

Generate Employment and Poverty Eradication through Mahatma Gandhi National Rural Employment Guarantee

Prof. (Dr) Pramod Kumar

Indore

Abstract: *Many employment generation programmers are being introduced by the Government of India to fulfill the gap of employment generation in rural India. Mahatma Gandhi national rural employment guarantee act is the first ever act in the history of India to provide guaranteed work and wage. This paper studies the effect of MGNREGA on the generation of employment, type of work done under this statute and up to what extent this programmed is successful in poverty alleviation in rural India. Many researchers have found that this program has huge impact on the employment structure of rural India. The present paper studied and outlines the role of MGNREGA in enhancing the livelihood of poor rural people thought in incorporation of work with skill. Also, there is the need of overcoming the procedure of payment.*

Keywords: MGNREGA, policy evaluation, objectives, design, consistency, effectiveness

I. INTRODUCTION

It is being said that root of INDIA is in its rural community. The very core objective of this act is to give every rural poor people an opportunity to work in a guaranteed manner. There are countless poverty reduction programmes run by Indian Government, though unfortunately, the current scenario is still the same. Some were somewhat productive in tending to the issue of poverty while others experienced significant imperfections in their usage. In the year 2005, the Indian Government came up with the first ever Rural Guarantee Act called Mahatma Gandhi National Rural Employment Guarantee Act. Mahatma Gandhi National Rural Employment Guarantee Act is the first statute in the history of India empowering rural India with the power of work. This statute is milestone enactment in the Indian history after freedom. However, the right to work has been made a legal obligation and right for Unemployment remittances if there should arise an occurrence of non-portion of job guaranteed through this Act.

Talking further, the features of this act made this profoundly successful in most recent 10 years from its foundation and gave solidness to the careless structure of provincial India. This statute is regarded and recognized comprehensively by administration of India and acknowledged on worldwide stage too. This program is considered to be "the largest and most ambitious social security and public works program in the world". In its World Development Report 2014, the World Bank termed it a "stellar example of rural development". In addition, the 43rd Indian labour conference demands that program like MGNREGA should be implemented in the entire nation in a broad approach. The MGNREGA is surely a point of interest in the financial history of independent India which presents a widespread enforceable lawful ideal to the most fundamental type of work with a specific end goal to evacuate unemployment and monetary hardship of the rural poor. It is without a doubt a strong stride towards legitimate authorization of the privilege to work. The Act puts a legitimate commitment to the state and gives a bartering energy to the rural poor by making accountability.

The law was initially called the National Rural Employment Guarantee Act (NREGA) but was renamed as Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA) on 2 October 2009. The Act was legalized and notified in 200 districts in the first phase with effect from February 2nd, 2006 and then extended to an additional 130 districts in the financial year 2007-2008. The foundation of MGNREGA is to decrease the Poverty and useful in the eradication of hunger. Where this statute is securing the fundamental right of villagers to work and to make them more stable, additionally ensuring the financial foundation through giving guaranteed employment, it also seeks to enhance

work market result. The increase in a number of employee wage rates this law also empowers social prosperity and give them firm establishment to live, despite having different lack this law achieve the core desire of work assurance, social protection and mental strengthening. The labour component of the NREGA is supposed to account for at least 60 per cent of total expenditure.

The frequency of poverty in India involves key sympathy toward strategy investigators and scholarly scientists both as a result of its scope and intensity. Improvement interest ought to try to "ensure an adequate standard of living for the masses, as such, to dispose of the horrifying poverty of the general people". Although the citizen of INDIA has already confronted many debates and speeches about poverty but still no fruitful result we are able to see. However, the Indian government has always been considerate enough to initiate many program/schemes to support their deficiency and exposure. MGNREGA programmed is the establishment in the above sequence only.

II. REVIEW OF LITERATURE

Kumar (2014) in his paper examined that Programme has a major impact on rural area. MGNREGA is playing pivotal role in rural employment generation and enhancing the rural livelihood. It is one of major wage employment initiative which provides at least hundred days of employment in the rural area. The panchayat raj institution played a leading role in planning and implementation of the programme. MGNREGA help generating wage employment in the rural area.

Prasad (2012) recognized that the process outcomes include strengthening grass - root processes of democracy and infusing transparency and accountability in governance. It has enabled rural people with sufficient purchasing power and they are able to at least to supports their basic necessity i.e. food. The Act has limited the rural poor to their areas and stopped migration to the cities. It is not only giving rural livelihoods but also involving them in other non-agricultural work. This has helped in handling disguised workers. Employment in other non-agricultural work will also improve the rural infrastructure i.e. rural asset building. It will ultimately lead to sustainable development.

Objectives

The main aim of this study is to assess the generation of employment and how far the poverty is alleviated and the definite objectives are as per following:

1. To analysis the role of MGNREGA for Generation of employment in Rural India.
2. To know the viability of MGNREGA for Rural Growth.
3. How MGNREGA able to alleviate the status of poor rural people.

III. METHODOLOGY

The information gathered for the review incorporates secondary information. The different sources used to gather secondary information incorporate reports of MGNREGA, research papers, journals and the website of MGNREGA.

Government objectives of MGNREGA

- i. Overall Development of the Rural Economy - The prime objective of this statute is to develop the base structure of the rural economy and the only possible way to develop rural economy is by generating employment. This act helps to empower people at the grassroots level, which is done by the Government effectively through this programme.
- ii. Creation of Durable and Useful Assets in Villages - Here village panchayat has the responsibility to identify the infrastructure gap, estimate resources and employment generation by creating the missing infrastructure. This is then forwarded to District panchayat followed by Block panchayat. By the implementation of this programme, there is the creation of many durable useful assets resulting in the generation of employment.
- iii. Reduction of Concerned Migration - The major challenge in front of Indian Government is the instability of Indian economy and government were aware of the fact that the most portion of the population of the country resides in the rural area. In addition, they were also conscious about the relocations from the rural to urban and from one part of the rural to another part of rural areas.

Issues and challenges

Demand for Work and Unemployment Allowance- There is conscious stopping of work by the state government during certain seasons. Rationing of demand greatly challenges the poverty alleviation potential of the Scheme. Non-provision of dated receipts and work within 15 days and nonpayment of unemployment allowance are other major process constraints.

Misappropriations in the Scheme -Somehow the government failed to conduct the proper implementation of this statute. There were many pitfalls and various leakages in this programme. MGNREGA has received serious criticism on account of alleged misappropriations under the Scheme. While there is no denying that in several cases these are true.

Impact on Agricultural Labour - Data from some studies demonstrate that there has been a change in the composition of the MGNREGA labour force where more agriculture labour is participating in the Scheme. As in rural India, there is the majority of structural unemployment which arises due to agricultural work, and in time where were unemployed, they get themselves involve in other unskilled work. Here MGNREGA plays a chief role by generating employment.

IV. FINDINGS

The Positive impacts of MGNREGA :- There have been several intended as well as unintended impacts of the MGNREGA program on the economy both at the regional level as well as at the national level. There have been regional variations in the impact as well with the Act proving a boon for states of Bihar and Jharkhand, two of the most backward states of the country while having negative impacts on agricultural economy of states like Punjab, which depend a lot on migrant laborers for their peak agricultural seasons. At the national level, on one hand it can be seen as a full employment strategy and on the other a huge burden on the fiscal expenditure. Mann & Pande (2012) & Ghosh (2009) however argue that it has served as an effective instrument for distribution and reduction of income disparity. This section examines the impact of MGNREGA on rural areas and the local economy. It discusses impact of the scheme on rural wages, agrarian economy ,aspects of community assets creation and challenges in making it productive, women employment, distress migration etc. Sinha & Mukherjee (2010, 2013) find out positive impact of MGNREGA on the income of the poor. JPMorgan (2011) validates the same by showing a significant increase in rural wages post-MGNREGA.

The Negative impacts of MGNREGA :- The MGNREGA though has some useful contribution with regards to reduction of rural poverty and income inequalities, it has also induced some unintended impacts on the economy of India. Firstly, the reduction in poverty through MGNREGA has come at a cost of soaring food prices as the agricultural laborers wages have increased several folds and that have forced farmers to demand more for their food grains by way of Minimum Support Prices (MSPs). Secondly, higher agricultural laborer wages in rural areas are leading farmers to take a move towards mechanization of farms, which is proving to be cheaper. Thus, sugarcane and oilseeds farmers among others are moving towards harvesting through mechanized means which can have negative implications for labour requirement in the agriculture sector. Over a time, this can lead to almost no demand of labour in rural areas thus making MGNREGA only a non-contributory income transfer program or a 'social safety net' for the poor. Thirdly, a program like MGNREGA also has behavioural implications for the people covered under it. Since, mostly the work done under MGNREGA is not well planned and many a times it is perfunctory, the people who are getting employment under MGNREGA are getting into a habit of getting paid for not working, which can have serious implications for India's human prowess and outlook.

V. CONCLUSION

Without doubt, MGNREGA is the flagship programme and produced benefits when it comes to the development of rural India. The whole employment structure has been changed by MGNREGA. Although, the programme has many parts which need developments. Above paper describe various pitfalls faced by this programme. When it comes to the generation of employment MGNREGA has more job card holders but the allotment of work is not satisfactory. The shortcoming in this part of MGNREGA is no providence of work when required by the card holders, in respect of which Government has to pay wages for that. Somehow data showed that MGNREGA is very much successful in a gripping rural economy. MGNREGA Stopped huge amount of relocations, availability of work and above all increment in the wage structure in rural India. Fixed wage allotment under MGNREGA leads to change in the wage structure in

private sector works done by the rural population. In spite of many pitfalls in the conduction of the act MGNREGA somehow able to alleviate the status of poor rural people. The foremost thing is the 100days job guarantee rule of the statute, non- Providence of work within 15days will lead to paying without work. Equal participation by rural poor female assures the equality in the workplace. One side where MGNREGA decreased unemployment, on the other side it lacks when it comes to skilled work. The government can think of emerging skill with the work allotted under MGNREGA with an objective of incorporation of skills with development.

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