# Improving Living Standard Of The People By Assets Created Under Mnrega (With Special Referene Of Varanasi District)

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**MGNREGA-**Mahatma Gandhi National Rural Employment Guarantee Programme announced by the United Alliance (UPA) who has said that the government will execute a National Employment Guarantee act to provide a legal guarantee for at least 100 days of employment of public works programme every year at minimum wages for at least one able bodied person in every rural, urban, poor and lower middle class households.

**MGNREGA** is a programme that directly touches lives of the poor and promotes inclusive growth. It is different from other wage employment programme of the past, as it bestows a legal right and guarantee to the rural population through Parliament and is not just a scheme like other wage employment programmes.

We observe that the policy makers had taken into consideration the twin problems of the menace of growing population and sluggish growth of employment opportunities. The private sector was not able to provide employment to the growing labor forces. It would, therefore, be the sacred duty of the State to generate employment opportunities as envisaged by the makers of the Indian Constitution. The Indian Constitution refers to the **Right to Work** under the **Directive Principal, Article 39 (a)** which urges the State to ensure that "the Citizen, men and women equally have the right to livelihood and under

**Article 39 (d)** it has also been mentioned that there is equal pay for equal work. Further it has been stressed under effective **Article-41** that the State shall, within the limits of it development, provision for securing the right to work. [4].The major focus of the Plans of the 80"s has been the productive absorption of under-employed and surplus labor force in the programmes like National Rural Employment Programme

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(NREP), Rural Landless Employment (RLEGP, Food for Work (FFW), Jawahar Rozgar Yojna (JRY), Ensure Employment Scheme (EES) and direct supplementary wage employment in rural areas. Later on during the year 2000-01 programmes like JRY(Jawahar Rojgar Yojna) were launched in view to provide supplementary wage employment in rural areas, create durable public assets as social security. These labor intensive programmes could provide some relief to the rural poor through wage employment programmes and food security during the period of drought but could neither provide any guarantee to regular employment, nor durable public assets could be created for sustainable development. The situation of unemployment has been compounded by the absence of long term stable mechanism for creation of gainful employment opportunities .**Therefore there was an urgent need to ensure a certain minimum days of manual labor to every household in the rural areas.**

This was recognized by the UPA government, which declared in its National Common Minimum Programme (NCMP) which was converted into a National Guarantee Act. This ACT will provide a legal Guarantee for at least 100 days of employment for poor and lower middleclass household. The UPA government very soon translated this programme into the Employment Guarantee Scheme. This programme was started as a safety net for the masses against poverty and unemployment. Numerous studies indicate that the implementation of the Employment Assurance Scheme in Maharastra had an impressive impact on the employment as compared to other anti-poverty prograame **Asset Generation under MGNREGA-**The MGNREGA scheme is not merely about transferring cash to people in rural India rather it is about creating durable assets that will ultimately lead to a reduced dependence of people on MGNREGA. Ability of people to escape from poverty is critically dependent on their access assets. Productive assets expand income, employment and improve life quality as well as productivity of workers in multiple ways; the assets generated can directly satisfy the basic needs of the poor. For example, road construction, construction of drainage facilities for disposal of wastewater as well as rainwater etc. can go a long way in improving quality life of poor people in village. The basic infrastructure like plantations, road, community tanks etc. would create an enabling environment for growth of economic to take place. The scheme can also regenerate the local

ecology by regenerating common lands, constructing water harvesting structures, undertaking soil conservation measures and undertaking a forestation farms, waste lands and common lands. Since the people's livelihood is closely associated with natural resources, ecological regeneration has a highly positive impact on productivity of workers.

The assets created under the MGNREGA (see details in table )cans be broadly classified into two category

**Types of Works under MGNREGA**

**Type of Work　　　　　　Nature of Work**

| Type of Work | Nature of Work |
|---|---|
| Water conservation and harvesting. | Digging new tanks/ ponds, small check dams, etc, |
| Draught proofing and plantation | tree plantation, etc |
| Forestation Flood control and protection | Drainage in water logged areas, construction and repair of embankment, etc. |
| Land development | Plantation, land leveling, etc. |
| Micro irrigation Works. | Minor irrigation canals, etc |
| Renovation of Traditional Water Bodies | Desalting tanks/ponds, Desalting of old canals, desalting of traditional Open wells, etc. |
| Provision of irrigation facility land owned by | Scheduled caste and schedule tribes, beneficiaries of land reform, etc. |
| Rural connectivity | Construction of roads, etc. |
| Any other activity approved by ministry of rural development | Other works, etc. |

**Table   2.7 ,Source:www.nrega.nic.in**

Huge no. of assets has been created under the NREGA.

While the time of Asset creation under MGNREGA, it creates double impact on economy.  We can divide it into two impacts
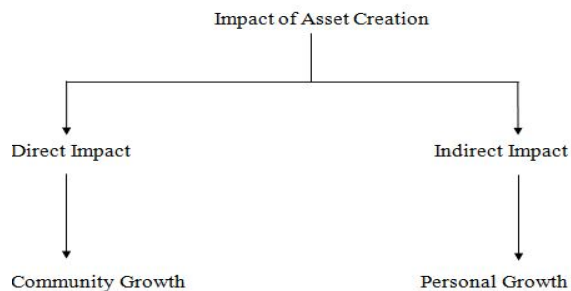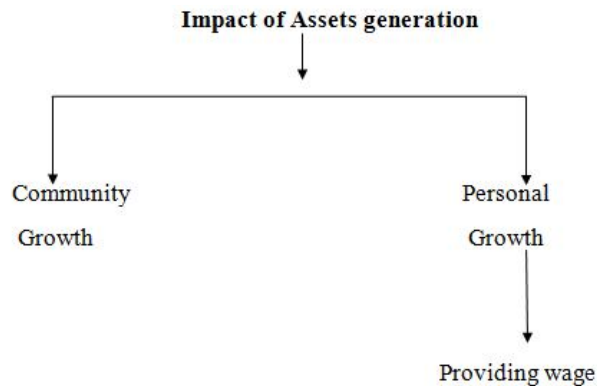
Chart 2.1

First impact is the direct impact and second indirect impact. Direct impact is related to community and personal income. Chart Impact of Assets creation  under MGNREGA  have many visible asset impacts which  can count on finger .These assets are related or impacted on growth of community some of which is given below:

· 　　　Impact on availability of fruits for sale.
· 　　　Impact on availability of fruits for home consumption and sharing.
· 　　　Impact on wood for construction.
· 　　　Impact on firewood for fuel.
· 　　　Impact on providing space for social interaction.
· 　　　Impact on providing leaves for green fodder animals.
· 　　　Impact on as a sportier of wind breakers for the fields by planting.
· 　　　Impact on providing trees shades in the heat, making working life more comfortable.
· 　　　The Village is more beautiful than it was before the plantation.
· 　　　Assets prevent erosion of soil in the area around the plantation.
· 　　　The village is greener than it was before than plantation.
· 　　　Water source is now closer.
· 　　　Enables worker to use machines.
· 　　　Saves on use of fertilizers.
· 　　　Soil fertility has improved.
· 　　　Soil quality has improved.
· 　　　Reduce  wastage of water
· 　　　Has controlled soil erosion.
· 　　　Increased cash income of the house hold.
· 　　　Improved food availability for the house hold.
· 　　　Enabled farmer to achieve higher field.
· 　　　has increased availability of water in wells.
· 　　　has increased availability of drinking water for livestock some of is given
(a) 　　　Washing animals.
(b) 　　　Bathing and washing clothes
(c) 　　　Cooking
(d) 　　　Drinking
· 　　　Has increased water availability
· 　　　Make able for people to maintain livestock.

·       Timely availability of water for various purposes like, plots, protective irrigation/ controlled over water etc we can count above impact on growth which is related to community, we can see another impact of assets generation on personal growth.

·       Asset generation can also relate to Personal Growth.  In this impact, we can see that asset generation also imported the personal growth by providing wages in worker's hard work. In the work of asset generation every worker gets their wage according their work. In other words, we can say that give their contribution in the work of asset generation and they got wage for that work. It means that they should be given wages which was mention for per labor and their wage is fixed and they create asset according their wage as government has fixed. In short we can say that under MGNREGA every worker got wage as the work for generating generation under MGNREGA.

**Impact of Assets generation**



By getting wage, we can see the impact of wage on life of poor people this is an indirect impact of asset generation on personal growth. It is a well established economic fact that spending has a multiplier effect in any economy. And following this theory any economy can make growth and poor people can improved them self for a better and prosperous (i)Useful assets generate in the village (ii) the workers or labors of MNREGA got wages by participating to generate assets.

It is a well-established economic fact that spending has a multiplier effect in any economy. When these poor households workers spend their additional MGNREGA money, they will create a demand for several commodities in turn, creates demand for raw materials and workers. It shows the doubts impact of assets creation on the poor people. By creating of assets community got a productive, durable, and useful assets under this programme, on the other side by creating assets workers create a demand and spend their money in the economy which has generate a multiplier effect in the economy.

**Main Objective of the Study:**
To assess the changes in life style among poor due to asset generated under MGNREGA.

**Hypothesis of the Study**
**Ho:** there is no significance impact of assets creation under MGNREGA on improved living standard of people.
 **H1:** there is significance impact of assets creation under MGNREGA on improved living standard of people.
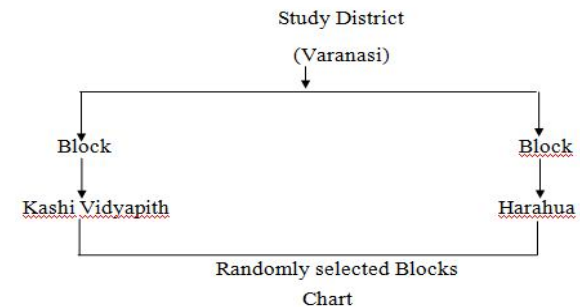
**Sample Size &Research Methodology**
**(a)Survey questionnaire design & Sample size:**
Review of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) literature and research materials revealed identification of appropriate parameters is very much essential in pinning the objective the researcher identified the following parameters that would give insightful infoSurvey questionnaire is prepared based on the thematic assessment about 50 beneficiaries were interviewed in each village. Total 200 survey interviews conducted in the survey district. The selection of beneficiaries based on random sampling without replacement and they were those people who and were not able to fulfill their need according their requqerment on the basis of fulfill the need we can call them poor persons.
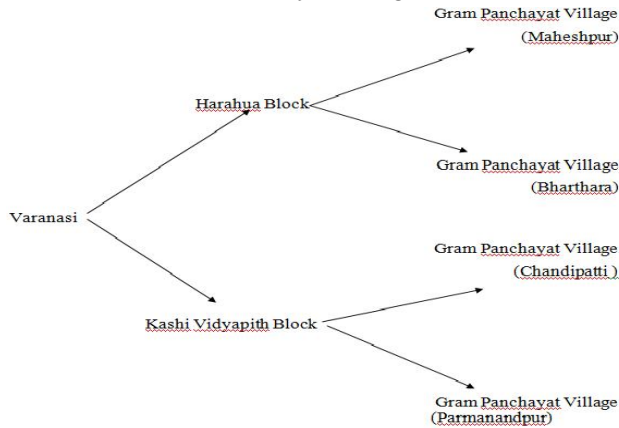
**(b)       Research Methodology & Tools:**
The study was carried out in 4 villages in 2 blocks of the district. The selection of these villages and blocks was based on the following criteria:-
·       Two blocks (Harahua and Kashividyapeeth) have been selected randomly from 8 blocks of Varanasi (study) district.



Chart

Two Gram Panchayat Villages have been selected from each block. Thus, total 4 Gram Panchayat villages have been selected.

Gram Panchayat Village
(Maheshpur)

Harahua Block

Gram Panchayat Village
(Bharthara)

Varanasi

Gram Panchayat Village
(Chandipatti )

Kashi Vidyapith Block

Gram Panchayat Village
(Parmanandpur)

Chart

●The criteria of the selection of the villages are based on performance of Assets.The Researcher has been selected first Gram Panchayat Village where assets had been generated on large amount or where number of works created on large skill and second one is the Gram Panchayat village where assets has been created either on very nominal or generated but at the time of survey, isn't appear or destroyed but present on official data. From each two blocks the researcher has been given name of these villages on the performance as it is given bellow:

1.       Progress work Area
2.       Not Progress work Area

The selection of the Gram Panchayat Villages (GPS) was based on the data available on the website of (MGNREGS.Varanasi), (www.nrega.nic.in)

The following table gives the number of villages' category wise:-

| Category of Villages | | |
|---|---|---|
| S.no | Number of Villages | Villages Category |
| 1 | 2 | **Progress work Area** |
| 2 | 2 | **Not Progress work Area** |
| 3 | 4 | **Overall** |

●       —The  district, Block, Village and category where the study was conducted in as follows:-

| List of Villages | | | |
|---|---|---|---|
| District | Blocks | Category | Name of the Village |
| Varanasi | Kashi Vidyapith | Progress Work Area | Bharthara |
| | | Not Progress Work Area | Maheshpur |
| | Harahua | Progress Work Area | Parmanandpur |
| | | Not Progress Work Area | Chandipatti |

Preliminary visit was made by the researcher to Bharthar village in Varanasi district to understand the processes related to assets generated under MGNREGA so as to develop the tools/instruments to be used for the study .Discussions were also held with supervisor before developing the tools. Four appropriate tools were developed to facilitate the study, Individual questionnaires, focused group discussions, observation, and interviews with people of Village. One the tools were finalized, the researchers field tested in Mahespur village of  Kashi Vidyapeeth block in the study district and appropriate changes were made based in the experience there the methodology of the study is based on both qualitative and quantitative in nature. Relevant secondary data was collected from the MGNREGS website and other relevant national websites. The data gathered through this process was analyzed to assess and interpret the impact of assets which have been generated under MGNREGA.

**(d)  Research Tools Used:**
The following research tools were used for the study:
1-       Focused group discussion.
2-       Percent and Chi Squares have been used as a tool for testing of Hypothesis.
**(e)   Data Management & Analysis:-**The data were processed at Varanasi by researcher with the help of researcher supervisor. The quantitative and qualitative data were processed by using the various data management software, such as SPSS, Excel.
**(f) Limitations of the Study:-**The data was collected only from those areas where assets generated and second there where assets not generated.

The data was concentrated only on direct impact of asset creation. The study is confined with the poor family of Varanasi district.
**Hypothesis  Testing**
$H_0$:    There is no significant impact of assets creation under MGNREGA on improving living standard of poor people.
$H_1$:     There is significant impact of assets creation under MGNREGA on improving living standard of poor people.

**Chi- Square (X²) Test Applied**

The table given shows the data during field survey:

|  | Not Improved living standard | Improved living standard | Total |
|---|---|---|---|
| Assets generated progress work area | 11 | 89 | 100 |
| Assets generated not progress work area | 86 | 14 | 100 |
| Total | 97 | 103 | 200 |

Table

Let us take the Ho hypothesis for Chi- square (X²) test that there is no significant impact of assets creation under MGNREGA on improving living standard of poor people. On the basis of this hypothesis, the expected frequency corresponding to the number of persons impacted would be:

$$\text{Expectation of (AB)} = \frac{(A)\times(B)}{N}$$

Where A represents assets generation and B represents improvement in living standard of the poor people.

(A)          =          100
(B)          =          97
N          =          200
Expectation of (AB)

Now using the expectation of (AB), we can right the table of expected values as follows;

|  | Not Improved living standard | Improved living standard | Total |
|---|---|---|---|
| progress work area | 48.5 | 51.5 | 100 |
| not progress work area | 48.5 | 51.5 | 100 |
| Total | 97 | 103 | 200 |

Table6.2

### Calculation of Chi-Square

| Group | Observed frequency (fo) | Expected frequency (fe) | (fo-fe) | (fo-fe)² | (fo-fe)²/fe |
|---|---|---|---|---|---|
| AB | 11 | 48.5 | -37.5 | 1406.25 | 28.994 |
| Ab | 89 | 51.5 | +37.5 | 1406.25 | 27.305 |
| aB | 86 | 48.5 | +37.5 | 1406.25 | 28.994 |
| ab | 14 | 51.5 | -37.5 | 1406.25 | 27.305 |

Table 6.3

$$X^2 = \sum \frac{(fo-fe)^2}{fe} = 112.598$$

Degree of freedom in this case  = (r-1) (c-1)
                                  = (2-1) (2-1)

The table value of $x^2$ for 1 degree of freedom at 5 per cent level of significance is 3.841. the calculated value of $x^2$ (112.598) is much higher than this table value and hence the result of the experiment does not support the null hypotheis. We can thus, conclude that there is significant impact of assets creation under MGNREGA on improving living standard of poor people. Thus Ho hypothesis cannot be accepted.

Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is considered as a "Silver Bullet" for eradicating rural life, by way of generating productive assets in villages. It provides an alternative source of livelihood which will have an impact on reducing migration, restricting child labor, alleviating poverty, and making villages self-sustaining through productive assets creation such as road construction, cleaning up of water tanks, soil and water conservation work, etc. For which it has been considered as the largest anti-poverty programme in the world.

At the last the researcher has conclude that where Mahatma Gandhi National Rural Employment  Guarantee programme has been implemented successfully ,there  were improvement in poor living standard can see visually and all over impact of the MGNREGA programme has its positive effect on poor .Although  some area are not impacted as it should but is due to impact of ignorance. We can see that we cannot count this programme in unsuccessful. It have all over impact positive which listed this programme  in those  scheme who continues achieving its goals for which it has implemented and generated.

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