ABSTRACT OF THE PHD THESIS

Topic: RURAL DEVELOPMENT AND NATIONAL RURAL EMPLOYMENT GUARANTEE SCHEME: A STUDY OF NALGONDA DISTRICT IN ANDHRA PRADESH

RESEARCH SCHOLAR: D.VEERA BABU
RESEARCH SUPERVISOR: Prof. NAIDU ASHOK

In the current climate of globalization, societies are experiencing rapid and profound changes in their social and economic conditions. Consequently, decision makers need timely and objective analysis of economic and social conditions to understand this transformation, to provide a basis for broad and informed debate on public policy, and to establish a foundation for intelligent policy formulation. The need is particularly acute because social policy has got necessarily kept pace with the dramatic changes in economic policy. Government at all levels have acknowledged the importance of redesigning public policy so that it meets the need of all the Indian poor, and leads us towards more socially and economically sustainable communities. The extensive interrelatedness of inputs and outputs, the diversity of stakeholders, the quantum of resources committed and the extensiveness of results sought makes public policy decisions also very complex. They are strategic as they involve commitment of large amount of resources; have long gestation periods; outcomes are uncertain; and involve a certain degree of risk.
John Stuart Mill characterized the poverty alleviation problem as a show to give the greatest amount of needful help, with the smallest encouragement to undue reliance on it. India has a long history of direct and targeted interventions to tackle poverty through welfare schemes, subsidized food, farm-input and credit subsidies. More recently, and following the logic of Mills’ dictum, the Indian government wanted to ensure that rural households achieved a minimum income level cost-effectively, but without encouraging them to become dependent on public support. MGNREGS is the best instance of it. The adverse effects of globalization are large enough to justify an immediate policy response, under the form of additional labour market regulation and more generous social security programmes. The immediate effect of globalization on the labour market is on salaried employment, wage earners and the poor. In the absence of adequate and timely availability of other types of employment in the rural area, agricultural labour is the major form of employment opportunity. In the rural areas, the pattern of employment has changed due to modern technology and non-farm employment. The key to employment planning in India can, therefore, be seen to lie in raising the productivity of the agricultural sector.

**PORTFOLIO OF EMPLOYMENT PROGRAMS IN INDIA**

Employment is fundamental pre-requisite to raise per capita income and eradicate household poverty. Poor employment opportunity is one of the key reasons for the endurance of rural and urban poverty in India. After independence and particularly from the Fifth Five Year Plan onwards, Government of India has initiated several rural development programmes for raising rural employment for the alleviation of rural poverty. A few important among them are Employment
Guarantee Scheme (EGS); Food for Work Programme (FWP); National rural Employment Programme (NREP); Rural Landless Employment Guarantee Programme (RLEGP); Employment Assurance Scheme, Jawahar Rojgar Yojana (JRY), Sampoorna Gamin Rojgar Yojana (SGRY) and Swaijayanti Gram Swayrojgar Yojana (SGSY). Despite all these endeavors, the unemployment in general and rural unemployment in particular has remained one of the critical issues of rural development. With an objective to alleviate rural poverty and Un-employment several employment generation programmes were introduced by the Government of India. Special mention may be made of several programmes in this regard, such as Rural works Programmes, Employment cum Production Scheme, Food for work Programme for the upliftment of the downtrodden and yet another pace setter in the structural frame work of planning was the minimum needs programme and the revised list of 20 point programme. These programmes lay particular stress on providing health care, housing and education and nutrition facilities to the poor, particularly to the scheduled, castes and tribes.

All these endeavors of raising employment through different schemes as well as slowdown of the employment in agriculture have authenticated that rural unemployment is an abiding problem and cannot lie deciphered through piecemeal approaches. The seasonal nature of rural employment and low wage seasonal nature of rural employment and low wage rate has resulted in distressed migration of labour from the rural areas to urban areas and from the economically backward states to the economically developed states. It has hampered agriculture in the out migrating states and added to the urban slums in the in-migrating states.
Therefore, a strategic employment plan is a sine-qua non for the eradication of rural poverty and prevention of distressed migration.

These all wage employment programmes were self-targeting with objective to enhance livelihood security, especially to casual laborers. On account of number of deficiencies, these programmes not succeeded to achieve basic objectives. Learning lessons from these programmes, National Rural Employment Guarantee Act (WREGA) was enacted in parliament on 25th August, 2005. The NREGA renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on 2nd October 2009. These programmes lay particular stress on providing health care, housing and education and nutrition facilities to the poor, particularly to the scheduled, castes and tribes.

The MGNREGS is a holistic measure aimed at fulfilling one of the most important Human Rights that is Right to Employment at least to one member of the family. One of the four goals of the National Rural employment Guarantee Act (NREGA) is the provision of a ‘strong social safety net for the vulnerable groups by providing a fall-back employment source, when other employment alternatives are scarce or inadequate’.

The main objective of NREGS is the creation of durable assets and strengthening the livelihood resource base of the rural poor for fighting poverty. Some of the salient features of the NREGS are as follows; (i) At least 100 days of employment for at least one able-bodied person in every rural household on asset creating public works programmes every year; (ii) Minimum wages on rate prevailing in states as per Minimum Wage Act-1948 and centre to step in if wages go up beyond minimum or less than rupees 60; (iii) Panchayats to finalize, approve implement
and monitor the projects. The scheme shall not permit engaging any contractor for implementation of the projects; (iv) As far as practicable, a task funded under the scheme shall be performed by using manual labour and not machines; (v) A minimum of 33 per cent reservation to be made for women, where the number of applicant is very large; (vi) Every scheme shall certain adequate provisions for ensuring transparency and accountability at all level of implementation; (vii) All accounts and records relating to the scheme shall be made available for public scrutiny and any person desirous of obtaining a copy or relevant extracts there from may be provided such copies or extracts on demand and after paying such fee as may be specified in the scheme; and (viii) A copy of the muster rolls of each scheme or project under a scheme shall be made available in the offices of the Gram Panchayat and programme officer for inspection by any person interested after paying such fee as may be specified in the scheme.

The Employment Guarantee Act can also help to empower women, by giving them independent income-earning opportunities. MGNREGA provides that 30 percent of the employment provided, should be given to women. Implementation of MGNREGA has contributed to, very high levels of women empowerment, particularly in the following aspects that as the work is organized by women’s groups, the gender perspective gets built in automatically. The gender perspective gets built in automatically, for the first time equal wages are really paid and this has boosted the earnings of women. As the bank deposits are increasing, the intra-household status of the woman has also been improving commensurately as she controls substantial cash resources and withdrawal can be only on her decision. Women’s empowerment was not among the original intentions of the MGNREGA,
and is not the original intentions of the MGNREGA, and is not among its main objectives. However, provisions like priority for women in the ratio of one-third of total workers (Schedule 11(6)); equal wages for men and women (Schedule 11(34)); and crèches for the children of women workers (Schedule II (28)) were made in the Act: with the view of ensuring that rural women benefit from the scheme in a certain manner. Provisions like work within a radius of five kilometers from the house, absence of supervisor manner. Provisions like work within a radius of five kilometers from the house, absence of supervisor and contractor, and flexibility in terms of choosing period and months of employment were not made exclusively for women, but have, nevertheless, been conducive for rural women. Nevertheless, women have availed of the paid employment opportunity under MGNREGS in large numbers. Interestingly, this occurred largely spontaneously. Woman’s participation under MGNREGS, measured in person-days, also exceeded their participation in erstwhile employment generation programmes like the Sampoorna Gamin Rojgar Yojana (SGRY) and the Maharashtra Employment Guarantee Scheme (MEGS). There are wide variations across states; within states and across districts in the share of work days for women. At the national level the participation of women has increased significantly from 40.65 percent in 2006-07 to 47.72 percent in 2010-11

After realizing the significance of public policy for public welfare and MGNREGA and its performance and its implications for the public welfare, a study entitled “Rural Development and National Rural Employment Guarantee Scheme: A study of Nalgonda District in Andhra Pradesh” assumes considerable amount of significance and relevance.
A modest attempt is made to review the earlier studies in order to identify the aspects covered and identify the gaps if any.

**ASPECTS COVERED IN THE EARLIER STUDIES**

- The ways and means through which MGNREGS can be made effective
- The organization of poor required for the success of MGNREGS
- Empowerment of the poor
- Implications of MGNREGS on living standards
- The role NGOs in MGNREGS implementation
- Right to work ensured through MGNREGS
- Rampant corruption in MGNREGS
- Low participation rates in MGNREGS
- CAG reports on MGNREGS
- From household entitlement to individual entitlement of employment
- The potentialities of MGNREGS
- Awareness about MGNREGS
- Asset creation through MGNREGS

**GAPS IN THE EARLIER STUDIES**

1. The impact of MGNREGS on the political processes of a village is not properly appreciated.
2. Employment and income variations attributable to MGNREGS (marginal effects) among the beneficiaries are not apprised properly.
3. The gap analysis between the expectations from and achievements of MGNREGS.

**OBJECTIVES OF THE STUDY**

1. To examine the socio-economic profile of the beneficiaries of the MGNREGS program.
2. To explain the perceptions of elite respondents about the performance of MGNRGS in the study area.
3. To analyze the beneficiary perceptions about the functioning of MGNREGS.
4. To understand the challenges confronting the implementation processes of MGNREGS.
5. To discuss the expectations of the beneficiaries of MGNREGS.

**HYPOTHESES OF THE STUDY**

1. The performance of MGNREGS is socially neutral.
2. Governance practices in MGNREGS are poor.

Towards the end of the objectives and hypotheses mentioned, the following methodology is adopted.

**SAMPLE DESIGN**

For the purpose of the present study, 200 households covered under MGNREGs are selected mostly by adhering to the principles of stratified random sampling.
The criteria of stratification are place, and social status. The place and social status profile of the sample beneficiaries are presented below.

Table-1

<table>
<thead>
<tr>
<th>place</th>
<th>Frequency</th>
<th>Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>palavaram</td>
<td>40</td>
<td>20.0</td>
<td>20.0</td>
</tr>
<tr>
<td>Pedda Ravulapally</td>
<td>40</td>
<td>20.0</td>
<td>40.0</td>
</tr>
<tr>
<td>Goodapoor</td>
<td>40</td>
<td>20.0</td>
<td>60.0</td>
</tr>
<tr>
<td>Mallaprajpally</td>
<td>40</td>
<td>20.0</td>
<td>80.0</td>
</tr>
<tr>
<td>Chirumarthy</td>
<td>40</td>
<td>20.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>200</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

SOURCES OF DATA

The present study makes use of both primary and secondary sources of data. The sources of secondary data included records of Panchayat offices of concerned villages and reports of the district planning officer concerned. The primary data are collected directly from the respondents by administering a pre designed questionnaire/ schedules.

PERIOD OF THE STUDY
The present study made use of the data of MGNREGS programs in the sample villages for the year 2012-13 and the necessary data were collected from October-December of 2012.

SCOPE OF THE STUDY
The present study confines itself to evaluate the performance of MGNREGS in Nalgonda district of Andhra Pradesh and does not cover the said program in other parts of Andhra Pradesh.

TECHNIQUES OF ANALYSIS
The present study made use of interview method to collect the data. Simple percentages, frequencies, and other relevant techniques are used.

MAJOR FINDINGS
- The beneficiaries of the MGNREGS are mostly male, relatively young, drawn from socially downtrodden castes, mostly from joint family systems and majority is literates.
- The average job cards per family are 2.295.
- 29.5 percent of the sample beneficiary respondents have got employment in the range of 40-60 man days of employment under MGNREGS, and the same is 60-80 man days of employment for 57.5 percent of the respondents and above 80 days of employment in the case of 13 percent of the respondents.
- 15.5 percent of the sample beneficiary respondents have got wage rate in the range of 70-80 rupees under MGNREGS, and the same is 80-90 rupees for 61 percent of the respondents and above 90 rupees in the case of 23.5 percent of the respondents.
➢ 37 percent of the sample beneficiary respondents have got job with the 15 days of application for the job and 63 percent have got the job in the range of above 15 days from the date of application.

➢ 27 percent of the sample beneficiary respondents have got wage with in the 15 days of work completion and 60 percent have got the wage in the range of 15-30 days and above 30 days in the case of 13 percent of the respondents to get the wages from the date of completion of MGNREGS works from the date of completion.

➢ 80 percent of the respondents have opened the bank accounts and 20 percent of the respondents did not get opened their bank accounts.

➢ 26 percent of the respondents have opined that there is some amount of corruption involved in getting the job cards and majority of the respondents (74 %) did not subscribe to the view that there is corruption practice involved in getting the job cards.

➢ 44 percent of the respondents have opined that the approach of employees towards MGNREGS is professional and 78 percent of the respondents have felt that the approach of the employees towards the MGNREGS is bureaucratic in nature.

➢ 78 percent of the respondents have opined that the works of MGNREGS are politicized and 22 percent of the respondents did not subscribe to this view.

➢ 26 percent of the respondents have opined that the works of MGNREGS are communalized and 74 percent of the respondents did not subscribe to this view.
The effectiveness of inspection of works of MGNREGS is found to be low for 64 percent and the same is moderate for 23 percent and high in the case of 13 percent of the respondents.

The awareness levels the beneficiaries of MGNREGS about women inclusion policy of 3 percent in MGNREGS works is found to be low for 36 percent of the beneficiaries and the same is moderate for 58 percent and high in the case of 6 percent of the respondents.

67 percent of the beneficiaries of the MGNREGS have stated that their household expenditure has increased due to the additional income that they got from MGNREGS works and the same has decreased in case of 12.5 percent of the respondents and remained constant in the case of 20.5 percent of the respondents.

17 percent of the beneficiaries of the MGNREGS have stated that their migration has increased despite MGNREGS works and the same has decreased in case of 29.5 percent of the respondents and remained constant in the case of 53.5 percent of the respondents.

81 percent of the beneficiaries of the MGNREGS have stated that their economic conditions have improved due to MGNREGS works and the same have declined in case of 5 percent of the respondents and remained constant in the case of 14 percent of the respondents.

75 percent of the beneficiaries of the MGNREGS have stated that there is a positive impact of MGNREGS on children education and the said impact is negative for 6 percent of the respondents and remained constant in the case of 19 percent of the respondents.
6 percent of the beneficiaries of the MGNREGS have stated that their absolute poverty has increased despite MGNREGS works and the absolute poverty of 78 percent of the beneficiaries has declined which can be attributable to MGNREGS works and for 16 percent of the respondents, their absolute poverty level has remained constant.

9 percent of the beneficiaries of the MGNREGS have stated that their unemployment increased despite MGNREGS works and unemployment of 73 percent of the beneficiaries has declined which can be attributable to MGNREGS works and for 18 percent of the respondents, their unemployment level has remained constant.

Governance practices in MGNREGS with reference to efficiency is found to be low for 27 percent of the respondent beneficiaries and the same is moderate for 59 percent and high for 14 percent of the respondents of the study.

Governance practices in MGNREGS with reference to effectiveness is found to be low for 15 percent of the respondent beneficiaries and the same is moderate for 29 percent and high for 56 percent of the respondents.

Governance practices in MGNREGS with reference to transparency is found to be low for 24 percent of the respondent beneficiaries and the same is moderate for 63 percent and high for 13 percent of the respondents.

Governance practices in MGNREGS with reference to responsiveness is found to be low for 60 percent of the respondent beneficiaries and the same is moderate for 26 percent and high for 14 percent of the respondents.
Governance practices in MGNREGS with reference to inclusiveness is found to be low for 67.5 percent of the respondent beneficiaries and the same is moderate for 23 percent and high for 9.5 percent of the respondents.

Governance practices in MGNREGS with reference to accountability is found to be low for 10 percent of the respondent beneficiaries and the same is moderate for 66 percent and high for 24 percent of the respondents.

Governance practices in MGNREGS with reference to consensus based decisions is found to be low for 60 percent of the respondent beneficiaries and the same is moderate for 33 percent and high for 7 percent of the respondents.

Governance practices in MGNREGS with reference to rule of law is found to be low for 14 percent of the respondent beneficiaries and the same is moderate for 25 percent and high for 61 percent of the respondents.

Governance practices in MGNREGS with reference to participation is found to be low for 13 percent of the respondent beneficiaries and the same is moderate for 27 percent and high for 60 percent of the respondents.

The overall impact of governance practices on the performance of MGNREGS is found to be low for 10.5 percent of the respondent beneficiaries and the same is moderate for 20 percent and high for 69.5 percent of the respondents.

76 percent of the elite respondents are ward members, 10 percent are Sarpanches, 10 percent are MPTCs, and ZPTC are 4 percent of the respondents.
- 76 percent of the elite respondents are of the opinion that MGNREGS has improved the livelihood of the people and 24 percent of the respondents did not subscribe to this view.
- 74 percent of the elite respondents have observed that MGNREGS has ensured economic security to them and 26 percent of the respondents did not subscribe to this view.
- 44 percent of the elite respondents have observed that gramsabha has played an important role in the implementation of the MGNREGS and 56 percent of the respondents did not subscribe to this view.
- 28 percent of the elite respondents have observed that MGNREGS is subject to corruption and 72 percent of the respondents did not subscribe to this view.
- 84 percent of the elite respondents have observed that women empowerment is improved through MGNREGS and 16 percent of the respondents did not subscribe to this view.
- 64 percent of the elite respondents have stated that social audit in MGNREGS is effective and 36 percent of the respondents did not subscribe to this view.
- 78 percent of the elite respondents have stated that up to 26 percent of women workers are involved in MGNREGS works and 22 percent of the respondents have stated that 26-50 percent of the women workers are involved in MGNREGS works.
- 34 percent of the elite respondents have stated that MGNREGS is properly integrated with DWACRA and 66 percent of the respondents did not subscribe to this view.
66 percent of the elite respondents have stated that community assets are improved due to MGNREGS and the same is constant in the case of 22 percent of the elite respondents and declined as endorsed by 12 percent of the elite respondents.

- **The first hypothesis** “The performance of MGNREGS is socially neutral” is accepted.
- **The second hypothesis** “Governance practices in MGNREGS are poor” is accepted.

**SUGGESTIONS**

On the basis of findings and conclusions drawn, the following suggestions are made to strengthen the program of MGNREGS and to enable the beneficiaries to augment their welfare through the means of the said program which include

1. The number of man days of employment through MGNREGS must be increased to 200 days.
2. The number of man days of employment through MGNREGS should be more in drought prone areas in relation to that command areas.
3. The absolutely poor should get more man days of employment than those of poor through MGNREGS.
4. Quality of assets must be improved for the works covered under MGNREGS.
5. The works through MGNREGS must ensure inclusive growth of rural development especially of marginalized sections by taking up more lands of them to take up MGNREGS works.
6. Female headed families must be given more number of man days of employment through MGNREGS.

7. The income of the beneficiaries of MGNREGS must be integrated with micro savings and insurance schemes.

8. The beneficiaries of MGNREGS must take part in Gram Sabha and must take the responsibility of giving useful feedback in Gram Sabha with regard to quality of works in MGNREGS so as to make the institution of Gram Sabha more relevant and efficient.

9. Village specific research must be encouraged to identify merits and limitations of this program and in turn to reformulate and rescheduling the works through MGNREGS.

10. MGNREGS must be made an effective instrument of micro planning with a goal of attaining compatibility between means and ends of rural development.

11. MGNREGS must design programs and works to suit to the requirements of differently abled persons whose services are hitherto neglected.

12. MGNREGS so far has empowered women as workers but not women as community. Hence, MGNREGS must strive to emulate policies and programs to ensure women empowerment on community basis.

**AREAS OF FURTHER RESEARCH**

- MGNREGS and its contribution to women social empowerment
- How to design MGNREGS to suit to the employment requirements of otherwise abled persons
- The role of citizen audit in complementing social audit to strengthen the process of MGNREGS