# Mahatma Gandhi National Rural Employment Guarantee Act

{An Instrument to Solve the Problems Emerged Due TO Reverse Migration}

## (A case study of West Champaran)

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# ABSTRACT

Reverse migration have emerged due to world -wide COVID-19 PANDEMIC during March 2020 to July 2020. During this period of time complete lockdown was imposed in the whole country for the protection and security of masses. Social distancing and mask are the only way out to protect the people from this pandemic. As a resultant all industries, factories, business units and all other activities are either locked down or closed for an uncertain period of time. Workers who have been working in those business units have become unemployed and compelled to return back to their homes. The intensity of such crisis could be understood by the events occurred during that period of time. A lot of workers have decided to return back to their homes on foot. So many workers were died during their journey. Those who reached their homes in their villages were though safe but now compelled to face acute starvation. In such scenario the duty of the welfare state is to provide adequate support and security for saving the lives of these unfortunate workers of rural agricultural workers have become the life line in the state of Bihar in general and that of West Champaran in particular. After the bifurcation of Jharkhand in 2000, Bihar has become a state of recurrent floods and draughts, excessive man power and acute dearth of industrial base for providing sufficient job opportunities to its human resources. Thus, poverty has become one of the most prominent characteristics of this state. As it is an open truth that poverty is the outcome of unemployment. Bihar's population have to depend upon the agriculture. While agriculture of Bihar is itself in alarming situation due to excessive dependency of population, only 11.03 % of population of Bihar is residing in urban centers. Only 47 % of total cropped areas are under insured irrigation facilities, only 39 % of cropped areas are under HYV Seeds, fertilizers and mechanized farming etc. in such scenario majority of farmers are doing only the subsistence farming instead of commercial farming. And hence, out migration has become the only and only means of livelihood for the majority of Bihar workers. National Rural Employment Guarantee Act (NREGA) is one of the most important, effective and efficient scheme launched by the central government to make direct attack on the problems of rural unemployment. The prime objective of the scheme is to pull the poor families above the poverty line. i.e upliftment of the rural poor families is the ultimate aims of MGNAREGA. This scheme is launched with the basic and fundamental objective to attack on poverty through solving the problem of unemployment and to reduce the rate of out migration. The creation of community assets are the other basic objective of this scheme. The policy frame work of this scheme is to provide at least one adult of each poor family members of the society are empowered through employing 100 days for enhancing their income. The basic aim of this scheme is to make them able to buy their needs and necessity on their own efforts. Provision for providing employment at door step is made. Such provisions, not only in fuels the process of social empowerment through creation of community assets but encourages the ability as well as efficiency of rural families also.

This is the most successful scheme works effectively in the rural economy of India. Without going in details we would like to state that MGNAREGA has not only proved its utility in accelerating the process of rural employment through the creation of community assets but reduced the rate of out migration up to certain limit also. During the phase of complete lockdown due to Covid-19 Pandemic, A lot of migrant laborers from all over the country have returned back to their home during March & April 2020. The un-expected huge number of reverse migrants not only created a big question mark before the government and the society and caused them to stand up for their social security as well as social welfare. No doubt, our state government and social organizations have played a pivotal role for the benefits of these workers. But it was the MGNAREGA which played the most important role in engaging those workers in various works for protecting their energy to work for their own livelihood with the creation of community assets. Such activities undertaken under MGNAREGA not only in-fueled the process of social empowerment but proved the role of a welfare state also.

The main objective of this paper is to assess and evaluate the impact of MGNAREGA, in reducing the intensity and crisis created amongst the rural poor households during the phase of lockdown. The whole paper is classified in to five sections for easy and simple understanding. Section-I provides an introductory note of the topic, section-II gives information about the problems emerged due to Covid-19 Pandemic, section –III highlights the situation created during lockdown, section-IV analyses the primary data collected so far for the purpose of this work and section-V summarizes the whole discussions and spells out the findings and conclusions.

Keywords:- Covid-19, MNREGA, Rural people, Employment, Social Organizations, Pandemic, poor households

#### Section-I

## **Introduction**

As per constitutional framework Indian Government is a welfare government and its prime objective is to provide protection to the down trodden of the society and to safeguard their interest also. Accepting such constitutional obligation government of India have, no doubt, launched a lot of scheme and policy prescription during planning era for the betterment of poverty section and disadvantaged group of the society. No doubts, satisfactory results have also been achieved. But still the majority of rural poor are waiting for their benefits. Mahatma Gandhi National Rural Employment Guarantee Act (MGNAREGA) is launched in 2005, a most effective, efficient and adequate scheme to attack on poverty from its front along with the creation of appropriate community assets for social empowerment through providing sufficient infrastructural facilities. Provisions made under it for the betterment of the poor section of the society is quite satisfactory. In this paper an attempt is made to assess and evaluate the functional procedure of MGNAREGA and its impact on the poverty section of the society on the hand and availability of community assets on the other hand. As it is evident that MGNAREGA is a scheme in which poverty is attacked from the front with employment generation through the creation of community assets. The prime objective of this paper is to assess and evaluate the impact of MGNAREGA on the socio-economic status of rural poor landless workers returned back to their homes due to situation emerged after complete lockdown imposed by the Central Government during the period of Covid-19 pandemic in the month of March, 2020. I.e. the basic aim of this paper is to evaluate the impact of the reverse migration on the socio-economic status of migrant workers. The other subsidiary objectives of the study are as follows:--

- 1. To evaluate the impact of MGNAREGA in reducing the rate of out migration,
- 2. To assess and evaluate the impact of reverse migration on the socio-economic status of migrant workers,
- 3. To assess and evaluate the dimensions and magnitude of the community assets created under MGNAREGA during Covid-19 Pandemic,
- 4. To inquire in to the changes registered in the socio-economic status of the reverse migrant workers,
- 5. To evaluate the overall connectivity of rural households after the enactment of this scheme and
- 6. To assess the methods of functioning of the scheme.

For easy understanding the whole paper is classified in to following five sections: - Section-I Provides an introductory note of the topic, section-II gives information about the problems emerged due to Covid-19 Pandemic, section –III highlights the situation created during lockdown, section-IV analyses the primary data collected so far for the purpose of this work and section-V summarizes the whole discussions and spells out the findings and conclusions.

It could be said that MGNAREGA is one of the most successful scheme launched for poverty alleviation through the creation of community assets worked as one the most effective instrument for getting amicable solutions of Covid-19 pandemic.

# Section-II

## Problems Emerged Due To Covid-19 Pandemic

After a long period of time a pandemic initiated from virological laboratory of Wuhan in China and included the whole world in its grip. Due to its emergence the human beings of the whole world have compelled to face an unseen fear of death. The main characteristics are to spread from man to man. Such methods of spreading of a disease have not only multiply the magnitude of fear but restrict the human to stop themselves for their own safety and security. As it have widely been seen that the government of maximum nations have ordered its people to maintain the social distancing and use mask for their protection on their own efforts and to maintain these measures complete lockdown have imposed on 24<sup>th</sup> of March, 2020 in whole country. The decision of complete lockdown compelled the migrant workers to stand at the foot path for their survival. A big question mark was imposed before

these workers. Because due to complete lockdown all the factories, business houses along with trade and commerce were closed and these workers were become 100 % unemployed. Now the migrant workers who were come from their houses to get gainful employment for enabling their family members to get their necessities. But in the realm of complete lockdown, they have failed to get their bread and compelled to move towards their villages not only to meet with their family members but to protect their lives also. And the gathering of these workers in-fuelled the process of accelerating the magnitude of unemployment in rural economy in which there are quite dearth of employment opportunity. In such scenario it would become very difficult to accommodate all these workers and enable them to acquire their livelihood in the uncertain situation of covid-19.

No doubt a lot of programs and policy prescriptions were launched by the central as well as state government for the safeguard of these workers.But all the efforts made by the government have proved just like a very - very small and insufficient in comparison to the demand emerged due to that situation of covid-19. In such scenario MGNAREGA has played an important role not only in multiplying the job opportunities in rural areas but creating a lot of community assets also.

#### Section-III

## Situation Created During Lockdown

It is a matter of serious concern to exactly assess and evaluate the situation emerged due to covid-19. As per government report unemployment rose from 6.7% on  $15^{\text{th}}$  of March, 2020 to 26 % on the  $19^{\text{th}}$  of April, 2020. Though, it has assumed that the economy had regained the pre - covid-19 situation by mid- June, 2020. But the situation has not been regained till the end of  $15^{\text{th}}$  of October, 2020.

The economy was expected to lose over 32000 Crore per day during the first 21 days of complete lockdown, which was declared following the corona virus outbreak.

The situation emerged due to covid-19 pandemic - induced market instability and lockdown. Outcome of such situation was caused the GDP to go down during Financial Year -2020-21, by -24 %. During this period the research estimate of SBI, has reported that the GDP of India has dropped down up to 40 % in first quarter of the financial year 2020-21.

According to Nomura INDIAN business Resumption Index economic activity fell from 82.9% on 22 March to 44.7% on 26<sup>th</sup> of April. By 13<sup>th</sup> of September 2020 economic activity was nearly back to pre-lockdown. It was reported that the53% 0f business in the country were significantly affected. Supply chains have been put under stress with the lockdown restrictions. In such scenario it was concluded that the covid-19 has not only destroyed the life style of the people but damaged the economy a lot also.

# Section-IV

#### Analysis of Primary Data & Methodology

The present study is based on the analysis of primary data collected during July to August 2020 in fifty households of reverse migrant workers. The simple analytical method of analysis is used to analyze the collected data.Quite simple and analytical method of analysis is used to explain the things. As far as the method of data collection is concerned, it was collected through quantitative research methods. The quantitative method enables us to assess the type and quantum of benefits received under programs from the view point of beneficiaries; whereas the quantitative method enables us to elicit in depth information from various functionaries involve as well as the community members. The qualitative method at the same time enables us to assess the way in which various process creating are working besides providing insights into the perception of target groups and community regarding the MGNAREGA. As it has widely been clear that this study is quite concerned with the impact of MGNAREGA in solving the problems emerged due to reverse migration.

## **Hypothesis**

- Ho: MGNREGA has significant impact on the socio-economic status of rural poor in Champaran.
- H1: MGNREGA has no significant impact on the socio-economic status of rural poor in Champaran.

#### Major Findings of the analysis of primary data

# Percentage analysis:-

- 63% beneficiaries are from SC/ST and OBC communities.
- 69% are married, 23% are unmarried and 08% are widows.
- Most of the beneficiaries are illiterate only 33% are literate with matriculation or lower qualification.
- Only 09% of the sample families depend on services as main source of livelihood, 67% as farm labor and remaining 24% as agricultural labor.

- 48% beneficiaries are aware about MGNREGA.
- 52% get informations from panchayat.
- Only 07.8% have idea about rules and regulation of MGNREGA.
- Period of employment are of 05 to 06 hours per day for 06 to 07 months in a year on irregular basis.
- Nearby 77% beneficiaries are unaware about the unemployment benefits as well as accidental benefits.
- All beneficiaries have a bank account most of them are not aware about deposit and withdrawal of money in their Account and about 69% beneficiaries have reported that their Bank Pass Book are kept by the contractor or employer.
- As far as creation of community assets are conserved 20% activities undertaken in locality are plants plantation, 15% are road development; 30% are cleaning of drainage, canal, repair of school, Panchayat-Bhawan and other social institutions, repair as well as reconstruction of un-built road in rural area to increase the connectivity as well as mobility of rural poor masses.

As it has widely been accepted that due to lack of approach road in rural localities, a lot of problems have emerged and rural people are compelled to face such problems not only in their movement but in acquiring their daily life necessities also.

Provisions made in MGNREGA are quite appropriate and important for empowering women, children and all others residing in such undeveloped and isolated localities.

- Working hours is of 6 to 8 hours daily for all workers.
- MGNREGA is the most preferable work for all workers irrespective of male and female.

The hypothesis of the study is tested with the help of Chi-square Test. The statistical data collected so far through the house-holds survey are used in statistical analysis for getting the value of chi-square presented in various Tables-01, 02, 03, 04 and 05. All the calculated values of chi-square are compared and contrast with the tabulated value of chi-square and appropriate conclusions are drawn. As it is known that the null hypothesis is rejected if the calculated value of chi-square is greater than the tabulated value of chi-square. For detail please go through the findings of the various Tables.

Chi-square test

# Table - 1

<u>1able - 1</u>		
	Rural poor empowered	Benefits available in the places under MGNREGA
Chi-square	4.290	13.000
Df	1	1
Significance	0.024	0.000

There is goodness of fit between MGNREGA and rural poor empowered because the calculated value of chi-square (4.29) is greater than the tabulated value (3.841). Thus, the null hypothesis is rejected and hence alternative hypothesis is accepted i.e. MGNREGA is proved one of the most success and beneficial program for rural poor people in general and that of reverse migrants in particular.

Similarly, there is goodness of fit between MGNREGA and benefits received in place as calculated value (7.98) is greater than that of the table value (7.815). The null hypothesis is rejected and hence alternative hypothesis is accepted.

<u>Table - 2</u>		
	Labor Empowered	Solving Problems under NREGA
Chi-square	7.980	2
Df.	1	1
Significance	0.024	0.157

<u>Table - 3</u>		
	Problem under MGNREGA	Solving the Problems Out Migration in MGNAREGA
Chi-square	4.762	17
Df.	4	1
Significance	0.158	0.000

As per data presented in table -3. Null hypothesis is accepted because calculated value of chi-square (4.762) is less than that of tabulated value of chi-square (9.488). I.e. alternative hypothesis is rejected and we conclude that though

MGNAREGA plays an important role in providing employment to the rural poor people but still it failed to reduce the rate of out migration in West Champaran.

Similarly, there is no goodness of fit between MGNREGA and problems under the scheme as because the calculated value (17) is greater than the table value (3.481). The null hypothesis is rejected and alternative hypothesis is accepted.

<u>Table - 4</u>			
	Change in income after working	Satisfaction with MGNREGA	
	under MGNREGA		
Chi-square	08.67	2	
Df.	01	1	
Significance	0.005	0.157	

There is goodness of fit between MGNREGA and change in income after working under MGNREGA as because the calculated value (8.67) is greater than that of tabulated value (3.484).

At the same time satisfaction with MGNREGA is accepted as alternative hypothesis because calculated value (2) is less than that of tabulated value (3.841).

<u>Table – 5</u>			
	Benefits occurred with the community assets created under MGNREGA	Satisfaction with MGNREGA	
Chi-square	18	2	
Df	3	1	
Significance	0.000	0.157	

There is goodness of fit between MGNREGA and benefits from community assets created under MGNREGA. Calculated value of X2 is 18>7.815. I.e. null hypothesis is rejected and alternative hypothesis is accepted.

#### **Concluding Remarks**

## Section-V

- On the basis of above findings we would like to present the concluding remarks in the following manner: -
- That the benefits occurred in various works undertaken in MGNREGA is quite satisfactory and significant for the proper empowerment of reverse migrant workers,
- That the majority of workers are empowered though, a few proportion of workers are not satisfied with the wage rate provided under MGNREGA. But majority of them are quite confident and satisfied with working and wage rate of the act. In their conception MGNREGA, enables them to stay at home with their family and work for the creation of community assets for their own community.
- As far as work site is concerned, they (workers) are satisfied.
- There is a change in income rural poor households of the rural areas after workings under MGNREGA as a resultant, the living standard of workers have improved.
- Though changes in living standard of workers are not up to the mark but it indicates a rising trend.
- MGNERAGA has failed to reduce the rate of out migration.
- To insure an accelerated improvement in living condition of MGNREGA Workers, government must have to solve the problems arise at workplace

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