



## Analysis of Socio-economic Attributes of MGNREGA Beneficiaries in Nagaland with Special Reference to Employment Generation and Community Empowerment

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### Abstract

A study was carried out in Mon district of Nagaland (India) to find out the socio-economic characteristics of the MGNREGA (Mahatma Gandhi National Rural Employment Guarantee Act) beneficiaries and to explore the relationship between selected economic parameters of the beneficiaries and employment generation and community empowerment. A total of 120 respondents were selected randomly from six villages under Mon rural development block. The analyses of socio-economic and individual characteristics of the respondents showed that majority of the respondents were under the age group of 33-57 years. Majority (50-67%) of the beneficiaries were male. The respondents were mostly middle school educated. Nearly 45% had medium size land holding. Houses were mostly *kutch*a (earthen) type. They had low annual income with little or no savings. However, the saving habit of the people improved marginally after the program owing to additional income generation. Employment generation was found to have positive and significant relationship with annual income ( $r=0.299$ ) and awareness about MGNREGA ( $r=0.250$ ). On the other hand, community empowerment was found to have negative and significant relationship with age ( $r=-0.258$ ). The study showcased a good coverage of the program in the study area, having provided job cards to all households. The socio-economic progress of the beneficiaries through MGNREGA in the study area was thus, found to be quite encouraging especially in promoting the income level and savings habit.

### 1. Introduction

The Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was passed during the 10<sup>th</sup> Five Year Plan (2002-07) on 5<sup>th</sup> September 2005 and brought into force with effect from 2<sup>nd</sup> February 2006 (NREGA, 2005). The program was implemented in a phased manner, notifying 200 districts in the first phase with effect from 2<sup>nd</sup> February 2006 and then extended to additional 130 districts in the financial year 2007-08 (113 districts were notified with effect from 1<sup>st</sup> April 2007), and 17 districts in Uttar Pradesh were notified with effect from 15<sup>th</sup> May 2008. Bihar was the first state in India where MGNREGA was implemented in all 38 districts (Kidwai and Tyagi, 2008). Now, MGNREGA covers the entire country with the exception of districts that have a hundred percent urban population. The scheme is funded on the basis of 90:10 between center and state. The Act is a significant vehicle for strengthening decentralization and democracy by giving a

pivotal role to the Panchayati Raj Institutions (democratic decentralization) in planning, monitoring and implementation. It constitutes poverty alleviation by providing an institutional framework for guaranteeing supplementary livelihood opportunities to the rural households. Some of the provisions in the Act are as follows:

- Time bound 100 days guaranteed employment
- Decentralized planning
- Work site facilities
- Women empowerment
- Transparency and accountability

On the basis of backwardness, Mon was the only district selected in the state of Nagaland out of the 200 districts during the first phase of implementation. Thus, in Nagaland, the scheme was launched for the first time in Mon district during 2005-06. In order to understand the impact of this program on the socio-economic status of the beneficiaries, a study was



carried out in Mon district of Nagaland, with the following specific objectives:

- To study the socio-economic characteristics of MGNREGA beneficiaries.
- To establish relationship between selected economic parameters of the beneficiaries with employment generation and community empowerment.

## 2. Materials and Methods

The present study was undertaken at Mon rural development block (RDB), Nagaland state, India during 2010 because other such rural development programs have been implemented in the area and the people were more aware and forthcoming. Six villages under Mon RDB, i.e. Chi, Goching, Pongkong, Longkei, Shangnyu and Lampong/Sheanghah were selected owing to better accessibility for data collection. A total of 120 beneficiaries were selected from six villages at random. A consortium of village local leaders, male and female respondents was formed in each village accompanied by an official (Assistant Project Officer) of the concerned RDB. A pre-tested interview schedule was used to collect data by personal interview method. Data collected was tabulated and analyzed using frequency, percentage, mean, and standard deviation. The correlation analysis between independent and dependent variables was carried out using systat-12 software.

### 2.1. Definition and measurement of variables

The list of selected variables and their measurements are presented below (Table 1).

### 2.2. Annual income and savings

#### 2.2.1. Annual income

Here, it refers to the total income, in cash, earned by an individual respondent or family per annum. All relevant information on the annual income was noted as per the respondents' verbal statements. Data was collected under the heads viz, agriculture, livestock, business and others.

Based on their earnings, the respondents were categorized under three categories by calculating mean ( $\mu$ ) and standard deviation (SD) as follows: low ( $<\mu-SD$ ), medium ( $\mu-SD \leq x \leq \mu+SD$ ) and high ( $>\mu+SD$ ).

#### 2.2.2. Annual savings

Here, it refers to money that has been saved (especially in a bank) without spending from the total annual income and MGNREGA income of the respondents. Frequency and percentage were calculated for annual savings (total annual income) before and after MGNREGA income. Based on their savings, the respondents were categorized under three categories by calculating mean ( $\mu$ ) and SD as follows: low ( $<\mu-SD$ ),

Table 1: Selected Variables and measurements

Sl.	Variables	Instruments of measurement
<b>A. Independent variables</b>		
1.	Age	Chronological age of the respondents in completed years at the time of investigation
2.	Sex	Male/ female
3.	Education	Hinge (2009)
4.	Marital status	Male/ female
5.	Land holding size	Index developed by the Government of Nagaland, Agricultural Census, 1991 (Anonymous, 1991)
6.	Type of house	Interview schedule
7.	Awareness about MGNREGA	Interview schedule
8.	Level of implementation of MGNREGA	Interview schedule
<b>B. Dependent variables</b>		
1.	Employment generation	Man days generated (2009-10)
2.	Community empowerment	Interview schedule including parameters such as decision making, status, purchasing power and transparency

medium ( $\mu-SD \leq x \leq \mu+SD$ ) and high ( $>\mu+SD$ ).

## 3. Results and Discussion

### 3.1. Socio-economic characteristics of MGNREGA beneficiaries

It is evident from Table 2 that majority of the beneficiaries belonged to age group of 33-57 years (67.50%) followed by above 57 years (17.50%) and below 33 years (15%). It can be inferred that persons with better physical vigour and accountability towards the family formed the largest age group category. However, even aged persons were found to perform the manual works under MGNREGA. Hence, MGNREGA had provided employment to people of all age groups in the study area. The male population formed a larger part of the beneficiaries, comprising 66.60% whereas women participation was almost half (33.30%) compared to male. It reflects the existence of 'patriarchy' in the villages, which is not unusual, being a distinctive feature of Konyak culture (beneficiaries' culture). It also indicates the lesser participation of women in the program. A study carried out by Nair et al. (2009) on MGNREGA in three Gram Panchayats of Kasaragod

Table 2: Distribution of respondents (under MGNREGA) according to their individual characteristics (N=120)

Sl.	Socio-economic characteristics		Number	%
1.	Age	(a) (<33 years)	18	15.00
		(b) (33-57 years)	81	67.50
		(c) (>57 years)	21	17.50
2.		Mean=45.91	SD	12.10
3.	Sex	(a) Male	80	66.67
		(b) Female	40	33.33
4.		Mean=1.33	SD	0.47
5.	Marital status	(a) Married	117	97.50
		(b) Unmarried	3	2.50
6.		Mean=1.03	SD	00.16
7.	Education	(a) Illiterate (cannot read and write)	23	19.17
		(b) Primary school (upto class 5 <sup>th</sup> )	28	23.33
		(c) Middle school (upto class 8 <sup>th</sup> )	35	29.17
		(d) High school (upto class 10 <sup>th</sup> )	34	28.33
8.		Mean=2.67	SD	1.09
9.	Land holding	(a) Landless	10	8.33
		(b) Marginal	2	1.67
		(c) Small	28	23.33
		(d) Medium	54	45.00
		(e) Large	26	21.67
10.		Mean=3.70	SD	1.09
11.	Type of house	(a) Thatched	30	25.00
		(b) Kutcha	60	50.00
		(c) Pucca	25	20.83
		(d) RCC Building	5	4.17
12.		Mean=2.04	SD	0.79

district, Kerala also found that there was a predominance of male beneficiaries. Majority of the respondents were middle school educated (29.17%) followed by high school educated (28.33%), primary school educated (23.33%) and illiterate (19.17%). This explains their confinement of employment/occupation within the villages on one hand, and poor socio-economic status to avail better education on the other hand. Nevertheless, people have benefited from MGNREGA irrespective of their educational qualifications. Pattanaik (2009) in his study also found that education had a neutral effect on MGNREGA, equally benefiting illiterate, literate and educated unemployed. The table also shows that 50% of the beneficiaries had *kutcha* (earthen) house, 25% had thatched house, 20.83% had *pucca* (brick built) house while only

4.17% owned RCC (Reinforced Cement Concrete) buildings. The type of house portrays the poor living standards of the respondents. Among the study villages, Pongkong village had the best housing facilities where few of the respondents owned RCC buildings also. These findings are in conformity with the findings of Pankaj (2008) in Bihar and Jharkhand wherein majority of the respondents lived in *kutcha* type of house.

Table 2 shows that majority of the beneficiaries had annual income in the medium category (90.83%) followed by high category (9.17%). None of the respondents' annual income belonged to the low category. The mean annual income was observed to be ₹ 30,958.33. The findings on annual income indicate that the respondents lived on a very meagre income. However, with additional income from the MGNREGA program, employment insecurities of the beneficiaries had been overcome to a little extent. This also helps to explain their reason for seeking employment under MGNREGA. The annual income had been estimated from the sources such as agriculture, livestock, business, and other sources (MGNREGA income).

Table 3 also shows that majority (95%) of the respondents had annual savings below ₹ 10,000 followed by ₹ 10,000-20,000 (3.33%) and above ₹ 30,000 (1.67%). Besides meeting necessary expenditures, the respondents expended most of their annual income on education and health care of their children. Hence, the savings of the beneficiaries was found to be low. Thomas (2010) in his study in Vadakanchery Panchayat of Kerala also found that the income from MGNREGA helped the beneficiaries contribute towards the education and medical expenses of their children.

### 3.2. Level of awareness and implementation of MGNREGA

A look into Table 4 reveals that majority (92.50%) of the beneficiaries had moderate level of awareness followed by

Table 3: Distribution of respondents (under MGNREGA) according to annual income and savings (N=120)

Sl.	Annual income (₹)	Number	%
1.	(a) Low (below 10,560.032)	0	0.00
	(b) Medium (10,560.032-51,356.634)	109	90.83
	(c) High (above 51,356.634)	11	9.16
	Mean=30,958.33	SD	20,398.30
	Annual savings		
2.	(a) Below ₹ 10,000	114	95.00
	(b) ₹ 10,000- 20,000	4	3.33
	(c) Above ₹ 30,000	2	1.67
	Mean=13.50	SD	4,637.53

Table 4: Distribution of respondents according to level of awareness and implementation of MGNREGA (N=120)

Sl.	Independent variable	Number	%
1.	Level of awareness about MGNREGA:		
	(a) Low (below 16.49 )	0	0.00
	(b) Moderate (16.49-18.40 )	111	92.50
	(c) High (above 18.401)	9	7.50
	Mean=17.45	SD	0.95
2.	Level of implementation of MGNREGA:		
	(a) Low (below 108)	0	0.00
	(b) Medium (0-108)	120	100.00
	(c) High (above 108)	0	0.00
	Mean=108	SD	0.00

high (7.50%) level of awareness about MGNREGA. And the level of implementation of MGNREGA was medium for all the beneficiaries. Awareness was instilled in the respondents mainly by the VDB (Village Development Board) members and concerned officials of the study area. It was found that the respondents who were fully aware of all the issues comprised mostly the local leaders like the VDB secretary and the members of Village Council. The findings indicated that the respondents' knowledge about the program was satisfactory. Entitlement to free registration of job cards, statutory minimum wage of ₹ 100 day<sup>-1</sup> (in Nagaland), equal wages for both men and women, entitlement to new job card in case of loss, allotment of work within 15 days of application for work and separate job card for every household are the issues about which beneficiaries are well aware. In all the villages, job cards were issued free of cost and wage payment was found to have increased from ₹ 66 in 2006 to ₹ 100 in 2008. It was observed that records were well maintained. It was found that the wages were paid in cash within 15 days of completion of work. The money was kept in the VDB secretary's bank account (State Bank of India, Mon town). The findings under this variable indicated that the implementation pattern, viz. registration and issue of job cards, wages, man days and application for work were more or less uniform in all the villages, as per the response from the respondents. It was found that job cards had been issued to all households in all the six villages. Maulick (2009) in his study in Barabanki district, Uttar Pradesh also found that the distribution of job cards was 100%. As per the findings, the program was carried out satisfactorily in all the villages.

### 3.3. Employment generation and community empowerment

Table 5 presents the employment generated during the year 2009-10. It was also observed that majority (50) of the

Table 5: Distribution of respondents according to employment generation and community empowerment (N=120)

Sl.	Independent variable	Number	%
1.	Employment generation		
	(a) Low (below 57.56)	40	33.33
	(b) Medium (57.56-73.44)	60	50.00
	(c) High (above 73.44)	20	16.67
	Mean=65.50	SD	7.94
2.	Community empowerment		
	(a) Less (below 8.26)	5	4.17
	(b) Moderate (8.26-10.41)	97	80.83
	(c) High (above 10.41)	18	15.00
	Mean=9.34	SD	1.06

respondents received average employment days. An average of 65.50 man days had been provided to the beneficiaries. On the other hand, maximum (80.83%) number of respondents felt that they were moderately empowered, while 15% felt that they were highly empowered. Only 4.16% felt that they got little access or less empowered through MGNREGA.

The aspects like decision making, status, purchasing power and transparency were studied to measure community empowerment. Community empowerment had increased through MGNREGA, wherein the beneficiaries could voice out their opinions during meetings. The decision making ability had thus, been raised to a higher level through this program. Beneficiaries got a chance to express their thoughts on the village welfare during meetings conducted for deciding the works to be carried out. It also instilled in them a power of negotiation against their rights as beneficiaries of MGNREGA. However, the role of women in social participation and decision making did not show any marked improvement. Nevertheless, the income generated provided a sense of empowerment to them, thus, enabling them to expand their purchasing power, not only in terms of material possession, but also in contributing towards their children's education. The credit worthiness of the beneficiaries also increased through the MGNREGA income, wherein they could get commodities on credit from the shops. It was also a matter of prestige for the respondents to be employed under MGNREGA because it provided employment during the lean season and thus, gave them the chance to seek employment within the village and have access to an immediate source of income. As mentioned earlier, MGNREGA is a demand driven program and hence, accountability to the public is very important. From the findings, it was observed that the transparency in the study area was exercised properly. It was clear that all relevant records were openly maintained and accessible to the public. This has empowered the beneficiaries to know and become aware of the program in their concerned



areas and thus, learn to stand their ground for their rights under the MGNREGA.

### 3.4. Relationship between socio-economic characteristics with employment generation and community empowerment

Table 6 shows that only the variables 'annual income' and 'awareness about MGNREGA' had positive and significant association with employment generation at 1% level. Thus, the above findings showed that with majority of the respondents having low income, employment generation had increased through MGNREGA over the past few years. This is justified by the fact that in all the six villages, job cards were issued to all households. On the other hand, the awareness about MGNREGA in all the six villages was impressive. Such awareness motivated the people to demand employment and thus, this initiated the second round of registration and issue of job cards in the study area. The awareness generated in the individual villagers increased their authority to exercise their rights under

and thus, economically less empowered. The rest of the variables under Table 6, viz. sex, education, marital status, land holding size, type of house, annual income, annual savings and awareness about MGNREGA had non-significant relationship with community empowerment.

### 4. Constraints

- The few inconsistencies found in the process of implementation of MGNREGA. Job cards were kept by the VDB secretaries rather than the concerned beneficiaries and work was allotted as per the convenience of village environmental conditions rather than when employment was needed.
- The findings on employment generation showed that 100 days of employment were not attained in any of the villages, indicating a major loophole in the implementation system. This was one of the most common grievances expressed by the respondents concerning the program. This also provided only a partial solution to the unemployment problem as they were employed only for a quarter part of the total number of days in a year.

### 5. Future Strategy

The following suggestions can be put forward as per the findings of the study:

- Awareness program regarding all the facilities, guidelines and rights under MGNREGA may be conducted as most of the beneficiaries are still unaware about certain issues. Educating the local leaders at village level about MGNREGA in different dimensions who, in turn, can conduct village meeting to disseminate this knowledge to the fellow beneficiaries, would be a good effort.
- A committee ought to be formed to evaluate the functioning and implementing MGNREGA at state, district and block levels. This will help in providing measures to correct the loopholes while ensuring that the program is implemented both in letter and in spirit.
- It would be a good idea to set up a grievance redressal cell/team in each district, which would act as a liaison between grassroots level (village) and top level (district and state) administration. Although the policies of the program cannot be altered, such grievances and suggestions could help the concerned department in taking steps to improvise the policies to better suit the beneficiaries.
- As beneficiaries the people ought to be encouraged by the concerned department to participate in the program not only for the monetary benefits but towards contributing to developing long-term community assets and widening the sense of communal harmony.

Table 6: Association of socio-economic characteristics with employment generation and community empowerment

Sl.	Variable	EG CC	CE CC
1	Age	-0.005 <sup>NS</sup>	-0.258 <sup>**</sup>
2	Sex	-0.058 <sup>NS</sup>	-0.028 <sup>NS</sup>
3	Education	0.089 <sup>NS</sup>	-0.046 <sup>NS</sup>
4	Marital status	0.037 <sup>NS</sup>	-0.099 <sup>NS</sup>
5	Land holding size	0.117 <sup>NS</sup>	-0.070 <sup>NS</sup>
6	Type of house	0.111 <sup>NS</sup>	-0.126 <sup>NS</sup>
7	Annual income	0.299 <sup>**</sup>	-0.067 <sup>NS</sup>
8	Annual savings	0.131 <sup>NS</sup>	-0.129 <sup>NS</sup>
9	Awareness about MGNREGA	0.250 <sup>**</sup>	0.079 <sup>NS</sup>

<sup>\*\*</sup>Significant at 1%  $\alpha$ ; NS=Non-significant; EG: (a) with employment generation (N=120); CE: (b) with community empowerment (N=120); CC: Correlation coefficient

the scheme. The other variables under Table 6, viz. age, sex, education, marital status, land holding size, type of house and annual savings were found to have non-significant relationship with employment generation.

On the other hand, the variable 'age' was negatively significant with community empowerment at 1% level. The findings showed that with the increase in age there was lower level of social responsibilities, social participation and political motivation on the part of the beneficiaries, all amounting to a decline in community empowerment. Also, the findings showed that with the advancement in age, the MGNREGA works which are basically manual were difficult to carry out. This reduced the chances of receiving MGNREGA income



## 6. Conclusion

The socio-economic status of the beneficiaries in Mon district, after MGNREGA implementation remained more or less the same. Nevertheless, it goes without saying that the MGNREGA income helped many of the beneficiaries during lean periods. The study also showed that ability to participate in the decision making process through the meetings convened for discussion of works (invariably necessitating their presence as beneficiaries) increased the social participation of the people. If some remedial measures are taken up, the program will be very effective in changing the socio-economic perspectives in a desirable direction in the area under study. Thus, MGNREGA being a 'right' based program has empowered the people to play a role in the planning and development of their communities and rural development as well.

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