

ANALYSING CAUSAL RELATIONSHIP BETWEEN SOCIAL SECURITY INITIATIVES (SCHEMES) AND CITIZENS' QUALITY OF LIFE

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Abstract

The current research tries to ascertain cause and effect relationship between social security initiatives and citizens' quality of life with respect to India as fastest emerging economy in the world. Literature evidences proves that social security is an essential parameter for quality of life in various developed economies because it offers citizens' confidence on the government, initiate social contribution of people, revolutionize social structure and progressive social environment for equitable development. Taking some important government initiatives like- Pradhan Mantri Jan DhanYojana, Pradhan MantriJeevanJyotiBimaYojana, Atal Pension Yojana, Pradhan Mantri Mudra Yojana, Right to Education (RTE) the study conducts an investigation of its workability and what people believe of these schemes.

Key words: Social Security, Government Schemes, Social Development, Equality, RTE, Atal Pension Yojana, Mudra Yojana, Jan DhanYojana.

1.Introduction

1.1 Conceptual Background

A good governance system reflects progressive social environment ensuring equitable development of citizens (Raj, et al., 2014). Economies in the world striving to ensure high quality of life to its citizens for comprehensive development of the nation. But, developing economies are still need to do a lot for achieving high quality of life for its citizens (Ghosh &Dinda, 2020). Hence constitutional arrangements have been done in many economies keeping 'quality of life' to citizen as their fundamental right. India too, has made constitutional arrangement for ensuring quality of life through various social security initiatives. Social security refers to government initiatives in

the form laws, acts, financial schemes, employment surety, voting right, education, survival, food security, free use of country's resources etc. It shows direct relationship with quality of life of citizens in various economies. With this thought, the current study is being carried out to understand the true meaning of 'quality of life', social security and various initiatives taken by the government of India to ensure it. Also to analyse the causal relationship between selected social security initiatives and quality of life of citizens.

1.2 Concept of Quality of Life

'Quality of life' is a descriptive term which is difficult to explain and specialists define it in various term depending upon different parameters. Like, in economic term- quality may be define as amount of income a person possess or can earn to his/her livelihood, in social term- quality of life refers to social freedom of speak, worship and living, etc. (Lee & Mason, 2012). The concept of quality of life refers to the level of satisfaction a country's citizen feel in material term, social term, spiritual term and basic human needs fulfilment term(United Nations, 2015). Here, quality of life doesn't only mean monetary in term but it talks about comprehensive progress of individual's living standard. Researchers believed that, citizens' satisfaction arise out of personal, social, political, financial freedom along with all those parameters which ensure human well-being in the country (Tang, et al., 2006). It broadly includes 'objective and subjective' term. 'Objective term' deals with interest and needs of a person, if these get fulfilled people believe that they have quality in their life. Whereas, 'subjective' term deals with quality aspect of life like- work-life balance, freedom, social integration, cross-cultural transactions, celebration of festivals, events etc (Yip & Mahal, 2008). The current research is being carried out in Indian perspective therefore meaning and nature of quality of life may differ from the perspective of other countries. In the present study, in order to measure the quality of life 5 government initiative have been included and studies which are-

Table 1.1a- Government Initiatives for improving quality of life of citizens

S.No.	Govt. Initiative	Category of Initiative (Scheme)
1.	Pradhan Mantri Jan DhanYojana	Financial Inclusion
2.	Pradhan MantriJeevanJyotiBimaYojana	Life Security
3.	Atal Pension Yojana	Future Security
4.	Pradhan Mantri Mudra Yojana	Employment Security
5.	Right to Education	Basic Education Rights

2. Literature Review

Dreze (2016) government is always devoted for human welfare, social rights, and basic infrastructure. India as a growing economy has much to do for social and equitable development. The author discussed different social initiatives taken by the government for societal development and quality of life of the citizen. These initiatives were centred to human well-being and achievement of social growth. With the help of aggressive governance, policies and system the government has created an ecosystem wherein initiatives can be taken, implemented and monitored efficiently and their performance can be enhanced through sever accountability. The primary initiatives were- social security, law & order, employment, nutrition, welfare policies etc.

Ahmad & Mohanty (2020) discussed various initiatives of government towards financial inclusion in the society. The research focused upon 'micro-finance' initiatives taken up for extending financial help for self-help in earning livelihood for the marginal families of the society. The initiative was found to be a great success in semi-urban and rural areas where, people opted for small finance schemes of the government to start their small venture. It has improved quality of life of so many families across the country. Micro-finance initiative has created a supportive environment to the families who were looking for financial help for fresh start-ups.

Deb & Das (2016) examined PMJDY and revealed that, the initiative was proven to be a great success for financial inclusion in the country especially in rural India. Through this scheme, lakhs of people were connected to banks for financial transactions, government scheme benefits and getting subsidies of various products. It has significantly reduced the system corruption by connecting beneficiaries directly with banks through their PMDHY accounts. It has undoubtedly improved the quality of life.

Vyas(2019) the author thoroughly examined the 'Pradhan MantriJeevanJyotiBimaYojana' with respect societal development and security. The study found that, beneficiaries have got life security and a sum to financially assist the family after death of the insured. The scheme has benefited many families across the country and people believed that the initiative is quite workable for those who cannot afford private policy premium.

3. Research Objective

The study aims at analysing the social security initiatives taken by the government and their effects on citizens' quality of life. Quality of life refers to ease of life and availability of basic facilities for life and social security. The research investigates the effect of selected social security initiatives on quality of life through structural equation modelling.

4. Research Method

4.1 About the Research Method: The study empirically finds the causal relationship between selected social security initiatives taken by government and quality of life of citizens. For this, five observed variables are taken viz. *Pradhan Mantri Jan DhanYojana, Pradhan MantriJeevanJyotiBimaYojana, Atal Pension Yojana, Pradhan Mantri Mudra Yojana, Right to*

Education (RTE) and one 'Latent (Unobserved variable)' are included. With the help of SEM model the study shall investigate the impact level of each independent variable on quality of life (dependent variable).

4.2 Variables Description:

Independent Variables (Observed Variables)	Dependent Variable (Latent Variable)
<ol style="list-style-type: none"> 1. Pradhan Mantri Jan DhanYojana, 2. Pradhan MantriJeevanJyotiBimaYojana, 3. Atal Pension Yojana, 4. Pradhan Mantri Mudra Yojana 5. Right to Education (RTE) 	Quality of Life

4.3 Tools For Data Analysis

Structural Equation Modelling (SEM) is used to analyse the causal relationship between observed and unobserved variables. The analysis is conducted in AMOS 20 version. In the analysis, path diagram is prepared to visually understand the cause and effect of variables and a regression equation is developed to represent the estimate values of each predictor. Model test or model fit analysis is not conducted in the research as it can be said a limitation of the research. Further, in future studies the same model shall be carried out with extension researches with model fit analysis. The given model just reveals the degree of contribution of each predictor to quality of life of citizen.

4.4 Sampling Structure and Instrument

276 samples are collected using 'Non-Probabilistic' sampling method wherein 'Purposive' technique was adopted to obtained data from selected respondents. Respondents who are the scheme beneficiaries approached through a structured questionnaire prepared on 5 point Likert's scale. The survey was conducted for more than 45 days during that important public places like- Tehsils, Banks, GrahakSuidha Kendra, Panchayat etc. were visited to trap scheme beneficiaries. The questions were prepared on the selected social security initiatives (discussed above in the study) and to figure out what changes it has brought in the beneficiary's life to that we can say 'quality of life'. All the questions were prepared in such a manner that it is easy to understand by the respondents and clearly define what does it mean of 'quality of life' to them. The demographic profile of the respondents is kept neutral and no impact of these have been studied.

Table 4.4a- Sampling Structure

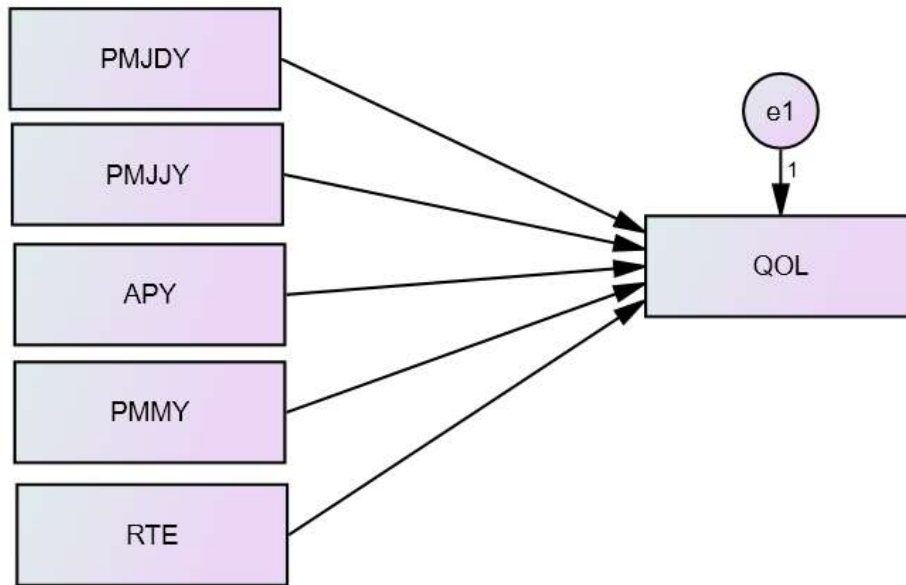
SOURCE OF SAMPLING	SAMPLING UNIT	% TO TOTAL SAMPLING
TEHSIL (SCHOOLS)	61	22
BANKS	80	29
GRAHAK SUVIDHA KENDRA	63	23
PANCHAYAT	72	26
TOTAL	276	100

Scheme Beneficiaries Details

- Information about RTE beneficiaries was taken from schools (designated by TEHSIL) and understand the change in living style due to this scheme. Parents were interviewed and record their responses upon how RTE has changed their lives with respect to their wards' education in good private schools.
- Selected banks were contacted for information about the beneficiaries of 'Jan Dhan Yojan and Jeevan Jyoti Bima Yojana'. Also, few advantageous families were contacted to know how they get benefited from Jeevan Jyoti Bima Yojana? And how it has helped them to maintain quality of life?
- Panchayat and Grahak Suvidha Kendra were approached to know the beneficiaries of Pradhan Mantri Mudra Yojana and new ventures set up through this scheme. Loan takers were interviewed and understand their perception for this scheme considering their quality life style.
- Some respondents around the researcher were contacted who have taken 'Atal Pension Yjana' and asked their view on it.

4.5 Proposed Model

Proposed Model of Causal Relationship b/w SSI and QOL



4.6 Proposed Regression Model

$$QOL = \beta_0 + \beta_1 PMJDY + \beta_2 PMJJY + \beta_3 APY + \beta_4 PMMY + \beta_5 RTE + \epsilon_1 \dots \dots \dots (1)$$

Where,

QOL	-	Quality of Life
PMJDY	-	Pradhan Mantri Jan Dhan Yojana
PMJJY	-	Pradhan Mantri Jeevan Jyoti Bima Yojana
APY	-	Atal Pension Yojana
PMMY	-	Pradhan Mantri Mudra Yojana
RTE	-	Right to Education
β_0	-	Constant
β_1 - β_5	-	Regression Coefficient
ϵ_1	-	Error term

4.7 Research Hypothesis

H₀₁: There is no causal relationship between selected social security initiatives and quality of life.

H₁₁: There is a causal relationship between selected social security initiatives and quality of life.

5 Analysis

SEM modelling has been used to investigate the causal relationship between the selected variables. With the help of 'general estimated' i.e. coefficient values the impact of relationship is analysed and predicted the association between variables.

Table 5.1- Test statistics of QOL

Intercepts: (Group number 1 - Default model)

	Estimate	S.E.	C.R.	P	Label
QOL	3.094	1.468	2.107	.035	par_11

Table 5.2- Regression Weights

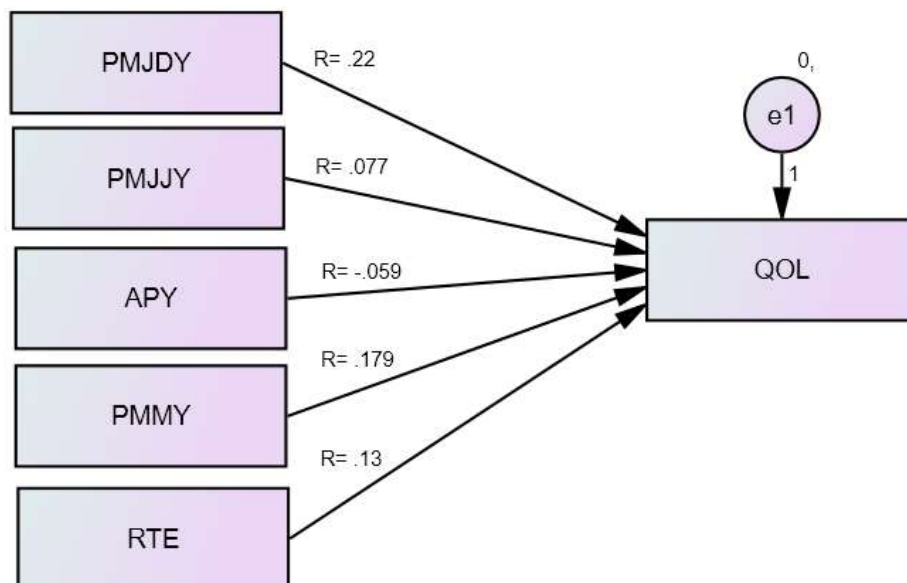
Standardized Regression Weights:

	Estimate
QOL <--- PMJDY	.220
QOL <--- PMJJY	.077
QOL <--- APY	-.059
QOL <--- PMMY	.179
QOL <--- RTE	.130

The null hypothesis H_{01} is observed to be rejected with P value of $.035 < .05$. The test is found significant at 95% level of confidence which indicates that selected social security initiatives taken by the government have significant impact on quality of life of people. The average estimate is observed 3.094, SE= 1.468 and CR = 2.107. The initiatives proven to be effective in shaping ease of life to the citizens. Such initiatives show real impact on peoples' ease of life and security towards their family. Social security initiatives covering different aspects of quality of life give confidence to the people about their current and future family as well as social life. With the help of below diagram 6.3 individual impact level is being measured through R value.

Table 5.3- Estimated SEM Model for Causal Relationship b/w SSI and QOL

Proposed Model of Causal Relationship b/w SSI and QOL

**Estimated Regression Model**

$$QOL = \beta_0(1.745) + \beta_1 PMJDY (.22) + \beta_2 PMJJY (.077) + \beta_3 APY (-.059) + \beta_4 PMMY (.179) + \beta_5 RTE (.13)$$

The given statistics i.e. standardized regression weights show the predictive power or degree of contribution to quality of life of people. Each scheme has strategic importance for the government to achieve sustainable and equitable development of citizens in the society. It is about the strengthen marginal families by facilitating them education, life security, old age security like pension, financial inclusion through bank connectivity, self-employment etc. The brief description of each scheme is being presented as below-

1. *PMJDY* ($R = .22$): The regression weight reflects strong impact on citizens' quality of life from 'Pradhan Mantri Jan Dhan Yojana'. It contributes to 22% to QOL by connecting people with banks for getting benefits of government schemes. People believed that, the scheme has minimized the system corruption and now grants reach directly to the beneficiaries account. On the other hand, it has offered ease of life by automation of schemes benefits and they feel it's quite relaxing and easy for them.

2. *PMJJY* ($R = .077$): The regression weight reflects little impact on QOL of people through this initiative. The level of impact is observed to be 8% which is quite low but it is to understand that life insurance gives psychological satisfaction and safety for future uncertainty but doesn't contribute to define quality of life as its impact is not measurable. However, the impact size is just 8% but play significant role in comfortable life to the citizen. It is also observed that scheme

beneficiaries were quite satisfied who have received the sum assured amount after the death of insured. They believed it is a great initiative of government.

3. *APY* ($R = -.059$): Atal Pension Yojana, shows negative impact on citizens' quality of life as per the data. It is because, monthly premium paid by people affect their financial budget and the scheme's benefits are so far. Hence, at present they do not find any change in their quality of life due to APY scheme but rationally they believed that it is a good initiative which would definitely improve their retirement life.

4. *PMMY* ($R = .179$): While talking to the beneficiaries of 'Pradhan Mantri Mudra Yojana' the study found that the scheme has transformed their life by facilitating them funds to have their own start up. It actually improved their quality of life by providing them financial assistance for self-employment. Youths believed that, the scheme is a dream fulfilment scheme which not only helps to open own venture but also helps to ensure quality of life to Indian families. The statistics observed 18% role in facilitating QOL to the people.

5. *RTE* ($R = .130$): 'Right to Education' is a great initiative of government to ensure basic education to the people. Education is a base of developed and civilized society hence, RTE beneficiaries are found to be happy and motivated by the effort of government. They believe their children would have bright future ahead due to basic free education facilities. The test observed 13% contribution to

Table 5.4 Descriptive Statistics of the Test

Means: (Group number 1 - Default model)

	Mean	S.E.	C.R.	P	Label
PMJDY	4.031	.055	72.916	***	par_6
PMJJY	3.698	.057	64.652	***	par_7
APY	3.588	.072	49.783	***	par_8
PMMY	3.904	.055	71.033	***	par_9
RTE	3.856	.051	75.226	***	par_10

The above table 5.4 presents the mean scores of the variables used in the SEM model and helps to understand the score. PMJDY reflect highest popularity with $M = 4.031$ which means through Jan DhanYojana targeted people got benefited and achieve ease of life. It has improved the financial inclusion in the country by connecting people with modern banking channels. The second highest scheme is PMMY with $M = 3.904$ that strengthened the social structure by extending financial help to youths looking for self-employment. Mudra yojana played crucial role in uplifting people's QOL. Third important scheme is RTE which ensured basic free education in private schools to selected marginalized families' children. Through this scheme, the government trying to improve educational level of the society and ensuring QOL to the needy people. Apart from these top three

schemes, remaining two are PMJJY and APY which aimed to given life and old age survival security to the people of the society.

6 Findings and Conclusion

The research finds selected social security initiatives are workable and shows real impact on quality of life of targeted families. The beneficiaries were found quite satisfied and believed that government is concerned and doing something for them. The selected schemes are found to be effective and result oriented. Significant causal relationship is found between social security schemes and quality of life of people. The study also observed that, schemes focussing upon multiple dimensions like- financial dimension, life security dimension, old age survival dimension, employment dimension, education dimension etc. have covered all across sides for comprehensive development and ensure quality of life to the people. These schemes are great contributor to equitable development of the society with quality of life to the citizens.

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