ABSTRACT

National Rural Employment Guarantee Scheme has a huge potential for rural employment and income generation, and hence can be treated as an effective tool for poverty alleviation. Giving a statutory framework to wage employment programs based on the experience of various rural development programs, the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was enacted to reinforce the commitment towards livelihood security in rural areas. The MGNREGS was notified 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 have been notified under the MGNREGS with effect from 1st April 2008. The Act is to ensure livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a year to an adult member of a family who volunteer to do unskilled manual work.

In view of this, a modest attempt has been made to undertake a comprehensive and intensive micro-level study on the impact of the MGNREGS pertaining to the socio-economic development of the rural area. The required information has been collected through field survey in Dhemaji and Lakhimpur districts of Assam. A total 400 households from four development blocks namely Narayanpur and Karunabari Development Blocks of Lakhimpur district, and Machhawara and Dhemaji Development Blocks of Dhemaji district, are interviewed for primary data generation. It is observed that the scheme is able to create employment and generate income to the beneficiary households. Secondly, the MGNREGS has been able to improve the socio-economic conditions of the people in rural areas of the surveyed two districts by increasing the consumption expenditure, expenditures on health, education and assets creation. The savings of the respondent households have also increased considerably. Mitigation of rural-urban migration is one of the objectives of this scheme. An in depth study on this objective is also made in the current research work and it is observed that the scheme has succeeded in achieving the said objective i.e., checking
out migration. The asset created by MGNREGS is beneficial to the society. The scheme is by and large successful to fulfill its basic objectives.

Like other poverty alleviation programs it is also not free from shortcomings. It is found in the study that in spite of taking all cares the beneficiaries are not getting 100 days of work and are also not getting wage in time. However, considering the positive impacts of the MGNREGS it may be viewed that the scheme is one of the biggest employment generation of the Government of India and it contributes immensely in uplifting the rural income, standard of living of the rural people in specific and improving the rural economy of the country in general.