MAHATMA GANDHI NATIONAL RURAL EMPLOYMENT GUARANTEE ACT (MGNREGA) AND RURAL ECONOMIC TRANSFORMATION THROUGH ASSET GENERATION IN VILLUPURAM DISTRICT, TAMIL NADU

J. Krishnamoorthi

Ph.D Research Scholar, Department of Economics, Annamalai University Chidambaram, Tamil Nadu, India

S. Pichaipillai

Assistant Professor, Economics Wing, Directorate of Distance Education, Annamalai University [Deputed to PG and Research Department of Economics, Thiru. Vi. Ka Government Arts College, Thiruvarur], Tamil Nadu, India

ABSTRACT

KEYWORDS:

Employment, assets generation, economic empowerment

This paper analyses the asset creation through MGNREGA in the surveyed region. Villupuram is selected for the study to analyze the rural economic transformation done by the MGNREGA. At the next level, three best performing Administrative Blocks are selected with the assistance of Project Officer of District Rural Development Agency (DRDA) and from each block; two best performing village panchayats are selected with the help of the Block Development Officers (BDOs) of the respective blocks. In each village, 20 male respondents and 20 female respondents are selected for survey and in total 240 rural respondents are surveyed with the help of structured interview schedule. From the analysis, revamp of ponds is done in more numbers wherein lesser on creation of new ponds. New roads are created in the surveyed village, which is less than two kilometers. Canals revamped are revamped less than two kilometers in some villages and around two to four kilometers in other surveyed villages. Thus, managing canals by the MGNREGA members is a good sign of management of water bodies for sustainable The quality of MGNREGA work carried out in the surveyed villages is average, which requires more attention by the local management to assure quality work. The level of management of social assets in the surveyed villages is moderate. Thus, level of management of social assets is average and management has to be improved to a huge extent.

INTRODUCTION

Rural poverty and unemployment in India has grown in an unprecedented manner during the last few decades. There is a growing incidence of rural youth shifting from agriculture into unproductive activities. In order to reverse this trend and to provide livelihood, security to the rural unemployed, Government of India (GOI) enacted the National Rural Employment Guarantee Act in 2005 and renamed as Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) in 2009. The act provides 100 days of guarantee employment to the rural household in a financial year for unskilled manual work.

With addition to the employment generation, the act aims at creation of assets through the country. Mishra (2011) has studied asset creation of MGNREGA in three districts of Madhya Pradesh. From the districts Dhar, Jhabua and Rajgarh, 16 blocks were selected and 396 villages were surveyed. The study surveyed 4714 respondents and 1304 respondents at work site of the Act. The asset created under MGNREGA scheme are water conservation and harvesting by digging new

tanks/ ponds, small check dams, etc. Draught proofing and plantation, flood control and protection, renovation of traditional water bodies by cleaning tanks/ponds, are the major assets created by MGNREGA. Moreover, for rural connectivity the Act has involved in construction of roads, etc. In conclusion, the study suggest to that there is more scope for creating assets in large scale and that can be achieved through meeting among the rural people and government officials.

Dwivedi, Ravi Kant (2014) analysed the effectiveness of MGNREA in creating assets. The study is a reviews the activity of MGNREGA. The author suggests that land and water are more valuable assets and 68.8 per cent of the rural masses depend on it. The Act not only works for common needs but also on private lands. The Act has a major role in removal of poverty and created more assets in the rural areas. The paper suggest that establishment of permanent employment can produce more assets, which may help in attaining sustainable resource management. Given this, this paper analyses the asset creation in the surveyed region.

METHODOLOGY

The study is based on both primary and secondary data. The study chooses Villupuram district for three reasons. In the first phase of NREGA implementation, six districts was selected viz., Cuddalore, Dingigul, Nagapattinam, Sivaganga, Thiruvannamalai and Villupuram. Of the six districts, population Below Poverty Line (BPL) is high and Per capita Gross Domestic Product is low in Villupuram district as compared to other districts during the programme implementation period. The information about the total expenditure of MGNREGA from 2006 - 07 to 2014 - 15 of Tamil Nadu reveals that the total expenditure of MGNREGA is high in Villupuram district as compared to other districts. Of the total state MGNREGA expenditure, 9.6 per cent (Rs. 167353.98 lakhs) of the expenditure is covered by the Villupuram district. The percentage of MGNREGA expenditure explains the number of works done by the Villupuram district. Further, the Villupuram district is purely based on agriculture and its major segment of the work force depends on agriculture and agriculture related activities. Based on this, Villupuram is selected for the study to analyze the rural economic transformation done by the MGNREGA. At the next level, three best performing Administrative Blocks are selected with the assistance of Project Officer of District Rural Development Agency (DRDA) and from each block; two best performing village panchayats are selected with the help of the Block Development Officers (BDOs) of the

respective blocks. In each village, 20 male respondents and 20 female respondents are selected for survey and in total 240 rural respondents are surveyed with the help of structured interview schedule.

RESULT AND DISCUSSION

From the analysis, MGNREGA works were carried out in revamp of ponds, new ponds, revamp of roads, new roads, revamp of canals and play grounds. The forthcoming discussion examines the works of MGNREGA in the surveyed region.

Ponds Revamped and New Ponds

In the surveyed villages, ponds are revamped and new ponds are also created. The table 1 brings the details of the same and the number of ponds are revamped and new ponds created around four in numbers. Regard to ponds revamped, 61.3 per cent of the respondents have registered ponds revamped form two to four ponds and 35 per cent mentioned the same as less than two ponds. The ponds revamped are below four and none of the villagers have revamped more than four ponds. Regard to new ponds, 79.6 per cent of the respondents have mentioned that new ponds created in their village is less than two. The remaining 20.4 per cent have not mentioned about creation of new ponds. Thus, revamp of ponds is done in more numbers wherein lesser on creation of new ponds. As a whole, management of ponds may help the rural people for sustaining the availability of water for their livelihood.

Table 1 Ponds Revamped and New Ponds Created by MGNREGA

Sl.	Details	Male	Female	Total
No.		(n=120)	(n=120)	(N=240)
I.	Pond Revamped			
1.	Less Than Two Ponds	42 (35.0)	42 (35.0)	84 (35.0)
2.	Two to Four Ponds	72 (60.0)	75 (62.5)	147 (61.3)
3.	Above Four Ponds	0 (0.0)	0 (0.0)	0 (0.0)
II.	New Ponds			
1.	Less Than Two Ponds	97 (80.8)	94 (78.3)	191 (79.6)
2.	Two to Four Ponds	0 (0.0)	0 (0.0)	0 (0.0)
3.	Above Four Ponds	0 (0.0)	0 (0.0)	(0.0)

Source: Computed

Note: Figures in parentheses are percentage to the respective total sample

Roads Revamped and New Roads

Roads revamped and new roads are created in the surveyed region and the details are given in the table 2. Roads revamped and new roads created are computed in kilometers. Roads revamped are below four kilometers wherein 67.5 of the respondents villagers registered revamp of roads between two to four kilometers and 32.5 per cent have revamped less than two kilometers.

New roads created in the surveyed village is less than two kilometers and 65.8 per cent of the respondents have mentioned the same. New roads created from two to four kilometers is registered by 34.2 per cent of the respondents. Thus, it is worth to mention that the MGNREGA has revamped roads and created new roads in their villages.

A 72 Volume - 6, Issue- 4, April 2018 www.eprawisdom.com

Table 2 Roads Revamped and New Roads Created by MGNREGA

Sl.	Details	Male	Female	Total
No.		(n=120)	(n=120)	(N=240)
I.	Roads Revamped			
1.	Less Than Two Kms.	40 (33.3)	38 (31.7)	78 (32.5)
2.	Two to Four Kms.	80 (66.7)	82 (68.3)	162 (67.5)
3.	Above Four Kms.	0 (0.0)	0 (0.0)	0 (0.0)
II.	New Roads			
1.	Less Than Two Kms.	80 (66.7)	78 (65.0)	158 (65.8)
2.	Two to Four Kms.	40 (33.3)	42 (35.0)	82 (34.2)
3.	Above Four Kms.	0 (0.0)	0 (0.0)	0 (0.0)

Source: Computed

Note: Figures in parentheses are percentage to the respective total sample

Canals Revamped and Play Ground

Canals are revamped in the surveyed villages and the details are given in the table 3. Canals revamped is computed in kilometers wherein 50 per cent of the surveyed respondents mentioned that canals are revamped less than two kilometers and remaining 50 per cent of the respondents have revamped around two to four kilometers. Thus, managing canals by the MGNREGA members is a good sign of management of water bodies for sustainable irrigation.

Table 3 Canals Revamped and Play Ground Managed by MGNREGA

Sl.	Details	Male	Female	Total
No.		(n=120)	(n=120)	(N=240)
I.	Canals Revamped			
1.	Less Than Two Kms.	60 (50.0)	60 (50.0)	120 (50.0)
2.	Two to Four Kms.	60 (50.0)	60 (50.0)	120 (50.0)
3.	Above Four Kms.	0 (0.0)	0 (0.0)	0 (0.0)
II.	Play Grounds			
1.	Less Than Two Grounds	120 (100)	120 (100)	120 (100)
2.	Two to Four Grounds	0 (0.0)	0 (0.0)	0 (0.0)
3.	Above Four Grounds	0 (0.0)	0 (0.0)	0 (0.0)

Source: Computed

Note: Figures in parentheses are percentage to the respective total sample

Quality of MGNREGA Works

The quality of MGNREGA works are analyzed in the surveyed region and the quality is ranked as moderate, high and excellent. The result is given in the table 4 wherein 40.4 per cent of the respondents mention as high, 39.6 per cent as moderate and 20 per cent as excellent. This infers that the quality of MGNREGA work is average, which requires

more attention by the local management to assure quality work. Since the amount spent for MGNREGA is for developing and to increase the local asset structure. If the work is not carried out with full involvement, then this may affect the same villagers in the long run. Thus, the quality of the MGNREGA work has to be improved for assuring the livelihood of the rural poor.

Table 4 Quality of MGNREGA Works Done in Surveyed Villages

Sl.	Details	Male	Female	Total
No.		(n=120)	(n=120)	(N=240)
1.	Moderate	53 (44.2)	42 (35.0)	95 (39.6)
2.	High	45 (37.5)	52 (43.3)	97 (40.4)
3.	Excellent	22 (18.3)	26 (21.7)	48 (20.0)

Source: Computed

Note: Figures in parentheses are percentage to the respective total sample

Management of Social Assets

Creation of social assets alone cannot fulfil all the needs rather management of social assets in important. In this view, the researcher has gathered the information regarding management of social assets and details are given in the table 5. The level of management is computed by the scores such as moderate, high and excellent. Of this, 43.3 per cent of the respondents have revealed the management of social assets as high, 38.3 per cent as moderate and 18.3 per cent as excellent. From this, the level of management of social assets are average and management has to be improved to a huge extent.

Table 5 Management of Social Assets in Surveyed Villages

Sl.	Details	Male	Female	Total
No.		(n=120)	(n=120)	(N=240)
1.	Moderate	54	38	92
		(45.0)	(31.7)	(38.3)
2.	High	41	63	104
		(34.2)	(52.5)	(43.3)
3.	Excellent	25	19	44
		(20.8)	(15.8)	(18.3)

Source: Computed

Note: Figures in parentheses are percentage to the respective total sample

CONCLUSION AND SUGGESTIONS

In the surveyed villages, revamp of ponds is done in more numbers wherein lesser on creation of new ponds. New roads are created in the surveyed village, which is less than two kilometers. Canals revamped are revamped less than two kilometers in some villages and around two to four kilometers in other surveyed villages. Thus, managing canals by the MGNREGA members is a good sign of management of water bodies for sustainable irrigation. The quality of MGNREGA work carried out in the surveyed villages is average, which requires more attention by the local management to assure quality work. The level of management of social assets in the surveyed villages is moderate. Thus, level of management of social assets is average and management has to be improved to a huge extent.

REFERENCES

- Asian Development Bank. 1999. "Fighting Poverty in Asia and the Pacific: The Poverty Reduction Strategy." Asian Development Bank, Manila
- 2. Bishnoi, Indira, Sarita Verma and Swati Rai. 2012. "MNREGA: An Initiative towards Poverty Alleviation through Employment Generation." Indian Research Journal of Extension Education, 1: 169-173.

- 3. Dwivedi, Ravi Kant. 2014. "Effectiveness of MGNREA in Generating Assured Wage Employment and- Creation of Durable Assets." New Man International Journal of Multidisciplinary Studies, 1 (12): 299-304
- Government of Karnataka. 2011. "Study on the Role of MGNREGA in Enhancing Financial Inclusion: Final Report". Department of Rural Development and Panchayat Raj Centre for Budget and Policy Studies.
- Mishra, S. Kumar. 2011. "Asset Creation under MGNREGA: A Study in Three Districts of Madhya Pradesh". Indore Management Journal, 3 (3): 19-30.
- Postar, Vikas. B. 2011. "Employment Generation through MGNREGA in Gulbarga District of Karnataka State." International Referred Research Journal, 3 (27): 3-5
- Sahoo, Minati. 2013. "MGNREGA and Financial Inclusion: An Inter-District Analysis of Odisha." IOSR Journal of Humanities and Social Science, 14 (2): 54-61.
- 8. Sarkar, Prattoy, Jagdish Kumar and Supriya. 2011. "Impact of MGNREGA on Reducing Rural Poverty and Improving Socio-economic Status of Rural Poor: A Study in Burdwan District of West Bengal". Agricultural Economics Research Review, 24: 437-448.
- 9. Singh, Balbir. 2013. "Economic Evaluation and Effectiveness of MNREGA in Punjab: A Case Study." International Journal of Multidisciplinary Management Studies, 3 (7): 241-248.

74 Volume - 6, Issue- 4, April 2018