

## **Rural Development in West Bengal: A Case Study on MGNREGA and its Impact on Rural Economy of Coochbehar**

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***Abstract:**Rural development means the improvement of quality of life and economic well-being of villagers. It aims at bringing about overall growth and development in the rural areas in terms of health, education and quality of life and economic wellbeing of the villagers. MGNREGA is the most dominant initiative for transformation of rural livelihood in India. The present study was undertaken to analyze the socio - economic benefits in the Gram Panchayats of Haldibari district of Coochbehar in West Bengal. In the present study followed through purposive as well as simple random sampling procedure. After the implementation of MGNREGA in the villages 53 percent of the rural women were involved in different works under MGNREGA. This study shows a high degree of women participation and more income generation in the villagers after the implementation of MGNREGA. And this study also describes the benefits and challenges faced by this scheme in these rural areas.*

***Keywords:** Coochbehar, Development, MGNREGA, Rural Women, Women Empowerment etc.*

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### **Introduction**

Nearly 70 percent of the population lives in rural areas. These rural areas are covered by various social and economic problems such as poverty, illiteracy, low level of income, low quality of lifestyle, unemployment, poor food and health standards. So, to overcome those serious problems various rural development programmes were implemented by the government of India to improve

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the quality of rural life. Among those social schemes, Mahatma Gandhi National Rural Employment Guarantee Act is the most effective approach.

The Mahatma Gandhi National Rural Employment Guarantee Act ( MGNREGA) encompasses an important feature as it was set to reduce rural poverty and give much necessary social security in rural areas. As recently as in 2009 - 10, India was home to 355 million people living in poverty out of whom 278 million or 78% were in rural areas. The National Rural Employment Guarantee Act 2005 came into force on February 2, 2006 and was implemented in phases. In the first phase, it was introduced in 200 of the most backward 130 districts. The third phase came in quick succession, and was launched on September 28, 2007. It extended the Act to the remaining 285 districts. Since then the MGNREGA Scheme has been operated in all the 615 rural districts of India. The MGNREGA is based on the twin principle of Universality and Self selection. First, it offers the legal rights to work for those who demand it within a time frame i.e. 15 days of applying for work at a specified minimum wage. And in second the Universal nature of the programme eliminates targeting errors. The process of implementation involves undertaking rural resource development without engaging contractors and machinery, which is carried out by the Panchayat and community in the form of planning and social audit. Special emphasis is placed on providing employment to women and a provision is made for developing land and water resources on the private lands of households of Schedule Castes (SCs), Schedule Tribes (STs), Below Poverty Line (BPL), Indira Awas Yojana (IAY), housing beneficiaries and land reforms ( assigned lands) beneficiaries. In June 2008, this provision was extended to small - marginal farmers working with job cards under MGNREGA.

Rural development depends on an active human process. For improving the quality of life of the rural population it requires hard work, dedication, responsiveness and accountability of all the participants. The meaning of rural development indicates the improvement of infrastructure of the rural areas ; to reduce unemployment by providing opportunities for employment. To provide clean water, education facilities, electricity and proper communication. MGNREGA is such a law that aims at guaranteeing ' right to work' and ensure livelihood security in rural areas by providing 100 days of guaranteed wage employment every year for unskilled manual work. The enactment of MGNREGA best reflects the government of India's new resolve to strengthen the rural economy and livelihood of the poor. With the initiatives of MGNREGA people are able to purchase food security living below the poverty line.

Based on a study of the per capita consumption in rural and urban areas, using central sample data of NSS 55th Round 1999–2000, Cooch Behar district had a rural poverty ratio of 25.62%.In the Cooch Behar - I CD (Community Development) block in 2011, among the class of total workers, cultivators numbered 37,485 and formed 27.85%, agricultural laborers numbered 43,565 and formed 32.37%, household industry workers numbered 7,315 and formed 5.44% and other workers

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numbered 46,208 and formed 34.34%. Total workers numbered 134,573 and formed 41.21% of the total population, and non-workers numbered 191,985 and formed 58.79% of the population. According to a World Bank report, as of 2012, 20-26% of the population of Cooch Behar, Birbhum, Nadia and Hooghly districts were below the poverty line, marginally higher than the level of poverty in West Bengal, which had an average 20% of the population below poverty line.

## **Methodology**

This research study focused on Haldibari Gram Panchayat under the district of Coochbehar. This Gram Panchayat was selected Purposively. This research study was conducted based on observation and interviews. There are total 6 Gram Panchayats in Haldibari, namely Boxigonj, Dakshin Bara Haldibari, Dewanganj, Hemkumari, Pre - Mekhliganj and Uttar Bara Haldibari; from each villages 15 respondents including SC, ST and women were selected Purposively and data were collected with the help of the structured interview schedule. The present study also follows the description method of research design to examine the changes in the lives of rural poor people through MGNREGA. The study is based on both primary and secondary data. The primary data were collected with the help of observation also and secondary data were collected from the various sources like journals, research articles, books and official website of MGNREGA.

## **Impact of MGNREGA**

The impact of MGNREGA shows that it helped the rural women to engage themselves in earnings for their family, through it they empowered some in the financial matters also. Mahatma Gandhi NREGA has had a positive impact on the standard of living through increasing household income by empowerment in production from agriculture, various purposes of developmental activities such as - (pond making activities for fisheries), road making activities for better communication purposes etc. It also generate co - operative activities among villagers for sustainable development. To eradicate poverty in rural areas MGNREGA is the good way ; SC, ST and women along with socially excluded communities benefit from it.

Mahatma Gandhi National Rural Employment Guarantee Act brought several changes in lives of rural people in general and vulnerable sections of the rural population in particular by securing their livelihood, MGNREGA has an objective to enhance livelihood security to the rural poor by providing at least one hundred days of wage employment to every household whose adult members are ready to do unskilled manual work, Mgnrega not only provide wage employment as an alternative source but also create durable assets such as road construction, land development, water

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conservation and irrigation, economical crops which has multiple influence on different sectors of village economy.

## **Objectives of MGNREGA**

MGNREGA is a revolutionary step taken by the Central Government of India for the rural poor people and presently it is the largest self - targeting program in India. It is an influential instrument for ensuring inclusive growth in rural India through social protection, livelihood security and democratic empowerment. The important objectives of the MGNREGA are following:

- 1.Social protection for most vulnerable people living in rural areas through employment opportunities.
- 2.Livelihood security for the poor through creation of durable assets.
- 3.Strengthening decentralized, participatory planning through convergence of various anti poverty and livelihood Initiatives.
- 4.Empowerment of weaker sections of the society, women, Schedule Castes and Scheduled Tribes through the process of a right based legislation.
5. Deepening democracy at the grass roots by strengthening Panchayati Raj System.
6. Effecting greater transparency and accountability in governance.

## **What are the challenges of MGNREGA**

Though MGNREGA is beneficial for rural development but currently there are so many issues regarding the genuine way of implementing MGNREGA. Apart from that people are suffering from many problems. On "In NREGA reforms, prioritize the worker and her dues " which was published in the Hindu Business Line on 30/01/2023 . It discusses reforms that need to be undertaken in order to implement the MGNREGA in its true sense. Those challenges are :

- 1.Delay and insufficiency in fund dispersal - most states have failed to disburse wages within 15 days as mandated by MGNREGA. For that reason workers are not compensated for a delay in payment of wages. This led workers to lose interest in working under it.
- 2.Caste based segregation - there are significant variations in delays by caste. While 46% of payments to SC workers and 37% for ST workers were completed in the mandated seven days period, it was a dismal 26 % for non SC/ST workers. The negative impact of caste based segregation was felt acutely in poorer states such as Madhya Pradesh, Jharkhand, Odisha and West Bengal.

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3. Inefficient role of PRI - PRI are not able to implement this act in an efficient and effective manner.
4. Large number of incomplete works - there is an issue of quality of work and asset creation under MGNREGA.
5. Issues related to fake job cards - there are several issues related to the existence of fake job cards, the inclusion of fictitious names, missing entries and delays in making entries in job cards.

## **Government Initiatives**

Recently, the Central Government has constituted a committee to review the implementation of the MGNREGA scheme, especially to assess the programme's efficacy as a poverty alleviation tool. The committee headed by former Rural Development Secretary Amarjeet Sinha, had its first meeting in November 2022, and has been given three months to submit its suggestions.

## **New Initiatives under MGNREGS**

**Amrit Sarovar:** Construction/renovation of at least 75 Amrit Sarovars (ponds) in each district of the country; they will help in increasing the availability of water, both on surface and underground.

**Jaldoot App:** It was launched in Sept 2022 for measuring the water level in a Gram Panchayat through 2-3 selected open wells twice a year.

**Ombudsperson for MGNREGS:** Ombudsperson App was launched in Feb 2022 for smooth reporting and categorization of grievances received from various sources related to the implementation of the MGNREGA.

## **What are the possible way to forward this Policy Better**

1. Address delays in wage payments : to improve the financial management system, Strengthening the administrative capacity and accountability of the implementing agencies and also improving the transparency and efficiency of the wage payment process.
2. Strengthen implementation capacity: for MGNREGA, reforms cannot be based on 'targeting' better. There has to be a focus on exclusion and not inclusion 'Priors'. To maintain the proper proportion of employment of SC, and STs than their population.
3. Building the spirit of public participation : there is a need to build the scheme on the spirit of public participation. Government must leverage consultative processes and forums, such as the State and Central Employment Guarantee Council which can be beneficial for the government in making informed decisions and addressing the needs and concerns of the people. Any proposed

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reforms must be tabled in state assemblies in addition to Parliament along with bringing civil society organization, worker unions and representatives of self - help groups into the discussion. In March 2023, the government declared new wage rates for unskilled manual workers under the Mahatma Gandhi National Rural Employment Guarantee Act, 2005.

For the financial year 2023-24, under sub-section(1) of Section 6 of the Mahatma Gandhi National Rural Employment Guarantee Act, 2005, the Ministry of Rural Development has notified the new wage rates. It became effective from 1st April 2023.

Changes in the Consumer Price Index – Agriculture Labour (CPI-AL) is used by the Ministry of Rural Development to revise the wages under MGNREGA.

Recent changes introduced in wages:

Wage hike ranges from Rs. 7 to Rs. 26 per day, which is an increase of 2% to 10%.

As per the wage revisions carried out, the highest rate of wage, which is Rs. 357 per day has been fixed for Haryana and the lowest wage of Rs. 221 per day has been fixed for Madhya Pradesh and Chhattisgarh.

The highest percentage increase has been recorded for Rajasthan, where wages rose from Rs. 231 per day in 2022-23 to Rs. 255 per day for 2023-24, making a 10.39% hike.

The lowest percentage hike is reported in Goa, where wages increased from Rs. 315 per day in 2022-23 to Rs. 322 per day in 2023-24.

The Union Government has made it mandatory for payments to be made for MGNREGA beneficiaries through the Aadhar-Based Payment System or ABPS.

The Union government has allocated Rs.72000 crores for The Mahatma Gandhi National Rural Employment Guarantee Act, (MGNREGA) scheme in 2021 - 22.

## **MGNREGA & Workers Crisis – COVID Pandemic**

Finance Minister Nirmala Sitharaman on March 26th, 2020, workers under the MGNREGA would get a hike of Rs. 2000 each on average. It was also announced that three crore senior citizens, persons with disabilities, and widows will get a one-time additional amount of Rs 1,000 in two installments which will be provided through DBT (Direct Benefit Transfer) over three months. This announcement was made as an initiative towards the loss caused by the Covid-19 outbreak. The 21-day lockdown was expected to cost the Indian Economy a cost of around 9 lakh crores. Funds worth Rs 31,000 crore are also to be provided to augment medical testing, screening, and providing better healthcare facilities to those who have been affected financially due to the COVID-19 outbreak.

MGNREGA differentiates itself from earlier welfare schemes by taking a grassroots-driven approach to employment generation. The programs under the act are demand-driven and provide legal provisions for appeal in the case, work is not provided or payments are delayed. The scheme

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is funded by the central government which bears the full cost of unskilled labor and 75% of the cost of material for works undertaken under this law. The central and state governments audit the works undertaken under this act through annual reports prepared by the CEGC (Central Employment Guarantee Council) and the SEGC (State Employment Guarantee Councils). These reports have to be presented by the incumbent government in the legislature.

Nature of Schemes taken by the District :

1. Rural connectivity
2. Flood control
3. Land development
4. Water conservation and water harvesting.
5. Renovation of Traditional water bodies.
6. Bharat Nirman Rajeev Gandhi Sewa Kendra
7. Irrigation canal
8. Works on individual category
9. Rural sanitation
10. Drought proofing
11. Fisheries
12. Rural drinking water
13. Anganwadi
14. Play ground

## **New Initiative**

In 2014 - 15 MoRD ( Ministry of Rural Development) introduced the concept of IPPE ( Intensive Participatory Planning Exercise) for the most backward blocks in the country. For Coochbehar district five blocks viz. Mathabhanga - 1, Sitalkuchi, Sitai, Mekhliganj and Haldibari have been selected for IPPE.

The Ministry of Rural Development has also introduced the system of e - FMS ( electronic Fund Management System) whereby the wage payment of workers are credited directly into their accounts from the control server. This reduces the delay in payments as well as cuts out the middleman.

## **Conclusion**

MGNREGA not only provides wage employment as an alternative source of livelihood but also creates durable assets such as roads construction, land development, water conservation and irrigation facilities which has tremendous influence on different sectors of village economy. Thus

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there is a great place for humanity under MGNREGA since it provides both social and economic security with the risk factor for the workers with good worksite facilities. And therefore it is important to maintain for Central Government and State Government both should have to properly scrutinize the various works completed under MGNREGA scheme.

The MGNREGA brought confident and positive changes in the lives of rural poor people by securing their livelihood through wage employment. This program has created self confidence among unskilled workers especially in women by giving the priority that one - third of the beneficiaries shall be women. MGNREGA provides remuneration directly in the hands of beneficiaries particularly to women without any middleman and facilitates a change in their attitudes towards life and work. So there is a visible impact of MGNREGA on beneficiaries particularly to women by making them financially stable and allowing them to put their steps to work outside. It is interesting to notice that the beneficiaries have good knowledge, they wait for work related MGNREGA and also their gender discrimination reduces by providing equal work and wages. But the beneficiaries face few challenges about the management process of MGNREGA in the region which demands proper initiatives and solutions by the implementing agency.

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