
4. To assess the impact of MGNREG Programme on the livelihood opportunities and its influence on the status of the sample respondents, and
5. To suggest suitable measures to strengthen the MGNREG Programme for sustained livelihood opportunities.

**Methodology:** The methodological aspects of the study include method of study, selection of the district, selection of the mandals, selection of the villages, selection of the sample respondents, sources of data, tools of data collection, tools of analysis, period of study and scheme of presentation.

**Method of Study:** The study adopted sample survey method.

**Universe and Sample:** Anantapuramu district of Andhra Pradesh State has been chosen purposively for the present study. The district has been chosen because of the following reasons; Anantapuramu district is one of the most drought-affected and backward districts of not only in Andhra Pradesh but also in India; MGNREG programme was launched in this district by the Prime Minister on 2nd February 2006 at Bandlapalli village of the district in the presence of UPA Chairperson Mrs.Sonia Gandhi. Prevalence of unemployment is the common phenomenon in the district; migration from rural to urban areas for want of better employment opportunities. Low, uneven and erratic rainfall is also the common phenomenon in the district.

All the job card households form the universe of the present study. Multi stage random sampling method has been used for selecting the sample respondents. Accordingly, in the first stage, all the three revenue divisions of Anantapuramu district namely Anantapuramu, Dharmavaram and Penukonda have been considered. In the second stage, two mandals in each revenue division have been selected based on the generation of highest mandays of employment. In the third stage, two villages from each mandal have been selected. In the fourth stage, 30
beneficiaries from each village have been selected based on the Sample random sampling.

Thus, the sample comprises 360 respondents who have job cards. The details of the sample framework are presented in Table 1.1.
Table 1.1

Sample Framework of the Study

<table>
<thead>
<tr>
<th>Revenue Division</th>
<th>Mandal</th>
<th>Villages</th>
<th>Sample Beneficiaries</th>
</tr>
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<tbody>
<tr>
<td>Anantapuramu</td>
<td>Garladinne</td>
<td>Kanampalli</td>
<td>30</td>
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<td></td>
<td></td>
<td>Yerrakuntla</td>
<td>30</td>
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<td></td>
<td>Vajrakur</td>
<td>Chabala</td>
<td>30</td>
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<td></td>
<td></td>
<td>Ragulapadu</td>
<td>30</td>
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<tr>
<td>Dharmavaram</td>
<td>Beluguppa</td>
<td>Duddekunta</td>
<td>30</td>
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<td></td>
<td></td>
<td>Sreerangapuram</td>
<td>30</td>
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<tr>
<td></td>
<td>Kanaganapalli</td>
<td>Muthuvakuntla</td>
<td>30</td>
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<tr>
<td></td>
<td></td>
<td>Narasampilli</td>
<td>30</td>
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<tr>
<td>Penukonda</td>
<td>Roddam</td>
<td>Bokkasampalli</td>
<td>30</td>
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<td></td>
<td></td>
<td>Sanipalli</td>
<td>30</td>
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<td></td>
<td>Amadagur</td>
<td>Mohammedabad</td>
<td>30</td>
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<td></td>
<td></td>
<td>Pulakuntapalli</td>
<td>30</td>
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<td>3</td>
<td>6</td>
<td>12</td>
</tr>
</tbody>
</table>

Sources of Data Collection and Tools of Data Collection: The present study is based on both primary and secondary sources of data. Published books, journals, newspaper articles, official records, government orders and other related material are the major sources of secondary data. The primary data has been collected from the beneficiaries of MGNREG scheme through a well-structured interview schedules which were pre-tested making necessary changes to suit the present study. The schedules were filled in with the help of sample MGNREGS beneficiaries.
through face-to-face interviews by the researcher. The information provided by the respondents was also cross-checked when the researcher interacted with the village leaders, officials of the scheme along with mandal and district level authorities. Focused Group Discussions have also been conducted to cross check the data collected through interview schedules as well as the interactions with the leaders of the respective villages, government and non-government officials.

**Tools of Analysis:** The data collected through the schedules has been classified and tabulated into many tables for analysis purpose. Simple statistical tools like averages, percentages etc., have been used to analyse the data. Diagrammatic presentation has also been used to have a birds’ eye view wherever necessary. Some photographs with regard to the activities and involvement of the beneficiaries in the MGNREGS have also been depicted.

**Period of Study:** The period of study of the MGNREGS is from 2006-07 to 2010-11 i.e. 5 years. The primary data was collected during the period from August 2009 to September 2010.

**Scheme of Presentation:** The present research work has been presented in six chapters.

The First chapter **Introduction, Review and Methodology** offers a brief Introduction, review of literature with reference to the performance and impact of MGNREGS at all India, state and district levels and the method of study.

The Second chapter **MGNREGS: Genesis and Status** presents a brief note on the employment generation programmes as well as the performance of the MGNREGS in India and in Andhra Pradesh. The Chapter also deals with the guidelines and the components of the schemes.
The Third chapter **Setting** focuses on the profile of Anantapuramu district, profile of the mandals, profile of the villages with special reference to wage employment programmes as well as MGNREGS. This chapter also describes the socio-economic characteristics of the study respondents.

The Fourth chapter **MGNREGS and People’s Participation** critically analyses the participation of the sample beneficiaries and implementation of the programme with reference to the beneficiaries in Anantapuramu district.
The Fifth chapter **MGNREGS and its Impact** examines the impact of MGNREGS on the income, employment, assets etc., of sample beneficiaries and its impact on their overall livelihood opportunities.

The last chapter **Summary of Findings and Conclusion** presents the major findings and conclusion of the study. Based on empirical data and its analysis, an attempt is also made in the chapter to suggest suitable measures for effective implementation of MGNREGS in order to increase the livelihood opportunities in future.