

# **Impact of MGNREGA on Socio-Economic Upliftment of Rural People in Jabalpur, Madhya Pradesh**

## **Abstract**

National Rural Employment Guarantee Act (NREGA) was enacted by legislation on August 25, 2005 and it was later renamed as the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) on 2nd October 2009. The MGNREGA has completed fifteen years since its beginning in India". The target of the scheme is to improve livelihood security of the household in rural areas of the country by giving at least 100 days of guaranteed employment in every financial year of every household whose adult member volunteers to do the unskilled work. The present study conducted in Jabalpur district of Madhya Pradesh has examined the impact of MGNREGA on socioeconomic Upliftment beneficiaries. The study is based on random sample of 245 respondents. The survey is done through a questionnaire and direct interviews. Based on observation, it is concluded that there is change in the income generation category and annual income.

**Keywords:** MGNREGA, Households, work guarantee, socio-economic Upliftment.

## **Introduction**

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) act has laudable objectives of providing a work guarantee to the poor rural households on one hand and creating a quality asset, strengthening rural resource base, ensuring social inclusion, and strengthening the Panchayati Raj institutions on the other. However, questions have been raised about the timing and purpose of the act, its design and structure, the logic of state intervention in labour market in an era of liberalization, likely impacts of the programme on asset creation and economy and its overall success.

The increase in income through additional wages is very little. The meager increase in income does not contribute much to the economic condition of the household. The largest proportion of estimated benefited households feel most of the money is used for food, medicine, and clothes for the family members i.e., 81%, 55%, 41% respectively. As mostly only earthen works are taken under the MGNREGS, the study reveals that there is a significant increase in the irrigation land as compared to the cultivable land. Thus, there is shift in growing of cash crops rather than old or normal crops, therefore a significant number

of People do see an impact of MGNREGS at the village level. As high as 68% households have said that there is an impact of MGNREGS on the village. Most of the people (75%) see development of approach roads as the most important impact followed by increase in surface water (42%). People also see ground water (29%) and drinking water (29%) as important impact of MGNREGS in the village. Hence, in this context the present study was undertaken to study the impact of MGNREGA on socio-economic upliftment of respondents in the study area.

### **Materials and methods**

The study will be undertaken in the Jabalpur district of MP state. Jabalpur district comprises of 7 blocks out of which 2 blocks, namely Majhouli and Kundam were selected purposely, because of having maximum number of MGNREGA beneficiaries. The *'Ex-Post-Facto'* research design and multi-stage sampling technique was used for the study. A list of beneficiaries will be prepared with the help of DDA Office and selected from each block thus the total population are 50079. The sample size will be 245 which are calculated with the help of online sampling calculator where is population size (N) 50079, confidence level is 95%, margin of error is 5% and sample proportion is 0.2. The data were collected through personal interview schedule.

### **Results and discussion**

#### **Impact of MGNREGA on Socio-Economic Upliftment of Beneficiaries**

From the perusal of data presented in Table 1 and Fig. 1 revealed that before MGNREGA, majority of beneficiaries (89.39%) had low income generation, followed by medium (10.61) and not a single beneficiary had high income generation. After MGNREGA, 53.47 per cent of beneficiaries had medium income generation, while 40.41 per cent of beneficiaries had low income generation and 6.12 per cent of beneficiaries had high income generation.

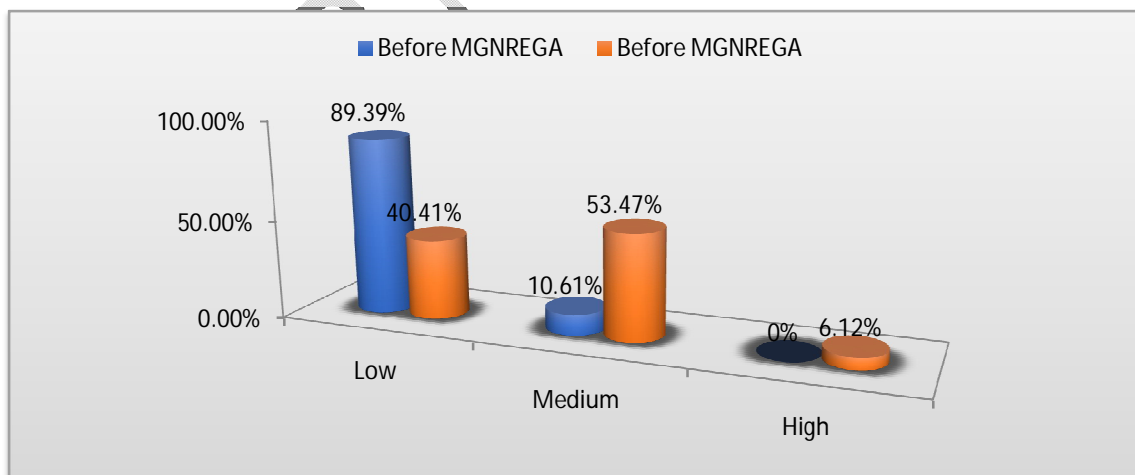
**Table: 1 Distribution of beneficiaries according to their income generation before and after MGNREGA**

S. No.	Categories	Before		After	
		Frequency	Percentage	Frequency	Percentage
1	Low	219	89.39	99	40.41
2	Medium	26	10.61	131	53.47
3	High	0	0.00	15	6.12
<b>Total</b>		<b>245</b>	<b>100.00</b>	<b>245</b>	<b>100.00</b>
<b>Mean</b>		<b>1.90</b>		<b>2.33</b>	
<b>Variance</b>		<b>0.30</b>		<b>0.29</b>	
<b>Z Test</b>		<b>-8.81</b>			

Significant at 0.05 level of probability, z tab = 1.96

Hence, it can be concluded that before MGNREGA, majority of beneficiaries (89.39%) were low income generation category, while after MGNREGA majority of beneficiaries (53.47%) had in medium income generation. Ganeriwala (2010), Ganguly and Narayan (2017) and Upadhyay (2020) observed the same findings.

Further, the data illustrated the inferential statistics of the beneficiaries' income generation pre and post-MGNREGA. The test results reveal that the z-calculated value (-8.81) is greater than the z-table value. The null hypothesis was rejected and it can be concluded that MGNREGA has contributed to income generation among beneficiaries.



**Fig: 1 Distribution of Beneficiaries according to income generation**

## **Conclusion**

The study revealed that before MGNREGA, majority of beneficiaries (89.39%) were low income generation category, while after MGNREGA majority of beneficiaries (53.47%) had in medium income generation.

## **References**

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