# Chapter I

## Research Design

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1.1. Introduction:

Adequate employment generation is therefore essential to generate income for the poor in the economy. In India, since 1980; government has introduced many employment generation programmes to eradicate poverty and unemployment. All these programmes were inadequate and piecemeal in their approach. Therefore, the programmes failed to make any major dent on the problems of poverty and unemployment.

With globalization and liberation of the economy, it is always feared that the incidence of poverty and unemployment will increase substantially. In this context, the implementation of National Rural Employment Guarantee Act by UPA government is the most appropriate course of action. This flagship programme of UPA government is revolutionary in its promise of inclusive growth and Right to work. The act was passed in September 2005 and was implemented in 200 most backward districts of the country since February 2006.

NREGA is renamed as Mahatma Gandhi National Rural Employment Guarantee Act Programme (MGNREGA) on 2nd October 2009. The Act gives legal guarantee for at least 100 days of employment in a financial year to a rural household. The act mandates that anyone who applies at the Panchayat for a job card must be given within 15 days. Job card is a license and a pan card of the wage worker’s family with a record of days of work and wages received during the year. The process of obtaining employment involves that the application for work the date and receipt are crucial to trigger the demand for work. The receipt is also the basic record for claiming unemployment allowance if the work is not provided within 15 days. The MGNREGA of 2005 covered 200 districts is the Phase I district and in 2006-2007 this was extended to cover 130 additional districts known as the Phase II districts. In Karnataka state for the first phase Mahatma Gandhi National Rural Employment Guarantee Programme was implemented in the districts like Bidar, Gulbarga, Chitradurga, Davangere and Raichur.

The Task Force constituted by the Ministry of Rural Development under the Chairmanship of Adviser (RD), Planning Commission, selected three variables for computing the index of backwardness, namely (i) agricultural productivity per worker, (ii) agricultural wage rate and (iii) SC/ST population. In Phase I, MGNREGA was introduced in 200 of the most backward districts of the country, identified by the Planning Commission in consultation with the Ministry of Rural Development.
Development and the respective State Governments. In Phase II, during 2007-’08, MGNREGA was implemented in another 130 districts. In Phase III, the Programme was extended to the remaining 285 rural districts of India from April 1, 2008. The MGNREGA contains guidelines on preferred works to be taken up. Out of the nine types of works prescribed by the MGNREGA, seven relate to water conservation and management. However, the states are free to evolve their own specific preferred works but within the framework of broad guidelines.

During 2006-2007 against the total available fund some of ₹ 12073.56 crore with stakes, and ₹ 8823.36 crore was utilized. The average fund utilization per district was ₹ 44.12 crore. In 2006-2007 out of this ₹ 8303.82 crores was released up to 14th November 2007, out of this ₹ 5365.99 crores was released to the phase I districts and ₹ 2937.92 crore have been released to the phase II i.e. 131 districts. During 2006-2007 ₹ 2.12 crore households had demand for employment out of which 2.10 core households were provided employment. During the year 90.51 crore persons days of employment was provided under the programme. Averages of 45.2 lakh person days of employment per-districts have been generated. Out of total 90.51 crore person days, the share of Scheduled Castes was 22.95 crore person days (25.36) and Scheduled Tribes was 32.99 (36.45) constituting a total of 55.94 crore person days for SC/STs which comes to about 62% as per the MGNREGA Programme. The share of women person days should be 1/3 rd and the same has 36.79 crore person days which is about 41%. During 2007-2008 1.97 crore households had demanded employment and 1.88 crore households were provided with employment opportunity. A total 56.14 crore person days of employment has been generated under MGNREGA Programme. Out of this share Scheduled Castes was 14.70 crore person days (26.18%) and Scheduled Tribes is 18.44 crore person days (32.84%) constituting a of total of 33.14 crore person days, which is about 59.03% total the share of women is 26.61 crore person days which is 47.40%. During the year 2008-2009 4.50 crore households have been provided employment. A total persons in days accounted for 214.56 crore employment which has been generated under the Programme. Out of this share Scheduled Castes is 62.88 crore person days (29%) and Scheduled Tribes is 54.51 crore person days (25%) the share of women is 102.73 crore person days which is 48%. During the year 2009-2010 upto August 2009 73.05 crore households have been provided employment. total persons in days 21.27 crore
employment has been generated under the programme. Out of this share of Scheduled Castes is 21.27 crore person days (28.94%) and Scheduled Tribes 17.63 crore person days (23.99%) the share of women is 38.22 crore person days which is 52.01%. Over the last six years, MGNREGA’s performance compares favorably with any other anti-poverty initiative that India has ever undertaken. It is estimated that in from FY 2006 up to FY 2011-12, over 1, 10,700 around ₹ 1,66,000 crore under MGNREGA has been spent on worker wages. In FY 2011-12 alone, ₹ 24,600 crore of the total expenditure was on worker wages under MGNREGA. To assess the impact of the Programme on poverty and deprivation, studies have used proxy indicators, including household income and yearly per capita expenditure (MPCE). Estimations of the net benefits taken from the programme have been also taken into account, availability of alternate employment opportunities (AEO) and opportunity cost of time as important parameters.

The work undertaken through MGNREGA gives priority to activities related to water harvesting, groundwater recharge, drought-proofing, as also the problem of floods. Its focus on eco-restoration and sustainable livelihoods which implies that its success should spur private investment by farmers on their lands. This would over a period time would lead to an increase in land productivity generating a natural demand for labour, which would automatically reduce dependence on MGNREGA as a source of work. If it can strengthen Panchayat Raj, as it is meant to, MGNREGA can have profound significance for deepening democracy and governance reforms, especially in the remote hinterlands of India where the democratic fabric has come under strain in recent years.

There are a number of distinct ways in which MGNREGA is likely to have its impact on poverty, the most direct and obvious way being by providing extra work opportunities and income to the poorest in the rural areas. Net household income or income as a fraction of household income, is considered as an indicator of the relevance of the programme for the poor. Surveying 1,500 households in three states, a study observed that the share of MGNREGA in the income of the poor was the highest in Andhra Pradesh (about 17 per cent). In Rajasthan this share was 10 per cent and in Maharashtra it was 7 per cent. The importance of MGNREGA as a supplementary source of income is also noted by some studies. In a longitudinal survey of 1,064 rural households across Medak district of Andhra Pradesh, around 12 per cent of the households indicated that their household
income had increased as more members of the same household were being able to work. There is also preliminary evidence from the field that MGNREGA income is being used by rural households for starting their own ventures. Nearly 9 crore bank/post office accounts of the poorest people have been opened for MGNREGA payments. Around 85 per cent of MGNREGA payments are made through this route, an unprecedented step in the direction of financial inclusion.

1.2. Statement of the Problem:

Gulbarga district in Karnataka state are among the 200 backward districts in which this programme was implemented in I phase. Agriculture is predominant sector in the district economy with 67% of population employed in agriculture. But the district is a drought prone area. Therefore people suffer from both in security of income and employed. Therefore, a programme of this nature was a dire need of the people. In recent times, the implementation of the programme has been taken up very effectively to the point that Gulbarga district now stands in second position in expenditure incurred under the programme. It is essential to analyse the impact of the programme on the livelihood of the people through examining distributional dimensions of MGNREG in terms of income and consumption of the poor households in rural areas. Further it is also necessary to find out what factors have led to its effective implementation in the district, so that it can serve as a model to other district in the country.

There is dearth of studies pertaining to analysis of National Rural Employment Guarantee Programmes so as to give the job assurance to rural household’s especially in the rural backward areas. The National Employment Guarantee Programme was introduced for rural households’ mainly for unskilled labourares. There is a need for more micro level studies to find out the real obstacles at this level because the dimensions of the problem across the regions are varied.

In this context, The present study is confined itself to examine the effectiveness of the Programme provided by Central and State Government from the angle of Rural unskilled labourers’ as well as to see the impact of the Mahatma Gandhi National Rural Employment Guarantee Programme in particularly on the socio -economic condition of the rural people in the study area in terms of employment generation and rural asset creations.
1.3. Research Issues and Identification of Research Gap:

Literature review has found out certain gaps which indicate scope for future research. Most of the studies have focused on impact of Mahatma Gandhi National Rural Employment Guarantee Programme on rural Urban Migration, Mahatma Gandhi National Rural Employment Guarantee Programme and social audit system in state levels and inclusion of Female Labour Force in Mahatma Gandhi National Rural Employment Guarantee Programme” but all these lacked their approach towards Evaluation of Mahatma Gandhi National Rural Employment Guarantee Programme particularly in Gulbarga District. No detailed study has been conducted to evaluate the Mahatma Gandhi National Rural Employment Guarantee Programme in Gulbarga District. The present study is confined itself to examine the effectiveness of the programme provided by Central and State Government from the angle of rural unskilled labourers’ as well as to see the impact of the Mahatma Gandhi National Rural Employment Guarantee Programme in particularly on the socio-economic condition of the rural people in the study area in terms of employment generation and rural asset creations.

1.4. The study attempts to raise the following research questions:

- What is the nature of employment generated by Mahatma Gandhi National Rural Employment Guarantee Programme in backward areas of Gulbarga district?
- What are the efforts made by the Panchayat, Block Development Office and DRDA for registering the rural households under the programme?
- Have all the eligible rural households got registered under the programme?
- Have all the registered households sought for employment participated in the works under the programme? If not what are the factors hindering participation of the households?
- What is the average number of days employed in a year? Are there variations in terms of number of days employed with reference to caste and gender?
- What are the facilities made available at the worksite? Are they adequate? If not, what facilities are required at the worksite?
- What is the impact of the programme on the rural households with special reference to i) creation of livelihoods; ii) income iii) assets; iv) expenditure; v) savings; vi) liability; vii) migration; and viii) social capital? How do people
spend the wages earned? What is the level and intensity of migration after the introduction of the programme?

- What are the difficulties experienced by the functionaries at different levels to implement the programme? What are the measures initiated to overcome such difficulties?

**1.5. Objectives of the study:**

The present study aims at examining the Evaluation of Mahatma Gandhi National Rural Employment Guarantee Programme and to analyze the extent of additional employment generated through MGNERGA in rural areas Karnataka and Gulbarga District. For this purpose following objectives have been outlined.

- To analyze the performance of Mahatma Gandhi National Rural Employment Guarantee Programme in Karnataka state.
- To examine the impact of Mahatma Gandhi National Rural Employment Guarantee Programme on rural-urban migration in Gulbarga District.
- To examine the impact evaluation of Mahatma Gandhi National Rural Employment Guarantee Programme in Gulbarga District.
- To identify the administrative draw back in the implementation of Mahatma Gandhi National Rural Employment Guarantee Programme.
- To offer policy suggestions to improve the working of the programme.

**1.6. Hypotheses:**

On the basis of the Review of literature and objectives of this study, to proceed in a systematic way, following hypothesis are formed for testing to arrive at some definite conclusions they are:

- Livelihood opportunities have increased due to Mahatma Gandhi National Rural Employment Guarantee Programme for the Unemployed and Weaker Sections.
- National Rural Employment Guarantee Programme minimizes the extent of migration of the rural people by providing employment opportunities in their respective places.
- Mahatma Gandhi National Rural Employment Guarantee Programme has changed the income level of beneficiaries in Gulbarga District.

**1.7. Methodological Approach to the Study:**

The study has been designed under the frame work of both primary and secondary data. The study covers the period from 2006-2012.
a) Selection of Sample Blocks:

The sample Talukas are selected in two categories like Developed Talukas and Under Developed Talukas which are in the neighborhood of main district roads, the Talukas which have comparatively better infrastructure, the Taluka which lack infrastructure and, which succeed in undertaking comparatively more activities under the Mahatma Gandhi National Rural Employment Guarantee Programme. Keeping in view these parameter 08 Gram Panchayat villages are selected i.e., 2 each from sample Talukas.

Table-1.1
Particulars of sample Gram Panchayat Villages selected in Gulbarga district

<table>
<thead>
<tr>
<th>Block</th>
<th>Gram Panchayat</th>
<th>Village</th>
<th>No. in sample</th>
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<tbody>
<tr>
<td>Aland</td>
<td>Belamagi</td>
<td>Belamagi</td>
<td>39</td>
</tr>
<tr>
<td></td>
<td>Kadaganchi</td>
<td>Kadaganchi</td>
<td>45</td>
</tr>
<tr>
<td>Gulbarga</td>
<td>Kavalga(B)</td>
<td>Kavalga(B)</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>Mahagoan</td>
<td>Mahagoan</td>
<td>41</td>
</tr>
<tr>
<td>Jevargi</td>
<td>Aralagundagi</td>
<td>Aralagundagi</td>
<td>34</td>
</tr>
<tr>
<td></td>
<td>Wadgera</td>
<td>Wadgera</td>
<td>38</td>
</tr>
<tr>
<td>Sedam</td>
<td>Lingampalli</td>
<td>Lingampalli</td>
<td>36</td>
</tr>
<tr>
<td></td>
<td>Malkhed</td>
<td>Malkhed</td>
<td>51</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>320</td>
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b) Selection of Sample Respondents

Having had consultations with the village Panchayat Secretaries and the senior citizens of the respective sample village as many as 320 sample beneficiary respondents were picked up from 8 villages with a view of giving proper representation to small and marginal farmer, landless agricultural labour, members from SC/STs and Other Communities. Thus the selections of sample respondents are done under the frame work of Stratified Random Sampling.

c) Statistical Tools:

The following analytical techniques will be employed. Percentages, Ratio’s, average, tools are used to analyze the data. Chi-suqare test and Co-relation analysis will be used to find out the relationship between different variables like employment, income level and migration, and wage etc., in the study area. And to find out the impact of Mahatma Gandhi National Rural Employment Guarantee
Programme on village economy in terms of generation of employment, increasing in the income pattern of the households etc.

d) Data Analysis:

The analysis of the empirical data was conducted throughout the research process. For the descriptive statistics SPSS was used to illustrate the findings. All the objectives are discussed and presented based on findings with often the qualitative data supplying the quantitative data. The purpose of combining the qualitative and the quantitative data is to portray a more holistic picture of how successful the implementation of the MGNREGA was for reducing poverty in the study area.

1.8. Period of Analysis

The study covers the period from 2006 to 2012. The sample respondents who are participated in the MGNREGA programme are included in the sample.

1.9. Limitation of the Study:

The study examining the evaluation of Mahatma Gandhi National Rural Employment Guarantee Scheme and to analyze extent of additional employment generated through MGNREGA to in rural area Karnataka and Gulbarga District only. The present study suffers from the following limitations.

- The study is confined to Mahatma Gandhi National Rural Employment Guarantee Programme in Gulbarga district only.
- The information used for analysis collected from sample respondents, its validity depends on the honesty of the respondents.
- The conclusions drawn from the study have limited applications and they may not be generalized, the limits are also set by the availability of data and the personal capacity of the researcher.

1.10. Outline Of the Thesis:

The thesis is presented in seven chapters.

*First chapter* begins with research design followed by a brief introduction of the MGNREGA programme, the research problem, the objectives, hypothesis and research questions, methodology, scope and limitations of the study are presented as constituting the foundation of the thesis.
**Second chapter** presents the review of literature covering the studies on the related topic of an evaluation of the Mahatma Gandhi National Rural Employment Guarantee Programme in Gulbarga district to draw a theoretical framework for the study.

**Third chapter** provides the theoretical premises of the study by introducing and discussing the relevant concepts and themes of the research. The public work programmes in India are presented as motivating aspects for implementing the MGNREGA in the country, followed by a presentation of the MGNREGA in India. Next, the significance of impact of MGNREGA programme in Gulbarga District is presented keeping in view rural economy contextually.

**Fourth chapter** presents an overview MGNREGA programme and an overview of geographical, historical, cultural and social aspects the Gulbarga District to provide contextual information about the research area.

**Fifth chapter** deals with the performance of Mahatma Gandhi National Rural Employment Guarantee Programme in India and Karnataka state. This chapter gives a clear picture of the MGNREGA programme performance at national and state level as well as district level.

**Sixth chapter** evaluates the MGNREGA programme in Gulbarga District and its based on the analysis of the field survey in Gulbarga district. It examines the socio-economic profile of the beneficiaries, the impact of programme on income and employment generation, standard of living of the respondents in the study area.

**Seventh chapter** is based on the summary, findings and conclusions drawn from the study and offers suitable suggestions are made for increasing the effective functioning of the MGNREGA programme in Gulbarga District.