INTRODUCTION

Introduction

Development implies overall positive changes in the physical quality of life. It calls for economic growth but also equitable distribution of gains made from economic growth. In other words, development implies growth with justice, improvement in the quality of life through better health, education, household amenities and over all material and social welfare. The basic elements of development are the removal of poverty, employment generation, increased material and social well beings, even distribution of resources and building better institutional structure in the society.

Socio-economic development is the process of social and economic development in a society. The word socio-economic may refer to the use of economics in the study of society. It deals with the means and the ability of the society to produce adequate amount of goods and services for betterment of the people through equitable distribution of wealth. For any meaningful socio-economic development of a society it is important to note that the rural society must develop simultaneously in terms of GDP, better life expectancy, higher quality of life, high literacy rate, and greater level of employment etc. In developing economies where majority of people are living in the rural area, socio-economic development program must center on rural development. Rural development generally refers to the process of improving the quality of life and economic wellbeing of people living in relatively isolated and sparsely populated areas. Rural development has traditionally centered on the exploitation of land-intensive natural resources such as agriculture and forestry. According to Wikipedia, Rural development in general is used to denote the actions and initiatives taken to improve the standard of living in non-urban neighborhoods, countryside, and remote villages. These communities can be exemplified with a low ratio of inhabitants to open space. Agricultural activities may be prominent in this case whereas economic activities would relate to the primary sector, production of foodstuff and raw materials. Rural development actions are mainly and mostly social and economic development of rural areas. Rural development aims at finding the
ways to improve the rural lives with participation of the rural people themselves so as to meet the required need of the rural areas.

In the rural areas not only the income levels are much lower than the urban centers, but also the incidence of social deprivation, malnutrition, infant mortality and illiteracy are much higher. In fact, rural areas possess less numbers of basic social amenities and infrastructures such as portable water, electricity, modern health facilities, good schools and colleges, roads and communication facilities. Lack of these facilities hampers the levels of productivity in the rural areas. The notion of rural development emerges through socio-economic and political struggle and debate. Rural development is seen as interrelation and interaction between society and agriculture, society and firm. It also relates to general restructuring of the economy.

The objectives of rural development are multi-dimensional. It encompasses higher production, improved productivity, increased employment, higher income, as well as minimum acceptable level of food, shelter, health and education. Thus it covers all aspects of human development (Vasant Desai, 1988). In a country like India, villages have had a comparatively smaller share of economic and social infrastructure. Imbalances in regional development and resulting factors, have been perpetuated, because the rural masses are not organized enough to articulate their demands. According to him rural development is an extremely difficult subject to handle because of the range of its content and different social, psychological and ecological situations.

The initiatives of rural development started in the early years of Planning in India. After achieving independence, India started its Five Year Plan in 1951. An integrated development effort in rural areas was the primary objectives of the First Five Year plan. It focused on simultaneous all-round balanced development which would ensure a rising national income and a steady improvement in standard of living of people. The need to develop a mechanism to supplement existing livelihood sources in rural areas was initiated by the central and the state governments. In 1956, the first Prime Minister of India Pandit Jawaharlal Nehru argued for rural development as, “The community projects envisage co-ordination of a number of activities. They cannot be separated or viewed as isolated activities. The object is to build the human being and the group and to make him and the group advance in many ways. Therefore, the activities in the community projects must be closely coordinated and worked towards this end.”
Since then the Government of India implemented various welfare programs that offered wage employment on public works. The Pilot projects on wage employment were started in the form of Rural Manpower (RMP) in 1960-61, Crash Scheme for Rural Employment (CRSE) in 1971-72, Pilot Intensive Rural Employment Program (PIREP) in 1972, Small Farmers Development Agency (SFDA), Marginal Farmers and Agricultural Labor Scheme (MFAL). These experiments were transformed into a full-fledged wage-employment program in 1977 in the form of Food for Work Program (FWP). In the 1980’s FWP was further streamlined into the National Rural Employment Program (NREP) and Rural Landless Employment Guarantee Program (RLEGP) in 1983. A new scheme called Jawahar Rozgar Yojana (JRY) was introduced by merging NREP and RLEGP in 1989. In 1992-93 Employment Assurance Scheme (EAS) was introduced to supplement the wage employment effort. The JRY and EAS were again merged into a single program called Sampoorna Grameen Rozgar Yojana (SGRY) in 2001.

Further under development program Integrated Rural Development Program (IRDP), the biggest micro-credit program in the world was under operation across the country during 1980’s and 90’s. But the program could not bring desirable success and the disadvantageous sections of the society could not get much financial services of the financial institutions and hence they are still forced to depend upon the informal lending system, which is the root cause of rural exploitation and abject poverty.

The above mentioned wage-employment programs were also implemented by the State Governments with Central assistance. They were self-targeting, and the objectives were to provide enhanced livelihood security, and for employment generation especially to those who depend on casual manual labor and for rural infrastructure creation. Through these programs, many rural infrastructures like village road, irrigation, public building etc. were created.

The 73rd and 74th amendments of the Indian Constitution initiated the process of economic reforms in rural areas through the Panchayati Raj Institutions (PRIs) in the country. Grass root level of planning for eradication of poverty, employment generation and creation of rural infrastructures were entrusted to the PRIs. These Panchayati Raj Institutions have implemented various rural development programs.

These schemes have provided some relief to the rural areas but their reach has been inadequate in view of the magnitude and the gravity of the unemployment problem. Moreover, they have not provided any guarantee that employment must be
available to rural households on demand, as all of them were allocation-based programs. The jobs created by those programs were casual and temporary in nature. Despite a stated focus on creation of durable assets at village level for livelihood generation, these programs failed miserably. Going by various evaluations done by government and independent agencies, a large part of the funds were spent under these schemes by using more capital intensive methods in building roads and government houses, rather than using labor-intensive methods. In the context of the poverty and unemployment, rural development programs should have been targeted towards wage employment generation for unskilled labours on public works such as rural infrastructure, social forestry, small and minor irrigation, environmental protection works. These public works also could have provided employment during the lean period of the year to enable consumption smoothing. Again the assets created by these programs could also generate second round of employment generation in long run.

Giving a statutory framework to wage employment programs-based on the experience of various rural development programs, the National Rural Employment Guarantee Act (NREGA) was enacted to reinforce the commitment towards livelihood security in rural areas. The Act was notified on 7th September 2005. The significance of NREGA lies in the fact that it creates a right-based framework for wage employment programs and makes the Government legally accountable for providing employment to those who ask for it. In this way, the legislation goes beyond providing a social safety net towards guaranteeing the right to employment. The Act is to ensure livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work.

As per NREGA, National Rural Employment Guarantee Scheme (NREGS) was implemented in 200 districts in the 1st phase with effect from 2nd February 2006 and then extended to additional 130 districts in the financial year 2007-2008. The remaining districts were included under the NREGS with effect from 1st April 2008. Thus NREGS covers the entire country with the exception of districts that have a hundred Per cent urban population.

The Govt. of Assam under the National rural Employment Guarantee Act 2005 made the Assam Rural Employment Guarantee Scheme (NREGS). In first phase, out of 200 district selected by the Government of India in 2005-06, seven
districts of Assam viz. Dhemaji, Bongaigaon, Goalpara, Karbi Along Kokrajhar, Lakhimpur and NC Hills were selected. In second phase 6 districts namely Marigaon, Darrang, Nalbari, Barpeta, Hailakandi and Cachar were included. In the final phase, all the remaining districts of the state of Assam were covered by the scheme in 2008.

The National Rural Employment Guarantee Act (NREGA) was renamed on 2nd October, 2009 as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the Scheme so formulated is called the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

1.2 Significance of the study

Assam is an extremely underdeveloped state of India. The economy of the state is reeling under acute poverty and unemployment. Poor infrastructure, perennial occurrence of flood, low income, and lack of employment opportunities, lack of political initiatives and lack of awareness of people are some of the causes of under development of the state. The various government programs aimed at eradicating poverty have not stood the test of time, as they have not actually impacted positively on the people. Among the districts of the state, Lakhimpur and Dhemaji are the most backward districts. With the implementation of the MGNREGS, employment opportunities and household income in these districts have increased. Therefore this scheme might have affected the socio economic condition of the people and physical assets in villages. The present research work aims at studying and assessing the impact of the MGNREGS on Socio-economic development of Assam in general and in northern districts of Upper Assam in particular.

1.3 Objectives of the Study

The primary objective of the present research work is to examine the impact of MGNREGS in the state of Assam. It attempts to assess the impact of MGNREGS on poverty alleviation, income generation, consumption pattern, employment generation and rural-urban migration etc. in the state. It also aims at studying the problems and the limitations of MGNREGS. Thus the present research work has the following specific objectives.

1. To study the socio-economic profiles of the rural poor and MGNREGS workers in the sample districts.
2. To analyze the impact of MGNREGS on employment and income generation, consumption pattern, savings and the poverty eradication of the MGNREGS participating households
3. To assess the creation of rural assets through the implementation of the MGNREGS at village level
4. To study the effectiveness of MGNREGS in arresting rural-urban migration of labor
5. To make a comparative analysis relating to the standard of living of beneficiary and non-beneficiary families of MGNREGS.
6. To study the problems and prospects of MGNREGS.

1.4 Hypotheses

The following hypotheses are set for testing:

1. MGNREGS has not positively impacted on the employment generation.
2. MGNREGS has not contributed much on the income generation of participating households.
3. MGNREGS has no impact on household expenditure of the participating families.
4. MGNREGS has no impact on the savings of participating households.
5. The MGNREGS as a poverty alleviation program has no effect on standard of living and poverty reduction of the rural people.
6. MGNREGS has no impact on the rural urban migration.
7. MGNREGS has not been able to meet its objectives of creating assets and providing benefits to the society.

1.5 Methodology

The proposed project of research work intends to study primarily the impact of MGNREGS on the socio-economic development of two northern districts of Upper Assam namely Lakhimpur and Dhemaji. A thorough literature survey on the related field is made by going through books, journals, working papers, reports and other publications that are relevant to the topic. Different aspects of MGNREGS and its impact on poverty alleviation and socio-economic development of Assam and the referred districts of Lakhimpur and Dhemaji are studied by gathering secondary
information from various sources and collecting primary data through field survey of the sample districts.

Lakhimpur and Dhemaji districts are selected because these two northern districts of Upper Assam are most backward districts of the state and MGNREGS was implemented in the first phase (in 2005-06). Two development blocks from each district are randomly selected for the purpose of field survey. Again one hundred households from each development blocks are randomly selected. The selected Development blocks are Narayanpur and Karunabari of Lakhimpur district and Machkhowa and Dhemaji Development Blocks of Dhemaji district. A total of 400 households are randomly selected from these four development blocks of above mentioned two districts for field survey.

Keeping in view of the objectives and hypotheses the well structured schedules have been designed for the purpose of collecting primary data. The information and data have been collected from the respondents as per the schedule through direct personal interview method. The data collected are analyzed using different statistical tools like measures of central tendencies, measures of variations and coefficient of correlation.

1.6 Chapter Design

For the purpose of expositional convenience and systematic analysis, the research work has been segmented into seven chapters as below.

The first chapter “Introduction” reflects the birds’ eye view on the topic. This chapter includes the significance of the present work, objectives of the study, hypotheses, methodology, scope and limitations of the study and research plan.

The review of related literature is made in Chapter-II.

Chapter III deals with the physical feature and socio-economic profile of the state and the sample districts.

An analytical study of some of rural development programs and MGNREGS is made in Chapter IV.

The empirical study on the impact of MGNREGS is made in Chapter V MGNREGS and Socio-Economic Development are discussed in Chapter-VI.

The major finding of the study, suggestions and conclusion of the research work is presented in the concluding Chapter-VII.
1.7 Limitation and Scope of the Study

Every social science research work leaves some scope for future research since it involves some constraints or limitations. The present research is not an exception. Considering the resources and time constraints of the researcher this piece of work has the following limitations:

First, though the entire state of Assam is poor and socio-economically underdeveloped, out of 29 districts, only two districts are taken for present research study.

Secondly, the selected districts are not surveyed completely.

Thirdly, a number of rural development schemes/programs have been implemented in the state as well as in the sample districts. But an attempt is made to study the impact of MGNREGS only.

In view of the above cited limitations, this study has ample scope for further study by researchers. Through study on rural development may be conducted by researchers in future from the point the present study ends.

Reference


