

# Role of Mahatma Gandhi National Rural Employment Guarantee Scheme in Rural Transformation

T.S.K. Durgesh Nandhini

Ph.D. Research Scholar, School of Economics, Madurai Kamaraj University, Madurai

#### **ABSTRACT**

The goal of MGNREGA is to help poor people who lack basic necessities such as food, clothing, shelter, day-to-day expenses, and unskilled labour. Various studies show that MGNREGA has made remarkable progress in a variety of dimensions. The current study attempted to investigate rural transformation following MGNREGA implementation. The study used a directed qualitative content analysis (DQCA) approach to trace the text related to rural transformation from the Mahatma Gandhi National Rural Employment Guarantee Act 2005 website, reports on MGNREGA, and various literature reviews. These documents are regarded as a source of data for tracing the achievements of rural transformation through MGNREGA. Based on empirical studies, the study discovered that MGNREGA transforms the rural sector in a variety of ways, including empowering women, increasing employment opportunities, creating rural assets, increasing livelihood security, and enabling people to meet day-to-day expenses.

Keywords: MGNREGA, rural transformation, achievements, rural livelihood, diversified income sources.

### INTRODUCTION

India's rural population is characterised by various social and economic issues, including poverty, illiteracy, low income, unemployment, and poor food and health standards. The Government of India implemented various rural development programmes to improve the quality of rural life in order to address these issues. The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) is regarded as the most effective approach for improving rural life quality by providing a legal guarantee of one hundred days of wage employment to every rural household for unskilled manual labour. The MGNREGA aims to improve rural poor people's livelihood security by providing at least one hundred days of guaranteed wage employment in a fiscal year to every household whose adult members volunteer to do unskilled manual labour. This scheme aims to create long-term assets such as road construction, land development, water conservation, and irrigation facilities, which have a significant impact on various sectors of the village economy and strengthen the rural poor's livelihood resource base. MGNREGA not only provides wage employment as an alternative source of income, but it also creates long-term assets such as road construction, land development, water conservation, and irrigation facilities, all of which have a significant impact on various sectors of the village economy.

Rural transformation is defined as a process of comprehensive societal change in which rural societies diversify their economies by reducing their reliance on agriculture and becoming culturally more similar to the structure of urban areas. It is a process of reorganising society in a specific space as part of a larger structural change process (Berdegue, 2013). Rural transformation is a proactive and positive process of rural community change and development in the context of national and global social and economic changes (Long, Zou, Pykett, & Li, 2011; Wang, Khan, & Zhang, 2013). It involves bringing features of urban environments into rural settings, changes to systems and processes that favourably impact rural people's standard of living and livelihoods (Ohlan, 2016). Rural transformation is a more dynamic concept than rural development as it embodies a transformation in people's perspective on life (Shaw, 2011). It is usually characterised by changes in civic amenities, female literacy, gender ratio, employment structure, agricultural intensity, crop selection pattern, farm income, labour productivity and major improvements in rural housing and economic and social conditions resulting from industrialisation and urbanisation (Kurien, 1980; Ravallion & Datt, 2002).



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At the global level, one of the top Sustainable Development Goals (SDGs) is to eradicate poverty by 2030. There are several dimensions to focusing on in order to eradicate poverty. Because poverty is characterised by poor health and sanitation, illiteracy, and unemployment. Rural transformation is one of the most effective strategies for improving the rural sector by providing better employment, health care, education, and food. Poverty would be eradicated by gaining a sustainable livelihood rather than farming, transforming the rural sector into industrial works, and providing employment opportunities. The current study aims to investigate the impact of MGNREGA on rural livelihood transformation.

#### **METHODOLOGY**

The study attempted to trace the successful outcomes of MGNREGA as well as the highlights of rural transformation across India. The relevant text was coded using the directed qualitative content analysis (DQCA) method. Literature review studies are regarded as a source of data for gathering the necessary data based on the study variables. The variables in the study are related to MGNREGA projects and rural transformation components such as rural assets and livelihood security.

#### ANALYSIS AND DISCUSSION

MGNREGA marked a paradigm shift from other employment programmes. This programme not only creates jobs, but it also focuses on inclusive growth by conserving natural resources and creating productive assets. This programme has changed the face of rural India by protecting the environment and reducing rural-urban migration. In this regard, various achievements have been found from various studies, which are listed below. Table 1 shows the various achievements and its rural transformation based on the reports and studies.

Table 1. Achievements of MGNREGA

S.No.	Study	Place	Rural transformation after MGNREGA	
1.	Dhamotharan, 2015	Cuddalore, Tamilnadu	<ul> <li>Bridging social capital (23%)</li> <li>Bonding social capital (29%)</li> </ul>	
			<ul> <li>Standard of living increased (100%)</li> <li>Continue this job (100%)</li> </ul>	
			<ul><li>Wage increases (100%)</li><li>MGNREGA uplifting the village (100%)</li></ul>	
2.	Kaushiki Singh, 2014	Barabanki, Uttar Pradesh	<ul> <li>Increased employment opportunities (69.6%)</li> <li>Infrastructure development, afforestation (48%)</li> </ul>	
3.	Shenbagaraj, 2013	Thoothukudi, Tamilnadu	<ul> <li>Happy with the work (94%)</li> <li>Employment opportunities increased (76.95%)</li> <li>Earned less than Rs. 2000/- per year through MGNREGA (80%)</li> </ul>	
4.	Shalby Joseph, 2019	Kottayam, Idukki, Kollam and Wayanad of Kerala	<ul> <li>Increased contribution to household income from government job increased (90%)</li> <li>Opened bank account after joining this scheme (95%)</li> <li>No previous occupation (75%)</li> </ul>	
			<ul> <li>Engaged in farm works (20%)</li> <li>Spending income on children education, health related expenditure (90%)</li> <li>Spending income on food and clothing (100%)</li> <li>Satisfied with job (95%)</li> </ul>	
5.	Mohsin Majeed, 2021	Budgam, Kashmir Valley	<ul> <li>High improvement in agriculture (57%)</li> <li>Improvement in production and productivity after implementation of MGNREGA (77.64%)</li> </ul>	
6.	Basharat Bashir Bhat, 2016	Hangah, Kupwara of Jammu and Kashmir	<ul> <li>Livelihood conditions increased (82%)</li> <li>Satisfied with the development of assets (65.6%)</li> </ul>	
7.	Santosh Singh, 2014	Pauri Garhwal, Uttarakhand	<ul> <li>Increased land development (28.52%)</li> <li>Flood control and protection (17.55%)</li> <li>Water conservation and water harvesting</li> </ul>	



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		(3.85%)
	•	Micro irrigation works (1.92%)
	•	Renovation of water bodies (1.47%)
	•	Drought proofing (1.39%)
	•	Other works (1.05%)

Source: Based on the studies, authors compiled the data

According to the table above, MGNREGA benefits the rural sector in a variety of ways. According to the NREGA, it has provided success stories of MGNREGA on water conservation projects in eight different states, including Andhra Pradesh, Assam, Gujarat, Jharkhand, Manipur, Odisha, and Tamil Nadu. The report elaborately shared the success story of water conservation for each state. On the other hand, various studies argues the relationship between rural transformation and mgnrega. i.e., Specifically, after MGNREGA, the average daily wage rates of male farm workers increased by 3.5% in Telangana and 7.6% in Maharashtra. MGNREGA provides farm workers with an alternative source of income (Nagraj, 2014). Playfield construction aids in the preservation of people's physical health. As a result, changes in health behaviour could be viewed as indicators of the degree of rural transformation. Workers' social status improved after they joined the MGNREGA. As their expenditure level increased, they could participate in community gatherings. So, through economic empowerment and the creation of long-term assets, the social transformation of rural societies could be positive (Pangambam Devkanta Meitei, 2022).

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has played a significant role in contributing to rural transformation in India. Here are some empirical evidences.

**Increased Rural Employment**: MGNREGA has led to a substantial increase in rural employment opportunities, thereby improving livelihoods. According to a study by Himanshu (2016), MGNREGA has been successful in providing employment to millions of rural households, contributing to poverty alleviation and economic empowerment.

**Enhanced Agricultural Productivity**: MGNREGA's focus on water conservation and land development activities has led to increased agricultural productivity in rural areas. Research by Deininger and Liu (2013) suggests that MGNREGA has contributed to sustainable agricultural growth by investing in rural infrastructure and natural resource management.

**Poverty Reduction**: MGNREGA has played a crucial role in reducing poverty levels in rural India. Studies by Datt and Ravallion (2011) indicate that MGNREGA has significantly reduced poverty incidence and vulnerability among rural households by providing them with a reliable source of income.

**Gender Empowerment**: MGNREGA has contributed to the empowerment of women in rural areas by increasing their participation in the labor force and decision-making processes. Research by Khera (2011) highlights the positive impact of MGNREGA on women's empowerment through increased access to employment and financial resources.

These empirical evidences collectively demonstrate the transformative impact of MGNREGA on rural development in India.

#### **CONCLUSION**

Rural development is essential for the country's overall development. The government of India implemented various welfare schemes in order to develop rural areas. MGNREGA is a gift for rural people, particularly poor rural workers who want to work as unskilled manual labourers. According to the findings of this study, people who participate in the MGNREGA have diversified income sources. This study observed that people have diversified income sources after joining the MGNREGA. Also, without skipping the farming works, people engaging into MGNREGA work. People participating in MGNREGA work must also work in agriculture. According to the studies, it has shown that MGNREGA has the potential to transform rural society into one of prosperity and development.

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