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

ABSTRACT

The present study was undertaken to investigate the impact of MGNREGA on socio-economic upliftment of respondents in Madhya Pradesh, India. 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.

1. 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" [4-6].

The increase in income from additional wages is minimal. The modest increase in income has little impact on the household's financial situation. 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. The study reveals that there is a significant increase in the irrigation land compared to the cultivable land because primarily only earthen works are covered by the MGNREGS. Therefore, there has been a shift toward growing cash crops rather than old or normal crops, and as a result, a sizable number of People have noticed the effects of MGNREGS

at the village level. The impact of MGNREGS on the village has been reported by as many as 68% of households. Development of approach roads is deemed to have the greatest impact by the majority of people (75%) followed by an 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.

2. MATERIALS AND METHODS

The study was undertaken in the Jabalpur district of MP state. Jabalpur district comprises of 7 blocks out of which 2 blocks, namely Majhoul 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 was 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.

3. RESULTS AND DISCUSSION

3.1 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
Total		245	100.00	245	100.00
Mean		1.90		2.33	
Variance		0.30		0.29	
Z Test		-8.81			

Significant at 0.05 level of probability, z tab = 1.96

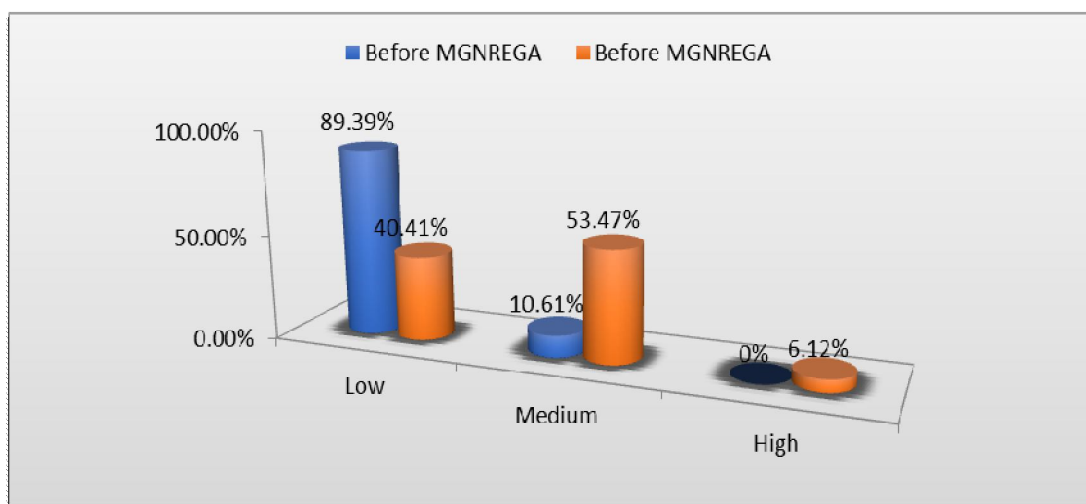


Fig. 1. Distribution of Beneficiaries according to income generation

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 [1], Ganguly and Narayan [2] and Upadhyay [3] 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.

4. 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.

COMPETING INTERESTS

Authors have declared that no competing interests exist.

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