

Impact Of Mgnrega On The Socio- Economic Development Of Sagar (Island) Block In South 24 Parganas District

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Abstract: *National Rural Employment Guarantee Act (NREGA), now Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA from October 2, 2009) was passed in the year 2005. The ongoing programmers of Sampoor n Grameen Rozgar Yojna and National Food for Work Programme were subsumed within this programme in the 2007 of the most backward districts of the country. The Act has been to strengthen the PRIs. MGNREGA addresses mainly to rural poor and their fundamental right to work with dignity. MGNREGA has extensive in-built transparency safeguards. The act is designed to offer employment within 15 days of application of work, if the employment cannot be provided by the authorities then daily unemployment allowance has to be paid. As the inhabitants solely depend upon the available natural resources for their life subsistence the utilization and consumption pattern of natural resources and their impact on the Sagar island's socio-economic conditions has great importance for the analysis and assessment. My paper is focusing the Impact of MGNREGA on the Scio-economic development of Sagar (Island) Block in South 24 Parganas district.*

Keywords: *MGNREGA, extensive, transparency, safeguard, allowances, inhabitants*

I. INTRODUCTION

National Rural Employment Guarantee Act (NREGA), now Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA from October 2, 2009) was passed in the year 2005. The ongoing programmers of Sampoor n Grameen Rozgar Yojna and National Food for Work Programmed were subsumed within this programme in the 2007 of the most backward districts of the country. First, it ensured the legal right to work for a hundred days to poor people whoever is willing to work at a minimum wage rate, particularly in the rural areas, which in turn would reduce the flow of rural to urban migration. In addition to this, another important objective of the Act has been to strengthen the PRIs. MGNREGA addresses mainly to rural poor and their fundamental right to work with dignity. It is noted from the above mentioned employment programmers that MGNREGA envisaged a paradigm shift from all precedent Wage Employment Programmes (WEP) operating in the country

since 1980. Earlier WEP were allocation based whereas MGNREGA is demand-driven. MGNREGA has extensive in-built transparency safeguards. The act is designed to offer employment within 15 days of application of work, if the employment cannot be provided by the Authorities then daily unemployment allowance has to be paid. Unique features of MGNREGA are: time bound employment guarantee and wage payment within 15 days; Incentive-disincentive structure to the state governments for providing employment as 90 per cent of the cost for employment provided is borne by the Centre while payment of unemployment allowances are borne by state governments (at their own cost); and emphasis on labour intensive works prohibiting the use of contractors and machinery. The Act mandates 33 per cent participation for women. The key processes in the implementation of MGNREGA are the following:

- ✓ Adult members of rural households submit their name, age and address with photo to the Gram Panchayat.

- ✓ The Gram Panchayat registers households after making enquiry and issues a job card which contains the details of adult member enrolled and his/her photo. Registered person can submit an application for work in writing (for at least fourteen days of continuous work) either to Panchayat or to Programme Officer.
- ✓ The Panchayat/Programme Officer will accept the valid application and issue dated receipt of application, letter providing work will be sent to the applicant and also displayed at Panchayat Office.
- ✓ The employment will be provided within a radius of 5 kilometers and if it is above 5kilometers extra wage will be paid. If employment under the scheme is not provided within fifteen days of receipt of the application daily unemployment allowance will be paid to the applicant.
- ✓ The cost sharing is done as: Central Government 3/4th and State Government 1/4th.

MGNREGA was implemented in three phases:

PHASE I - notified in 200 districts with effect from February 2nd 2006

PHASE II - extended to 130 districts in the financial year 2007-08 (113 districts from April 1st 2007 and 17 districts of Uttar Pradesh were notified with effect from May 15th 2007)

PHASE III - remaining districts in all the States/UTs were notified from April 1st 2008.

II. ABOUT SAGAR ISLAND

Indian has a coastline of about 8000 km. Nearly 250 million people are living within 50km of the coast. About 20 per cent of them are poor and the most marginalized. Being on the coast, places them at the mercy of the nature. Their life and livelihoods carry great risk. Until now management of India's coastal zone was more regulatory in nature as per the Coastal Regulation Zone Notification, 1991. This approach provided little room for promotion of conservation and economic activities in the coasts. Therefore in 2004, the Ministry of Environment and Forests (MoEF) constituted an expert committee headed by M.S. Swaminathan, to review the Notification. The committee recommended many reforms towards conservation of ecosystems, promotion of economic activity and poverty reduction in coastal areas in a more strategic, decentralized and scientific way. In the light of these recommendations, the MOEF brought out a new notification called Coastal Zone Management. The Government of India and MoEF supported by World Bank are undertaking the Integrated Coastal Zone Management project to take up various initiatives for pro-active management of Coastal Zone.

The Concept for Enhancing Livelihoods in Sagar Island focus of this proposal, is one of the 54 islands inhabited. The island like other parts of Sundarbans is characterized by mangrove swamps, waterways and small rivers. It also shares the risk of coastal flooding and coastal erosion with other islands. Sagar is unique in a way because it reflects almost all the natural problems – embankment breaches caused by river and sea, tidal surges, salinity, disappearing mangroves - of Sundarbans as a whole. Sagar Island is situated near the confluence of the Ganga and the Bay of Bengal 100 km south of Kolkata in the South 24 Parganas district of West Bengal. It

is surrounded by Muriganga River in the north and east, and Hoogly in the west. The island is full of creeks and channels. About 40000 families inhabit 47 villages of Sagar spread over 504 sq. km of area. Sagar already lost 30 sq km of land. It is also home to more than 20000 tidal refugees from other islands. Due to premature reclamation, parts of Sagar remain 3 meters below sea level. These areas are protected by embankments which due to constant tidal action, indiscriminate clearing of mangroves and other such reasons breach every 6 months to 2 years. About 8000 to 10000 families live on the fringes of water. Eleven permanent roads connect the villages of Sagar, of which two are most important, one connects Kachuberia in the north to mela ground in the south running through the heart of the island for a distance of 32 km while the other connects Chemaguri in the east central to mela ground in the south for a distance of 10 km. Sagar can be reached by a vessel from various embarking points in the mainland including Namkhana and Harwood Point both of which are well connected to Kolkata. There is also a direct ferry service available from Haldia to Sagar. Depending on the tidal activity, the river crossings from Sagar take around 30 minutes to 1 hour, to reach Namkhana or Harwood points. Thus Sagar is reasonably well connected to the mainland. Transport within Sagar is by jeep or rickshaw vans. In addition to well connecting roads another significant component of infrastructure in the Sagar Island are the solar panels. Sagar gets its electricity for about 4 hours in the evening mainly from solar systems and diesel run generators. Eight solar plants are in operation serving about 15 villages. The plants are run on commercial basis by local rural electric cooperatives. Sagar is way above national average in terms of literacy. The island is about 90 per cent literate. While the drop-out rate between primary and HSC is reported to be only 5%, only 40% of those who appear for HSC complete their graduation. 70 per cent of the women are literate. However girls are married at an early age, from 9th class onwards. This reduces the chances of further education of the girls and their participation in the labour force. There is one degree college. Skill trainings like computer assembling, Batik painting, embroidery etc are being offered on a small scale. Enterprises like sanitary mart are present. Sagar Island is part of Sagar Block that also includes the tiny neighboring island, Ghoramara. Hereafter in this project concept Sagar Island refers to both Sagar and Ghoramara. Project Concept for Enhancing Livelihoods in Sagar Island The island has one hospital. Services of MBBS doctors and RMPs are available. There are 2 veterinary doctors. A soil testing laboratory is recently established. A mangrove interpretation center is coming up. Sagar is popularly called Gangasagar. This is because the river Ganges makes its arduous journey from the Himalayas and culminates into the Bay of Bengal at Sagar Island. This makes Gangasagar a holy site for Hindus and a famous pilgrim center. In addition to tourists and pilgrims visiting the island almost every day of the year, Sagar Mela is held during Makar Sankranti in January, when lakhs of pilgrims throng the island to take holy dip in the Ganges. About 1 km from the sea is Kapil Muni temple where people worship and make offerings after the holy dip. Sagar Mela, apart from being culturally important adds great economic significance to the islanders.

III. RATIONALITY

Sagar Island is chosen for pilot among the 54 inhabited islands in the Sundarbans because –

- ✓ Sagar is the single largest compact island in the Sundarbans
- ✓ Sagar represents almost the entire livelihoods spectrum of the Sundarbans
- ✓ Sagar is facing severe threat from soil erosion, breach of embankments and loss of landmass and rising sea levels.
- ✓ The literacy rate in Sagar is about 80 per cent and 70 per cent of the women are literate. Therefore adopting new ideas and trying out new interventions is easy.
- ✓ Therefore the set of interventions in Sagar can be replicated across with due adaptation. The purpose of this proposal is to improve the livelihoods of the poorest segment inhabiting Sagar Island, including the farmers whose livelihoods is affected or threatened by sea erosion and tidal floods.

IV. MAIN OBJECTIVES OF THE STUDY

Measure the extent of manpower employment generated under MGNREGA, their various socio-economic development and gender variability in implementing MGNREGA in Sagar island.

V. REVIEW OF LITERATURE

The recent literature on various aspects of MGNREGA functioning is expanding very fast as the programme encompasses the whole of the rural India and spends a huge budget compared to any other social welfare programme.

Aiyar and Samji (2006) argue for strengthening social audit in order to improve the effectiveness of MGNREGA Programme. They argue that the earlier wage employment programmes failed due to the common problems of ineffective targeting, leakages and poor quality asset creation, etc. They emphasized for a clear separation of functions across tiers of government. The Gram Panchayat (GP) along with Zila Panchayat should be responsible for all operational activities whilst the state government should take overall monitoring and regulation of the process. According to them such a system allows the GP flexibility to respond effectively to citizen needs and priorities without depending on any external authority. It also prevents tiers of government from passing responsibility for performance on to one another, as is common in the present system. Secondly, the citizen must play the central role in monitoring the provision of public services. In such a system the regular flow of information would be crucial as well as the enhanced ability of citizens to exercise enforceability through tools such as social audits and community score cards will have to play a major role.

Chakraborty (2007) presents a budgetary appraisal of MGNREGA. The study observed that the existing institutional arrangement in poorer states was not good enough to implement the MGNREGA in an effective manner. Only half of the total available funds were utilized and the utilization

ratio was particularly low in poorer states. There was an urgent need for both vertical and horizontal coordination across levels of governments within the states. The paper suggests that the devolution of responsibilities and strict accountability norms would accelerate capacity building at the level of the panchayat and the scheme could effectively function as a demand-driven one. Keeping the spatial dimension of the implementation in mind, the importance of the smooth flow of funds for implementation of projects in accordance with the demand, capacity building at the village level, right to information to enable social audits effectively, accountability of functionaries and an effective grievance redressal mechanism assume critical importance. The paper further elaborates that better coordination by the levels of governments with the gradual expansion of the programme covering more districts would lead to increased outlays and one would hope that the programme effectiveness will increase with experience, particularly in poorer states.

Dreze et al. (2008) in their evaluation study in Chhattisgarh found MGNREGA functioning far better than the other employment programmers. They observed that there was virtually no check on the embezzlement of NFFWP funds in Surguja district of Chhattisgarh. The situation was so bad that it was constrained to describe NFFWP as “Loot for Work Programmed”. In the same district, it was interesting to hear from a wide range of sources where the enactment of MGNREGA had led to a steep decline in the incidence of corruption. This was borne out by the muster roll verification exercises. In a random sample of nine works implemented by gram Panchayat, it was found that 95 percent of the wages that had been paid according to the muster rolls had actually reached the labourers concerned. A similar exercise conducted in Koriya, the neighboring district, led to similar estimates of “leakages” in the labour component of MGNREGA by only 5 per cent or so. In Jharkhand, detailed muster roll verification of MGNREGA works in five randomly selected gram Panchayat of Ranchi District suggested leakages of around 33 per cent. In Jharkhand, there was evidence of a gradual retreat of corruption compared with earlier years when it was not uncommon to find that entire muster rolls had been manufactured from top to bottom.

Harish et al (2011) evaluates the impact of MGNREGA on income generation and labor supply in agriculture in one of the districts in central dry zone of Karnataka. The results of the study showed that for the participating families the numbers of days worked in a year with the implementation of MGNREGA programmed had increased significantly to 201 days, reflecting 16 per cent increase. The authors observed that MGNREGA contributed to increase in the consumption expenditure reducing the debt burden of the beneficiaries. Regression analysis carried out to find out the determinants of participation revealed that gender, education and family size of the workers were the significant factors influencing the worker's employment under the Program. The increase in income was to the tune of 9.04 per cent due to additional employment generated from MGNREGA. In the total income, the contribution of agriculture was the highest (63%), followed by non-agricultural income (29%) and MGNREGA income (8%). Implementation of MGNREGA works has led to labour scarcity to the tune of 53 per cent and 30 per cent for

agriculture operations like weeding and sowing, respectively. There was a decline in area for labour intensive crops like tomato and ragi to the extent of 30 per cent due to MGNREGA implementation.

Basu (2011) examines labor and output market responses to MGNREGA and determine the optimal compensation to public work employees consistent with the objectives of productive efficiency in agriculture and welfare maximization of the laborers. By accounting for the seasonality in agricultural production and the institution of permanent labor contracts, the paper shows that technological change and productivity increases in MGNREGA programs tend to make laborers better-off as compared to a direct increase in the wage paid at the relief program. Further, an optimal wage that maximizes expected agricultural output may be in conflict with the one that maximizes the expected lifetime utility of laborers indicating trade-offs between different policy objectives. Further, in the event of high elasticity of MGNREGA with respect to permanent laborers, a specific subsidy targeted towards the hiring of permanent laborers would best serve the twin objectives of increased expected agricultural productivity and increased welfare for the laborers. The paper concludes that MGNREGA by introducing contestability in the agricultural labor market can yield a host of interesting implications for the wage and employment patterns of the rural poor.

Dutta et al (2012) used National Sample Survey (NSS) data for 2009-10 to verify the guarantee of employment at the stipulated wage rates to the households seeking employment under the Act. They observed considerable un-met demand for work in all states under MGNREGA. The authors confirm that poorer families tend to have more demand for work expectations on the scheme and that despite the un-met demand the self-targeting mechanism allows it to reach relatively poor families and backward castes. The extent of the un-met demand is greater in the poorest states, ironically where the scheme is needed most. Labor-market responses to the scheme are likely to be weak. The scheme is attracting poor women into the workforce, although the local-level rationing processes favor men. The authors although find a significant negative correlation between the extent of rationing and the wage rate in the casual labor market relative to the wage rate on the scheme. However, the correlation vanishes when the level of poverty was introduced as a control factor. Poorer states tend to see both more rationing of work on the scheme and lower casual wages, possibly due to a greater supply of labor given the extent of rural Landlessness.

VI. NEEDS FOR THE STUDY

Sagar Island is chosen for pilot among the 54 inhabited islands in the Sundarbans because –

- ✓ Sagar is the single largest compact island in the Sundarbans
- ✓ Sagar represents almost the entire livelihoods spectrum of the Sundarbans
- ✓ Sagar is facing severe threat from soil erosion, breach of embankments and loss of landmass and rising sea levels.

- ✓ The literacy rate in Sagar is about 80 per cent and 70 per cent of the women are literate. Therefore adopting new ideas and trying out new interventions is easy.
- ✓ Therefore the set of interventions in Sagar can be replicated across with due adaptation.
- ✓ The purpose of this study is to improve the livelihoods of the poorest segment inhabiting Sagar Island, including the farmers whose livelihoods is affected or threatened by sea erosion and tidal floods.

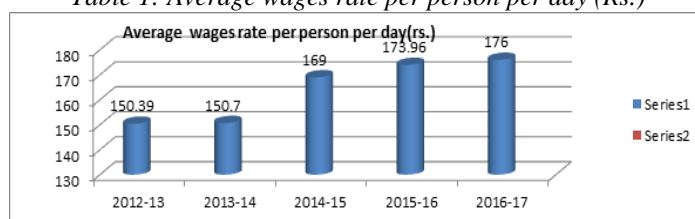
VII. DATA SOURCE AND METHODOLOGY

The study involves both primary and secondary data. Primary data had been gathered from the field directly. There are 9 Gram Panchayets in the Sagar Island. I randomly select 25 household from each of the grampanchayet and collecting data. The sources of secondary data are census of different years, district gazetteer, district statistical handbooks, mouza maps, topographical maps (1967), satellite imageries (landsat) etc. Primary data had been collected on the basis of 'Random sampling' so that the actual representation of the entire data can be reflected. For this study secondary data is taken from 2012-13 to 2016-17 (Dec). of sagar block in south 24 Parganas.

VIII. DATA ANALYSIS AND FINDINGS

Year	2012-13	2013-14	2014-15	2015-16	2016-17	Average
Average wages rate per person per day (Rs.)	150.39	150.7	169	173.96	176	164.01

Table 1: Average wages rate per person per day (Rs.)



Sources: mgnrega.gov.in

Figure 1

ANALYSIS: Above table and chart shows that the Average Wages rate per person per day is Rs.150.39 in 2012-13, Rs. 150.7 in 2013-14, 169 in 2014-15, 173.96 in 2015-16 and 176 in 2016-17 with the average of 164.01.

Year	2012-13	2013-14	2014-15	2015-16	2016-17	Average
Total no. of works Takenup (New+Spillover)	1504	1624	2489	4609	6909	3427

Sources: mgnrega.gov.in

Table 2: Total no. of works Taken up (New+Spillover)

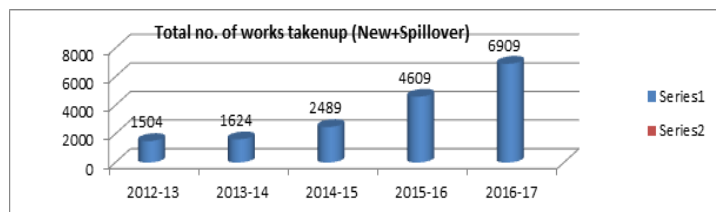


Figure 2

ANALYSIS: Above table and chart shows that total no. of works takenup (new+ Spillover) 1504 in 2012-13,1624 in 2013-14,2489 in 2014-15,4609 in 2015-16 and 6909 in 2016-17 with the average of 3427 . It is gradually increased during the study period.

Year	2012-13	2013-14	2014-15	2015-16	2016-17	Average
Average Cost per Day Per Person(Rs.)	197.85	215.41	212.07	218.41	268.22	222.392

Sources: mgnrega.gov.in

Table 3: Average Cost Per day per Person (Rs.)

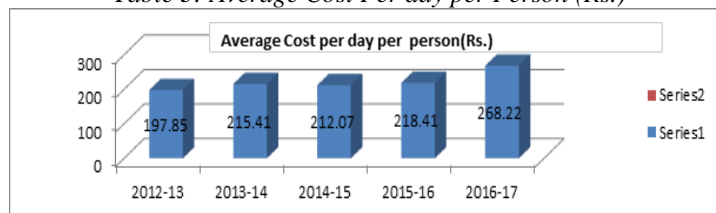


Figure 3

ANALYSIS: Above table and chart shows that Average Cost per Day Per Person Rs.197.85 in 2012-13, Rs.215.41 in 2013-14, Rs.212.07 in 2014-15, Rs.218.41 in 2015-16 and Rs.268.22 in 2016-17 with the average of Rs.222.392.

year	2012-13	2013-14	2014-15	2015-16	2016-17	Average
women Persondays out of total (%)	33.1	39.01	39.13	42.07	39.64	38.59

Sources: mgnrega.gov.in

Table 4: Women Person days out of total (%)

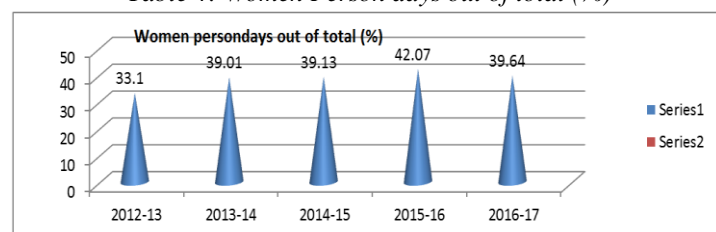


Figure 4

ANALYSIS: Above table and chart shows that Women Person days out of total days work is 33.1% in 2012-13,39.01% in 2013-14,39.13 in 2014-15,42.07 in 2015-16 and 39.64 in 2016-17 with the average of 38.59.

Year	2012-13	2013-14	2014-15	2015-16	2016-17	Average
Sc Persondays % of Total Persondays	11.78	13.05	10.35	7.4	6.5	9.816

Table 5: SC Person days % of total Person day

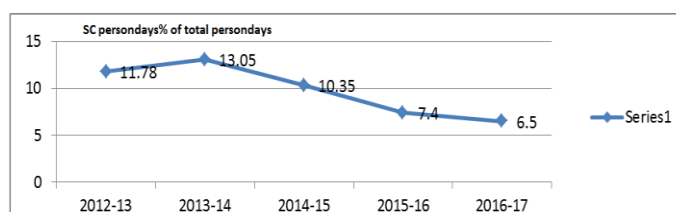


Figure 5

ANALYSIS: Above table and chart shows that SC Person days % of total Person days is 11.78% in 2012-13,13.05% in 2013-14,10.35% in 2014-15,7.4% in 2015-16 and 6.5% in 2016-17 with the average of 9.816%.

Year	2012-13	2013-14	2014-15	2015-16	2016-17	Average
STPersondays % of total Persondays	0.12	0.07	0.08	0.03	0.08	0.076

Sources: mgnrega.gov.in

Table 6: ST Persondays % of total Persondays

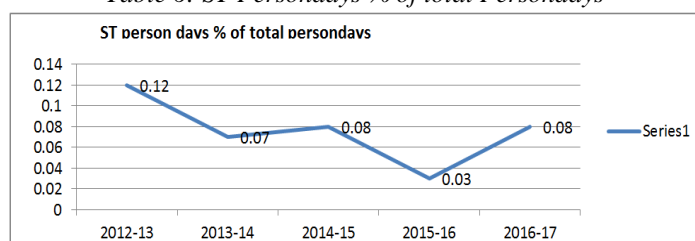


Figure 6

ANALYSIS: Above table and chart shows that ST Person days % of total Person days is 0.12% in 2012-13,0.07% in 2013-14,0.08% in 2014-15,0.03% in 2015-16 and 0.08% in 2016-17 with the average of 0.076%.

IX. CONCLUSION

- ✓ The Average Wages rate per person per day is gradually increased. It starts from Rs.150.39 in 2012-13 and reached to Rs.176 in 2016-17 with the average of Rs.164.01.
- ✓ Total no. of works taken up (new + Spillover) is gradually increased throughout the study period. It starts from 1504 in 2012-13 and reach to 6909 in 2016-2017 with the average of 3427. It indicates the economic development is going on in Sagar (Island) Block.
- ✓ Average Cost per Day Per Person starts from Rs.197.85 in 2012-13, and arrive atRs.268.22 in 2016-17 with the average of Rs.222.392. It signifies that the standard if living of worker in the programme is gradually increased.
- ✓ The Women Person days out of total days work is little bit increased throughout the study period. It means women participation in this programme is little bit increased.
- ✓ SC person days (%) of total person days is gradually decreased and ST person days (%) of total person days is not consistent. It indicate that the Socio-economic development is uneven in the sagar island of South 24 Parganas.

X. RECOMMENDATION

- ✓ Sufficient natural resources are present in this island. But lacks of proper utilization knowledge, most of the resources are not in position for use. So proper planning & guideline is very necessary for actual utilization of resources.
- ✓ Agricultural activity is not satisfactory in summer & winter season in still now. Poor irrigation facility is the main problem for these seasons. So better irrigation facility should be arranged by government for more production.
- ✓ SC, ST participation in this programme should be increased.
- ✓ The authority should Free from Political biasness to give the working opportunities to the workers.
- ✓ Awareness should be grown among the workers about rules, regulation of the MGNREGA and their rights to the programme.

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