Household Livelihood Security in Tamil Nadu: Role of Mahatma Gandhi National Rural Employment Guarantee Programme

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Abstract
Change in governments both in centre and state in a federal state such as India eventually leads to change in public policies. The UPA government when assumed power in 2004 initiated the Mahatma Gandhi National Rural Employment Programme (MGNREGP) in order to provide employment to every household for 100 days in a year. The programme, despite several drawbacks, had reached thousands of households in terms of livelihood security. It was doubted if the new incumbent BJP-led NDA government in 2014 would terminate the programme or reduce it to few blocks in the country. Nevertheless, the MGNREGP continues to function with an additional 1,000 crore allotted in the budget 2014-15. In this connection, this paper aims to justify the decision to continue the programme and also suggests measures to make it more effective in terms of household livelihood security.

Keywords: Employment Guarantee, Livelihood Security, India

Introduction
Mahatma Gandhi National Rural Employment Guarantee Programme (MGNREGP), started as a flagship programme during the UPA-led government in the centre in 2005, has created a significant impact in the lives of households in rural India. Several such employment programmes were in place from 1970s to 2004 till MGNREGP came into existence. These employment generation programmes are considered to be a tool to bring about income relief, construct and maintain public infrastructure, eliminate endemic poverty, facilitate job search and creation, and advance workers’ position to bargain in private sector for better wages (Dreze & Sen, 1991; Von Braun, 1995).

In this regard, MGNREGP was started with the objective to provide for enhancement of livelihood security of the households in rural areas of India by providing at least one hundred days of guaranteed wage employment in every financial year to every household whose adult members volunteer to do unskilled manual work and for matters connected therewith or
incidental thereto (NREGA, 2005). A decade of subsistence of this programme has witnessed both appreciation and criticism from various corners. It withstood its criticisms and sustained remarkably, especially among rural poor. This paper attempts to highlight the pros and cons and highlight the need to make the programme sustain effectively rather than bringing it to an end.

Review of Literature
Basu, Chau, and Kanbur (2005) in their The National Rural Employment Guarantee Act of India, 2005 give a descriptive picture of the Act and the salient features of the same. Having explained the Act’s characteristics, the article discusses poverty targeting in rural labour markets which helped this paper in comprehending the highlights of the Act. The article Employment Guarantee and Women’s Empowerment in Rural India by Jandu (2008) and Employment Guarantee Policies and Related Gender Dimensions by Antonopolous (2007) emphasize upon the priority given to women in the Act. They support this paper in terms of highlighting empowerment aspect of policies. Jha, Gaiha, and Shankar (2008) in their National Rural Employment Guarantee Programme in India – A Review portray the findings and results of cross tabulation and correlation presenting the relationships between different variables that are affected by MGNREGP. The article of Ghanashyam (2008), NREGA – Bringing hope to small farmers, brings out the positive attributes of MGNREGP from the agricultural perspective. He substantiates the same with case studies from Karnataka. The article did not fail to mention that it was possible to achieve sustainable farming using MGNREGP only when right plans are made.

Jha, Bhattacharyya, Gaiha, and Shankar (2009) in their article Capture of Anti-Poverty Programs: An Analysis of the National Rural Employment Guarantee Programme in India expose the capture of beneficiary programmes of the government by the non-poor. The detailed evaluative study titled Evaluation of National Rural Employment Guarantee Act by Indian Institute of Technology, Madras (IIT-M, 2009) evaluates the programme in five districts of Tamil Nadu. This being a detailed study supports this paper in bringing out the positive and negative dimension.

Dreze and Oldiges (2010) in their How Is NREGA Doing? give an overview of MGNREGP in the context of political rivalries. The performance of states and their comparison is vividly brought out. Understanding NREGA: A Simple Theory and Some Facts by Sinha and Mukherjee (2011) discusses the significance of NREGA in the rural labour market. The article also analyzes the impact of the scheme on the households and agricultural production using a theoretical (economical) model. Dreze and Khera (2011) in The Battle for Employment Guarantee assure that the programme brings positive changes to the lives of rural poor but gradually. This empirical study proves the impact of the programme in various perspectives such as migration.

Methodology
The secondary sources of data included books, journals, and articles in print and visual media, government reports, documents and publications. The primary sources of data included survey conducted among the Below Poverty Line (BPL) population of the study area(s) chosen in Tamil Nadu. The tools used were survey questionnaire, non-participant observation and focus group
discussions. The other modes of primary data collection comprised of brief interactions with government officials, legal experts and brief informal exchanges with villagers besides the sample population.

The study population encompassed the BPL population in rural Tamil Nadu. Four districts namely Dharmapuri, Sivagangai, Thanjavur and Tiruvannamalai were chosen out of the 32 administrative districts. The total size of the sample is 600 that constituted of 150 samples from each district chosen. The respondents were those who work under the MGNREGP. Two blocks in each district were chosen to administer the questionnaire. The blocks that have the highest number of BPL population were chosen for data collection. In Sivagangai, the blocks were Kaalaayarkoil and Ilayangudi. The blocks chosen in Dharmapuri were Morappur and Harur. Chengam and Jawadhu Hills were chosen from Tiruvannamalai district. In Thanjavur, Paapanaasam and Sethubhavachathiram were the study areas. The respondents were randomly chosen from the blocks suggested by the officials. Yet, care was taken to have a balanced representation of different age groups. Thus, on a whole, respondents were selected based on Multistage Cluster Sampling.

The study questionnaire comprised of both open- and close-ended questions to understand the impact of the MGNREGP on the household food security and livelihood security of rural Tamil Nadu. The sample consisted of more number of female respondents than their male counterparts because of their participation in the MGNREGP. The questionnaire was administered individually to every respondent in the native language, Tamil. The non-participant observation helped in culminating the supplementary information and the reality existing which were otherwise not revealed by the beneficiaries of the programme. This largely helped in analyzing the need for and sustainability of the programme. Few brief interactions with the non-beneficiaries of MGNREGP and officers in-charge of the implementation and monitoring of the programme throw light on the serious drawbacks and attention-seeking areas of programmes.

Pros and cons of the programme

The MGNREGP is a significant and major initiative to provide social safety net to India’s rural poor (Basu, Chau, & Kanbur, 2005, p. 1; Raabe, Birner, Sekher, Gayathridevi, Shilpi, & Schiffer, 2010, p. 1; Chakraborty, 2007, p. 2). MGNREGP is seen as an initiative to operationalize the concept of right to work enshrined in the Indian Constitution under Directive Principles of State Policy (DPSP) by guaranteeing work to those who are demanding employment. India is the first country ever to provide such a bold, unique legal enforcement of right to work as part of fundamental right to live with dignity (Antonopolous, 2007, p. 17; Jandu, 2008, p. 1; Roy & Samantha, 2009, p. 3). Unemployment pushes households towards poverty and food insecurity, undermining their self-respect. This is the core functional area of the MGNREGP.

According to the United Nations Development Programme (UNDP), the MGNREGP exemplifies features of a mature democracy which provides the poor with right to demand, the right to know and the right to dignity, and not the right to beg (UNDP, 2009). The MGNREGP not only addresses the issue of lagging individuals and households but also the lagging states (Kanbur,
Those states that have poor households in rural areas will result in poor rural economies. When these individuals are targeted, their development influences the rural area development.

Some of the positive aspects of this programme (IIT, 2009, p. 9; Kumar, Suna, & Pratap, 2010, p. 13; Jha, Gaiha, & Shankar, 2008, pp. 3-4; Datta, 2009, p. 145; Sinha & Mukherjee, 2011, p. 3; Jandu, 2008, p. 4; Antonopolous, 2007, p. 2) are employment opportunities, increase in average wages, reduction of hunger, relief from rural village money lenders, lower rural to urban migration, rural asset formation, improvement in rural livelihoods, gender equality, involvement of all sections of society, and improvement in rural environment and sanitation. The economic and bargaining power of the households likely to be received through the employment opportunities help them in the realization of Right to Food primarily and Right to Education (Dreze & Khera, 2011, p. 16) in the long run. The reason is that more is the purchasing power, higher is the investment of households in diverse areas such as health and education.

Any anti-poor programme will face a threat of programme capture by non-poor resulting in inefficient and ineffective outcomes (Jha, Bhattacharya, Gaiha, & Shankar, 2009, p. 1). The NREGP does not countenance this problem because it is self-targeting in nature (Raabe, Birner, Sekher, Gayathridevi, Shilpi, & Schiffer, 2010, p. 1). The government does not bring people to work but households decide to participate on their own depending on their household need. The public investments in the MGNREGP have triggered private investment in many rural areas (Shaw, 2008).

Despite these many advantages, the negative side (IIT, 2009) includes non-differentiation of skilled and unskilled workers, literates and illiterates and the non-inclusion of ceiling limit on age in the Act. The Act is also sternly criticized for the programme having converted farmers to, for instance, road layers and having underestimated the dignity of the food suppliers of the nation (Ghanashyam, 2008: 6). The quality of social assets created is also questionable (Ambastam, Shankar, & Shah, 2008, p. 44; CSE, 2008, p. 42; Datta, 2009, p. 146) because many a time the beneficiaries do not value the work they do and their motive is just to collect wages. Poverty cannot be eliminated simply by public employment creation. This means that lifting individuals from poverty is not easy through public spending (Murgai & Ravallion, 2005; Dutt, 1994; Datt & Ravallion, 1994) with the above mentioned shortcomings. These disadvantages project the unsustainable means of livelihood and short-sighted application of the Act.

Impacts of and the Importunate Need for the Programme

Having discussed the core areas of the programme, the following section discusses the need for the NDA-led government to retain the programme despite drawbacks such as financial constraints, difficulties in implementation and less effective outcomes. This paper identifies eight reasons among many to support the statement mentioned above from the data collected from rural parts of Tamil Nadu. They are discussed below:
1. Participation of Rural Households in the Programme
As mentioned earlier, this programme does not target any particular group so as to elevate their standard of living. Instead this is non-targeting in nature leaving to the households’ decision to employ themselves. As far as Tamil Nadu is concerned, BPL population is highly aware of the programme and participates in large numbers. More is the number of years of participation, higher is the affordability because individuals receive the guaranteed statutory minimum wage. Therefore, higher affordability results in better status of livelihood security of those households.

A total of more than 50 per cent of the respondents (Table 1) have been participating in this programme for a period of three to seven years. This clearly shows that the rural BPL households were aware of this programme right from its commencement. This fact helps to infer that the MGNREGP income would have added to their existing annual income of households.

2. Choice of Jobs for Women
The rural areas of Tamil Nadu witness only men migrating in search of employment leaving behind the family, which is taken care of by women. In this connection, the paper tries to find if women had employment opportunities while they opted to work under MGNREGP. The choice of jobs that were available when women chose to work under NREGP was questioned. This is to ascertain the presence or absence of employment opportunities available for women in their respective villages.

The responses (Fig. 1) reveal that there was no employment available for women except for seasonal agricultural labour. Since migration is also not considered as an option, the MGNREGP has come as a relief, particularly to women. This is evident with 80 per cent of respondents agreeing that jobs were either moderately available or totally unavailable in rural areas of Tamil Nadu. Therefore, the wages paid here have a positive impact on the livelihood security of those households.

3. Impact on Wages in Rural Areas
Public employment guarantee programmes largely aim at contestability in labour market. This refers to the calculation that if minimum wages are set for any employment opportunity bring provided by the government, the wages of other works available in the market eventually tend to increase. This ensures that exploitation is reduced to a large extent and the beneficiaries enjoy the right to demand. If wages paid for other jobs increase in a rural area, increase in purchasing power is assured.

Data analysis (Table 2) shows a positive impact in this regard. A total of 66 per cent of the respondents agree that there is an increase in the wages paid for other jobs in and around their villages. Since the minimum wage is set in the MGNREGP, the rural BPL households are better placed to bargain with the employer. This has a positive influence on their standard of living because employment is ensured along with minimum wages throughout the year.
4. Adverse Effects on Households
The significance of this programme is measured by understanding how difficult it would be for the BPL households of rural Tamil Nadu if the MGNREGP is terminated in future. If the rural households of Tamil Nadu are capable of surviving even if the programme is scrapped in future due to change of government, increasing expenditure or difficulty in monitoring, it can be understood that there are alternatives to survive. If the response is otherwise, the condition would reveal the unstable scenario.

A total of 91 per cent of respondents (Fig. 2) strongly agree that if the programme is terminated, their status would become more precarious. This shows that the beneficiaries of the programme in Tamil Nadu can hardly do without the MGNREGP. They largely rely upon the income they receive from the programme. This evidently reveals the significance.

5. Challenges faced in the programme
Given the significance mentioned above, there were doubts if these beneficiaries would ever have any problem in the implementation of the programme. In order to find the same, question on the difficulties being faced by them in the programme was raised.

It is disclosed (Fig. 3) that for the 57 per cent of respondents face problems, the only predominant issue was lesser wages. They hardly mentioned other issues such as working conditions at worksite, distance or time factor. This makes it clear that rural BPL households of Tamil Nadu are not concerned about any facility or other related issues but expect better wages in order to lead a decent living. This is being provided by the MGNREGP.

Before-After Study Design
The other three reasons identified by the paper are presented based on before-after study design in order to emphasize upon the impact created by the programme. The dependent variables chosen are employment, opening of bank account and awareness of village administration. These are the variables that are directly and indirectly affected by the MGNREGP (independent variable). Provision of employment gives income to the household leading to increase in purchasing power. Opening bank accounts that was insisted on for the transparency of the implementation will also motivate the BPL households to start saving. As beneficiaries have the provision of being closely associated with the local government, it would empower them individually and make them aware of the functioning of Panchayat Raj Institutions.

6. Employment in Itself
MGNREGP has come as a saviour to many as problems of unemployment and underemployment persisted throughout the country since Independence. This programme, though did not aim at solving the same, did create a change in the lives of many. Though 85 per cent of the rural households (Table 3) was employed during the inception of this programme, data analysis shows that almost 13 per cent of the households are benefitted as MGNREGP is the sole opportunity that came their way. This proves that a considerable number of persons will be affected if the programme caeses to exist.
7. Availability of Bank Accounts
Today, the NDA-led government has initiated steps to open bank accounts for every citizen of the country and an advertising campaign is also in progress. This is to ensure that transfer of any monetary benefit from the government is transparently handled and the inspiration to save is instigated. Table 3 opines that the opening of bank account had scored the most after the inception of the MGNREGP. Beneficiaries (47 per cent) had opened their bank account after registering for this job in order to receive wages.

8. Participation in Local Government
The roots of democracy lies in the villages as perceived by the leaders of the nation. In the age of governance, a lot of debate and discussion happens to make every individual of the country participative in the process of governance. This is to make the government more efficient and effective. In this regard, the primary data show that participation of rural households in local government is witnessed as a result of this programme.

Table 3 reveals that 12 per cent of individuals have come to know and understand what local government is and its role in their lives. Gradually, they have begun to participate in gram sabha meetings and in decision making at grassroot level. This is certainly a positive change towards democracy.

Conclusion
However, the scheme is considered to be a double-edged factor where agricultural activities are affected and the quality of assets created in villages is not impressive throughout India. The MGNREGP has largely affected agriculture. Most of the landless agricultural labourers turn down agricultural works and opt for works under the MGNREGP. This was expressed by many villagers during (brief interactions) the primary data collection.

The benefits provided by the programme are more crucial than the constraints being faced for a simple reason that MGNREGP directly influences the livelihood of rural households. As far as wages are concerned in any unorganized sector like agricultural labourers, there is a differential wage system for men and women. Such differential wage system is absent in the implementation of the MGNREGP. While the participation of women at all-India level is 40 per cent, Tamil Nadu has reached 81 per cent (90 per cent are female respondents in this study). This has made women contribute significantly to the household income. Around 53 per cent of female respondents feel that the double-income of the family has a high impact on household. It does not only cater to the economic empowerment of women but also to the positive gender relations in the household (Jandu, 2008, p. 4). This means that women begin to enjoy their stake in family because rest of the empowerment follows the economic empowerment.

Around 75 per cent of the female respondents of this study express that they are empowered (moderate to high) because of their possession of employment. Similarly, elderly also participate in this programme, which brings income to their living (30 per cent of the respondents fall above 50 years of age). Every household (irrespective of number of earning members, caste, and annual income) is largely dependent upon the MGNREGP and the
affordability it ensures. There is an increase in wages of other works as a result of more labour absorption towards MGNREGP.

The positive status mentioned so far may be reversed if the programme is withdrawn. Thus, the sustainability is under stake from the perspective of a possible policy discontinuity. Therefore, as being discussed in the public sphere by scholars, think tanks and policy makers, there is a need for the programme to remain in place so as to ensure that large number of households is benefitted. In order to make the programme effective, the following suggestions are put forward by this paper.

The value for work attitude has to be imbibed in the minds of rural BPL households and a sense of ownership needs to be established among these beneficiaries. This can be carried out with the enhancement of the role of PRIs. The MGNREGP works can be expanded to agricultural activities in negotiation with the land owners of villages. Minimum wages for agricultural works may be set by the government and be paid by the land owners. This may be monitored by the PRIs. This reduces expenditure of the government, ensures provision of employment, facilitates agricultural production, and retains the positive work culture. Similarly, the construction of toilets can be included in the list of works to be undertaken in the programme, which will have a positive impact on the social environment. The areas where real assets are not created, the programmes can be withdrawn; thereby valuing the public money involved in this redistribution. In rest of the places, the programme has to continue considering the large number of BPL population still surviving in rural India.

References

Tables and Figures

Table 1: Respondents and number of years in the MGNREGP

<table>
<thead>
<tr>
<th>Number of Years working under NREGP</th>
<th>Frequency</th>
<th>Per cent</th>
<th>Valid Per cent</th>
<th>Cumulative Per cent</th>
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<tbody>
<tr>
<td>Valid</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;1 year</td>
<td>60</td>
<td>10.0</td>
<td>10.0</td>
<td>10.0</td>
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<tr>
<td>1-3 years</td>
<td>239</td>
<td>39.8</td>
<td>39.8</td>
<td>49.8</td>
</tr>
<tr>
<td>3-5 years</td>
<td>181</td>
<td>30.2</td>
<td>30.2</td>
<td>80.0</td>
</tr>
<tr>
<td>5-7 years</td>
<td>120</td>
<td>20.0</td>
<td>20.0</td>
<td>100.0</td>
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<tr>
<td>Total</td>
<td>600</td>
<td>100.0</td>
<td>100.0</td>
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</table>

Table 2: Impact on other wages

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<th>Impact</th>
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<th>Neutral</th>
<th>Agree</th>
<th>Don’t Know/Can’t Say</th>
<th>Total</th>
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</thead>
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<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
<td>N</td>
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<tr>
<td>Increase in other wages</td>
<td>152</td>
<td>25.3%</td>
<td>48</td>
<td>8.0%</td>
<td>393</td>
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<tr>
<td></td>
<td>7</td>
<td>1.2%</td>
<td>600</td>
<td>100.0%</td>
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Table 3: Comparison of Pre- and Post-MGNREGP status of identified variables

<table>
<thead>
<tr>
<th>MGNREGP Independent Variable (If yes)</th>
<th>Pre-NREGP</th>
<th>Post-NREGP</th>
<th>Not Applicable</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>N</td>
<td>%</td>
<td>N</td>
<td>%</td>
</tr>
<tr>
<td>Employment</td>
<td>511</td>
<td>85.3%</td>
<td>75</td>
<td>12.5%</td>
</tr>
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<td></td>
<td>13</td>
<td>2.2%</td>
<td></td>
<td></td>
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<tr>
<td>Bank account</td>
<td>91</td>
<td>15.2%</td>
<td>284</td>
<td>47.3%</td>
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<tr>
<td></td>
<td>225</td>
<td>37.5%</td>
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<td></td>
</tr>
<tr>
<td>Awareness of village administration</td>
<td>122</td>
<td>20.3%</td>
<td>74</td>
<td>12.3%</td>
</tr>
<tr>
<td></td>
<td>404</td>
<td>67.3%</td>
<td></td>
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</tbody>
</table>

54
Fig. 1: Choice of jobs available for women

- Very low: 1%
- Low: 1%
- Moderate: 9%
- High: 32%
- Very high: 35%
- Don't Know: 13%

Fig. 2: Effect on households if MGNREGP is rolled back

- Disagree: 9%
- Neutral: 3%
- Agree: 91%

Fig. 3: Problems faced by beneficiaries in MGNREGP

- Lesser Wages: 49.8%
- Time Constraint: 46.2%
- Distance: 52.2%
- Poor Working conditions: 44.0%
- Local Authorities: 54.3%

Problems