# A Study on Mahatma Gandhi NREGA As a Swarozgar Yojana to Help the Poor

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# **ABSTRACT**

India's number one priority has always been bringing down the poverty rate. In order to combat poverty, the Indian government has begun implementing self-employment projects. Discussions on global economic growth, and particularly the growth of emerging countries, have always included rural development as a central topic. Rural people make up a significant proportion of the population in many emerging nations and certain previously communist states. More over 3.5 billion people call Asia and the Pacific home, with around 63% residing in rural regions. While rural development has helped millions of people in several Asian nations transcend poverty, the vast majority of rural residents still live in abject poverty. There is a lot of strain on the social and economic fabric of many emerging Asian countries due to the growing gap in living standards between rural and urban regions. These and other considerations suggest that rural improvement is crucial. Most governments in emerging markets have recognized the significance of rural development and have been adopting a variety of programs and measures to meet their goals. While some of these nations have achieved amazing accomplishments, others have failed to make a substantial dent in the issue of chronic rural underdevelopment. How the government's strategies to combat poverty and aid in rural development have evolved through time is discussed in this study. The MNREGA is a ground-breaking piece of legislation that is unlike any other program in existence. However, several things need to be stressed so that the true goal of the wage employment programs can be determined. The effects of MNREGA on poverty alleviation, agricultural output, and the pay rate and cost of cultivating field crops throughout the year are discussed in this research.

**Keywords:** - Rural Development, Rural Poverty, MNREGA, Swarna Jayanti Gram Swarozgar Yojana (SGSY), Employment

# INTRODUCTION

Around 260 million Americans lacked the financial means to meet the minimum needs outlined by a standard grocery basket at the turn of the century. Seventy-five percent of these were found in non-urban locations. Twenty-two percent of the world's impoverished live in India. Given that eliminating poverty has been a central goal of development planning, the current rate of poverty is cause for alarm. Poverty is, unfortunately, a worldwide problem. Its

elimination is seen as crucial to humanity's pursuit of sustainable development. Consequently, reducing poverty in India is crucial for achieving global objectives.

India's planning process has prioritized poverty reduction as one of its major goals. Rapid economic expansion is widely acknowledged as a key factor in opening up additional job opportunities for the general populace. The growth-oriented strategy has been bolstered by a renewed emphasis on industries that provide more people opportunity to take part in that development. Health, education, and other basic service aspects of poverty have been increasingly included into the planning process. The federal and state governments have significantly increased funding for programs that improve the lives and economic security of the poor, such as universal preschool, health care, and clean water and sanitation. Employment and income opportunities may be created via investments in agriculture, area development schemes, and afforestation. The welfare of the handicapped, those from SCs and STs, and other marginalized communities is a particular focus of government initiatives. Third, the anti-poverty policy as a whole includes efforts to help individuals get started in business for themselves by providing them with the resources and training, they need to be self-sufficient, as well as public works projects that provide them temporary financial stability. By distributing food and other necessities at below-market rates, the TPDS safeguards the poor from inflation.

As a result of the shortcomings of the previously implemented self-employment programs, the government launched the Swarna Jayanti Gram SwarzagarYojana (SGSY) in April 1999. SGSY is a comprehensive group-based plan that complements several job creations schemes. Since banks are unlikely to provide credit to low-income persons on their own, SGSY uses a bank linkage model in which SHGs are founded and sponsored by banks. Due to low credit availability, the initiative takes a poverty lending method to helping the poor. Andhra Pradesh, Kerala, Nagaland, Manipur, and Assam all do well in the report's evaluation of the program's efficacy. The program has been shown to have a good effect in terms of financial benefit, as determined by Badodiya, Tomar, Patel, and Daipuria (2012). There was an increase of 55.38 percent in total cultivated areas and a corresponding rise in revenue for those who benefited from the program by engaging in dairy farming.

# LITERATURE REVIEW

Bhat, Basharat. (2015). India is mainly an agricultural country in which the strength of rural unskilled labour is very high and majority of the rural poor depends mainly on the wages they earn through unskilled, casual, and manual labour. The main significance of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is to improve the livelihood conditions of the rural poor by providing 100 days of employment to any rural household whose adult members are willing to do unskilled manual work. The Act provides an opportunity to work in the lean season, which helps rural poor to maintain the consumption level and strengthen the livelihood resource base during this critical time period. Only the growth of economy cannot create social justice and balanced development unless, it is attached with poverty alleviation and employment generating opportunities for deprived and marginalised section of the society. Thus, a study on MGNREGA as a hope to reduce

rural poverty has been taken in the village Shanoo of district kupwara of state Jammu and Kashmir.

Ranjan, Rajiv & Ahmedabad, Iim. (2015). Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was implemented and came into force on February 2, 2006. It was the first act of its kind in the world wherein an economic safety net is provided to around 2/3 rd of the population through a right to work. The scale on which it has been provided is just mindboggling, around 1/10 th of the total world population. It was second in a series of right based policies Government of India has rolled out in the past decade. This research considers the performance of MGNREGA since its inception and examines its objectives, design and the several modifications in it. The purpose is to examine the consistency and effectiveness of this policy. An assessment of the program till date has been performed using secondary data analysis and the intended and non-intended effects and impacts are discussed. It is clear that the program is no silver lining but have several clouts associated with it.

Neil Fraser (2015) In this article, we take a look at the Mahatma Gandhi National Rural Employment Guarantee Scheme (NREGA), arguably India's most important social security scheme, which grants all rural households in India the right to work for up to 100 days per year in public works at the minimum wage for unskilled laborers. Some have contended that self-targeting is more effective in helping the needy than direct monetary transfers. Work for NREGA is not a right, however, and this is shown in many states, particularly impoverished ones. In large part because of this kind of corruption, the plan has a negative reputation. The value of the assets generated by public works is also often unsatisfactory. However, proponents of NREGA maintain that the program is still worthwhile, particularly if other states could follow the lead of the most successful ones. Women's empowerment and the advancement of India's scheduled castes and tribes are highlighted as two key areas where NREGA has had a significant impact in rural India.

Pallabi Bora (2012) Self-Help Groups (SHGs) have arisen as a model to help the impoverished in rural areas, particularly rural women, raise their living standards and escape poverty. The potential of India's SHG sector is shown by the annual growth in the number of SHGs, but the sector's long-term viability has been called into doubt. In order to learn more about the effectiveness and longevity of women's SHGs, an investigation was carried out in the Sivas agar district of Assam. For the purpose of gauging the efficiency with which 25 women's SHGs converted loans into cash flow, we collected data on 15 separate operational indicators. The research showed that all the organizations relied on resources outside of their own corpus fund to ensure their financial security in the outset. The members of SHGs pooled their resources by engaging in a wide range of entrepreneurial and income-generating endeavors. Weaving, needlework, tailoring, candy and snack making, preserving vegetables and fruits in vinegar and brine, handcrafting, and livestock raising are just some of the many pursuits pursued by these diverse communities. But all the SHGs followed the same practices, pointing to a competitive market, and this resulted in little profit inside a restricted area. Regarding microfinancing, organizations lent money to both members and nonmembers, with the latter often being charged a higher interest rate (10% per month) over a shorter payback term (3-6 months). Pig farming, with an annual return on investment of 42.7%, topped all other revenue generators. This was followed by poultry farming (14.2%),

then handicraft farming (13.4%). Tailoring and embroidery ranked dead last. The majority of group profit allocations went toward group-sustaining activities. All participants said that family income had increased and that access to loans for money-making endeavors was now within reach. Over 90% of the time, they were also able to achieve credit requirements, build confidence, start a savings habit, etc. The consequences on local politics and financial procedures were less obvious.

Ashwani K. Sharma (2011) Human labor demand for sugarcane and competing crops was evaluated in this article, as was its evolution through time in key cane-growing states. It has also looked at the disparity between the supply and demand of human labor for sugarcane and offered solutions to the problem. The research indicated that in practically all major cane producing states of India, sugarcane farming is the least automated and most labor-intensive. This was based on both primary and secondary data on the usage of human labor for sugarcane during the previous 30 years (1980-2010). The labour-use per hectare has grown in all the cane-growing states, except Tamil Nadu and Maharashtra. Researchers have shown that as the availability of family labor for cane agriculture has decreased in sub-tropical states, the share of casual laborers has grown. The loss in guaranteed labor from both family and linked workers has a negative effect on sugarcane farming. Increasing demand and supply gaps in sugarcane agriculture have been attributed to a number of factors, including the difficulty of the labor, the presence of hazardous circumstances, the absence of women in the workforce, and the breakdown of the old system of cane harvesting. It has been stated that the scarcity of labor has affected all aspects of sugarcane growing, leading to price increases and a decrease in farmers' margins. The research has also discovered that land under cane farming has fallen considerably in Haryana while cane output is stagnating or dropping in Maharashtra. The coping strategies for reducing demand-supply gap suggested in the paper are: R&D efforts towards development of sugarcane harvester; development of suitable crop geometry to facilitate the movement of machineries up to the knee-high stage of the crop; change in the traditional system of cane planting for fast germination to avoid weed menace and curtailing labour requirement; popularization of cane planting by machines developed at IISR, Lucknow and popularization of multifunctional ration management device. The sugar mills must establish a strong cane growth strategy in their cane command regions for procurement of equipment and connect up with the manufacturers and research groups. This would aid in assuring automation of cane operations and minimize imposed shortage of workers in circumstances of workforce diversion to programs like MGNREGS.

# RESEARCH AND METHODOLOGY

In this study, the researcher used an exploratory research design based on qualitative and quantitative methods, and it is descriptive in character. The purpose of this research was to investigate the Mahatma Gandhi National Rural Employment Guarantee Scheme's impact on improving people's standard of living in rural areas. The current investigation would find the result on base of qualitative and quantitative technique. Interviews, observations, and individual case studies have all contributed to the researcher's understanding of the issues of interest. Moreover, it is quantitative meaning that with aid of SPSS (Statistical Package for

Social Sciences) software package. We evaluated information from 200 participants over the whole research region.

For this research the Researcher was employed random sampling techniques. Both primary and secondary sources of information have been used in this investigation. In Udupi District is purposively picked, and here for the current study effort, the researcher has gathered Primary Data, follow the organized interview schedule and (FGD's) Focused Group Discussions with participants careful observation. Information on the research topic has been gathered from secondary sources like as periodicals, Maxine's, ministry documents, books, published material, and the Internet.

In across India in rural regions the key economic activities are irregular and seasonal changes thus to is producing the Livelihood issue in rural areas and most of the agricultural land and job rely on monsoon. As a result, the MGNREGS has an effect on the respondent's socioeconomic situations, causing a periodic withdrawal of the labor force, which in turn causes a decrease in available workers and a strain on their means of subsistence. instead, farmers are embracing digital tools across the board to improve crop management and the agricultural sector as a whole.

### **DATA ANALYSIS**

This research interprets and applies a large amount of primary data obtained in the study region across several dimensions before drawing conclusions and making recommendations. The data was gathered via in-depth interviews with locals, and it includes information on the respondents' socioeconomic backgrounds, as well as how the Mahatma Gandhi National Rural Employment Guarantee Scheme has affected their lives.

**Table No.1: Distribution of the Respondents** 

1	Table 140.1. Distribution	of the Respondents	
Age Wise			
Sr. No	Age Group	Frequency	Percentage
1	18 to 25	15	7.5
2	26 to 35	54	27
3	36 to 45	55	27.5
4	46 to 55	35	17.5
5	55 to 60	28	14
6	65 Above	13	6.5
	Total	200	100.0
Gender W	Vise		
Sr. No	Gender	Frequency	Percentage
1	Female	56	28
2	Male	144	72
	Total	200	100
Qualificat	tion Wise		
Sr. No	Qualification	Frequency	Percentage
1	Primary Education	41	20.5
2	Upper Primary Education	24	12.0

3	Secondary Education	19	9.5
4	Intermediate	5	2.5
5	Graduate	2	1
6	Post Graduate	2	1
7	Illiterate	107	53.5
	Total	200	100.0
Main Occ	cupation Wise	·	
Sr. No	Occupation	Frequency	Percentage
1	Agriculture Labour	10	5.0
	Agriculture Labour & MGNREGS wage		
2	work	81	40.5
3	Beddi Roller	5	2.5
4	Non-Farm Labour	8	4.0
5	Agriculture	29	14.5
6	Agriculture & MGNREGS	51	25.5
7	Private Sector	15	7.5
8	Government Sector	2	1
	Total	200	100

Source - Primary data

The data in table 1 suggests that respondents between the ages of 36 and 45 make up 27.5% of those who answered the survey's questions, while respondents between the ages of 26 and 35 account for a similar (or lower) percentage of those who did so. Most importantly, the response rate among young adults (18–25 years old) was 6.5%, suggesting that the study's material and facilities for the MGNREGS were widely disseminated.

Consistent with the findings of the International Labor Organization investigation, this one found that young celebrities have a hard time finding decent work and that those who do end up poor. According to the findings of the present study, young people between the ages of 26 and 35 make up a significant portion of the workforce, but most of them are stuck in low-skilled jobs with MGNREGS. If these individuals could be directed toward more productive endeavors, they could contribute to the development of the Indian economy.

It can be seen from Table 1 that a much higher proportion of men (72%) than women (28%), who were both invited to participate in the study's interview, actually did so. We may infer from this information that, as the law mandates and the results show, women make up around one-third of the recipients. When everything was said and done, the survey found that males made up 72 percent of the responses.

Analysis of the data presented in Table 1 suggests that respondent qualifications may help to more accurately reflect the true state of affairs about the availability of the plan and its effects on respondents' daily lives. 53.5 percent of those surveyed are considered to be functionally illiterate, whereas 20.5 percent have finished elementary school, 12.0 percent have completed middle school, 9.5 percent have completed high school, and 0.8% have completed postsecondary education. This may be the last significant section. Some 53.5% of respondents are non-readers who are engaged via the Mahatma Gandhi National Rural Employment Scheme and who may rely only on daily farm wage work.

Table 1 shows the primary occupations of the respondents, providing insight into the extent to which they rely on such jobs for financial support. Of the total number of responses, 40.7% said that agriculture work or MGNREGS work was their primary occupation. And 25.5% of respondents said that Agriculture and MGNREGS is significant people who are small farmers are reliant on these two categories of occupational income, whereas just 7.5% and 1% of respondents had private sector and government sector jobs, respectively, as their primary source of income. It has been noted that 2.5% of respondents whose primary employment is Beddi roller are also registered in the program, which is mostly due to the fact that women are overrepresented in this occupation.

Finally, the survey reveals that 40.5% of respondents are either already working as agricultural laborers or are actively seeking employment as part of the Mahatma Gandhi National Rural Employment Guarantee Scheme.

Table No. 2: Distribution of Type of Ration Cards in the Respondents Caste Wise

	Type of Ra	ation					
Sr.							
	Car	rd	BPL	APL	Anthodia	None	Percentage
No.	Cas	ste					
		Yes	16.5	1	1.75	0	19.25
1	SC						
		No	0	0	0	0.5	0.5
		Total	16.5	1	1.75	0.5	19.75
		Yes	17.5	2.75	3	0	23.25
2	ST						
		No	0	0	0	1.25	1.25
		Total	17.5	2.75	3	1.25	24.5
		Yes	34	5.25	1.5	0	40.75
3	OBC						
		No	0	0	0	1.5	1.5
		Total	34	5.25	1.5	1.5	42.25
		Yes	4.25	7.75	0	0	12
4	General	No	0	0	0	1.5	1.5
		Total	4.25	7.75	0	1.5	13.5
		Yes	72.25	16.75	6.25	0	95.25
	Total						
		No	0	0	0	4.75	4.75
		Total	72.25	16.75	6.25	4.75	100

**Source – Primary data** 

The caste system is well recognized as having strong roots in India, and the rural areas examined here are no exception. It has been shown that the caste system has a major impact on the social class system. In this research, the castes are broken down into four groups for the sake of analysis. Among these groups are the Most Deprived, the Most Backward, the Most Deserving, and the Most Promising.

Table 2 defines the parameters for evaluating the economic situation based on the availability of APL, BPL, and Anthodia ration cards, and it shows that 72.25 percent of respondents have a BPL ration card; among them, 34 percent are from the Other Backward Classes, 17.5 percent are from the Scheduled Tribes, and 16.5 percent are from the Scheduled Castes. Among the general population, 4.25 percent of respondents had the BPL Card.

According to the APL card, the general category has 7.75%, the OBC group has 5.25%, and those who follow the ST have 2.25%. In addition, the Anthodia Card is held by 3% of ST responders. In addition, 42.25 percent of respondents from the other backwards group who have ration cards of various types report that they may be living below the poverty line because of their MGNREGS enrollment.

Sr. No. No. Times Percentage Frequency 1 to 3 Times 129 64.5 4 to 8 Times 23 11.5 3.5 9 to 12 Times 41 None (Never demanded forwork) 20.5 200 Total 100.0

Table No. 3: Number of Times Respondents are Demanded for the Work

**Source: Primary source** 

The number of times respondents sought out direct authorities and political leaders at the village level for demand employment available under the plan is shown in Table 3. Twenty-one percent of respondents say they have never been formally recruited for MGNREGS work, but that they do show up for large-scale projects (such as those involving natural bodies, forestation, canal construction, or bush cutting).

Sixty-four percent of those who answered the survey had made one to three job inquiries to emergency responders. While 11.5% of respondents were asked for jobs 4-8 times, 3.5% were approached 9-12 times. Due to their economic backwardness, they seem to be too reliant on the MGNREGS.

Finally, it was discovered that 64.5% of respondents demanded job between once and thrice, suggesting that many of them desperately want employment. Twenty-one percent of those who filled out the survey said they were never contacted about MGNREGS jobs.

Table No. 4: Work Provided after Number of Days Given Written/Oral Intimation

Sr. No.	Number of days	Frequency	Percentage
1	Less than 15 days	127	63.5
2	16 to 30 days	19	9.5
3	31 to 60 days	9	4.5
4	None (Never demanded forwork)	45	22.5
	Total	200	100.0

**Source: Primary source** 

The number of days it takes to complete a job once a request has been submitted in writing or verbally requested is shown in Table 4. Some 63.5% of respondents found employment within 15 days of submitting an application; 9.5% found employment during 16-30 days; 4.5% found employment within 31-60 days. Which may to be supplied the task in set time by the field assistant; alternatively, there are provisions in the act to offer unemployment compensation where about fails in facilitating the work under the MGNREGS.

No one who responded to the survey seemed to be aware of the act's provisions for people receiving unemployment benefits, possibly because 53.5 percent of respondents were illiterate and the rest had only completed elementary school. What's more, while the vast majority of respondents said they were aware of the act's provisions for beneficiaries, verification showed that their understanding varied widely from person to person.

### **CONCLUSION**

The MGNREGS in India is a model of a rights-based program that has successfully combined the goals of bolstering rural employment and ensuring stable household incomes. MGNREGS is a risky intervention that draws on the successes of comparable PWPs with regional geographical reach to provide a living wage and social security to rural households in need for a total of 100 days. Based on these findings, it's clear that MGNREGS has made and will continue to make significant contributions to reforestation and afforestation as part of its land development goals to help agricultural communities in developing countries become less susceptible to climate change-related disasters like droughts and floods. It is widely acknowledged that the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGS), in conjunction with other government forest development programs, has the potential to promote afforestation and reforestation in Indian states by giving locals more control over forest management and increasing their economic security. However, rolling out the construction of forests as rural assets and placing focus on their care will guarantee that they are accorded their full significance for the long-term benefit of disadvantaged rural families. This research demonstrates the need of evaluating the condition of village forest ecosystems, in particular the effectiveness of forest production systems put in place by MNREGS. Additionally, there has been no substantial social and economic shift in the quality of life of rural people. In rural areas, poverty is not hopeless. The plan helped alleviate poverty temporarily, however. Water conservation, flood management, irrigation canal building, plant-planting, etc., should be incorporated in the design to help alleviate poverty.

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