



An Analysis of the Assets Creation through Employment Generation by MGNREGA in Varanasi District of Uttar Pradesh

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Abstract: *The purpose of this study is to analyse the assets creation through employment generation by MGNREGA. MGNREGA has been one of the largest wage-based employment programmes for unskilled labors in rural India. Varanasi district of Uttar Pradesh has selected for the study. To fulfill the objectives of study secondary data is collected from the official MGNREGA websites. The period of study is 2014 to 2018. Pooled regression analysis has been used to estimate the assets creation through employment (men days, women days). In all permissible works under the ambit of MGNREGA, analysis shows, there has been an assets creation in which contribution of women has been dominating.*

Key Words: MGNREGA, Pooled Regression, Development Blocks, Assets, Men days and Women days.

Unemployment is a major problem of Indian economy. The basic cause of unemployment is the nature of Indian economy. Indian economy, since ages, is a rural economy and is based on agriculture and allied activities associated with the rural economic needs and their supply with the efficient use of available local economic as well as non-economic resources. Poverty and unemployment are all pervasive in Indian economy. Their roots are deeply dispersed in the colonial structure of Indian economy which were used to fulfill the objectives of British empire. To wipe every tear from every eye from the people of India was aim of Mahatma Gandhi. After independence, to solve the problem, five-year plans were launched by planning commission to increase the standard of living of common man with appropriate use of modern development techniques with resources - natural as well as human. The policy planners have given special emphasis to resolve the problem of unemployment with the inherent strategy in planning procedure. After 20 years of development experience, it has been found that problem of unemployment has become serious and creating social, economic and political unrest in society. Direct employment generation schemes were launched by different state governments. The approach of employment generation has changed over the time. To resolve problem, the government executed various programmes over the years. Government of Maharashtra has adopted a new approach about employment. In 1972-73, employment guarantee scheme was launched by the state government. The scheme was first to recognize the 'right to work' enshrined in the constitution of India. Integrated Rural Development Programme (1980), National Rural Employment Programme (1980), Rural-landless Employment Guarantee Programme (1983), Pradhan Mantri Rozgar Yojana (1993), Employment Assurance Scheme (1993), Rural Employment Generation Programme (1995), National Assistance Programme (1995), Swarn Jayanti Shahari Rozgar Yojana (1997), Jawahar Gram Samridhi Yojana (1999), National Food for Work Programme (2004), Jawahar Rozgar Yojana (2004), Pradhan Mantri Rozgar Protsahan Yojana (2016) were implemented by the central government or state government or a definite sharing by both governments.

MGNREGA has been one of the largest public employment programme visualized in human history so far. It was notified as on September 7, 2005. It came into force on February 2, 2006 in 200 most backward districts in India and covered all districts of India w.e.f. 01 April 2008. It was renamed as MGNREGA from 20th October 2009. The objective of the programme is to enhance livelihood security in rural areas by providing at least 100 days of guaranteed wage employment in a financial year to every household whose adult members volunteer to do unskilled manual work. It is a demand driven scheme. We describe master work category name and sub



category name of assets in MGNREGA -

1. Public works relating to natural resources management - Water Conservation, Watershed management, Irrigation, Traditional water bodies, Afforestation and Land development.

2. Individual assets for vulnerable sections (only for households in paragraph 5) - Improving productivity of lands, Improving livelihoods through, Development of fallow/waste lands, Construction of house, Promotion of livestock and Promotion of fisheries.

3. Common infrastructure for NRLM compliant of self - help groups - Agriculture productivity and Common work-sheds for livelihood activities of self-help groups.

4. Rural infrastructure - Rural sanitation, Road connectivity/Internal roads/Streets, play fields, Disaster preparedness/Restoration, Construction of building, Food Grain storage structures, Production of building material required for construction, Maintenance and any other works.

Review of Literature- Pechetti, Srinivas (2017) reveals that the performance of Andhra Pradesh in terms of providing employment and generating person days to rural households particularly Women, SC and ST is significant and it could be able to provide 100 days of employment to only 5.5 per cent of the participatory households. Turangi, Satyanarayana (2018) found the same in drought-prone district of Kalaburagi in Karnataka state. Moreover, employment generation is relatively better than Karnataka state and India as well. It clearly indicates that MGNREGA can become truly successful only whenever it reaches to the needy sections in the countryside. The majority of the MGNREGA works are related to water conservation and harvesting, rural sanitation, land development and irrigation activities. National tribunal on MGNREGA (2006) their key findings were that the factual information about the program was lacking amongst people and implementers. There are tremendous hurdles faced at first stage of registration, women headed households and joint families are at a district advantage in assessing the benefits of the scheme. There was lack of transparency in allocation of works, measurement of work was inadequate and there was lack of worksite facilities. Ambasta P. et al. (2008) suggested that for productivity enhancing and for effective social accountability major reforms need to be introduced in MGNREGA implementation. Akter Suned (2009-10) focused on convergence between MGNREGA and SGSY and technologies developed by KVK. Singh Atvir and Nidhi (2011) made an attempt to compare the performance of MGNREGA in Merut and Varanasi districts of Uttar Pradesh, they concluded that amount spent and utility assets created under the scheme beyond generation of income of rural people the income generated will boost effective demand in rural India. Akhtar Jawed SN & Abdul Azer (2011) findings depict that MGNREGA is not main solution to unemployment problem of poor in Kerala where a large number of poor seek not manual work but self-employment and wage employment in formal sectors.

Objectives of Study- The objective to study the employment generation and estimate the permissible works taken and assessment of effectiveness of these works in assets creation in the Varanasi district.

Hypothesis - The contribution of women in assets creation is dominating.

Methodology and Data- We have used secondary data to fulfill the objective of study. The relevant data is collected from the MGNREGA official websites report R 6.1.2. The panel data regression model has been used to analyse the assets creation by employment generation in Varanasi district. There are 8 development blocks in Varanasi district. Block wise panel data for 5 years have collected. The parameters undertaken are men days, women days (X_1 , X_2) as independent variable and other hand the various economic assets created such as master work category and sub category of assets in MGNREGA (given above) dependent variable.

The model is given as below:

Total Observations (N) = 8 x 5 = 40 (Block-wise 5-year Panel data)

Number of independent variables = 2 (X_1 , X_2)



$$Y_{it} = \alpha + \beta_1 x_{1it} + \beta_2 x_{2it} + e_{it} \quad \text{Equation 1...}$$

Where

$i = 1, 2, 3, \dots, 40$ (observations in panel data)

$t = 1, 2, 3, \dots, 5$ (5-year 2014 to 2018)

y_{it} = Number of Total Assets Created (Dependent variable)

α = Slope Coefficient

x_1 = Total number of Men days

x_2 = Total number of women days

e_{it} = Residual Variable

Results and Discussion

Variable	Coefficient	Std. Err.	z	P > z
Constant	- 173.85	156.26	- 1.11	0.266
Men days (x_1)	- 0.0019	0.0021	- 0.90	0.366
Women days (x_2)	0.0162	0.0031	5.17	0.000
R^2	0.5360			
Adjusted R^2	0.5109			
Number of observations	40			

shows that coefficient of women days is individually statistically significant and affecting the block performance in terms of total number of assets created. As per the OLS results, Y is positively related to variable X_2 which further shows the contribution of women days is more significantly affecting the growth and progress in MGNREGA programme under the 8 blocks whereas men days is negatively related.

$$Y_{it} = - 173.85 - 0.0019 x_{1it} + 0.0162 x_{2it} \quad \text{Equation 2....}$$

Slope coefficient of X_2 shows that increase in one number of women day's increases 0.0162 numbers of assets created under MGNREGA programme. The value of R^2 is significant (0.5360), shows that model is fit. Model is significantly fit at 5% level of significance. The above model presents the effect of independent variables on aggregate assets created.

Conclusion- The attempts have been made to fulfill the objectives of the study. The required data demanded for study are collected through secondary sources and pooled panel data applied for analysis. The employment scenario is studied at gender wise. The hypothesis - contribution of women in assets creation is dominating- is proved. It has been found that contribution of women in the rural asset's creation is more important than man under MGNREGA.

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Annexure

Assets created in Varanasi District

Blocks	Blocks	Year	total created	Asset	Women man days	Male man days
Arajilina	1	2014	99		35155	57337
Arajilina	1	2015	763		76654	100038
Arajilina	1	2016	512		90305	104458
Arajilina	1	2017	1584		95385	102726
Arajilina	1	2018	1584		118252	113281
Baragaon	2	2014	74		37337	103200
Baragaon	2	2015	98		51258	115259
Baragaon	2	2016	274		47821	81186
Baragaon	2	2017	1256		74144	124027
Baragaon	2	2018	1256		63534	101453
Chiragaon	3	2014	78		8178	18343
Chiragaon	3	2015	162		24714	30487
Chiragaon	3	2016	234		23685	29775
Chiragaon	3	2017	1088		48814	56715
Chiragaon	3	2018	1088		21979	25576
Cholapur	4	2014	377		74426	112530
Cholapur	4	2015	762		103061	137314
Cholapur	4	2016	195		77391	86468
Cholapur	4	2017	1894		123245	115359
Cholapur	4	2018	1894		124093	113644
Harakua	5	2014	61		17861	28293
Harakua	5	2015	121		35355	40724
Harakua	5	2016	443		33384	36930
Harakua	5	2017	409		46867	48509
Harakua	5	2018	409		43327	39841
Kashi Vidyapeeth	6	2014	104		30296	20953
Kashi Vidyapeeth	6	2015	211		43592	30674
Kashi Vidyapeeth	6	2016	152		50293	30962
Kashi Vidyapeeth	6	2017	574		40982	18879
Kashi Vidyapeeth	6	2018	574		51027	32438
Pindra	7	2014	90		56140	152685
Pindra	7	2015	1036		67153	165839
Pindra	7	2016	308		52904	109020
