

Study on impact of NREGA in district Allahabad

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■ **ABSTRACT :** The present study was done on impact of NREGA. Two blocks –Chaka and Mohabbatganj of Allahabad district were selected randomly. The analysis was done on the basis of both primary and secondary data. The introduction of the scheme improved the debt-servicing capacity of the poor households and also helped in reducing the liabilities. The households spent their income mainly on household expenses and on education and clothing of the children. There has been minimum increase in the livestock population after the implementation period. High participation of women was likely to empower them socially, economically and politically. 36.4 per cent of the respondents reported that the women were socially empowered. 43.8 per cent of the women respondents said that they were economically empowered. It was reported that women enjoyed freedom in spending the money they earned and 17.6 per cent women beneficiaries reported that they were politically empowered as they participated in decision making process under the scheme.

■ **KEY WORDS :** NREGA, Rural labour, Family income, Employment

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The National Rural Employment Guarantee Act (NREGA) 2005 is landmark legislation in Indian history of social security legislation after independence. The unique feature which distinguishes this scheme from previous employment programmes is that the NREGS is endorsed by a legal guarantee. This is a major step forward in the sense that it makes 100 days of employment or payment of unemployment benefit in lieu of that, an enforceable right of citizen to demand employment. Thus, NREGA is a public works programme with a difference, which moves away from being a purely supply-side intervention to one which caters to demand for wage employment at individual/family level in rural areas. The National Rural Employment Guarantee Scheme aims at enhancing the livelihood security of the people in rural areas by guaranteeing hundred days of wage employment in a financial year, to a rural household whose adult members volunteer to do unskilled manual work. The objective of the scheme is to create durable assets and strengthen the livelihood resource base of the rural poor. The Act envisages that the schemes will lead to large scale creation of livelihood assets in rural areas which can have a sustainable impact on

rural poverty. Every programme/scheme is designed with a very clear and focused objective. As mentioned earlier, the NREGA was launched by GOI to have a direct impact on the rural households in terms of their increased opportunity for wage employment on one hand, and in creating livelihood assets in the farm and non-farm sector, on the other. With this perspective, GOI, as a part of its developmental mandate, has invested a huge sum of money in the promotion and implementation of NREGA across all the districts in the country. The implementation of the programme has indicated a need to undertake the impact assessment to identify within district and across the state, efficient management practice, procedures, process, factors that contribute to good performance and the positive outcome and impact generated. Therefore, it is worthwhile to see what impact the NREGA has been able to make on the village community. Has the scheme been able to justify its existence in terms of achieving its envisaged objectives? Whether the performance of NREGA has been uniform across the different district in U.P.? The NREGA has great potential for increasing the volume of employment among the rural unemployed and underemployed.

It provides ample opportunities for creating rural public assets, which has been largely neglected. It helps to enhance the purchasing power of rural households, thereby contributing to poverty alleviation. It also has the capacity to tap the hitherto under-utilized labour of women in developing rural India. By providing equal wages to both men and women, NREGA upholds the social position and integrity of women and thus promotes gender equality. Swaminathan (2009) described NREGA as the world's largest ecological security programme, which can successfully strengthen the ecological foundations for sustainable agriculture (The Hindu, June 1, 2009). The NREGA is thus a truly historic opportunity for dramatic socio-economic transformation in rural India (Shah, 2004). Dreze (2007) opines that the MNREGA is one of the greatest experiments to eradicate rural poverty. He further adds that the scheme is both powerful and effective as the implementation of the scheme is styled in genuinely democratic and decentralized manner in a rights based approach altogether different from the earlier Wage Employment Programmes (WEPs). Because of this decentralization and rights based approach on which MNREGA is constructed, large scale participation of masses has been noticed.

Commenting on the effectiveness of the programme Ambasta *et al.* (2008) make a note that immediate objectives of MGNREGA, which is to provide manual employment and decent wages to the neediest in a capable environment has been more or less realized. From Rs. 8,823 crore on the programme in 2006-07, now the allocations of funds for MGNREGA have reached for Rs. 39000 crore or Rs. 390 billion in 2009-2010.

Scanning all the regions that need a scheme like MGNREGA to the immediate effect, Singh (2009) opines that MGNREGA addresses, the 'geography of poverty' as it generates higher employment in the most deprived areas. So far the works taken up number to 3.8 lakh and works in progress 4.5 lakh.

Specializing on the impact of MGNREGA up on agriculture Raghunathan (2009) confirms that an important aspect of the programme (MGNREGA) is its undeniable contribution to capital formation in agriculture. MGNREGA seems to have led to an 18 per cent increase in agricultural wage rate for three important reasons: first, increased demand for labour resulting from increased land productivity, second, higher reservation wage due to off season employment opportunity and third, increased collective bargaining power.

■ RESEARCH METHODS

The sample for the study undertaken comprised of 176 beneficiaries of NREGA in Allahabad district. Two blocks – Chaka and Mohabbatganj were selected randomly. The analysis was done on the basis of both primary and secondary data. The data were collected based on survey questionnaires,

field visits, focused group discussions and interviews with district / block/ village level officials, beneficiaries and other stakeholders

■ RESEARCH FINDINGS AND DISCUSSION

One of the major purposes of the NREGS is to increase the family income of the poor households in the rural areas. It is the direct benefit expected of the NREGS. Even among those who reported change in the family income about 51.7 per cent reported that only a marginal change is realized (Rs.<2500 per annum). The remaining 35.8 per cent reported an increase of more than Rs.2500/- *i.e.*, 2500-5000 per annum in their family income, 7.4 per cent of the beneficiaries reported to no change in their family income while 5.1 per cent reported an increase of more than Rs.5000 per annum. Thus, the change in the average family income in Allahabad district was moderate (Table 1).

Table 1 : Increase in income

Increase in income (Rs.)	Frequency (176)	Percentage (%)
No change	13	7.4
<2500	91	51.7
2500-5000	63	35.8
>5000	9	5.1

From the overall analysis (Table 2), it is found that the income is spent by a sizeable number of respondents for meeting the household expenses. 41.5 per cent spent on education of the children, 22.2 per cent buying food grains. The other expenses met out of the additional income included repayment of old debts (14.2%), buying of assets (11.9%), celebrations (6.3%) and other household activities (4.0%). People opined that the introduction of the scheme improved the debt-servicing capacity of the poor households and also helped in reducing the liabilities. It can be concluded that the households spend the income mainly on household expenses and on education and clothing of the children.

Table 2 : Spending pattern of wages earned under MGNREGA

Spending pattern of wages earned under MGNREGS	Frequency (176)	Percentage
Household activities	7	4.0
Education	73	41.5
Buying assets	21	11.9
Payment of old debts	39	14.2
Buying food grains, clothes	25	22.2
Celebrations	11	6.3

The household savings is a function of the household income and expenditure. It is seen from Table 3 that only 55.1 per cent of the household saved up to Rs. <1250/- per annum. The rest constituting about 35.8 per cent have savings ranging

Table 3 : Impact of MGNREGS on savings (per annum)

Impact of NREGS on saving (per annum)	Frequency (176)	Percentage (%)
No saving	5	2.8
<1250	97	55.1
1250-2500	63	35.8
>2500	11	6.3

from Rs.1250 - Rs.2500, while 6.3 per cent saved Rs. >2500 per annum (Table 3).

There has been increase in the livestock population after the implementation period. Data of Table 4 report an increase in the livestock population especially buffalo, cow, goat and poultry, 13.1, 11.9, 14.2, 5.1 per cent, respectively. 55.7 per cent of the respondents reported that there was not much change in the livestock population. Thus, the NREGS is found to have enabled a few households to buy livestock and adopt it as the secondary occupation for improving their economic condition. It is understood from Table 4 that livelihood opportunities have increased after the introduction of the scheme.

Table 4 : Impact of NREGS on livestock

Livestock	Frequency (176)	Percentage
No change	98	55.7
She buffalo	23	13.1
Cow	21	11.9
Goat	25	14.2
Poultry	9	5.1

The scheme has its focus on poor and marginalized sections of the community. It has sought to do away with discriminating practices in payment of wages to women. The Act has categorically offered equal wages to men and women. Further, the Act emphasized the role of women in the scheme. High participation of women is likely to empower them socially, economically and politically. 36.4 per cent of the respondents reported that the women were socially empowered. They work as group in NREGA resulting in close relationship and connectivity with Panchayats and government officials. They also participate in Grama Sabha meetings and meeting of the Social Audit Committee which earns a status for them in the community. All these give them a sort of social empowerment. 43.8 per cent of the respondents said that the women were

Table 5 : Impact of NREGS on women empowerment

Women empowerment	Frequency (176)	Percentage
No change	4	2.3
Socially	64	36.4
Politically	31	17.6
Economically	77	43.8

economically empowered for obvious reasons. First, they outnumber the men at the worksite but earning equal wages. Second, they supplement and complement the income earned by the male members in the household. Third, the income earned under the scheme especially for the women headed households offer economic independence. Fourth, women enjoyed freedom in spending the money they earned. 17.6 per cent reported that the women were politically empowered as they participate in decision making process under the scheme.

Conclusion :

The study was based on impact of NREGA on rural – urban migration of beneficiaries under NREGA. The change in the family income, about 51.7 per cent reported only a marginal change was realized (Rs.<2500 per annum). The household savings was the function of the household income and expenditure. There has been minimum increase in the livestock population after the implementation period while 55.7 per cent of the respondents reported that there was not much change in the livestock population. High participation of women was likely to empower them socially, economically and politically. 36.4 per cent of the respondents reported that the women were socially empowered. 43.8 per cent of the women respondents said that they were economically empowered. It was reported that women enjoyed freedom in spending the money they earned and 17.6 per cent women beneficiaries reported that were politically empowered as they participate in decision making process under the scheme.

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