

## MGNREGA and ITS Virtue of Rural Development

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### Abstract

According to Ministry of Rural Development (MoRD) information, there are around 455 Central government schemes until now on cumulative basis, then for some time they were trimmed to 195 and went back up to 225. The bigger jigsaw has not been addressed. It always the case subsidies mess is not addressed while funds allocation is distorted, since available resource (budget) are never taken into account, either case may be if they are conditional or unconditional cash transfers and were called as subsidies, however broader jigsaw is part of the agenda for re-routing from subsidies to transfers is more limited than one would resume from fiscal numbers on subsidies. MGNREGA (Mahatma Gandhi National Rural Employment Guarantee) which was made into act is by far biggest than any government has done so far, this act has many dynamics to do with, some say it is kind of revelation, there are more than 350 schemes sponsor by government, these schemes are driven with various budgets and sizes, but the reality most of them are either discontinued or some of them are invalid to understand such programs is mind blogging work, since some of them made without any ordinance or there is any legal abidance, in that MGNREGA is one such scheme.

**Key words:** Development, Government, MGNREGA, schemes.

### I. Introduction

And then India moved from what is left behind a thousand years of ruin, and seven decades after it attained the so called freedom, one noticeable thing that has changed is, population has grown by five folds in that time, and still it is growing, to it has haggard with democracy and toyed with it people in that name, the constitutions which since amended more than hundred time is not yet to evolved to lead 21<sup>st</sup> century and beyond, if today the population is about 1.30 billion, of which more than 80% of those are still struggling with poor like conditions, they are in search of better future. Whatever name one attribute to either below or above poverty line, the journey is long. The thing with development it is always like a foregone conclusion, what we call development is not in terms of economic to notion, but the change it is supposed to bring, whether it is a social reforms or it is social engineering, given the present condition of country is driven with complex subjects like caste, creed are still dividing this country, on whole it is the political folks who seems be enjoying it, while they make policies which are seemingly adhere to development path, but the bottom line is for vote of a common man. Much of it spoken about rural development since the time of this country attained its independence, given at that time largely a rural country, time have since changed then are talking of Smart Cities, albeit to make more people to drawn to it for colossal change to present times, otherwise 80% of it still rural based one, the buzz of rural development is there right from the times of first five year plan, the word rural has occupied its place since then rural development is main stay for all subsequent planning years.

Under the planning of government over this time has many such schemes which has focused on this segment, while lot of them many not have come out of age some of them worked some of them defunct and some of them have gone without trace, for this much to do with the policies of government, one scheme is MGNREGA (Mahatma Gandhi National Rural Employment Guarantee) which was made into act is by far biggest than any government has done so far, this act has many dynamics to do with, some say it is kind of revelation, there are more than 350 schemes sponsor by government, these schemes are driven with various budgets and sizes, but the reality most of them are either discontinued or some of them are defunct, to understand such programs is mind blogging work, since some of them made without any ordinance or there is any legal abidance, in that MGNREGA is one such scheme, of its size and scale cannot be comprehended to any of the previous program for rural poor people a certain scale ever been attempted thus, this act will guarantee employment for rural poor people a certain number of days in an annum on a fixed wages, with time to make this act work more robust and lead to a success to extent, they brought in number of changes to the initial bill/act, since its inception this has come long way where in millions of people on rural front has no other option than to migrate to meet their financial need, particularly when the draught like condition prevails, when the sowing completely stops the local dependent labor has no better option than to migrate, with MGNREGA coming into effect in some the mass migration, which is to take place is has almost completely seized, on the rural front the entire financial may not be fulfilled with coming of MGNREGA it has sure substituted to an extent, this has given shot to rural poor in development.



The buzz these words like development and developing something like, as if they are patented to India at least in the last two decades ever since Indian economy transformed, If one were to look at India history, it has glorious legacy and that no one can dispute, the fact that it is still adhere like, to the principals of dharma which is as old as India, or the subsequent ideology which has transmitted to other parts world is in trying to bringing back, but it is hard to notion for the times to bring those models back in are not going to be effective, ever since modern scientific management come to foray with it the complex structures have evolved, technology may make some peoples life better, it is far from the reality to see that colossal change to bring those change overnight, look at the debate of urban and rural development, for country by far rural based one imbibing the technology for the large uneducated rural poor it is very difficult, since the time of independence we expected for a change people expected for a better administer, but what happened was they strategically developed four cities on four corners and eve for those cities the credit must go Britishers, they were here only to take whatever they can for them to in that position, they started to draw clear lines between urban and rural divide, some argued state has got way all these years without bringing the effective system, where the people deprived from development while all these governments are not able root the problem, we are not in a position to addressed the fundamental arguments that who is getting benefited from whom, on paper we have system where it states that every citizen should have same right, while illiteracy curse, has rendered then futile by not equip them with the basic information.

Although there are many factors involved in social deprivation, research has indicated that the school system's intervention can allow at-risk children the chance to improve their status. A positive educational experience plays an important role in allowing such children to advance in society. The preschool which are run by government need no introduction, they are pathetic to notion, the projects which are implemented should reach to the intended people, however the schemes may be, the reality is thus far they never reached the targeted people, a decade in to the MGNREGA act there are lot of issues that need to addressed, people are calling the amazing story of economic development in the last two decades, India has made remarkable strides in the past two decades in overcoming the socialist planning bureaucracy that crippled the country for so long, but there's a long way left to go. To bring justice to the theme of topic MGNREGA and ITS VIRTUE OF RURAL DEVELOPMENT I will further discuss what India development rural is, the economic development policy of what is MGNREGA and why was it brought into and for whom this act bought into and conclude with the theme. Thus I begin by defining by policy.

## II. What is a Policy?

Everyone who deals or do business with government, the word Policy is the integral part of them , but for a common man this word is more associated with Insurance if he opt for one which quit frequently referred in the Indian context, for him/her by having this piece of paper certain guarantee, as a matter of fact policy is the least understood subject in the context of India or that matter anywhere the world, all that people did not know is policy is a piece of legislation ( like most of India policies are diminishing value, since they keep changing with change of government ), policy is to what, to whom and where it is applicable, who drives and make these policies and where do they apply policies, do we require a polices at all? For all that so much surrounding around policy, the question to be asked is does a policy sound as simple as it stands?

In the archives of world history the word "social" is used and linked with the human progression, social as perceptive tried to link the human and animals with a thread of society, sometimes it is better to understand words like these social policy and social inclusions, without understanding these issue it hard to hard establish the linkages, though the word social relative terms which has widely been used to reduce the perennial gap that exist between human beings, of which over the centuries has created a gap among people by dividing them with shear brutal power, over a period of time it has cleaved the society, the problem which India suffered most, it is in this back drop it is a must to address these core topic of the social policy and inclusion. Before we embark on this, one should have a comprehensive and critical analysis of the policy. "Social inclusion" as a policy implementing for a target groups able to access of disadvantaged groups to provide services like education, health, employment and social assistance as required and defined to the context.

Policy itself tends to evolve slowly; the perceptions and practices that generate policy change have advanced markedly over the past decade. Interventions have become more targeted and tailored to meet the specific economic and social needs of diverse groups. At the same time, development planners have become increasingly aware of the need to systematically integrate social analysis and social policy into



the mainstream of development policy design and implementation. There is a growing consensus that inclusion of the social dimension, while no panacea for the above problems, it is one of the major prerequisites for successful development by reflecting this evolution, development institutions at both domestic and international levels have begun to incorporate and institutionalize social policy, social planning and social development into their mainstream activities

### III. Indian Economy

Although India's aggregate economy is very large, when divided by its 1.1 billion people, the resulting per capita income places it in the ranks of low-income countries. Its GDP per capita stood at \$785 in the most recent measure by the International Monetary Fund, ranking it 134th of 185 member countries (International Monetary Fund 2007b). Using the traditional purchasing power parity (PPP) conversion, its GDP per capita stands at about \$3,800, similar to the levels of Nicaragua, Angola, and Vietnam. Using newly revised World Bank and Asian Development Bank estimates, GDP per capita is significantly smaller, at about \$2,100 (Asian Development Bank 2007).

(NCEUS 2007). The vast majority of the population suffers from very low incomes. The new PPP estimates suggest that 792 million people, or 73 percent of the population, live on less than \$1 per day; while slightly over a billion people, or 94 percent of the population, live on less than \$2 per day. As measured by the national poverty line, the percentage of the population living below the poverty line has fallen in recent years; however due to population growth, the number of poor people has barely decreased. In 2004–2005, 77 percent of the population, totaling 836 million people, had an income below 20 rupees per day (twice the official poverty line), which is approximately 50 cents at the current exchange rate. Poverty in India is concentrated in rural areas, as it is in most of the developing world. Nearly three-quarters of India's poor live in the countryside, where the proportion of the population living at or below the national poverty line is 28.3 percent, compared with 25.7 percent in urban areas (National Sample Survey Organization 2005). This is driven in large part by deeply rooted problems and slow growth in the agricultural sector, discussed below.

Poverty is accompanied by widespread child malnutrition. According to a UNICEF study (2006), 47 percent of children under the age of five years were underweight, among the highest rates in the world (Bangladesh and Nepal have rates of 48 percent). In absolute numbers, India has 57 million underweight young children, the largest concentration in the world. Malnutrition at such levels is a humanitarian tragedy. In economic terms, it also has terrible consequences for the country's future, because it is likely to constrain growth and productivity for the predictable future. Malnourished children are more likely to die, to suffer recurring illness later in life, and to have learning impairment.

India was one of the large importer of food grains until the mid-1970s. What happens to Indian economy for the next six decades, where children of today will be affected by India, India produces about 210 million tons of food grains, mainly it consist of rice and wheat, which make up the staple food supply for the country., but it has become self-sufficient and even exporting for the last two decades. This turnaround was mainly due to adoption of very high-yielding varieties of seeds and fertilizers, as part of heavy investments in infrastructure in the past two decades, there were some huge investments made toward irrigation and linking up some rivers. Started around two back "green revolution" has really changes the way in which Agri supply chains really strengthened where government procurement operations and it has guaranteed minimum support price which has help farmer to grow and agricultural sector of India.

### IV. Rural Development In India

There are no universally accepted approaches to rural development. It is a choice influenced by time, space and culture. The term rural development connotes overall development of rural areas to improve the quality of life of rural people. In this sense, it is a comprehensive and multidimensional concept and encompasses the development of agriculture and allied activities, village and cottage industries and crafts, socio-economic infrastructure, community services and facilities and above all human resources in rural areas. As a phenomenon, rural development is the end-result of interactions between various physical, technological, economic, social, cultural and institutional factors. As a strategy, it is designed to improve the economic and social well-being of a specific group of people – the rural poor. As a discipline it is multi-disciplinary in nature, representing an intersection of agriculture, social, behavioral, engineering and management sciences. (Katar Singh 1999).

In the Indian context rural development assumes greater significance as 72.22 per cent (according to the 2001 census) of its population still live in rural areas. Most of the people living in rural areas draw



their livelihood from agriculture and allied sectors (60.41 % of total work force), and poverty mostly persists here (27.1 % in 1999-2000). At the time of independence around 83 per cent of the Indian population was living in rural areas. Accordingly, from the very beginning, our planned strategy emphasized rural development and will continue to do so in future. Strategically, the focus of our planning was to improve the economic and social conditions of the underprivileged sections of our society. Thus, economic growth with social justice became the proclaimed objective of the planning process under rural development. It began with an emphasis on agricultural production and consequently expanded to promote productive employment opportunities for rural masses, especially the poor, by integrating production, infrastructure, human resource and institutional development measures.

During the plan periods, there have been shifting strategies for rural development. The First Plan (1951-56) was a period when community development was taken as a method and national extension services as the agency for rural development. Co-operative farming with local participation was the focus of the Second Plan (1956-61) strategy. The Third Plan (1961-66) was the period of re-strengthening the Panchayat Raj System through a democratic decentralized mechanism. Special Area Programmes were started for the development of backward areas in the Fourth Plan (1969-74). In the Fifth Plan (1974-79), the concept of minimum needs programme was introduced to eradicate poverty in rural areas. There was a paradigm shift in the strategy for rural development in the Sixth Plan (1980-85). The emphasis was on strengthening the socio-economic infrastructure in rural areas, and initiatives were taken to alleviate disparities through the Integrated Rural Development Programme (IRDP). During the Seventh Plan (1985-90), a new strategy was chalked out to create skill-based employment opportunities under different schemes. Special programmes for income generation through creation of assets, endowments and land reforms were formulated for participation by the people at the grassroots level.

The focus of the Eighth Plan (1992-97) was to build up rural infrastructure through participation of the people. Priorities were given to rural roads, minor irrigation, soil conservation and social forestry. Strategic changes were made in the Ninth Plan (1997-2002) to promote the process of nation-building through decentralized planning. Greater role of private sector was also ensured in the development process. The Ninth Plan laid stress on a genuine thrust towards decentralization and people's participation in the planning process through institutional reforms. It emphasized strengthening of the panchayat raj and civil society groups for promoting transparency, accountability and responsibility in the development process. The role of the government, in general, had to shift, from being the provider, to the facilitator of development processes by creating right types of institutional infrastructure and an environment conducive to broad-based economic development. The focus of rural development in Punjab has mostly been along the same lines as followed by the Central Government. The state government in its document on the Tenth Five Year Plan (2002-07) and the Annual Plan (2002-03) has strategically re-stressed the following thrust areas:

#### **V. Five Year Plan And Rural Development**

The wickedness of Second World War has left world in chaos, since we ruled by British, which is directly involved the war, the pounding it has taken since the begin of the war to its end with help of America, it has no choice but to give independence to commonwealth countries which it has rule, as for the rural segment in India it hardly did anything in the form of development, they main stay was administrate it yore from by confining the some cities, rest of the Indian largely rural place, the connectivity was there, where they get to see the economic benefit and the effects of it by the they time left India, this country more less start with empty paper, the much anticipated help that is expected from the advanced countries have has not arrived, at its Indian planners has to do something alleviate the poverty, thus in 1951 the foundation was laid for the rural development, of which bulk of the budget is kept for the rural development.

To least it is a mess to go through the volumes of the literature that has added over the period of last sixty odd years, I have here taken some the finer detail which more less summarize for the argument the current plans that were during the course of every five year plans, some of them which include over the period time were not even included, since the perennial use of schemes either discontinued or has been abounded them altogether.

#### **VI. MGNREGA Act**

In country like India, where human workforce is the major resource in development of economy, mechanism to systematically utilize this force at grass root development has been overlooked for many



years since independence. The enactment of Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) in 2005 is indeed a significant development in this regard. In other words it symbolizes the achievement of a very long civil society and people's movement towards ensuring right to food through ensuring right to work.

The Indian Parliament passed the National Rural Employment Guarantee Act (MNREGA) in August 2005, which provides for a minimum of 100 days of guaranteed employment to every rural household. The Act came into force in 200 of the country's poorest districts and has later been expanded to another 130 districts. Presently, it has been extended to cover the whole country. MNREGA has placed a judicially enforceable obligation on the state to provide unskilled, manual work within 15 days of a person making an application, within a radius of 5 km from the applicant's residence. Failing this, the state government is to provide an unemployment allowance.

In the last few years public expenditure on social programmes has increased dramatically from Rs 9,000 billion in the Tenth Plan period to Rs 22,000 billion during the Eleventh Plan period with a step up of over 149 per cent. In the Eleventh Plan period nearly Rs7, 000 billion has been spent on the 15 major flagship programmes. This sharp increase is unprecedented and one wonders how the fund flow for this level of spending will be sustained over time. A number of legislative steps have also been taken to secure the rights of people, like the Right to Information Act, the MGNREGA, the Forest Rights Act, and the RTE. Thus the rights are constitutionally guaranteed and many achievements have been recorded, but there are also pressing issues like leakages and funds not reaching the targeted beneficiaries.

Under the provisions of the act, workers are entitled to a statutory minimum wage for their labour to be paid within seven days after the work is done. Men and women are to be paid equal wages. All these provisions make this a "People's Act" in several sense. The Act was prepared through a wide range of consultation with people's organizations. The Act addresses itself chiefly to working people and their fundamental right to life with dignity. The Act also empowers ordinary people to play an active role in the implementation of employment guarantee schemes through *Gram Sabha's* (participatory & representative micro level administrative unit in three tier Panchayat System), social audits, participatory planning and other means. More than any other law, MNREGA is an Act of the people, by the people and for the people. This Act is an important step towards the realization of the right to work. It is also expected to enhance people's livelihoods on a sustained basis, by developing the economic and social infrastructure in rural areas.

Construction of roads, ponds, drainage system and plantation are some of the popular areas where MNREGA complimented in village development. Most of the time choice of works also seeks to address the causes of chronic poverty such as drought, forestation and soil erosion. In many parts of the country where this act has been implemented effectively, a transformation of geography of poverty has been experienced. The potential of this act is quite large. In many villages of Rajasthan, this has prevented migration through creating livelihood options within village structure. Not only these options fetched monetary gain but also contributed in development of village infrastructure. Development of roads, land and water bodies has long term impact of overall economic growth and management of natural resources without harming environment. The golden dream of independent India of people participation in shaping their own lives and future could be materialized through proper implementation of this act.

This Act is based on the principle of self-selection by focusing on unskilled manual work. People could play active role preparing village development plan as per their priority. This plan then would get technically designed and executed under supervision. There are strong provisions for transparency and accountability at all levels: for instance, wages are to be paid through Post Office or bank as per personal account of job card holder, all relevant documents are to be made available for public scrutiny and regular social audit of all works has to be conducted.

## VII. Conclusion

According to Ministry of Rural Development (MoRD) information, there are around 455 Central government schemes until now on cumulative basis, then for some time they were trimmed to 195 and went back up to 225. The bigger jigsaw has not been addressed. It always the case subsidies mess is not addressed while funds allocation is distorted, since available resource (budget) are never taken into account, either case may be if they are conditional or unconditional cash transfers and were called as



subsidies, however broader jigsaw is part of the agenda for re-routing from subsidies to transfers is more limited than one would resume from fiscal numbers on subsidies.

The ultimate goal was to improve the downtrodden and quality of life by effective checks and balances. Behind every institutional innovation the great fluctuation arises while attempting to make any policy, the policy should lay emphasis on development, in general effects of nature in which policy is derived, for state cannot be independent to the society, while policies that are made or make should have overall obedience to social development by comparing individual rights, equality and social pluralism against the moral community, which is based on an assertive authority, social hierarchy and communal solidarity. Institutions such as the courts, legislatures and the bureaucracy, while it is there, the forces within the system can oppose for a more oppressive aspects of the caste system.

As such, community development was considered synonymous with rural development, initially for the purposes of financial allocation, ultimately as an administrative and political unit by introducing panchayat raj system, which in principal has to set down with the structure of local self-government, all the way going down to the level of the village. Under the Indian constitution, the provisions that provided the exclusive jurisdiction fall under the state governments for community development and local self-government. This has an effect the parity in the progress achieved in both not surprisingly which has varied significantly from one region to another.

The authority of the state was based on the accommodation of a wide variety of interests. The implications for capital accumulation were bleak, the India being a soft state, has to mend with terrible prospects of peaceful stagnation. The capital needs of this economy had also to be met from internal sources. The requirement of economic development has set different problems. Thus regime could not expect more institutionalized support from the state, as required by the capitalist, where they could not squeeze sufficient money, so has to force for the savings through collectivization, as a consequence of this public sector has come Under the shadow of the private sector, this has opened floodgates for private capital for forming new forms of enterprise, which is in collaboration with the public sector and has left little scope for the governmental agencies, since it is almost always with some form of public support ranging from subsidized inputs and infrastructural facilities to the protection from internal and international competition, given these backdrop where dose the deprived stand, what is the development to conclude that if one were to look policies of rural development concern of all development projects or schemes the MGNREGA is working so, effectively thus we say it is indeed a virtue of rural development.

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