

Public Asset Creation and Employment Generation through MGNREGA in Western Uttar Pradesh



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Abstract

The national rural employment guarantee act (2005) which was renamed later as MGNREGA (2009) is a landmark in the history of India. This is not only because it covers all districts (except entirely urban) of India but also because it allows the rural poor to participate in development activities on a large scale. Since with employment generation, another equally important objective of the scheme is public asset creation which aims at drought proofing, flood control, water conservation, increasing irrigation capacity of rural areas, and rural connectivity. The program has gained popularity at the international level and policymakers and researchers have been discussing the possibility of its replication and adaptability at the international level. Especially after the pandemic hit the Indian economy, there was a reverse migration of large no of poor to rural areas. The demand for work under MGNREGA has increased dramatically. As the economic survey of 2021-22 has mentioned "During the nationwide lockdown, the aggregate demand for MGNREGS work peaked in June 2020, and has thereafter stabilized. During the second COVID wave, demand for MGNREGS employment reached the maximum level of 4.59 crore persons in June 2021. Nonetheless, after accounting for seasonality, the demand at an aggregate level still seems to be above the pre-pandemic levels of 2019."

Keywords : MGNREGA, Employment Generation, Asset Creation

Introduction

Due to reverse migration during the pandemic the largest increase in demand for MGNREGA occurred in the state of Uttar Pradesh. As of December 2021, the highest number of job cardholders was in the state of Uttar Pradesh, 2.11 crore. According to newspapers reports the state has employed 57.13 lakh workers under MGNREGA in 2020-21. Uttar Pradesh was the state with the highest number of job providers under MGNREGA. According to the UP government out of the total workers employed in the country under the scheme, Uttar Pradesh employed 18% of total workers in 2020-21

In this context, this study aims to analyze the pattern of employment generation and public asset creation under MGNREGA in western Uttar Pradesh during the last 5 years from 2016-17 to 2020-21. The study is based on both primary and secondary data. Primary data was collected from the APOs of different blocks of the districts in western Uttar Pradesh. Secondary data was collected from the government's official records of Uttar Pradesh, Ministry of Rural

Development and Panchayati Raj, Government of India, newspapers, magazines, and journals.

Review of Literature

Since the implementation of MGNREGA, various studies have been conducted regarding the employment and asset generation aspect of MGNREGA. Though, studies related to the asset generation aspect are relatively fewer. In the process of implementation of MGNREGA in Uttar Pradesh, the main problem faced by beneficiaries were delays in wage payment and accessing a bank account. Another significant finding was that Gram Pradhan Played a very significant, constructive, and positive role in giving information about MNREG (Bishnoi Indira et al.,2012). Uttar Pradesh has followed a bottom-up approach entrusting significant responsibility to staff at *Gram Panchayat* level. However, MNREGA's performance is not so good in the state. This is primarily because Gram Panchayats are often not equipped with sufficient resources, skills, and experiences to carry out effectively MNREGA responsibility (Bonner Kim et al.,2012). Kajale Jayanti and Shroff

Sangeeta (2018) conclude that MGNREGA has started expanding its performance regarding asset creation since 2011-12 but performance is not satisfactory. However, the program is working as a social safety net for many people, despite many loopholes. Identified loopholes are poor awareness of the program reflected in poor understanding of minimum wages, compensation for accidents, unemployment allowance, and the overall process of MGNREGA (Das Tushar Kanti (2016). The scheme has corrected the gender skewness prevailing in rural India regarding wage payment (Pankaj Ashok and Tankha Rukmini, 2010). Majority of beneficiaries of the program has shifted from low to medium livelihood security category after the commencement of MNREGA (Roy Shubhadeep, 2011).

Current Status of MGNREGA in Western Uttar Pradesh

Western Uttar Pradesh comprises 30 western districts of Uttar Pradesh which are divided into 6 administrative divisions. The demographic cultural and economic patterns of this part of Uttar Pradesh are different from the eastern part of Uttar Pradesh, has more resemblance to those of Haryana and western Uttar Pradesh. Because of the success of the Green Revolution, the area has economically has grown at a relatively high

rate. A significant portion of Western Uttar Pradesh is part of The National Capital Region. According to the census of 2011, the total population of the area is 71,217,132. The main occupation of people in this area is agriculture. This area is known as the food and sugar basket of Uttar Pradesh However during the last decade growth rate of food grain productivity has sharply declined due to technological fatigue, decrease in the size of landholdings, soil degradation, and decreasing water level. Growth of food grain productivity is much lower than the growth rate of the population. Thus the overall performance of the agriculture sector is poor due to lack of rural infrastructure. MGNREGA was launched in Uttar Pradesh in 2006. In the year 2020-21, a total of 2396445 households and 2859697 persons were provided employment in Western Uttar Pradesh. Total employment generated in terms of person-days was 91688148. As far as asset generation is concerned total assets generated during 2020-21 were 114920, assets in progress were 439475 and the assets approved but not in progress were 152214.

Employment Generation under MGNREGA

“Mandate of the act is to provide at 100 days of wage employment in a financial year to every rural household whose adult member volunteer to do unskilled manual work”

Table 1: Employment generated under MGNREGA during 2016-17 to 2020-21

Districts	2016-17	2017-18	2018-19	2019-20	2020-21
<u>AGRA</u>	1271504	1272535	1481666	2256604	3962774
<u>ALIGARH</u>	1430830	1641380	1821040	2390045	4281100
<u>AMROHA</u>	1651140	1882157	2419703	2312678	3366499
<u>AURAIYA</u>	1011332	1165669	1315690	1332471	2585151
<u>BAGHPAT</u>	157718	115607	98564	75902	146655
<u>BAREILLY</u>	1177067	1539612	2023523	2812580	4782181
<u>BASTI</u>	6042019	6248426	7522026	7961025	11933357
<u>BIJNOR</u>	1853533	1739203	1869192	2338986	4626650
<u>BUDAUN</u>	2110117	2348997	2768113	3964714	5031238
<u>BULANDSHAHR</u>	196846	187518	265358	256589	1098246
<u>ETAH</u>	1523614	1584792	1497403	1966229	3581440
<u>ETAWAH</u>	1134417	1384409	1575292	1883266	4603781
<u>FARRUKHABAD</u>	969047	1333232	1202190	1568991	3256985
<u>FIROZABAD</u>	1315789	1398718	1698115	2140478	3381548
<u>GAUTAM BUDDHA NAGAR</u>	14310	11504	9667	13136	20596
<u>GHAZIABAD</u>	2186	1406	0	0	0
<u>HAPUR</u>	185626	149836	138499	136878	265075
<u>HATHRAS</u>	376600	426328	565556	746185	1812916
<u>KASHGANJ</u>	1081213	1015884	1406186	1797097	3234821

<u>MAINPURI</u>	1566606	1743713	2038467	2438619	4556844
<u>MATHURA</u>	881004	900376	1095293	1479102	3538948
<u>MEERUT</u>	404498	324778	340796	551245	1628681
<u>MORADABAD</u>	1382899	1730484	2158257	2128179	3694638
<u>MUZAFFARNAGAR</u>	418194	466009	601955	673508	1496388
<u>RAMPUR</u>	1088938	1363685	1824712	2441795	3359175
<u>SAHARANPUR</u>	873025	954129	1051455	1148676	2542891
<u>SAMBHAL</u>	1797387	1700802	2068453	2571288	3415015
<u>SHAHJAHANPUR</u>	1979525	2314109	2419281	3453818	4929036
<u>SHAMLI</u>	296617	356916	428621	312751	555519
Total	34193601	37302214	43705073	53152835	91688148

Source: www.neraga.nic.in

From the table 1 it is clear that employment generated in terms of total person days has increased continuously since last five years. However, the largest jump in employment generated is registered during the period of pandemic. This continuous increase in man-days generated is the result of increase in the demand for jobs under MGNREGA. Demand for MGNREGA jobs is rising because high level of rural unemployment due to rural distress since last few years. This is evident from the fact that number of people applying for the job cards under the scheme is rising at an unprecedented rate in the U.P. Analysis of the data of last five years shows that growth rate of applicants for job cards in the state is higher than the country level average. Reverse migration of workers from the urban areas due to lockdown further pushed the increase in demand for MGNREGA jobs during pandemic. Though employment generation under the scheme has increased over the last the five years. There is strong need for the generating more employment under the scheme: firstly, rural unemployment is very high in Western Uttar Pradesh for last 10 years due to decrease in productivity of agriculture at a fast rate. Secondly, after pandemic situation of rural poor has worsened. In this scenario there is urgent need for providing social security to rural poor and vulnerable people through the scheme.

Asset Creation Under MGNREGA

large.

Table 2: Asset Creation under MGNREGA during 2016-17 to 2020-21

Assets Created	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Rural Infrastructure	261	522	914	956	1934	4587
Drought Proofing	7636	7832	5785	5731	4911	31895
Fisheries	9	2	4	0	3	18

Total asset creation which was 116357 in year 2016-17 increased to 150798 in 2018-19. After that, it has decreased to 114920 in year 2020-21. This decrease in the number of assets created is being observed despite the fact that employment generated in the form of total person-days created has constantly increased. The total number of person-days generated has increased from 37302214 to 91688148 during the period of 2016-17 to 2020-21. And there is a huge jump in the total number of person-days generated from 53152835 to 91688148 from year 2019-20 to 2020-21. The total person-days employment generated has increased by 72% from 2019-20 to 2020-21. But total asset generation has decreased from 115204 to 114920. The discussion with the village level APOs showed that the opposite trends in employment and asset generation is because of the fact that during last few years, especially during the covid period the government undertook the bigger projects in which man-days generated were large. Uttar Pradesh government ran a drive of renovation of rivers and water bodies under MGNREGA during covid period. All these projects were approximately 7-8 kilometers long involving a total expenditure of 14-15 lakhs. Most of the rivers and other water bodies in all districts were renovated (deepening their bed and building of piolets) during the covid period. Total number of man-days generated in all these projects was very

Flood control and protection	8100	7461	6366	4991	8105	35023
Food Grain	0	0	0		0	0
Land development	18147	20812	22270	26014	39970	127213
Micro Irrigation Works	4721	3649	2429	2776	4314	17889
Other works	2698	1317	484	485	12	4996
Play Grounds	79	83	23	8	3	196
Renovating traditional water Bodies	3307	2807	2015	1312	1811	11252
Rural Connectivity	16264	15923	13062	6410	9884	61543
Rural Drinking Water	31	51	75	6	0	163
Rural sanitation	8126	4716	3444	1298	3119	20703
water conservation and water harvesting	8424	7170	5408	5442	6579	33023
Works on individual land	38554	49603	88519	59775	34275	270726
Total	116357	121948	150798	115204	114920	619227

Source: www.neraga.nic.in



From the table, it is clear that out of the total assets created a maximum number of assets (33%) belong to the category of works on individual land. Works on the individual land are allowed on the land or homestead of the SC/ST, people below the poverty line, land reforms beneficiaries, or beneficiaries of *Indira Awas Yojana*. For works to be taken up on private land

or homestead the landowner should also be a job cardholder and must work in the project. Category of works on individual land comprises land levelling of SC/ST land, Vermi Compost, NADEP Compost, digging of ponds on poor people land (which can be used for *Shinghade* crops, fisheries, irrigation). Further, only those works are permissible in this category which leads

to the creation of durable assets. A greater share of works in this category shows that in western Uttar Pradesh more importance is being given to works that lead to asset generation for poor people so that alternative employment opportunities are created for them According to a study by CSD a large number of assets under this category in Uttar Pradesh pertains to construction of houses, while works related to productivity of land were only 8% and those related to horticulture and plantations constituted only 2%. The second place (16%) is occupied by the assets related to land development. Most of the land in this area is fertile so most of the works in this category are land levelling and building of *Chakroads*.

Third largest share (14%) is occupied by the works related to rural connectivity. Works in this

category include kaccha roads, Karanja, CC roads. Works related to drought-proofing, rural sanitation, food control and protection, water conservation, and water harvesting each account for 7% of the total works created. Works related to other categories like renovation of traditional water bodies account, micro-irrigation works are given relatively less importance.

Assets in Progress

Table 4 shows that the number of assets in progress has increased in each successive year in last five years. Large number of assets in this category does not mean that a large number of works are left incomplete. In many cases, assets are suspended temporarily due to heavy rainfall or disputes between villagers. However, work is resumed after rain stops or disputes are resolved.

Table 3: Assets in Progress/ Suspended during 2016-17 to 2020-21

Assets Created	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Rural Infrastructure	1807	2144	2974	4807	12301	24033
Drought Proofing	6026	5385	19539	30971	45330	107251
Fisheries	12	10	6	8	5	41
Flood control and protection	4603	5324	7851	13028	22401	53207
Food Grain	0	0	0	0	0	0
Land development	18147	15533	34321	60460	109362	237823
Micro Irrigation Works	2328	2421	4033	7266	18392	34440
other works	2422	1440	983	470	467	5782
Play Grounds	67	75	55	34	31	262
Renovating traditional water Bodies	1599	1552	1762	3418	5744	14075
Rural Connectivity	10557	13048	16450	21680	39215	100950
Rural Drinking Water	28	96	45	9	9	187

Rural sanitation	5628	5937	3668	5743	16806	37782
water conservation and water harvesting	4074	4349	6979	12575	20240	48217
works on individual land	43844	96667	62883	63110	149172	415676
Total	101142	153981	161549	223579	439475	1079726

Source: www.neraga.nic.in



followed by works on land development (22%), works on drought-proofing (10%), rural connectivity (9%).

Approved But not Started

Mostly Pradhans get approved 6-7 projects in one time which they can get done one by one. From table 4 it is clear that the number of assets in the

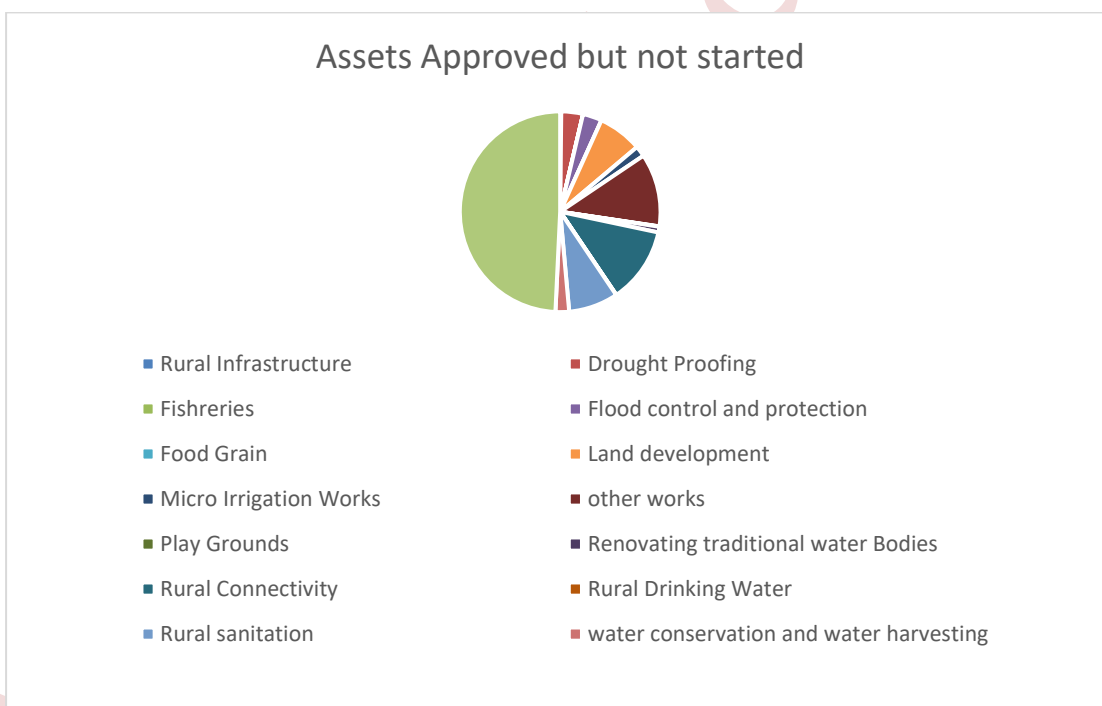
category of approved but not started has continuously increased in the last five years. Increase in the number of assets in this category shows that emphasis on the asset generation aspect of Agan, out of the suspended category largest number of assets (38%) belong to work on individual land MGNREGA is increasing.

Table 4: Assets Approved but not started during 2016-17 to 2020-21

Assets Created	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Rural Infrastructure	65	101	625	2272	5500	8563
Drought Proofing	1320	1969	6786	9007	2520	21602
Fisheries	1	1	3	3	3	11
Flood control and protection	1162	1687	2671	3439	5510	14469
Food Grain	0	0	0	0	0	0
Micro Irrigation Works	645		1335	1676	3134	6790
other works	4441	4532	4536	4516	4512	22537
Play Grounds	22	45	44	41	41	193

Renovating traditional water Bodies	349	557	791	1073	1506	4276
Rural Connectivity	4615	6469	8592	9887	14616	44179
Rural Drinking Water	12	146	146	145	145	594
Rural sanitation	3015	9774	10376	12544	15579	51288
water conservation and water harvesting	828	1388	2470	4929	6582	16197
works on individual land	18583	21655	23199	47731	68403	179571
Total	37740	52654	70658	111144	152214	424410

Source: www.neraga.nic.in



In this category also most of the assets (49%) belong to the category of works on individual land followed by works related to rural connectivity (12%), other works (12%).

Conclusion

Since agriculture sector of western Uttar Pradesh is reeling under crisis, situation on employment front is very grim. Further the job losses due to lockdown during pandemic raised the level of “surplus and unemployed” labour force to all time high levels in the area. It is this section of labour force which

MGNREGA aim to provide relief. Though the Government has made efforts to increase the number of jobs under MGNREGA. But the given the scale of demand the quantum of job offered is highly inadequate. Hence efforts should be made to generate more person days of job under the scheme. This will partially alleviate the adverse impact of rural distress which is at the highest level at present. Increase in employment is also going to help the rural economy from demand side. As far as asset side is concerned efforts of government to

undertake renovation and rejuvenation of all water bodies is commendable. This will have positive impact on raising water levels in the area, increasing irrigation facilities, enhancing availability of drinking water. But efforts to rejuvenate and renovate water bodies should continue in future also. Other than that, among the category of works on private land the efforts should be made to encourage the works related compost making. This will not only enhance the scope for generation of more employment under the scheme but will also address the problem of declining agricultural productivity due to technological fatigue. Thus, in the present situation of agricultural crisis and large number of surplus and unemployed labour force the government should step up efforts to create not only more jobs under the scheme but also to create more assets. This will help the rural economy from both demand side and supply side.

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