

Impact of MGNREGA: A Case Study in an Arid Village of Western Rajasthan

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Abstract: The impact of MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) was studied on socio-economic and ecological lives of desert dwellers in an arid area of western Rajasthan. Analysis of primary data indicated that overall 12.14% of the total income was derived from MGNREGA. The non-availability of labor for timely agricultural operations was primarily due to increased wage rate. Farmers cope up with the situation through use of family labor, mutual exchange of labor and partly hiring from outside. The movement of daily wage laborer for wage earnings to nearby urban centers was declined by 18%. The women empowerment in real sense may take some more time as the program has started only in 2008.

Key words: MGNREGA, impact, women empowerment, socio-economics, poverty alleviation, water harvesting, wage earnings.

The poverty alleviation programs for the rural poor have been introduced time and again in some or other forms. However, the implementation of various programs at the grass root level is not encouraging and therefore, a sizeable part of rural population across the country is still living below the poverty line. Their livelihood is through wage earnings and other miscellaneous occupations. Schumacher (1973) pointed out that the primary consideration to trigger development is to maximize livelihood opportunities for the unemployed and under-employed. In the X-five-year plan wage employment programs remained one of the important components of the anti-poverty strategy. These not only provided employment opportunities during lean agricultural seasons, but also created rural infrastructure in times of floods, droughts and other natural calamities, which supported further economic activity. These programs also put an upward pressure on market wage rates by attracting people to public works programs, thereby reducing labor supply and pushing up demand for labor.

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is a flagship welfare program under the Ministry of Rural Development, Government of India, which provides 100 days of employment for all households in rural areas in manual work, if demanded. This act for the first time brings the role of the state as provider of livelihood

within the reach of participants/beneficiaries themselves. The central government outlay for the scheme was Rs. 40,000 crore in financial year 2010-11. MGNREGA being a demand-driven rural employment scheme, higher wages may prompt higher utilization of the scheme (www.xa.yimg.com). By design it is different from any employment generation scheme that was implemented in the past.

In the rural areas such program has great significance because employment opportunity is very limited with meager wages. The arid area is no exception to it, where a large segment of rural population is underemployed and vulnerable to drought and other weather aberrations. In Rajasthan the program is in operation in all the districts since 2008. It envisages mainly for conserving natural resources, like water, and management of traditional water resources, afforestation, flood control, land development, road construction, etc. Preliminary reports (NGOs) from various regions (Bihar and Orissa) suggest that after launching of the program there has been an improvement in water table, but the non-availability of agricultural labor for farm operations was also reported. Vyas (2008) reported that in Udaipur region MGNREGA has checked the mobilization of labor to other parts of the area, enhanced family income, and increased water level and irrigation facilities. According to Ojha (2009) MGNREGA has brought social transformation and helped in improving the conditions of rural women

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through rural employment in Orissa. The program is labor-oriented, but there is a need for technology-oriented tasks. Prasad (2009) reported on the caste-class nexus, corruption and executive apathy associated with the National Rural Employment Guarantee Scheme (NREGS) in some blocks of Hamirpur and Sonbhadra districts in UP. The World Bank (2009) believes the NREGS now renamed as MGNREGA is an important safety net program that provides livelihood security to the poorest of the poor in rural areas of India. Such programs have taken on an even greater significance at a time of global economic downturn.

Realizing the importance of this program and its potentiality in mitigation of drought vulnerability and drudgery of life in the arid region of Western Rajasthan, especially through employment and various development activities, a case study has been undertaken to assess the impact of MGNREGA in socio-economic conditions in an arid village of Jodhpur district in western Rajasthan.

Study Area

The study was conducted in village Bhacharna, Luni *teshil* (administrative unit), Jodhpur district. The village is situated at a latitude 26.25 in north and longitude 73.01 in east. It is 60 km away from Jodhpur and 20 km from Luni *teshil*. The study focuses the situation prior to commencement of MGNREGA and the further impacts on the socio-economic status of the people in this arid village. The economy of this region is primarily based on agriculture and livestock resources where agriculture is a big gamble. The overall condition of the region is gradually improving with the introduction of developmental programs, but needs lot of efforts to bring it in the mainstream of development. In village Bhacharna most of the basic community facilities were made available except in some scattered settlements where drinking water supplied by public health engineering department was not connected. The area was, by and large, single cropped barring a very few irrigated wells where rabi (winter season) crops are grown to a limited extent. The irrigated land was only 6% of the total cultivated land, wherein crops like cumin, mustard and wheat are grown. The share-cropping is also practiced in the village on various terms and conditions between the

landowners and tenant cultivators. Normally landowners supply all inputs and tenant cultivators do all inter culture operations and provide labor. After harvesting of crops two-third share is taken by the land owners and remaining produce is given to tenant cultivators. The village is inhabited by multi-castes spread over in different *dhanis* (scattered settlements).

Materials and Methods

Primary data were collected during 2010-11 through a specially designed interview schedule, observations, case studies, focused group discussions, participatory rural appraisal, etc. Altogether 18% farm families covering 52 sample respondents were selected randomly representing different caste, land holding category and settlements. The various attributes like possession of farm assets, availability of farm labor, migration status and perception of farmers about MGNREGA was examined with different land holding category and caste/community. The component-wise income data from various sources like agriculture, livestock, MGNREGA, etc., was collected through personal interview with individual respondents. The perception of farmers was measured with the help of a three point rating scale by giving scores like 3, 2 and 1. Secondary data on landuse, cropping pattern, livestock etc., were collected from tehsil office, while data on various activities on MGNREGA were collected from block and village level officials.

Results and Discussion

The analysis indicated female's share in the total sample respondents was 40% and majority of them belonged to middle age groups (62%). About 13% sample respondents had no agricultural land and large farmers owned maximum land holding size (36.58 ha) although they constituted 8% of the total sample farm families (Table 1).

Impact of MGNREGA

The scheme worked as a boon by providing additional source of livelihood to people through the development of their own village/area. Tables 2 and 3 depict component-wise total income from individual sections such as landless, marginal, etc. as well as of whole sample population based on land holding category

Table 1. Land holding category and size of holding

Land holding category	No. of households	Land holding size (ha)
Landless	7 (13.46)	Nil
Marginal	4 (7.69)	1.85
Small	12 (23.10)	9.02
Semi-medium	17 (32.69)	25.87
Medium	8 (15.38)	26.68
Large	4 (7.68)	36.58

Note: Figures in parenthesis indicate percentages to the number of households (n=52).

and caste. As far as the sources of income, it was observed that MGNREGA provided 12% of the total income and disadvantageous group of population i.e., marginal, small, landless and scheduled caste population earned significant income from MGNREGA (Table 2 and 3). From the aforesaid discussion it is clear that the MGNREGA has provided employment to those who never thought of getting employment with reasonable wages in the village. The women laborer who used to get lesser wages notwithstanding similar type of works compared to male workers are now getting equal wages. The women, by and large, were not allowed to work as outside wage labor for social taboos/customs, are now working in it, being a government program.

Migration

The extent of migration among the sample farm households from village to nearby urban areas declined by 18% irrespective of the size of land holding. The number of daily wage laborers who used to go to nearby urban areas also declined after commencement of MGNREGA as they were getting employment in village itself. Those who normally go for skilled work to nearby urban areas or distant places did not stop going out due to better wage rates they were earning. In case of long distance migration from the village, persons from 33%

of sample households migrated to distant places like Karnataka, Hyderabad, Mumbai and Gujarat and engaged in miscellaneous activities. Although the daily labor movement from village to urban centers has checked to a some extent, the persons who migrated to far distant places due to better employment opportunities have not returned back to village after launching of the program. The out migration of wage labor from Jodhpur district is much less compared to other districts, although some artisan castes like carpenter, business community, and unskilled workers engaged in shops and small hotels, bakeries, etc, however, migrated to other bordering states of Rajasthan and even to southern states. Those who are going for skilled work in nearby urban centers, continue to go for better wages.

Labor availability

In case of availability of labor it was observed that the shortage of labor before and after MGNREGA was not serious in the village as farmers managed various agricultural operations mainly through family labor and in emergency by hiring outside labor or through mutual exchange of labor especially in harvesting season when most of the farmers remain busy for harvesting of their own crops. Analysis of primary household level data revealed that in case of availability of agricultural laborers both in kharif (rainy season) and rabi (winter season) seasons the labor shortage was experienced because of increasing labor rate in MGNREGA and also laborers prefer to work in government program. A very few irrigated farmers reported that due to increasing labor rate they have either given land to sharecroppers or reduced cultivated land for agricultural operations. The activities of MGNREGA and time schedule are decided by the *Gramshabha* (Village council), which invariably avoids the agricultural calendar. Data indicated that 44% respondents

Table 2. Sources of income (Rs.) under different land holding categories

Particulars	Agriculture	Livestock	MGNREGA	Others	Total income
Landless	17000 (12.77)	16000 (12.02)	37600 (28.25)	62500 (46.96)	133100 (100.0)
Marginal	20000 (40.82)	-	29000 (59.18)	-	49000 (100.0)
Small	60000 (22.67)	33000 (12.47)	98700 (37.29)	73000 (27.57)	264700 (100.0)
Semi-medium	446500 (43.90)	120000 (11.80)	95100 (09.35)	355500 (34.95)	1017100 (100.0)
Medium	178000 (24.86)	96000 (13.41)	29100 (04.06)	413000 (57.67)	716100 (100.0)
Large	280000 (57.07)	175000 (35.67)	35600 (07.26)	-	490600 (100.0)
Average household	212567 (37.74)	77231 (13.71)	68375 (12.14)	205019 (36.40)	563192 (100.0)

Note: Figures in parentheses indicate percentage of total income.

Table 3. Sources of income (Rs.) across caste categories

Castes	Agriculture	Livestock	MGNREGA	Others	Total
General	480500 (91.79)	25000 (4.78)	15000 (2.78)	3000 (0.57)	523500 (100.0)
O.B.C.	184700 (28.04)	113000 (17.15)	252100 (38.27)	109010 (16.55)	658810 (100.0)
S.C.	45000 (42.86)	2000 (1.90)	58000 (55.24)	0 (0.00)	105000 (100.0)

Note: Figures in parentheses indicate percentage of total income; O.B.C.: Other Backward Class; S.C.: Scheduled Cast.

faced labor problem especially the large and medium farmers. Some of them rented out their land to sharecroppers on different terms and conditions. In this context two cases are cited here.

Case 1: Shri Ram is 41-year-old son of Shri Hira Ramji, a graduate in arts with B. Ed., working as a third grade teacher in a primary school near his house, is engaged in teaching and looking after his 40 ha of irrigated and unirrigated agriculture land. Last year he had cultivated 20 ha of irrigated and unirrigated land and rest was given to sharecroppers with the terms and conditions that land owners will supply inputs and tenant cultivators would do all the inter culture operations with his own labor. After the harvest tenant cultivators will get one-third share of grain and fodder. He had preferred to rent out the land primarily to avoid engaging labor at higher wages. According to him this problem had come as in MGNREGA wage rate is higher than what the land owners used to pay earlier. Due to non-availability of labor at the time of need he is now giving his land to tenant cultivators. Moreover, he has reported that the problem of labor was more in rabi season when MGNREGA activities continue. He has also perceived that MGNREGA has provided employment opportunity in the village itself. The village women folk got employment only because of this program and now they can buy something of their choice with the income from it, which they never thought earlier.

Case 2: Mangla Ram, son of Late Hanuwant Ram, studied up to VI class, engaged in agriculture and animal husbandry owns 200 ha of agricultural land, of which 30 ha is irrigated, 20 cows and buffaloes. He was earlier the *sarpanch* of the *gram panchayat*. Out of his 175 ha of agricultural land he had kept 75 ha of land fallow due to higher wage rate and some land he had rented out to tenant cultivators. In spite of paying higher wages sometimes it is difficult to get labor for timely farm operation. It has

affected the total land cultivated by individual farmers. He also mentioned that people prefer to work in MGNREGA for flexibility and freedom in work. Moreover, he suggested that both in kharif and rabi seasons the activities of MGNREGA may be suspended for easy availability of labor in village itself.

Farm assets and material possession

Analysis of data further revealed that in case of acquisition of farm assets there has been a little change as only two farmers of medium category went for tube well and purchased a tractor after launching the program, but obviously not from the income of MGNREGA as the program was launched only in recent past. Farmers could hardly save huge money for such purchases. In case of other items it was observed that except mobile phones no other item was purchased from the income irrespective of land holding categories.

In case of budget expenditure, it was reported that almost 74% money was spent on wages for labor activities and 26% on procurement of materials. Further it was reported that since the introduction of MGNREGA maximum money was spent during the year 2009-10 with highest labor employment. The year 2009-10 was a severe drought year and villagers had no other option except to work in MGNREGA. This has clearly indicated that the program has worked as a drought proofing measure, which is much sought after by the villagers.

Women empowerment

Employment pattern in the village as a whole revealed that of the total workers over 80% were female workers. Although they contributed sufficiently in family income they could hardly spend money on their own. It was observed that to a little extent women could spend money according to their choice. However, in majority of the cases women discuss with their family members, especially with the male members, before spending or

buying any article. It was further observed through focused group discussion, especially with the village women, that the income derived from MGNREGA till now was spent mainly on household expenditures barring a few as both the preceding years were severe drought years. In decision making processes it was observed that majority of women were not used to take independent decisions either on social or economic matters. However, decisions were usually taken by the male members and in most of the cases women were also involved in the process. Since the program was launched recently the social and economic empowerment in real sense has not yet taken place among the women as it will take some more time. The women could spend some of their earnings, which was earlier a dream for them.

Water and soil conservation

Village level data indicated that in MGNREGA activities, water conservation measures like deepening of traditional water sources i.e., digging and bunding of ponds (locally called *talabs*), making cemented slopes, plantation of trees, construction of gravel roads, desilting of ponds were undertaken in the village covering all the settlements. The digging of pits for roadside tree sapling plantation and watering and protection of saplings by putting thorny bushes around them was undertaken on the main road linking village with the tehsil headquarters. During the year 2009-10 one thousand seedlings of neem (*Azadirachta indica*) were planted by public works department. The survival rate was comparatively better in 2010 due to good rainfall. Farmers perceived that the various activities undertaken for water and soil conservation provided employment, but its success depends on amount of rainfall and proper maintenance.

Conclusions

MGNREGA has provided employment not only to disadvantaged group of populations, but also to others who have limited employment opportunity in the village and its adjoining areas. The women population who were not getting good employment opportunity in the village are now getting employment, which has given some moral boost to this vulnerable population both socially and economically.

The women empowerment in the real sense would take some more time as the program was launched recently. Although there is some problem in the availability of agricultural labor, the problem was not in availability of man power, but for enhanced wage rates. Now the people have more choice whether to work as agricultural labor in farm or under MGNREGA activities. Since this region is prone to drought where every second or third year happens to be a drought year, MGNREGA came as a boon for the desert inhabitants. Although launched recently the program has started showing a change in the overall social dynamics of rural lives. Farmers who have limited family labor are giving land to tenant cultivators/sharecroppers. They were also of the opinion that if they pay more for labor they would not earn what they spend on various inputs. Since the MGNREGA work is partially suspended in kharif (rainy) season there is little adverse impact on availability of labor. The impact of water and soil conservation would depend on amount of rainfall. Because of meager rainfall coupled with high temperature and high evaporation, water reservoirs/tanks could serve hardly for two to three months. The impact of plantation of trees in micro-climate in village and its surroundings would take some more time as the plantation is only one or two years old.

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