

# Impact of MGNREGA on Socio Economic Demography: An evidence from FY 2013-14 and FY 2017-18

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“We want our own people, people who will fight tooth and nail for our interest and secure privilege for the under-privileged, people who will undo the wrongs done to our people, people who will voice our grievances fearlessly, people who can think, lead and act, people with principles and character. Such people should be sent to the legislatures. We must send such people to Legislatures who will be slaves to none but remain free to their conscience and get our grievances redressed.” - **Dr. B.R. Ambedkar** [6]

**Abstract-** Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005, was notified on 7 September 2005. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is the Government of India's largest rural development programmes and is also a radical shift from the earlier programmes in terms of its demand-driven and rights-based architecture. Undoubtedly, the achievements of MGNREGA have been significant since its inception; however, the Act has the huge potential to eradicate poverty, an even greater role in ensuring productive assets and sustainable livelihoods. The mandate of the Act is to provide 100 days of guaranteed wage employment in a financial year (FY) to every rural household whose adult members volunteer to do unskilled manual work. The study is mostly focused on marginalized section of rural India and their performance comparison trend with successive government in power.

MGNREGA has become a fundamental instrument for inclusive growth in rural India through its impact on social protection, livelihood security and democratic governance. Albeit the MGNREGA is a strategic programme in its essence by itself but this paper is the evidence from the FY 2013-14 and FY 2017-18 which is the study of marginalized section of Indian society i.e. Scheduled Castes (SCs) and Scheduled Tribes (STs) and the impact of MGNREGA on weaker section of rural India.

**Index Terms-** Employment, Poverty, Scheduled Caste, Scheduled Tribes.

## I. INTRODUCTION

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA), 2005 is a world know scheme of government of India and it is the brainchild of Indian National Congress who adopted this when UPA government led by Dr. Manmohan Singh was in power. The fundamental objective is to provide 100 days job guaranteed to the poor's for the sustainable livelihood and social security for Scheduled Castes (SCs) and Scheduled Tribes (STs), women, disabled and non-SC/ST. It is evident that, since its inception MGNREGA has achieved remarkable target cited aforesaid and especially for Scheduled Castes (SCs) and Scheduled Tribes (STs) and women of rural India.

MGNREGA in its essence is the strategic programme centrally implemented & centrally funded which not only averts about the 100 days guaranteed jobs but it has also some other significant roles to play with a concrete objectives to achieve them and ensure that rural India is prospering with all dynamism.

The objectives [1] of the programme include:

- ✚ Ensuring social protection for the most vulnerable people living in rural India through providing employment opportunities.
- ✚ Ensuring livelihood security for the poor through creation of durable assets, improved water security, soil conservation and higher land productivity.
- ✚ Strengthening drought-proofing and flood management in rural India.
- ✚ Aiding in the empowerment of the marginalized communities, especially women, Scheduled Castes (SCs) and Scheduled Tribes (STs), through the processes of a rights-based legislation.
- ✚ Strengthening decentralized, participatory planning through convergence of various anti-poverty and livelihoods initiatives.
- ✚ Deepening democracy at the grass-roots by strengthening the Panchayati Raj Institutions (PRIs).
- ✚ Effecting greater transparency and accountability in governance.

The study is the evidence from the FY 2013-14 and FY 2017-18 to know about the successive government efforts to empower, provide employment opportunities, social security and a sustainable livelihood to the marginalized section of rural India.

## II. OBJECTIVES OF PAPER

1. To study the role of MGNREGA in an economic development in rural India
2. To study the role of MGNREGA & its impact on Scheduled Castes (SCs), Scheduled Tribes (STs), and non-SC/ST states wise.

- To study the impact of MGNREGA on marginalized section of rural India with comparing the performance for the FY 2013-14 and FY 2017-18.

### III. RESEARCH METHODOLOGY

The paper is based on secondary data and collected from website of MGNREGA [7] followed by articles, newspapers, government reports, magazines etc. Graphs and tables have been prepared manually using Microsoft Excel that has been used to analyze the data. Data has been cleaned using a tool Rapidminer specialized for data mining as data has been collected from MGNREGA website.

The Selected Socio-Economic Statistics India, 2011, government of India census has been used for the population density of Scheduled Castes (SCs) and Scheduled Tribes (STs).

#### The role of MGNREGA in economic development of rural population

As per the government report on “India’s Economic Performance in 2017-18” [6] it is evident that GDP growth of over 7% for the third year in succession in 2016-17, the Indian economy is headed for somewhat slower growth, estimated to be 6.5% in 2017-18, as per first Advance Estimates released by CSO. This is slightly lower than the range of 6.5% to 6.75% being currently projected based on recent developments. With Gross Domestic Product (GDP) growth averaging 7.5% between 2014-15 and 2016-17, India can be rated as among the best performing economies in the world on this parameter.

Albeit with aforesaid Gross Domestic Product (GDP) India is still lagging behind to empower & secure the marginalized section of rural India. The economy of India is the sixth-largest in the world measured by nominal GDP and the third largest by purchasing power parity (PPP). The country is classified as a newly industrialized country, and one of the G-20 major economies, with an average growth rate of approximately 7% over the last two decades but one must have to have a cognizance that despite such a good economic condition why marginalized section is still under depression.

India is still an agriculture based developing country and as per the latest census of 2011, India’s rural population is 68.84% and urban population is estimated to be 31.16%. After the new NDA government led by Narendra Modi came into power in 2014 with a huge margin today we have envisaged with acute pressure on rural India especially on marginalized section of rural India. MGNREGA is the “de facto” scheme especially for rural India to provide 100 days job guaranteed with an average wage distribution as per the MGNREGA Act but it has been not maintained properly wherein the NDA government has cut the financial allocation under MGNREGA. While the UPA government spent Rs 39, 778.27 Crore and Rs 38, 552.62 Crore on the scheme in 2012-13 and 2013-14, respectively, the spending went down to Rs 36, 033.81 Crore and Rs 34, 226.80 Crore in 2014-15 and 2015-16 respectively. Funds with states have dried up and 14 states, including Andhra Pradesh, have shown a negative balance.

The tribal population of the country, as per 2011 census [4], is 10.43 Crore, constituting 8.6% of the total population. 89.97% of them live in rural areas and 10.03% in urban areas. The decadal population growth of the tribal’s from Census 2001 to 2011 has been 23.66% against the 17.69% of the entire population. The Scheduled Castes comprise about 16.6 % population in India. So far there is difference between the performance the UPA government & NDA government with respect to MGNREGA and its impact on marginalized section of rural India.

#### MGNREGA & its impact on marginalized section of rural India

There is a significant evidence of total household reached 100 days limit for the FY 2013-14 and FY 2017-18 while comparing and it has been noted that the number of households reached 100 days limit for the FY 2013-14 and FY 2017-18 is 4444866 and 2209180 respectively as shown in [Fig 1] wherein the number of household reached 100 days limit has been decreased by 2235686 households.

Total households reached 100 day limit FY 2013-14	Total households reached 100 day limit FY 2017-18
<b>4444866</b>	<b>2209180</b>

Fig 1: Total households reached 100 days limit for the FY 2013-14 and FY 2017-18

Along with that there is a significant trend which can be seen across the Indian states and it is evident that FY 2017-18 performances is negative than the FY 2013-14 on total household reached 100 days limit as shown in [Fig 2]. The impact of MGNREGA on total households reached 100 days limit was better for the FY 2013-14 across the Indian states.

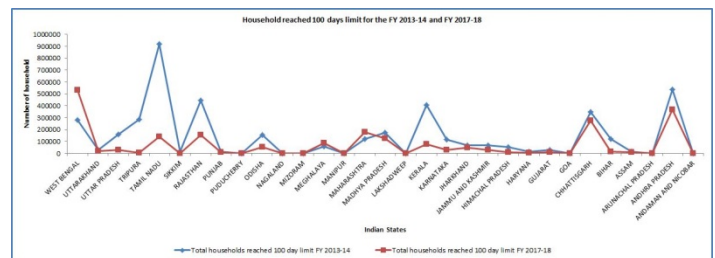


Fig 2: Trend analysis across the state for the FY 2013-14 and FY 2017-18.

The study of total person-days worked (non-SC/ST) FY 2013-14 and total person-days worked (non-SC/ST) FY 2017-18 is having marginal difference wherein total person-days worked (non-SC/ST) FY 2013-14 and total person-days worked (non-SC/ST) FY 2017-18 stood at 1250846811 and 1274495090 respectively as shown in [Fig 3]. The difference between the financial years is 23648279, slight better than FY 2013-14.

Total person-days worked (non-SC/ST) FY 2013-14	Total person-days worked (non-SC/ST) FY 2017-18
<b>1250846811</b>	<b>1274495090</b>

Fig 3: Total person-days worked (non-SC/ST) FY 2013-14 and FY 2017-18.

Trend analysis across the Indian state shows that there is a marginal increase in total person days worked (non-SC/ST) in the FY 2017-18 than the FY 2013-14 as shown in [Fig 4]. It is a good sign for non-SC/ST population of rural India that the impact of MGNREGA on non-SC/ST is positive, year on year basis, albeit the case is different for SC/ST population of rural India.

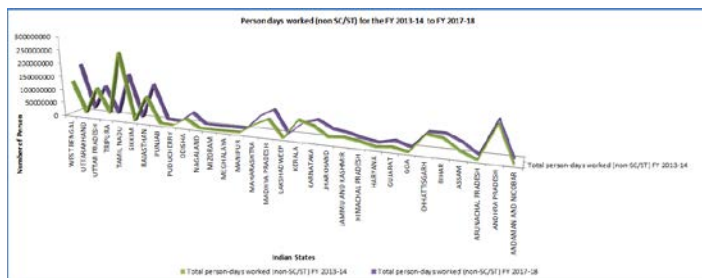


Fig 4: Trend analysis across the state for total person-days worked (non-SC/ST) FY 2013-14 and FY 2017-18.

The total person-days worked by Scheduled Castes (SCs) FY 2013-14 and the FY 2017-18 is showing a negative performance wherein total person days worked by SCs FY 2013-14 and FY 2017-18 stood at 475698481 and 452093511 respectively as shown in [Fig 5]. The difference is 23604970, thereby showing a negative performance for the Scheduled Castes (SCs).

Total person-days worked by SCs FY 2013-14	Total person-days worked by SCs FY 2017-18
<b>475698481</b>	<b>452093511</b>

Fig 5: Total person-days worked by SCs FY 2013-14 and the FY 2017-18.

Across the Indian states, the performance shows a negative trend for the Scheduled Castes (SCs) population of rural India which is a growing concern in the FY 2017-18 regarding their social security and livelihood albeit the performance was better in the FY 2013-14 as shown in [Fig 6].

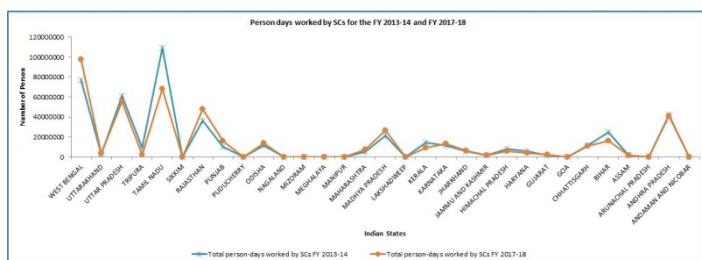


Fig 6: Trend analysis across the Indian states, total person days worked by SCs FY 2013-14 and FY 2017-18.

The total person-days worked by Scheduled Tribes (STs) FY 2013-14 and FY 2017-18 is also showing the negative performance wherein the total person-days worked by Scheduled Tribes (STs) FY 2013-14 and FY 2017-18 stood at 361804282 and 345079129 respectively. The difference between both the financial years is not showing the good year for the Scheduled Tribes (STs) population of rural India as shown in [Fig 7].

Total person-days worked by STs FY 2013-14	Total person-days worked by STs FY 2017-18
<b>361804282</b>	<b>345079129</b>

Fig 7: Total person days worked by STs for the FY 2013-14 and FY 2017-18.

The trend analysis across the Indian states is not showing a good performance on Scheduled Tribes (STs) for the FY 2017-18 albeit it was better in the FY 2013-14 as shown in [Fig 8].

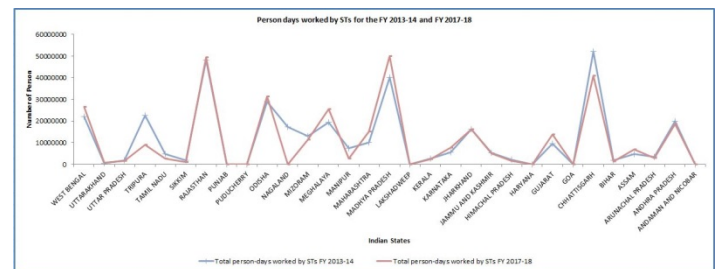


Fig 8: Trend analysis across the Indian states for total person days worked by STs for the FY 2013-14 and FY 2017-18.

The total Scheduled Castes (SC) households over 100 day limit FY 2013-14 and FY 2017-18 is showing the number of households decreased in the FY 2017-18 and the performance level is not up to the mark wherein total SCs households over 100 days limit FY 2013-14 & FY 2017-18 stood at 950516 and 465865 respectively as shown in [Fig 9]. The difference between both the financial years is 484651, which is the huge margin and the performance is not good in the FY 2017-18.

Total SC households over 100 day limit FY 2013-14	Total SC households over 100 day limit FY 2017-18
<b>950516</b>	<b>465865</b>

Fig 9: Total SC households over 100 days limit FY 2013-14 and FY 2017-18.

The trend analysis across the Indian states is showing the bad performance which is the concern in the FY 2017-18 and the livelihood of the SC households are at peril albeit the condition was good in the FY 2013-14 as shown in [Fig 10].



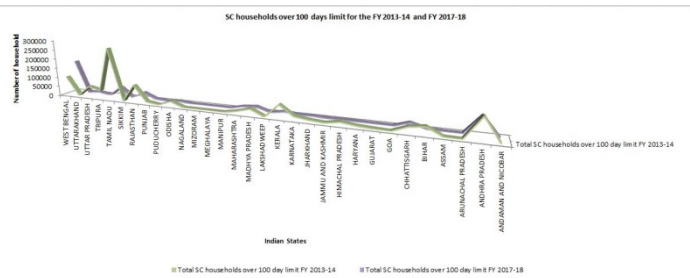


Fig 10: Trend analysis across the Indian states, total SC households over 100 days limit, FY 2013-14 and FY 2017-18.

The total Scheduled Tribes (STs) households over 100 days limit for the FY 2013-14 and FY 2017-18 is showing a negative performance specifically against the number of households wherein the total ST households over 100 days limit for the FY 2013-14 & FY 2017-18 stood at 826222 and 454168 respectively as shown in [Fig 11]. The difference between both the financial years is 372054 which is again not the satisfactory performance of MGNREGA.

Total ST households over 100 day limit FY 2013-14	Total ST households over 100 day limit FY 2017-18
826222	454168

Fig 11: Total ST households over 100 days limit FY 2013-14 and FY 2017-18.

The study of trend analysis across the Indian states of total ST households over 100 days limit for the FY 2017-18 is very poor in the performance albeit the performance was good in the FY 2013-14 as shown in [Fig 12].

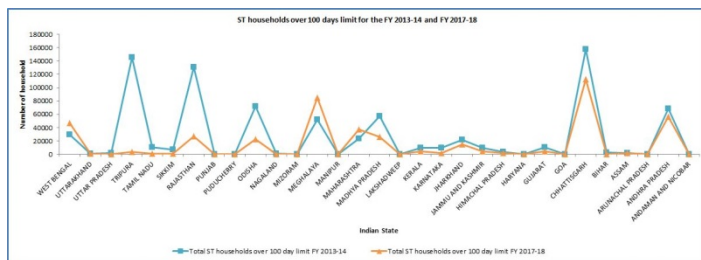


Fig 12: Trend analysis across Indian states, total ST households over 100 days limit for the FY 2013-14 and FY 2017-18.

#### IV. CONCLUSION

The above study is an evidence from successive government which states that the performance of MGNREGA in the FY

2013-14 when the UPA government was in power led by Dr. Manmohan Singh is better than the present NDA government led by Shri Narendra Modi especially for the marginalized section of rural India specifically for Scheduled Castes (SCs) and Scheduled Tribes (STs).

The government of India led by Shri Narendra Modi must empower the MGNREGA in such a manner that it ensures the marginalized section of rural India so that they are not deprived of social security and a sustainable livelihood as that is the sole responsibility of government of India under the MGNREGA Act. Ministry associated to it must allocate funds appropriately and there shouldn't be any reduction on funds thereby to avoid late payments. The decadal population growth of the tribal's from Census 2001 to 2011 has been 23.66% against the 17.69% of the entire population can be seen and keeping in mind resources must be appropriately used to ensure that the objectives of MGNREGA are fulfilled across the Indian states.

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