



A Study on the Socio-Economic Development of the MGNREGA Workers in Theni District, Tamilnadu.

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ABSTRACT

The study has analyzed MGNREGA workers in socio-economic development. MGNREGA is pioneering schemes to bring forth employment to rural people of India. The intrinsic aim of the Mahatma Gandhi National Rural Employment Guarantee Act is to augment the subsistence security of households in rural areas. This scheme gives a guarantee of employment to unskilled rural labourers for 100 days. With better implementation, such type of scheme may be a powerful sword to fight against poverty. It also aims at transforming rural areas by improving the economic conditions of people. The Rural economy is the back of Indian economic development. Employing rural households will certainly uplift the economy. In this article, an effort has been made to analyze the economic development of the MGNREGA scheme on the life of beneficiaries of the Theni district.

Keywords: MGNREGA, Rural people, Socio-Economic development.

INTRODUCTION

“If poverty is a disease that infects the entire community in the form of unemployment and violence, failing schools and broken homes, then we can’t just treat those symptoms in isolation. We have to heal that entire community.” — President Barack Obama, 44th and current President of the U.S.

The Mahatma Gandhi National Rural Employment Guarantee Act, 2005 (MGNREGA) was notified on September 7, 2005; it came into force on February 2, 2006, in 200 backward districts. The act was first proposed in 1991 by P.V. Narasimha Rao. It was finally accepted in the parliament and commenced implementation in 625 districts of India. Based on this pilot experience, NREGA was scoped up to cover all the districts of India from 1 April 2008. The statute is hailed by the government as “the largest and most ambitious social security and public works programme in the world”. In its World Development Report 2014, the World Bank termed it a “stellar example of rural development”. As of 11th February, 2021, 708 districts are covered.

It provides social protection for the most vulnerable people living in rural India by guaranteeing wage employment opportunities. The MGNREGA programme is the world's largest social welfare programme. Several lakhs of villagers have been lifted out of rural poverty as a result of the initiative.

Review of Literature

There are many studies conducted on the Socioeconomic Development of the MGNREGA workers lively hood security which are reviewed as follows.

Rahmatullah (2013)¹ stated that “MGNREGA: The Role in Inclusive Growth” MGNREGA has increased the standard of living in rural areas which will motivate people to migrate to the urban areas due to increased income and standard of living. He also clarified that many persons associated with MGNREGA are not fully satisfied due to the non-availability of work and sometimes due to hard work being given to them. According to him, Government has to amend the MGNREGA to provide work employment opportunities to unskilled labour.

Santhosh et al., (2014)² studied the “Performance of MGNREGA to Poverty Reduction: Study in Pauri Garhwal District Uttarakhand”, with the objectives of analyzing the employment generated and the increased income of the beneficiaries to analyse the durable assets created by the scheme and its contribution to the village economy. The study reported that the scheme continues to supplement the income of the beneficiaries and create durable assets for rural people. The MGNREGA scheme has made a positive impact on the reduction of poverty directly and indirectly.

Objective

To present study was conducted with the objective of socioeconomic development of the MGNREGA sample respondents.

Hypothesis

H₀:MGNREGA scheme does not influence the level of Income, Food and Non-Food Expenditure.

Research Methodology

This study is based on information gathered through in-depth fieldwork in the Theni district. Primary data are collected for this study.

Sample Design

The sample for the study has been collected from the 613 sample respondents of MGNREGA workers in the Theni District. A Proportionate Stratified Random Sampling technique has been adopted in selecting the samples.

Tools for Analysis

Statistical Package for Social Sciences (SPSS) was used for the analytical purpose of the study and simple, statistical tools such as

- Percentage Analysis
- Paired sample ‘T’ Test

Percentage Analysis

The percentage analysis is mainly carried out to determine the percentage of the respondents falling under each category. This analysis also helps to standardize the respondent's opinion on various aspects.

The percentage represents the number of parts of 100. It can be calculated as under

$$\% = \frac{\text{Given the value to be compared with the base}}{\text{A base value used for comparison}} \times 100$$

Paired Sample 'T' Test

There are no independent samples, but the same sample could be used to do a research study involving two measurements. This test is used to study the MGNREGA Sample Respondents, MGNREGA Scheme, Before Economic Status, and MGNREGA after economic status.

Socio-Economic Characteristics of the MGNREGA Workers

The socio-economic characteristics of the MGNREGA workers in the study area. The impact of the MGNREGA Scheme on income and expenditure patterns in the Theni District of Tamil Nadu is discussed.

The selected panchayats had been chosen for discussion for getting qualitative information through interactions with men and women belonging to different age groups, different communities with different economic statuses and with different economic backgrounds.

A frequency test to check the influence of the socio-economic profile of MGNREGA workers was carried on.

Data Analysis and Interpretation

This paper attempted to present the socioeconomic characteristics of the MGNREGA sample respondent in the study area. The impact of 100 days of wage employment through the MGNREGA scheme on Income, Food and Non-Food expenditure, patterns in the study area is discussed. The socio-economic characteristics of the sample respondents include Age, Gender, Marital status, Qualification, Occupation and income.

Table.1.Socio economic variables of MGNREGA sample Respondents

Variables	Options	No. of Respondents	Percentage
Age	Below25	67	10.9
	26-35	236	38.5
	36-45	145	23.7
	Above45	165	26.9
	Total	613	100
Gender	Male	100	16.3
	Female	513	83.7
	Total	613	100
Marital status	Married	570	92
	Unmarried	10	1.6
	Widower	33	6.4
	Total	613	100
Educational	Illiterate	166	27.2

satisfaction	Primary	145	23.2
	High school	220	36.2
	Hr.sec.school	82	13.4
	Total	613	100
Occupation	Cooly	145	23.7
	Agri labour	236	38.5
	Contract work	67	10.9
	Other work	165	26.9
	Total	613	100
Annual Income	10000-20000	-	-
	20000-30000	53	9.0
	30000-40000	305	50.0
	40000-50000	155	25
	Above50000	100	16
	Total	613	100

Source: Primary data

It is observed from Table .1 that, out of the total respondents, 83.7 per cent are female whereas the remaining 16.3 per cent are males. Hence the majority of the MGNREGA workers are female in the study area. 236 (38.5 per cent) workers are in the age group of 26-35 years. The majority of the respondents are married. They constitute 92 per cent of the total and 236 (38.5 per cent) come under the category of Agricultural Labourers.

The level of education among the respondents. The highest level of education among them is high school which constitutes 36.2 per cent of the total. reveals that after MGNREGA Scheme that the 53 respondent's families are between Rs.20000 to 30000. Rs.30000 to 40000 are earned by 305 respondents (50 per cent). It is concluded that the majority of the respondent's family income comes under the income range of Rs.30000-40000 in the study area.

socio-economic development in MGNREGA workers

In the present study, the Mahatma Gandhi National Rural Employment Guarantee Act is the 100 days wage employment in a financial year for every household. So people in rural areas are benefited from this scheme. So people in the rural area are more benefited out of this scheme. So it was decided to study the economic status of the respondents Before and After joining the MGNREGA by testing Hypotheses.

Table.2 Paired sample T-test for Income, Food and non-Food Expenditure Per Annum

Variable	Mean Difference	Std Deviation	t Value	Degrees of freedom	2 tail Significance
Before&After Income	-16060.8	580.765	-684.70	612	.000
Before&After Food Expenditure	-10866.2	1925.565	-139.65	612	.000
Before&After Non-food expenditure	-10866.2	1925.565	-139.65	612	.000

From the estimated Results it is inferred that the estimated 't' value is Income -684.70, Food Expenditure -139.65, and Non-food expenditure -139.65 which is significant at the 5% level. Therefore reject

the null hypothesis. After Joining the MGNREGA scheme influence the level of income, Food and non-food expenditure.

Findings

- It is found that out of 613 respondents, 83.70 per cent are female and the remaining 16.30 per cent are males.
- It is observed that out of 613 respondents majority of 236 (38.50 per cent) of the workers are in the age group of 26-35 years.
- It is evident out of 613 respondents majority of the respondents 570 married (93 per cent).
- It shows that the level of education among them is high which constitutes 220 (36.20 per cent) of the total.
- It is evident out of 613 workers, the majority of workers 236 (38.50 per cent) come under the category of agricultural labourers.
- That the majority of the family income 50 per cent sample respondents was grouped between 3000-4000.
- Before and after the MGNREGA sample respondent income this value of 16060.80 is greater than the significance level of 0.05, so the null hypothesis was rejected. The MGNREGA scheme does not influence the level of Income.
- Before and after the MGNREGA sample respondent food expenditure this value of 10866.20 being greater than the significance level of 0.05, the null hypothesis was rejected. The MGNREGA scheme does not influence the level of food expenditure.
- Before and after MGNREGA sample respondent non-food expenditure this value of 1914.19 was less than the significance level of 0.05, so the null hypothesis is rejected. The MGNREGA scheme does not influence the level of non-food expenditure.

Conclusion

This paper evaluates the impact of MGNREGA as measured by the changes in income and expenditure level particularly food items, and non-food expenditure-related aspects. The results suggest that the MGNREGA has a significant impact in alleviating rural poverty by enhancing household income. Further, MGNREGA appears to have a substantial effect on the food security of the participating households. There is an increased expenditure on food before MGNREGA compared to after MGNREGA. MGNREGA started as a poverty alleviation programme that aims to provide a livelihood to poor people. It was provided that it will remove poverty and improve the standard of living of the people living in the rural areas of the country. This study aims to assess the socio-economic development of MGNREGA on the standard of living of the people in the study area. At last, it was concluded that MGNREGA creates a positive impact on the socio-economic status of the people.

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