

Social Justice Through Affirmative Action in India: An Assessment

Ashwini Deshpande¹

Forthcoming in “Capitalism on Trial: Explorations in the Tradition of Thomas Weiskopf”

Editors: Jeannette Wicks-Lim and Robert Pollin

Publisher: Edward Elgar Publishing Inc. (Northampton, MA).

Expected publication year 2012.

¹ Department of Economics, Delhi School of Economics, University of Delhi, Delhi 110007, India. E-mail: ashwini@econdse.org. This paper is based on the monograph “Affirmative Action in India”, part of the “Oxford India Short Introductions” series, Oxford University Press, New Delhi, forthcoming 2012.

Preface

Affirmative action has been an important part of Tom's academic concerns: his 2004 book, "Affirmative Action in India and the United States", is now a standard reference for anyone interested in exploring this question further. Over the years, I have had extensive discussions with him on this subject, and benefitted a great deal from his keen insights. Both the papers which we have co-authored have been on affirmative action. It is an honor for me to contribute to this festschrift, as it gives me an opportunity to pay tribute to his exemplary scholarship by exploring this theme, which is close to his heart.

India's Affirmative Action Programme

India's affirmative action (AA) programme is primarily caste-based, although there is some AA for women in the electoral sphere. AA in India, as elsewhere in the world, is contentious for three reasons. First, there is considerable debate over the assessment of caste disparities, the *prima facie* reason for the existence of AA – whether these are significant at all; if yes, to what extent and in which sphere; and whether they have been narrowing over time. Second, there is a larger debate about whether caste is the valid indicator of backwardness or should AA be defined in terms of class/income or other social markers, such as religion. Third, there is the overarching debate about whether AA is desirable at all, in any form, regardless of which social identity is used as its anchor.

In the polarised debate around AA, it is either demonised as the root of all evil or valorised as the panacea for eliminating discrimination. It is worth noting at the outset that Dr. B. R. Ambedkar, the chief architect of the constitution of independent India, who ensured that AA was constitutionally mandated, himself did not see AA as a panacea. He did not believe that the caste system could be made less malignant. He said “...my ideal would be a society based on *Liberty, Equality and Fraternity...* [the caste system] means a state of slavery ... a society in which some men are forced to accept from others the purposes which control their conduct” (emphasis in the original). He was constantly engaged with the question of strategies and instruments which would lead to the annihilation of caste altogether.

However, while the debates around AA are emotionally charged, it is important to take stock of AA dispassionately through an evidence-based approach. Available national data on caste are defined by the needs of the affirmative action program which divides the population into initially three, and now four, broad groups: Scheduled Castes (ex-untouchable jatis, SC), on average about 18 percent of the Indian population; Scheduled Tribes (ST), on average about 8 percent of the Indian population; Other Backward Classes (OBCs, a heterogeneous collection of Hindu low castes, some non-Hindu communities and some tribes which are not included in the STs), not yet counted by the census; however according to the 66th round of the National Sample Survey (2009-10), these constitute 43 percent of the rural and 39 percent of the urban population and “Others” (the residual; everyone else)². Given that data do not

² The affirmative action programme in India consists of 22.5 percent quotas in government educational institutions, government jobs and in all levels of elected bodies for SCs and STs. In addition, since 1990, following the implementation of the Mandal Commission Report, there are 27 percent quotas for OBCs in jobs, which in 2006, via the 93rd constitutional amendment, were extended to educational institutions. There are no quotas for OBCs in the

allow us to isolate the upper castes, it needs to be emphasized at the outset that calculations based on this categorization will underestimate the disparity between the two ends of the jati spectrum. While the term Scheduled Castes is a product of this official terminology, several members of the ex-untouchable jatis prefer to self-identify themselves as “Dalit” – the originally Sanskrit but now Marathi term, meaning “oppressed” or “broken”, which is used as a term of pride.

The Case for Caste-based Affirmative Action in India

The idea of preferential treatment for caste and tribal groups perceived to be the lowest in social and economic hierarchy predates Indian independence. The constitution of newly independent India continued the idea of preferential policies, declared untouchability illegal and espoused the ideal of a casteless society. This section discusses the (contemporary) rationale for affirmative action towards designated castes and tribes. In other words, given that this policy originated in the early twentieth century, the arguments in favour of AA are not restated as they originated, but are being reiterated with contemporary evidence.

Systematic inter-caste disparities

Data from a variety of sources on material standards of living, poverty rates, health status, educational attainment and occupational outcomes indicate that the disparities between SC-ST on the one hand and non-OBC Others (a loose proxy for upper castes) are persistent and systematic, regional variation notwithstanding (see, for instance, Deshpande (2011) and Thorat and Newman (2010)).

Social Discrimination

There is sufficient evidence that amply demonstrates the various aspects of stigmatization, exclusion and rejection that Dalits continue to face in contemporary India³. In rural India, despite the breakdown of the traditional subsistence economy, caste continues to exert its strong presence in many different dimensions. Shah et al. (2006) document untouchability in rural India based on the results of an extensive survey carried out over 2001-2002 of 565 villages across 11 states. They find that

electoral sphere. Finally, 33 percent seats are reserved for women in elected local bodies below the level of the state legislature.

³ See, for example, Human Rights Watch (1999) for an excellent documentation.

untouchability is not only present all over rural India, but it has “survived by adapting to new socio-economic realities and taking on new and insidious forms”. Navsarjan (2010) is the latest comprehensive study of untouchability in 1589 villages in Gujarat. It documents 98 types of untouchability practices directed towards Dalits by non-Dalits, for instance, tea stalls keeping separate cups for Dalit customers which they have to wash themselves, not buying milk or vegetables from Dalit vendors, making Dalit children sit separately and at the back of the classroom in schools and so on. While the flouting of caste norms for marriage is not very widespread, the worst social punishments are reserved for the alliance between a Dalit man and an upper caste woman. Urban India might have fewer overt instances of untouchability, but for a practice which has been outlawed for over six decades, it is remarkably resilient and continues to exist in various forms.

Economic Discrimination

Average wages for SCs and Others differ across all occupation categories, and there are a number of decomposition exercises which divide the average wage gap into explained and discriminatory components (for instance, Madheswaran and Attewell, 2007). The fact that the two groups enter the labour market with substantial differences in education levels indicates pre-market discrimination. There is plenty of evidence which documents the substantial gaps between SCs and Others in access to education, quality of education, access to resources that could enhance learning, and also of active discrimination inside schools by teachers (Nambissan, 2007). Such pre-market discrimination insures that outcomes will necessarily be unequal, even if there were no active labour market discrimination.

The evidence on persistence of caste-based economic discrimination in rural areas is perhaps not as surprising as the evidence from urban areas, especially in the modern, formal sector jobs. In rural areas individuals are more easily identified by their caste status and presumably are more inclined to pursue caste based occupations given the correspondingly lower spread of the modern, formal economy. Caste is supposed to be anonymous in urban settings; identification of caste is difficult, since it is not phenotypically ascriptive. Additionally, urban markets are supposed to respond to “merit” and so even if hypothetically, caste could be identified, it should not matter.

In the first major correspondence study in India, Thorat and Attewell (2007), sent out exactly identical resumes to private companies, both domestic and MNCs, in response to newspaper advertisements in New Delhi during 2005-06. The only difference in the resumes were the easily identifiable names of applicants: Hindu upper caste, Hindu Dalit and Muslims. The study revealed significant differences in call-backs between Hindu upper castes and the other two categories. These findings are confirmed by Siddique (2009) in a study of Chennai. She additionally tests for the interaction between caste and gender and finds that the lowest call-backs are received by Dalit women.

There are studies of hiring practices which emphasize the role of networks and that of informal and personalised recruitment, where “who you know” is often more important than “what you know”. In a college-to-work study, which tried to uncover the exact pathways through which discrimination manifests itself, Deshpande and Newman (2007) tracked a group of students from the three premier Indian universities in Delhi for two years trying to understand what jobs they got, how they got them and what their interview experiences were. It turned out that employers were extremely conscious of the social identity of the applicant, all the while professing deep allegiance only to the “merit” of the candidate. Jodhka and Newman (2007), in an employer attitude survey, find that employers, including MNCs, universally use the language of merit. However, managers use caste and region to determine merit.

In view of the unambiguous evidence on discrimination, AA becomes essential to guarantee representation to Dalits in preferred positions. It should be noted, however, that AA in India, due to the specific forms it takes, is not a complete remedy for discrimination, if not for any other reason than the fact that AA is applicable only to the public sector, whereas the evidence of discrimination is overwhelmingly from the private sector, which is becoming increasingly important in the Indian economy.

Compensation for historical wrongs

Finally, social policy ought to compensate for the historical wrongs of a system that generated systematic disparity between caste groups and actively kept untouchables at the very bottom of the social and economic order. This argument has been used forcefully in certain international contexts (for

instance, in Australia for the “stolen generation” and in South Africa for the injustice to Blacks during Apartheid).

However, given the complex and long history of the Indian sub-continent, the use of this argument in the context of caste-based oppression and untouchability has to proceed with extreme caution, as several right-wing outfits would like to extend this argument to other arenas by invoking completely unsubstantiated, often manufactured injustices against the so-called indigenous inhabitants, and ask for compensation for historical wrongs. For a region marked by large waves of migration over centuries, it is not clear who the original inhabitants of the region are. Thus, the definition of historical “wrongs” is a site marked by bitter contestation, and therefore, the question of compensation is a fraught one. Coming to the gross violations against particular castes resulting from centuries of untouchability, the argument of compensation for historical wrongs could be, and has been used as one of the elements in the case for AA. However, the case for AA as a compensation for contemporary exclusion is just as strong, even if one did not view it as necessary to remedy historical exclusion.

Implementation of Quotas

Overall, the implementation of SC-ST quotas has improved in all spheres, but despite safeguards, it remains uneven. Given that there is no formal systematic monitoring of the implementation of quotas, they remain subject to the vagaries of political will and an overall lackadaisical attitude.

Implementation of quotas in government jobs

In the topmost categories of officers, Group A or Class I jobs, between 1964 and 1984, the share of SCs increased from 1.6 to only 7 percent. However, the 1994 to 2004 phase saw a sharper increase, such that in 2004, their share was 12.2 percent. (The corresponding shares for STs are 0.3 and 1.7, which went to 4.1 in 2004, as against a population share of around 7 percent). Sheth (2004) argues that this reflects the aftermath of the Mandal phase, which created the space for a greater assertion of Dalit or low caste activism, one consequence of which was better implementation of quotas. Interestingly, in 2004, only 4 percent of Group A officers were OBCs, which is the same proportion as the STs.

Before the 1990s, for years, quotas remain unfulfilled, for reasons of “indifference/hostility on the part of the appointing authorities, insufficient publicisation of vacancies and the sheer expense of application” (Galanter, 1984). At the higher levels or promotion stages, formal and informal procedures had operated to keep out the SCs, such as ad hoc and temporary positions, elimination through personal evaluation procedures like interviews, personality tests and unfair adverse entries in confidential records (Guhan, 2001, p.213).

As one goes down the hierarchy, the representation of SC-ST increases, with as many as 80 percent of the cleaners being SC in 2007. Overall, the Group D category has always had more SCs than their share in the population, even excluding sweepers. This suggests that within government, all the low-paid and low-skill jobs are dominated by SCs. In all the opposition to affirmative action, there is never any protest against *over-representation* of low castes in low paying jobs. In other words, as long as Dalits don’t compete in traditional upper caste bastions or “stay where they belong”, it is obviously considered acceptable.

Implementation of quotas in higher education

Access to education by caste can be, and has been, analysed at various levels – literacy rates, quality of education, primary- to- middle school transition and evidence of discrimination inside schools. From the strict point of view of implementation of AA, however, we need to focus on a few key statistics, while recognising that the problem of equitable access and representation across caste groups in the sphere of education is far too large and complex to be captured through these few numbers.

Overall, the Gross Enrolment Ratio (GER) for higher education, which has risen from 0.7% in 1950-51, to 1.4 % in 1960-61, and to 8% in early 2000, is still very low (about 10%) compared to the world average of 23.2%, and an average of 54.6% for developed countries, 36.3% for countries in transition, and 11.3 % for developing countries. The existing Enrolment of Eligible Ratio (EER) of roughly 60% indicates that 40% of students who complete their higher secondary programs do not go in for higher education.

Within this picture of low overall GER, there is substantial variation by caste and gender, and for both categories, there is substantial regional variation. Thus, data from NSS for 2004-05 reveals that

only 9.7 percent of rural SC men and 3.5 percent of rural SC women in the age group 20-24 are enrolled in higher educational institutions, as compared to 14.9 and 6 percent of rural Other men and women respectively. The corresponding figures for rural STs are 8.6 and 5.2; for OBCs, the figures are 11 and 4.1 respectively (Sahoo, 2009). The major faultlines across which we see marked differences in enrolment rates are rural-urban: in all caste groups, urban participation rates are consistently higher than rural and gaps have widened over time; gender: in all the caste groups, men have greater representation in higher education than women; and by age groups: across all caste groups, access at the undergraduate level is significantly higher than at the post-graduate level.

Political Reservations

The one arena in which quotas have been implemented completely is the sphere of political reservations. In principle, SC and ST candidates are free to contest other, non-reserved seats. However, since first general elections in 1952, SC-ST elected representatives have virtually no presence in these two elected bodies outside of the reserved seats. This suggests that if reservations had not been in existence, the probability that these groups would have the representation they currently have would be very low. If the presence of SC-ST legislators and MPs is taken as a measure of political clout, then there is no evidence of an *increase* in their political clout. If anything, there is a marginal decline: in 1952, SCs won 76 seats in the Lok Sabha, against the 72 seats reserved for them, which means they won 4 non-reserved seats. In 2004, SCs won only the 79 seats reserved for them, and none from the non-reserved seats. For STs, the picture is fairly similar; the only election where they won on more seats than were reserved for them was in 1998 (won 49 as against 41 reserved). In 2004, they won only the 41 reserved seats. (Sahoo, 2009, p. 88)

The picture in the local bodies is different, underscoring the importance of introducing reservations at this level in 1993, which have managed to achieve a radical transformation in political representation of the marginalized groups. In the early 1960s, when there were no reservations, local bodies in West Bengal with a total of 1081 members contained only 41 SC members (3.8%) and 16 ST members (1.5%). Among the 66 presidents and chairmen, there were 3 SC members and 1 ST. This was at a time when 19.84% of the population of West Bengal was SC, and 5.91 percent was ST. Similarly, in Gujarat, only 35 (0.5%) of the 6863 sarpanches (elected heads of village councils) were SC (Galanter, 1984, pp. 50-51).

Reservations in local bodies has increased substantially the SC-ST presence in lower levels of governance, often going beyond the mandated reservations. For instance, in Orissa, Chhatisgarh, Madhya Pradesh and Rajasthan, SCs/STs have between 30 and 40 percent representation at the gram panchayat (village council) level. Even at the level of the district panchayats (council), there are 14 percent SCs and 9 percent STs, which together is marginally greater than their share in the population. (Sahoo, 2009, p. 88).

Political Representation of OBCs

OBCs have no political reservations at the national level, although some state governments (e.g. Uttar Pradesh, Karnataka and Tamil Nadu) have reserved seats for OBCs at the level of local self-government. Unlike in the case of SC-ST, very little hard data exists on the proportion of elected representatives who are OBCs at the various levels of government. However, the big difference between SC-STs and OBCs is that the last two decades have seen a visible increase in the political clout of OBC politicians and political formations, not uniformly across all regions of India but in a large enough number of pockets. Jafferlot (2003) terms the political ascendancy of the OBCs as the “silent revolution”. The rise of the OBCs as a potent political force, dominating a whole spectrum of political parties, has, in the main, happened without reservations, again suggesting that the stigma of their untouchable status imparts a particular disadvantage to the SCs, which includes, but goes beyond, the economic and social marginalisation which the OBCs face.

Debates over Affirmative Action

Quotas are seen widely as unfair, and are condemned for punishing innocent upper castes for the damage done in the past, reinforcing caste lines rather than striving for a caste-free society, and for exempting Dalits from the rigours of market competition. Critics argue that reservations replace one form of discrimination (against Dalits) with another, equally pernicious form (against general category students or workers). There is a view, especially among the upper castes, that they are benefiting a generation whose parents have already moved up in the social structure and have been able to give them benefits denied to other, much poorer and more remote young people. There is also a belief that unqualified students are displacing highly qualified students in the race to the top of the educational

heap. Many who share this view argue strenuously that the application of reservations will destroy the competitiveness of the Indian economy and drive away foreign investors because of the privileges insured by reservation. Hence they fuse personal exclusion with a national downfall in the making.

Broadly speaking, Dalits find these perspectives unconvincing. They instead argue that the most powerful special privileges actually accrue to high caste Hindus who can tap into exclusive social networks, bank on the cultural capital their families bequeath to them, or pay the bribes that are demanded by employers for access to jobs. Dalits from remote areas see themselves as doubly disadvantaged, by caste bias and by poverty. They struggle out of rural areas burdened by social isolation, ill equipped in terms of cultural capital to navigate an urban megalopolis like Delhi, lacking social networks that more privileged castes rely on.

Quotas in higher education not only enable the ascent of Dalits in the university world, it literally enabled them to “open their mouths,” meaning speak their minds and “go to the centre of society,” where they can “meet other people...and get a platform” (Deshpande and Newman, 2007). Introducing them to another world and a different future breaks the silence imposed by marginality, caste prejudice (enforced by atrocities (targeted violence against Dalits, such as beating, rape of Dalit women, destruction of their assets, murder and so on, especially in rural areas) and poverty.

For Dalit students, the reservations policy is nothing more than a form of social engineering designed to address centuries of oppression and discrimination, extreme inequities in the distribution of educational opportunity, and the formation of a huge class of Indian citizens who are not equipped to compete without this assistance. These are not matters of history. Dalits cite countless examples from their own experience where they have been interrogated about their caste identities, castigated by prospective employers for their support of reservations, subjected to harassment or disrespect, and denied jobs (as far as they know) solely on account of their caste background. As long as this injustice persists, they argue, reservations will be needed. The policy levels the playing field at the vital choke points of social mobility.

It would be incorrect to portray all upper-castes as unanimously against reservations. There are upper castes, both in universities and outside, for whom equality is a high principle and the barriers to achieving it for historically oppressed peoples clear enough. They embrace the purpose of reservation

and see in it the possibilities of upward mobility. Among these supporters, there are differences of opinion nonetheless about the effectiveness of reservations for some of the same reasons that critics voice: lower castes' high drop-out rates. The lesson to be learned for these more progressive voices, though, is not to abandon reservations, but redouble efforts to address educational inequality at much younger ages. Without a massive commitment to improving primary school education, they argue, we cannot really expect reservations to succeed. If not for reasons of equity, then for reasons of efficiency, differential investment is required.

Assessment of the Affirmative Action Program

Matters of Merit

The most common criticism of the AA measures is that they go against the consideration of merit and efficiency by allowing candidates access to preferred positions in higher education and public sector jobs that they would otherwise not have access. The latter part of this statement is obvious--quotas are meant precisely for that. The first part of the statement can actually be verified empirically, and indeed many such empirical studies exist in the US context. However, until recently, there was a surprising dearth of detailed empirical studies on India and the debate proceeded more on the basis of pre-conceived beliefs, rather than on the basis of hard evidence.

It should be noted as a general point, though, that the discussion on merit is conducted as if merit is a neutral, objective characteristic, independent of the standard used to measure it, similar to height or weight or the number of teeth. Consequently, exam scores are a relatively uncontroversial instrument for allocating scarce seats in institutions of higher education. The reality is that "merit" is extremely hard to measure in a standardized way and examination results, while widely used as a proxy for merit, may not be the best gauge. Whether every percentage difference in exam scores reflects a qualitative difference in "merit" is a moot point.

Finally, the debate over lower entry scores for SC-ST misses the value added from being admitted to a prestigious institution of learning. The focus on drop-outs of quota students detracts from the success stories – those who successfully complete their program. Bowen and Bok (1998) document the long term positive impact of AA on the lives of beneficiaries who successfully graduate from elite universities,

even if they do so with grades lower than their white counterparts. For successful blacks, the transformation in their life chances because of AA is tremendous and the benefits go beyond the final grade they obtained at graduation.

Before the more rigorous empirical studies came into existence, Galanter (1984) had undertaken a rough but comprehensive assessment of the AA programme. His main conclusions can be summarized as follows:

- The program has shown substantial redistributive effects in that access to education and jobs is spread wider in the caste spectrum than earlier, although redistribution is uneven throughout the beneficiary groups. There is evidence of clustering but Galanter believes that these reflect structural factors, since the better situated enjoy a disproportionate share of the benefits in any government program, not just in affirmative action programs.
- The vast majority of Dalits are not directly affected by affirmative action, but reserved jobs bring a manifold increase in the number of families liberated from subservient roles.
- In the short run, beneficiaries might get singled out and experience social rejection in offices, college hostels⁴ and other set ups where they are introduced through affirmative action. However, in the long run, education and jobs weaken the stigmatising association of Dalits with ignorance and incompetence. Moreover, “resentment of preferences may magnify hostility to these groups, but rejection of them exists independently of affirmative action programmes”.
- Reserved seats do provide representation to SC-ST in legislative bodies, but that may not get reflected in enhanced, targeted policies towards these groups for several reasons. First, these candidates are elected by a common electorate and hence, SC-ST candidates have to appeal to a wider, multi-group electoral constituency, and tailor program accordingly. Second, these candidates typically belong to political parties which have a larger agenda than that of Dalit empowerment, which their elected representatives, including Dalits, have to reflect.
- Affirmative action has kept the beneficiary groups and their problems visible to the educated public, but it has not motivated widespread concern for their inclusion beyond what is mandated by government policy.

⁴ There is no explicit affirmative action in college hostels (dormitories); affirmative action in colleges leads to entry of SC/ST students in college hostels.

Thus, Galanter concludes that affirmative action has been a partial but costly success. It has accelerated the growth of a middle class and SC/ST members have been brought into central roles considered unimaginable a few decades ago⁵.

Corbridge (2000) gathered a wealth of quantitative and qualitative data over the 1980s and 1990s from the Jharkhand region of South Bihar in order to assess the impact of reservations on the tribals of that region. He finds that the reservation system has benefited mainly the tribal elite, which had formed over the 1940s and 1950s via jobs in the mines, who are mostly men and residing in urban areas. However, the capture of reserved jobs by middle class STs has not been so pervasive that less affluent tribals have no hope of landing a reserved job. In fact, in his study, almost half the jobs available seem to be going to less affluent tribals men (and some women). The reservation system has served to expand the size of the tribal middle class, as well as served to enhance the consciousness of tribals about their rights and about asking for compensation from the authorities.

Empirical Assessments of AA

Productivity Impact of Affirmative Action

In the first empirical study of the effects of AA in the labor market, Deshpande and Weisskopf 2011 focused on the Indian Railways to assess if AA, i.e. the presence of SC-ST employees who have gained entry through quotas, has impacted productivity negatively. Analyzing an extensive data set on the operations of one of the largest employers in the public sector in India, the study found no evidence whatsoever to support the claim of critics of affirmative action that increasing the proportion of SC and ST employees will adversely impact productivity or productivity growth. On the contrary, some of the results suggest that the proportion of SC and ST employees in the upper (A and B) job categories is positively associated with productivity and productivity growth.

⁵ However, even this crude calculation will not work for assessing OBC reservations because first, OBC quota is much more recent, and two, OBCs are not stigmatized in the same way as SCs because their traditional occupations do not put them in humiliating and subservient roles in the same way as SCs. Thus, OBC reservations have to be assessed very differently than SC-ST reservations.

The finding of such positive associations in the case of A and B jobs is especially relevant to debates about the effects of AA on behalf of members of SC and ST communities, for two reasons. First, the impact of AA on productivity is likely to be much more affected by the efficacy with which high-level managerial and decision-making jobs are carried out than the efficacy with which lower-level semi-skilled and unskilled jobs are fulfilled. Thus, critics of reservations are likely to be, and indeed are, much more concerned about the potentially adverse effects of reservations at the highest decision making levels than at lower levels. Second, it is precisely in the A and B jobs – far more than in C and D jobs – that the proportions of SC-ST employees would not have risen had it not been for quotas.

It was beyond the scope of this study to explain just how and why AA in the labour market may have such a favorable effect. However, the answer may be found in one or more of the following suggestions that others have advanced to explain such a finding. Individuals from marginalized groups may well display especially high levels of work motivation when they succeed in attaining decision-making and managerial positions, because of the fact that they have reached these positions in the face of claims that they are not sufficiently capable – in consequence of which they may have a strong desire to prove their detractors wrong. Or individuals from marginalized groups may simply believe that they have to work doubly hard to prove that they are just as good as their peers. Having greater numbers of SC & ST managers and professionals working in high-level A+B positions in the Indian Railways might also serve to increase productivity because their community backgrounds make them more effective in supervising and motivating SC & ST workers in C and D jobs.⁶ Finally, improvements in organizational productivity may well result from the greater diversity of perspectives and talents made possible by the integration of members of previously marginalized groups into high-level decision-making teams.⁷

Assessing Affirmative Action in Higher Education

All available evidence indicates that a large majority of SC-ST candidates owe their presence in institutions of higher education to reservation policies. While empirical studies on effects of AA in higher education are very few due to lack of data, the few studies that exist point towards the fact that SC-ST

⁶ This recalls the arguments in favor of AA in U.S. educational institutions made to the Supreme Court by U.S. military officers, who want to avoid having just white men in charge of troops that are disproportionately of color (See Weisskopf 2004, preface.)

⁷ Page (2007) shows convincingly how groups that display a wide range of perspectives outperform groups of like-minded experts.

students find it hard to succeed in competitive entrance examinations due to past handicaps (lack of good quality schooling, lack of access to special tutorial or coaching centres that prepare candidates for open competitive examinations and so forth).

Evidence presented in Weisskopf (2004) suggests that at least half the seats reserved for SCs and at least two-thirds of the seats reserved for STs remain unfilled, if all institutions of higher education are considered together. He argues that this is because of 'wastage' (dropping out) as well as 'stagnation' (repeating courses because of failure or attendance gaps) at prior levels of education. While these are very serious problems, the real pity is that a mechanical approach to the issue of AA means that no effort is made to understand the basic underlying factors that cause dropouts and stagnation (which are discrimination and deprivation and lack of access to good-quality education at prior levels), and thus no serious efforts are made to remedy them. Since the overwhelming opinion remains anti-AA, the larger the proportion of dropouts, the more it 'proves' the contention of the anti-AA opinion—that quotas are costly and useless. As a matter of fact, there are specific remedial measures that could be applied to address these problems: bridge courses, special courses in mathematics and English (the two areas with the maximum gaps between SCs and Others), and so forth. The University Grants Commission, a government body designed to regulate higher education, has special funds allocated for such remedial measures, but these funds remain unutilized for the most part, both because of lack of awareness about these funds and, more fundamentally, because of a lack of serious will to make the AA programme succeed. Given that there is no monitoring and no penalties for lackadaisical implementation, institutions can turn a blind eye to the issue of unfilled quota seats.

Desai and Kulkarni (2008) examine AA in higher education by focusing on outcomes. In particular, they examine the question of whether educational inequalities between SCs and STs on the one hand, and upper caste Hindus on the other, have reduced by using data from successive NSS rounds between 1983 and 2000. They calculate "transition probabilities" across six levels of education (probability of making a transition from primary to middle school, from middle to high school, and so forth). Their study is rich in its detail and its bottom line is clear. The educational inequalities between SC-STs on the one hand, and upper caste Hindus on the other hand, have declined significantly at the primary education stage. For the middle and high school levels, there is a decline too, but not significant. At the college levels, the inequalities between ST men and upper caste Hindus have declined, but for ST women, SC men and SC women, the inequalities have increased.

They attribute these declines to AA. This is suggested by the fact that a similar decline is not seen for Muslims, who suffer similar disadvantages as the Dalits, but do not get any preferential treatment. The authors suggest that the decline in inequalities at the primary level might be due to AA in employment. However, in college education, where AA is directly applicable, they find that inequalities have actually widened, which puts a question mark on the efficacy of AA. Also, they find that after accounting for income and residence, SCs experience greater disadvantage in college education than did STs. The reasons for AA in higher education not being to successfully narrow the gaps is a cause for concern, but the gaps would, in all likelihood, have been even larger in the absence of AA.

The “mismatch hypothesis” suggests that AA actually harms targeted students by placing them in programs for which they are academically unsuited and result in the higher drop-out rate among reserved category students. To date, only three substantive quantitative studies gauge the impact of AA in higher education by focusing on this mismatch hypothesis.

The first study, by Bertrand, Hanna and Mullainathan (2008), focuses on individuals applying to an engineering college, via a competitive entrance examination, in one Indian state in 1996. Engineering colleges are among the most prestigious educational institutions in India. The authors first took a census of all students applying to this engineering college and found that the qualifying scores for admission were roughly 480 out of a possible 900 for upper caste individuals, 419 for OBC and 182 for SC. These score disparities provide elementary support for the hypothesis that lower-caste students would not be able to perform, and will not benefit from AA because of the mismatch between their basic skill levels and the skill requirements of engineering education. This could lead to wastage and drop-outs. To better understand the outcomes across caste groups, the authors then interviewed about 700 households from the census of all applicants between 2004-2006 (approximately 8-10 years after the entrance examination). They surveyed both the applicant and their parents to gauge life outcomes including income and occupation, job satisfaction, social networks, and caste identity.

Contrary to popular belief, they find that caste-based targeting results in the targeting of economically disadvantaged individuals: the parental income of upper-caste students displaced by AA is Rs.14,088, compared to Rs. 8340 among displacing lower-caste students. They also find that despite much lower basic skills (as measured by scores on the entrance exam), those who are admitted through

AA economically benefit from attending engineering college. They estimate that attending engineering college increases lower-caste members' monthly income between Rs. 3700 and Rs.6200. This corresponds to an increase of 40 to 70 percent. In other words, they find no evidence of the "mismatch hypothesis". In addition to improving earning potential, they find that AA could also increase access to more satisfying careers, measured in terms of job quality and satisfaction. These two findings (of higher earnings and better job quality) resonate with the findings contained in Bowen and Bok's (1998) seminal study of long term benefits of AA. However, they also find evidence of the "creamy layer" as well as gender imbalance within those who benefit from AA, much like the Corbridge study described above. Specifically, they find that those from higher socio-economic backgrounds, and men more than women *within* the lower-caste groups, benefit more.

The second empirical study of the mismatch hypothesis is by Bagde et al (2011), who analyse data from 214 engineering colleges in one state in India. They have data on student performance on the entrance examination as well as on the high school completion examination. The scores on the high school leaving examinations and on entrance tests reflect a gradation based on caste: the average scores of STs are the worst, SCs next, followed by backward castes and finally, the best scores are obtained by the general category students.

This study finds that AA increases college attendance with effects that are proportionately the greatest for members of the most disadvantaged castes. Similarly, they find that improved priority in college selection improves achievement (measured by scores on a comprehensive examination administered after the first year of the program), with proportionately greater effects among the more disadvantaged castes. Finally, they find that the ability to choose a better college because of preferential treatment results in improved academic performance in college – thus, they find no evidence of a mismatch – i.e. quotas *harming* intended beneficiaries.

The third study, which is the most recent one (Robles and Krishna, 2012), contrary to these findings, suggests that in highly technical courses, Dalits do not catch up with the non-Dalit students in terms of grades – in other words, they start with lower grades and graduate with lower grades. They measure mismatch by post-college earnings and find that SC students who enroll in more selective majors through preferential policies end up earning less than what they would have earned if they had enrolled in less selective majors. Thus, their results are not directly comparable to the other two studies

as mismatch is defined differently. However, the study finds, like the previous studies, that AA targets the population it is designed for: the targeted students are poorer than the average displaced students. Given the larger benefits associated with AA, if the targeting is accurate, then admission to prestigious courses would alter the lives of those who get in through AA despite a gap in the graduating grades between SCs and non-SCs.

Impact of political reservations

Pande (2003) examines if reservation in state legislatures for disadvantaged groups increases their political influence. She finds that political reservations increase transfers (such as welfare expenditure in the state plan) towards groups that are targeted by reservations. Thus, reservation for SCs and STs does provide them with policy influence. Similar conclusions at the village level are seen in a study by Besley, Pande et al (2004), which finds that the availability of public goods for SC-ST households increases significantly if the constituency is reserved, compared to non-reserved constituencies.

Chattopadhyay and Duflo (2004) studied the consequences of mandated representation for women in gram panchayats (GPs) by conducting a detailed survey of all investments in local public goods in a sample of villages in two districts, Birbhum in West Bengal and Udaipur in Rajasthan, and compared investments made in reserved and unreserved GPs. They find that reservations affect policy decisions in that women's preferences are better represented. This provides strong empirical support to the logic which led to political reservations in the first place.

Jafferlot (2003), in discussing the political rise of low castes in North India, highlights some tensions inherent in what he terms the "silent revolution" – the transfer of power, peacefully, from upper caste elites to various subaltern groups. While his analysis is mainly about the OBCs, the issues he raises have a broader applicability, and the constraints faced by the OBCs would be faced even more strongly by the Dalits, given their traditional subordinate position.

First, he argues that such a transfer of power, in other contexts, would be accompanied by violence. The reason this is peaceful in India, by and large, violent episodes notwithstanding (such as during the Mandal agitation), is due to the fact that the transfer is incremental. To a large extent, upper castes still hold the reins to power and OBCs (and in some cases, Dalits) form the second rung of

leadership. Given the educational and social backwardness of the latter two, they will not be able to dislodge the upper castes for a long time.

He also points out the tremendous unevenness in the rise of low caste politicians – in UP and Bihar, one sees a much more pronounced rise than in Rajasthan, for instance. Also, the conflict or the transfer of power is not clear-cut; most political parties are not organized solely on upper-caste or lower caste lines – all, including the Dalit-dominated Bahujan Samaj Party (BSP), have upper caste members. He also suggests that liberalization of the economy has opened up new arenas and opportunities for upper castes, more lucrative than government jobs, and thus, they might not regret their traditional hold over bureaucracy being challenged⁸. Such as management jobs in the private corporate sector.

Finally, he suggests that the rise of the lower castes is not linear and irreversible. There is no clear-cut unity among lower caste parties or individuals, made more complicated by the fact that OBCs and SCs are often at odds, given their conflicting class interests (witness the antagonism between the BSP and the Samajwadi Party in Uttar Pradesh).

Keeping this larger picture in mind helps us to understand a critical reality about political reservations: that they will help to increase representation and access of traditionally marginalized groups such as low castes and women. However, the translation of this increased representation into real power is bound to be a long journey, which traverses an uneven, non-linear and rocky road.

Rethinking Affirmative Action as a “Quotas Plus” policy

In order to increase its efficacy, AA has to be less mechanical: provision of quotas should be seen as the beginning of AA, not its end, as is the current practice. A big problem with the existing nature of implementation is that there is no monitoring, and there are no penalties for evading AA. Thus, the mere announcement of quotas is seen as sufficient, and very little attention is paid to outcomes.

⁸ In Deshpande (2011), I discuss the issue of the impact of liberalization on inter-caste disparities briefly, and suggest that contrary to wishful thinking, the new opportunities opened up by liberalization might not be available to Dalits to the extent needed to close disparities. In particular, they do not, as yet, have the skills needed to take advantage of the new kinds of jobs which are getting opened up due to liberalization and globalization.

Further, just providing entry into jobs or educational institutions is not sufficient. There have to be supplementary measures that need to be mandatorily incorporated: remedial teaching, counseling and other measures to lower the incidence of drop-outs; skill enhancing programmes and so forth: which would ensure that the benefits of entry into prestigious jobs and educational programmes are fully utilised.

To be effective, AA should contain self-liquidating and self-perpetuating features: as AA becomes stronger at entry level, it should be gradually lowered at the later stages. But for this, strict monitoring of outcomes, with penalties for non-compliance are essential. The idea of abolishing quotas can meaningfully be mooted only after they have been implemented in their entirety and have been in place for at least a decade (to follow Ambedkar's original timeline).

Finally, "outside the box" measures targeted towards Dalits and Adivasis (tribals) must be considered that go beyond the scope of the current AA program: free, compulsory and good quality primary education, vigorous expansion of non-farm employment, land reforms wherever feasible, subsidies/support for Dalit business/self-employment. All these will benefit a much larger section of Dalits than the current AA programme.

The important thing to note is that the existing AA program and these supplementary measures need not be considered mutually exclusive. They can strengthen and reinforce each other. Admittedly, all these measures have costs, but the benefits of integrating large sections of nearly 160 million Dalits and unleashing the suppressed reservoir of talent is the need of the hour for the rapidly growing Indian economy.

References:

Bagde, Surendrakumar, Dennis Epple, Lowell J. Taylor (2011): "Dismantling the legacy of Caste: Affirmative Action in Higher Education", mimeo.

Bertrand, Marianne, Rema Hanna and Sendhil Mullainathan (2008): "Affirmative Action in Education: evidence from engineering college admissions in India", National Bureau of Economic Research Working Paper no. 13926.

Bowen, William G. and Derek Bok (1998): "The Shape of the River: Long term consequences of considering race in college and university admissions", Princeton University Press, 1998.

Desai, Sonalde and Kulkarni (2008)

Deshpande, Ashwini (2011): "The Grammar of Caste: Economic Discrimination in Contemporary India", Oxford University Press, New Delhi.

Deshpande, Ashwini and Katherine Newman (2007): "Where the path leads: the role of caste in post university employment expectations", *Economic and Political Weekly*, Vol. 42, No. 41, October 13-October 19.

Deshpande, Ashwini and Thomas E. Weisskopf (2011): "Do Reservation Policies Affect Productivity in the Indian Railways", Centre for Development Economics Working Paper no. 185, May.

Galanter, Marc (1984): "Competing Equalities: Law and the Backward Classes in India", Oxford University Press, New Delhi.

Guhan, S. (2001): "Comprehending Equalities" reprinted in S. Subramanian (ed.) "India's Development Experience", Oxford University Press, New Delhi, 2001

Human Rights Watch (1999): "Broken People: caste violence against India's untouchables", New York, Washington, London, Brussels, March.

Jafferlot, Christophe (2003): "India's Silent Revolution: The rise of low castes in north Indian politics", Permanent Black, New Delhi.

Jodhka, Surinder and Katherine Newman (2007): "In the name of globalisation", Economic and Political Weekly, Vol. 42, No. 41, October 13-October 19.

Madheswaran, S. and Paul Attewell (2007): "Caste Discrimination in the Indian Urban Labour Market: evidence from National Sample Survey", Economic and Political Weekly, Vol. 42, No. 41, October 13-October 19.

Nambissan, Geetha (2007)

Navsarjan Trust (2010): "Understanding Untouchability: a comprehensive study of practices and conditions in 1589 villages", Robert F. Kennedy Centre for Justice and Human Rights and Navsarjan Trust, Ahmedabad.

Page, Scott (2007). The Difference: How the Power of Diversity Creates Better Groups, Firms, Schools, and Societies, Princeton: Princeton University Press.

Robles, Veronica C. Frisancho and Kala Krishna (2012): "Affirmative Action in Higher Education in India: Targeting, Catch Up and Mismatch", NBER Working Paper No. 17727

Rodrigues, Valerian (2002), editor: "The Essential writings of B.R. Ambedkar", Oxford India paperbacks, New Delhi.

Sahoo, Niranjana (2009): "Reservation Policy and its Implementation across Domains in India: an analytical review", Observer Research Foundation and Academic Foundation, New Delhi.

Shah, Ghanshyam (1985): "Caste, class and reservation", Economic and Political Weekly, Vol. 20, No.3.

Shah, Ghanshyam, Harsh Mandar, Sukhadeo Thorat, Satish Deshpande, Amita Baviskar (2006): "Untouchability in Rural India", Sage India, New Delhi.

Siddique, Zahra (2009): "Caste Based discrimination: evidence and policy", Institute for the Study of Labour (IZA).

Thorat, Sukhadeo and Paul Attewell (2007): "Legacy of Social Exclusion", Economic and Political Weekly, Vol. 42, No. 41, October 13-October 19.

Thorat, Sukhadeo and Katherine Newman (2010)

Weisskopf, Thomas E. (2004): "Affirmative Action in the United States and India: A comparative perspective", Routledge, London.