



ISSUE BRIEF

RESERVATIONS, RECLASSIFICATION, AND THE ECONOMIC HIERARCHY OF CASTE

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Cover photo: Aathi thamar peravai Women's Conference at Salem, Tamil Nadu, India by Adhiyamaan

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ABSTRACT

India's caste system is one of the oldest surviving social hierarchies in the world. The oppressive conditions faced by marginalised caste populations under this system have been well documented. This Issue Brief, the second in SPRF's series on Inequality in India, examines the current debate surrounding caste-based reservations by looking at the comparative socio-economic standing of India's Scheduled Caste and Other Backward Classes citizenry. Our analysis seeks to delineate the same in terms of wealth and income status, attainment of educational objectives, and contemporary labour market cleavages.

CONTEXT

The caste system in India, which divides the population into rigid hierarchical groups based on work (karma) and duty (dharma), has been around for over 3000 years. This segmentation, decided by birth, permeates every element of social reality. It is stacked up against the marginalised castes and those historically considered outside the varna system while favouring the Upper Castes (UCs).

The system has been used, both morally and legally, as an instrument to justify the privileges and better socio-economic opportunities and outcomes for the UCs. Meanwhile, those at the bottom of the varna ladder and outside it have been socially marginalised with unequal access to education and employment opportunities, leading to widening gaps in the economic sphere (Ambedkar 2002).

While upward mobility within the varna hierarchy is not entirely impossible, rigid social norms have been mostly successful in keeping this stratification alive. The condemnation for violating these norms can be quite severe, ranging from social ostracism to punitive violence. In recent times, crimes against Dalits have increased from less than 50 per million in the 2000s to 223 per million in 2015 (National Crime Records Bureau 2016), with the community often being punished for trying to break free from this oppressive system (PTI 2016, Raju 2020).

DEBATE AROUND CASTE-BASED RESERVATIONS

The Indian government officially recognises historically disadvantaged and socially isolated communities under the designation of Scheduled Castes (SCs), Scheduled Tribes (STs), and Other Backward Class (OBCs). Constitutional provisions such as Article 15¹, Article 17², and caste-based reservations seek to provide representation for these groups in the domain of education, employment, and politics through quotas. A contentious issue in the Indian polity, the reservation system has been accused of being a populist measure, one used by politicians to build their vote banks based on caste identities (Saeed 2007; Bergunder 2004).

In recent decades, more and more groups have been demanding reclassification from OBCs to SC/STs like the Gujjar community in Rajasthan, or from UCs to OBCs such as the Jat community from North India and the Patidar community from Gujarat, to be able to gain access to the benefits of reservation. These demands are recurrently followed by violent protests and agitations, leading to loss of civilian lives and excessive damage to public property (IANS 2016; Rajalakshmi 2011). While these caste groups are not

¹ Article 15 of the Indian Constitution prohibits discrimination based on caste.

² Article 17 of the Indian Constitution declared the practice of untouchability to be illegal.

considered socially backward and are highly likely to have better economic outcomes, their insistence for reclassification has been rationalised by some through a sense of competition for scarce resources (Bharti 2018).

A common argument against reservations is that it does not help those who need it the most. Instead, some believe that the benefits are reaped by the economically well-off SCs and OBCs or the “creamy layer” (Chaudhary 2004). As noted by Sukhdeo Thorat, among others, reservations are criticised additionally as being “inefficient”, for they are said to deny opportunities to supposedly meritorious candidates, thus disturbing the economic equilibrium (Thorat et al. 2016). It was in this context that in 2019, the Government of India (GoI) announced a 10% reservation in educational institutions and government jobs for those belonging to the economically weaker sections in the general category.

Contrary to the arguments mentioned above, though, empirical data on income, higher education and employment show that caste and economic inequality are intertwined in the Indian context.

INCOME AND WEALTH

Households belonging to marginalised caste groups, on average, are more likely to have worse economic outcomes such as income, wealth etc. when compared to UCs. Poverty levels increase as one

moves down the caste hierarchy. Though the proportion of UCs in the total population of India is higher than the proportion of SCs, the latter have a much larger share living under the poverty line, as seen in Figure 1 (Panagariya and Moore 2014). National Sample Survey Office (NSSO) data on consumption expenditure also shows similar results with over half the population of SCs belonging to the two poorest quintiles (NSSO 2011-12).

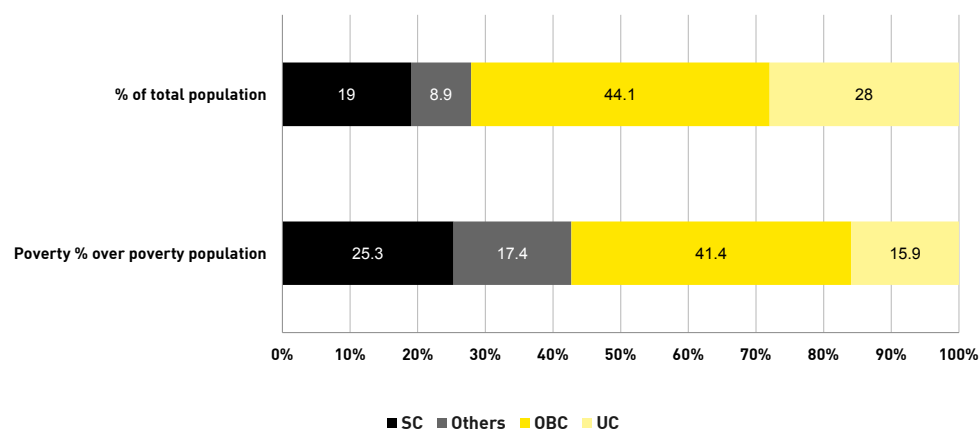


Figure 1: Percentage of Population living under Poverty Line by Caste
Source: Panagariya and Moore 2014

While Brahmins and non-Brahmin UCs earn 48% and 45% respectively above the national average household income of INR 113,222, SC and OBC households earn 21% and 8% less than that respectively, as can be seen in Figure 2 (Bharti 2018).

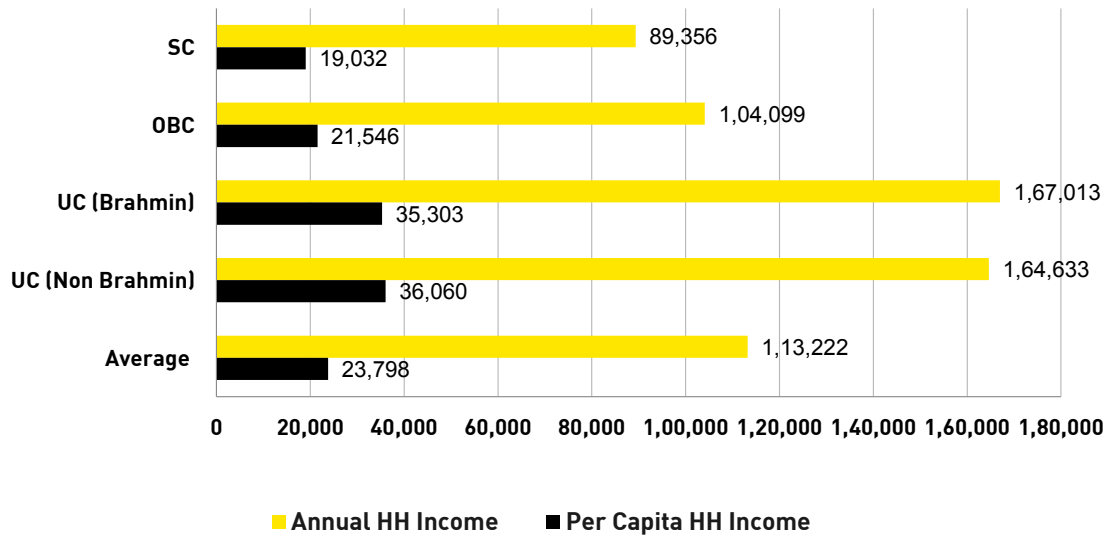


Figure 2: Annual HH Income and Per Capita HH Income by Caste
 Source: NFHS IHDS 2011

Another important metric for economic status is wealth, which can be measured through asset ownership. Wealth is an integral part of a household’s financial stability and is also often seen as an essential factor for social mobility (Piketty 2015). NSSO data (figure 3) reveals that the ownership of building, land, and financial assets is heavily concentrated among the UCs. While land ownership among OBCs is near-proportionate to UCs, the UCs have a much larger share in livestock and farm equipment, non-farm equipment as well as gold. Comparatively, SCs have the lowest relative portion of asset ownership among the three social groups indicating low financial stability as well as avenues for social mobility.

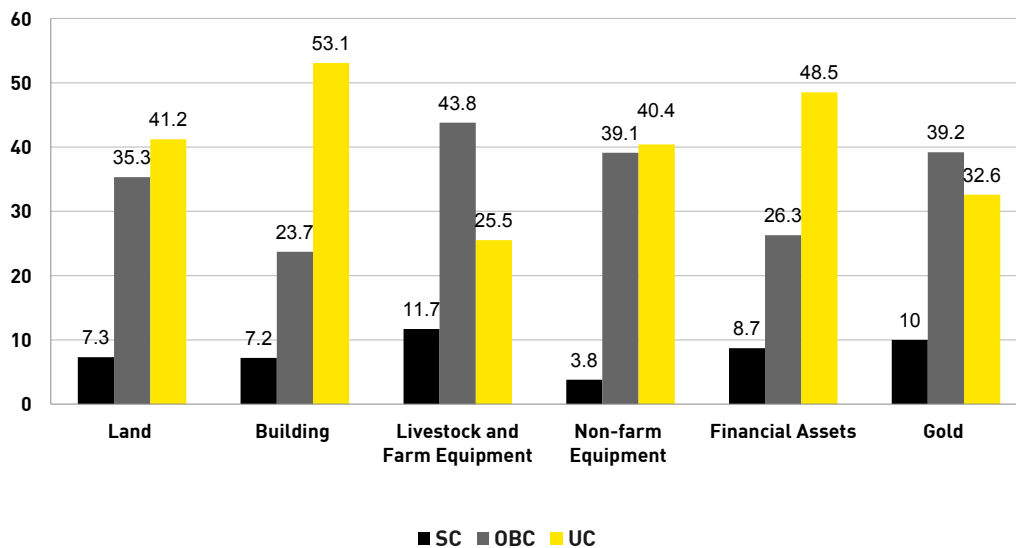


Figure 3: Share of Different Assets by Caste in India
 Source: Debt and Investment and Survey, NSS, 2013

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Photograph by R Barraez D’Lucca

HIGHER EDUCATION

The All India Survey of Higher Education 2018-19 shows that the enrolment of SC and ST students in higher education is 14.9% and 5.5% respectively. The Gross Enrolment Ratio (GER) for SC and ST students in higher education is 23% and 17.2% respectively, less than the national average of 26.3%. The composition of the teaching community in this regard presents a graver picture. Those from the general categories make up 56.7% of all teaching appointments, with SCs and STs accounting for only 8.8% and 2.36% respectively. Among the non-teaching staff, those from the general category occupy 54.7% of all posts (Department of Higher Education 2019).

Undeniably, the marginalised castes are under-represented in higher education, even after the provision of reservations. However, those who do access academic spaces face extant structural discrimination with an abject lack of mechanisms for grievance redressal. The Sukhdeo Thorat Committee, formed after multiple instances of rampant discrimination against marginalised students at AIIMS Delhi in 2006, detailed extant discriminatory practices in the institution (Thorat et al. 2006). While 84% of respondents reported being discriminated against during practicals, 72% reporting facing discrimination by faculty members during teaching sessions. A report of the National Commission for Scheduled Castes (2008) also highlighted identity-based discrimination, the ghettoisation of students from marginalised communities in hostels, scuttling of constitutionally mandated reservation provisions, and denial of positions to qualified members of the faculty hailing from marginalised communities at the institution.

Multiple committees, judicial rulings, and statutory authorities in this regard have released guidelines to address the issue of discrimination in spaces of higher education. Most of these, however, continue to remain only on paper. The Thorat Committee recommended the constitution of an “Equal Opportunity Office” at AIIMS Delhi to conduct schemes and, independent and unbiased redressal of the grievances of SC/ ST/ OBC students (Thorat et al. 2006). However, the AIIMS administration rejected the recommendations.

The 2012 UGC (Promotion of Equity in Higher Education Institutions) Regulations, required the establishment of an “Equal Opportunity Cell” and the appointment of an “Anti-Discrimination Officer” (ADO). However, the regulations failed to provide an independent and impartial mechanism for the redressal of grievances. This was not only due to inadequate provisions to ensure obligation and compliance on the part of the institution, but also because the office of the ADO under the regulations was to be occupied by a professor putting the independence and impartiality of the ADO in question.

Subsequently, the High Court of Andhra Pradesh in July 2013, taking cognisance of the suicides of Dalit-Adivasi students in universities in Hyderabad, recommended that “All committees constituted by universities should have external members from the SC, ST, OBC and other minority communities” (Supreme Court PIL 2019). The Court also recommended that “All Universities should have preparatory courses, bridge courses, including peer learning mechanisms, to support SC/ST, OBC and other minority students, first generation learners and economically backward students” (ibid).

The UGC sent seven annual directives between 19 July 2011 and 04 June 2018 to all Universities regarding the establishment of certain measures to address identity-based discrimination. Of the 419 universities that filed action-taken reports with the UGC for the 2017-18 period, 393 reported receiving no complaint regarding identity-based discrimination against SC/ST/OBC students (Supreme Court PIL 2019). A survey

by researchers from TISS, IISc, BITS-Pilani, and Christ University regarding the implementation of Equal Opportunity Cell guidelines in the IITs, IIMs, NITs and other institutes of eminence showed that of the 132 institutes surveyed, only 42 institutional websites contained information that could enable one to access the EOC or to lodge a complaint (Ravishankar et al. 2019).

EMPLOYMENT

Studies show that even when young Dalit men receive education and grow up with a sense of dignity and confidence in their village, they are unable to convert this ‘cultural capital’ into secure employment, as caste-based discrimination is a feature of Indian labour markets and business economy (Jeffrey et al. 2004, Mosse 2018). SCs have consistently had higher unemployment rates than other social groups since the 1990s; they are more likely to be unemployed when compared to UCs and OBCs with similar levels of education (NSSO Survey 2011-12).

The Indian labour market is segregated based on social background, and employment patterns also reflect the unequal ownership of capital assets shown above (Figure 3). Due to low ownership of land and other non-land capital assets, 44% of SCs depend on wage labour and have a much lower share of their population working as self-employed or regular salaried workers, compared to both OBCs and UCs, as can be seen in Figure 4 (Thorat 2017). There also exist sharp differences in wages amongst different social groups in urban and rural areas for regular and casual workers, with the difference being more pronounced in urban areas as compared to rural areas (ILO 2018).

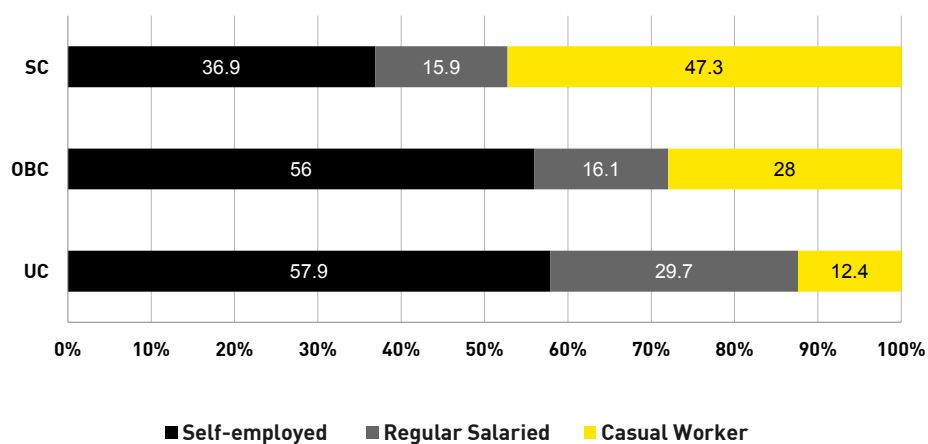


Figure 4: Distribution of Workers by Activity Status
Source: Employment Survey, NSS 2011-12

While such a low share of SCs in the proportion of self-employed workers could be the lack of access to capital (Figure 3), research suggests that systemic caste discrimination might also be hindering the entry of Dalits in certain businesses. The Indian Micro, Small and Medium Enterprises Survey shows that the share of SC-owned firms in the food and beverages category and leather-related industries is much lower than the national average and the average for other social groups (Deshpande and Sharma 2013). Furthermore, SC businesses, on average, perform significantly worse compared to non-SCs'. At least 20% of the net income gap observed could be attributed to the discriminatory component (Deshpande and Sharma 2016).

Along with discrimination in wages, SCs also lose out on employment opportunities due to their caste. In a survey conducted in 2013 among 1992 households in 80 villages across Maharashtra, Tamil Nadu,

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Haryana, and Uttar Pradesh, 41% respondents said that UCs denied them work due to their caste and 24% reported not getting paid for overtime work. Even within the private sector with regular salaried workers, almost 22% of respondents reported cases of UC employers giving preference to UC job seekers (Thorat et al. 2013). Thirty per cent of SC employees said that they received less salary as compared to UC employees for similar work (ibid). Another study conducted in 2010 revealed that for equally qualified SC and UC applicants, SCs had a 67% less chance of receiving call-backs for an interview. Additionally, a higher percentage of undergraduate UCs received calls compared to the more qualified postgraduate SCs (Thorat and Attewell 2010).

Moreover, the occupation of sanitation work is intrinsically integrated with caste in India, with mainly Dalits working as manual scavengers, garbage collectors, and road sweepers. Manual scavenging, the act of cleaning excrement by hand, despite being prohibited in 1993, is presently undertaken by an estimated 5 million lower caste households (Dalberg Advisors 2017). With some of them making less than a rupee a day, the workers are forced to take loans to survive and consequently end up maintaining a relationship of bondage with their creditors and employers (International Dalit Solidarity Network n.d.). According to a 2014 report by Human Rights Watch, the rights abuses suffered by people who practise manual scavenging are mutually reinforcing. Repeatedly handling human excrement without protection can have severe health consequences, such as respiratory and skin diseases and carbon monoxide poisoning, and these conditions are further exacerbated by widespread malnutrition and inability to access health services (Human Rights Watch 2014).

CONCLUSION

Being born into the caste hierarchy determines one's life choices, from food to education; the system has rightly been termed as "one of the worst human rights abuses" in the world today (Dalit Solidarity Network UK n.d.).

Despite the affirmative action undertaken by the Indian government and the existence of various formal laws, discrimination based on caste is still a reality in India. People who have tried to step out of these existing pre-defined roles and jobs such as manual scavenging have reported significant barriers to access housing, employment, and support from existing government programs, despite being part of civil society initiatives (Human Rights Watch 2014). Practices such as ex-communication, penalties for infraction of the hierarchy have been crucial in preserving this ancient code. They have, unfortunately, been more effective in upholding the caste system than the prescribed laws implemented to abolish the same.

As can be inferred from the discussion above, India's marginalised castes overwhelmingly account for its economically backward population. Thus, caste-based reservations inevitably seek to provide equality of opportunity to a majority of India's financially backward population. The recent constitutional amendment to create separate reservations for the economically weaker sections is, thus, seen by many as the beginning of the end of granting reservation as an affirmative action against social injustice (Sharma 2019).

In this context, it is imperative to realise that the end goal of caste-based reservations is not the removal of poverty, as reservations in themselves cannot end economic exploitation. What they can do, however, is end the caste-monopoly of the so-called twice-born on education and jobs in the formal sector. This caste monopoly, as pointed out by S S Gill, Secretary of the Mandal Commission, has arisen on the foundation of a caste reservation over thousands of years through which Shudras and Ati-Shudras were denied access to power, status, and wealth. Hence, it is essential to usher in effective legislation for better implementation of existing policies to make caste-based reservations more efficient, rather than argue against their existence.

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