In the Name of Globalization: Meritocracy, Productivity and the Hidden Language of Caste

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Working Paper Series
Volume III Number 03, 2009
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- To conceptualise and theoretically understand social exclusion and discrimination in contemporary world.
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- To propose policy interventions for building an inclusive society through empowerment of the socially excluded groups in India and elsewhere in the world; and
- To provide knowledge support and training to civil society actors.

Christian Aid (India) has provided support for the printing of this working paper and this is gratefully acknowledged.

The IIDS Working Paper Series disseminate the findings of the core research outputs of the Institute to facilitate informed discussions among the civil society, the academia, researchers and also strive to contribute towards policy infusions.
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Working Paper Series
Indian Institute of Dalit Studies
New Delhi
Foreword

Indian Institute of Dalit Studies (IIDS) has been amongst the first research organisations in India to focus exclusively on development concerns of the marginalised groups and socially excluded communities. Over the last six years, IIDS has carried-out several studies on different aspects of social exclusion and discrimination of the historically marginalised social groups, such as the Scheduled Caste, Scheduled Tribes and Religious minorities in India and other parts of the sub-continent. The Working Paper Series disseminates empirical findings of the ongoing research and conceptual development on issues pertaining to the forms and nature of social exclusion and discrimination. Some of our papers critically examine inclusive policies for the marginalised social groups in Indian society as well as in other countries.

This Working Paper “In the Name of Globalization: Meritocracy, Productivity and Hidden Language of Caste” draws on interview data to analyse the attitudes of 25 employers/hiring managers in India’s organized private sector towards the caste and community attributes of their potential employees. It focuses on the role ascriptive qualities play in employer perception of job candidates, arguing that they persist despite a formal adherence to the importance of merit. Antagonism toward reservation, as a mechanism for promoting employment for Scheduled Castes, is articulated as a principled commitment to the modern virtues of competition and productivity.

The paper concludes as to how merit is produced in the first place since distribution of credentials, particularly in the form of education is hardly a function of individual talent alone. It reflects differential investment in public schools, healthcare, nutrition, and the like. And since institutional discrimination of this kind sets up millions of low caste Indians for a lifetime of poverty and disadvantage, there can be no real meaning to meritocracy conceived of as a fair tournament.

Indian Institute of Dalit Studies gratefully acknowledges Princeton University for funding this study and Christian Aid (India) for supporting the publication of the Working Paper series. We hope our Working Papers will be helpful to academics, students, activists, civil society organisations and policymaking bodies.

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1. Introduction

More than a decade ago, Joleen Kirshenman and Kathryn Neckerman interviewed Chicago area employers to try to understand the role they played in the production of unequal employment outcomes by race and gender. Recognizing that young black men, in particular, were plagued with high levels of unemployment, these sociologists sought to understand how hiring managers viewed the landscape of job applicants, how the stereotypes they employed affected their judgments about the qualifications of those who sought work.

In their oft-cited paper, “We’d Love to Hire them, But...” Kirshenman and Neckerman (1991) discovered that employers believed black men were unreliable, unruly, poorly educated and low skilled. Coupled with evidence from audit experiments, like those conducted by the Urban Institute and Princeton sociologist, Devah Pager (2003; 2007), employer interviews contribute to the view that prejudice remains a problem in the distribution of jobs. Low skill and educational deficits are, to be sure, also implicated in the high unemployment rates of black men. But even those, who are qualified, will face suspicion on the part of employers who, the paper showed; begin with negative views of the urban minority labor force.

The example of Kirshenman and Neckerman has seldom been followed1, even in the U.S., much less elsewhere in the world. But the same goals that led them to study the social attitudes of employers and hiring managers in Chicago animated the present study of Indian employers in the formal sector.

2. Background

India is a country with a huge unemployment problem, one so vast that it is hard to estimate with confidence its real contours. Like many third world
countries, the growth of the informal sector - particularly pronounced among the low skilled, rural migrants to large cities - has been enormous. Even so, the high growth of the formal sector in India’s mega-cities has thrust the question of labor market discrimination in this domain to the fore. We have little research to rely on in understanding patterns of employment that differ by caste, religion, and region of origin in this domain and, hence, it is to the formal sector that we devote our attention in this paper.

We must note at the outset that one cannot extrapolate from the data contained here that the patterns of un- and underemployment of stigmatized groups in India can be laid fully at the feet of discriminatory actors, acting either consciously or unconsciously on stereotypical expectations to overlook or eliminate qualified workers. Our interview data cannot speak to the question of whether managers act on their preconceptions. It does not tell us whether clear statements, to the effect that “merit is the only thing that matters,” are the real watchword of employment decisions either.

For that, we have to turn to more persuasive experimental data. But because that experimental data turns up fairly persistent evidence of discrimination under controlled conditions, researchers have turned to the study of employer attitudes as one ingredient that contributes to the pattern of unemployment that plagues minorities in the U.S. and religious or caste-based minorities in India.

This paper presents the results from a qualitative pilot study based on a convenience sample of 25 human resources managers in large firms based in New Delhi, but with satellite offices, manufacturing plants, and retail outlets all over the country. While this is a small sample, worthy of replication on a much larger scale, the firms involved are generally large, established, and responsible for a significant number of hiring decisions in any given year. We have employment totals for 22 of the 25 firms and together they employ over 190,000 “core” workers (meaning they are on direct payroll), and data on contract or temporary employees for only eight firms, usually hired via outsourcing, for another 63,000 workers.

Lengthy on site interviews were conducted in 2005-06 with the heads of human relations or managers holding equivalent responsibilities for hiring and employment policy in each firm. They were told that the purpose of the study was to explore employer perceptions of the Indian labor force and challenges involved in hiring policy. Our informants were first asked to describe the firm’s history, size of the workforce, categories of employees, and labor search
practices. They were then asked if they had any views on why members of the Scheduled Caste population display high levels of unemployment. Finally, we asked for their opinions of “reservations policy,” the longest standing quota system in the world. In particular, we wanted to know their views on whether this policy instrument, which is legally required in public higher education, public employment, and the legislative branch of government, should be extended to the private sector. This is a matter of considerable controversy in India today, with business groups rallying to make their positions known. This is one of the first pilot studies to assess, in a formal fashion, the views of industry human relations leaders on this issue.

3. Modernism and Merit

The most striking finding in the interviews was the view, expressed in virtually every interview, that workers should be recruited strictly according to merit. That this has not previously been the case in Indian industry was both clear and easily acknowledged. India is a country with a very long commercial history and for most of it, jobs were doled out in a nepotistic fashion, according to personal ties first, village ties second, and caste affinity third. These traditional practices served India well for centuries, and the notion that a precious resource, a job opportunity, should willingly be deeded over to a complete stranger - no matter how well qualified - was something of a baffling idea.

Instead, the most natural practice of all was to trade jobs along the lines of personal networks, much as other resources would be exchanged. With labor in plentiful supply, competition for scarce employment prospects was severe enough on the inside of these networks to guarantee at least some level of competence.

Of course, India is not alone in this history. In most western industrial countries, the same practices obtained, and whatever inequalities emerged as a result was simply accepted as the norm. It was not regarded as unfair or unfortunate; it was simply the way things worked. The rise of the professions in the west, with their elaborate systems of credentialism, interjected a different conceptual framework and corresponding practices. Qualification was now important and competition built up at the gateway to the institutions that certified the most desirable would-be businessmen, lawyers, doctors, teachers, accountants, and so forth. To be sure, nepotism and other forms of preferential selection played a role in the admission to credentialing institutions, but the concept of merit took hold as a public declaration in opposition to the old tradition of inherited privilege or I-scratch-your-back cronyism.
This attitude received a powerful shot in the arm with the invention of the civil service, a reform intended to break the back of corruption and distribute jobs more fairly. Civil service employment was a coveted good in western states and, throughout the colonial period, in India as well. Stable jobs, relatively well paid, respected (to a degree) by authorities, these jobs and the pathways that led to them were the essence of modernism in the market place.

The fact that written exams often functioned to exclude minorities unfairly remained and still operates in many domains. But the concept of merit as the sole legitimate basis for employment was built into the foundation of what western employers see as modern. Indian employers outside of the public sector did not leap on that bandwagon until the country began to move more decisively toward a self-conscious modernism.

Indian employers speak about the past - which was dominated by localism and favoritism - as a period best left behind. The more India takes its place as an economic powerhouse in the modern world, they explain, the more it must operate strictly in accord with meritocracy and utilize hiring practices that will achieve this goal. To do otherwise - either in the service of a potentially laudatory goal, like the advancement of Scheduled Castes or Schedules Tribes, or goals that no one would admit to in public, the exclusion of these groups from employment - is to stick the country (and the firm in question) in the mud.

A good example of this view is found in our interview with a hiring manager at Global Productions5 - a major media company with its publishing headquarters in Delhi (interview 6) and bureaus in sixteen Indian states. The firm is about eighty years old, has a workforce of 3,000 core employees and another 800 who are hired through outsourced contracts. They recruit new employees on a national level for their main news staff and locally for their auxiliary bureaus. It is a publicly listed company, though the majority of the shares belong to the Indian family that purchased the firm after Indian Independence.

When asked about whether particular groups compose the workforce, the manager responded that “our workforce is quite diversified. No concentration on caste, creed and colour... talent and merit does not go with one particular caste or creed.” Pressed about whether popular stereotypes of castes or religious groups influence hiring, he was adamant that prejudice plays no role. “No, things have changed,” he explained. “This was the perspective of the 1980s [before liberalization]. Today when you are casting your own future in an unknown market, the internal flexibility is very important.”
We don’t put any kind of template on any individual.... We focus completely on merit. As our main goal is standardization.... We also have defined what merit is.... We need people who are more exposed [to the world]. We believe power of imagination comes with exposure. Exposure makes you observe certain things and this stimulates the power of the imagination. If you have to be part of global culture, your leadership should be... defined by your capability of redefining... the company. And this can be ...made possible only through the power of imagination.

For Global Productions, which relies on projecting a cosmopolitan image as part of its market appeal, there is a bottom line value to recruiting people who are worldly, sophisticated, and well educated. In principle, individuals with this kind of cultural capital could come from any background. In practice, the institutions and experiences that produce cosmopolitanism are rarely accessible to members of the Scheduled Castes. Nowhere in the discourse of Global Productions’ hiring practices, do we see antagonism or exclusion toward the least favored members of Indian society. Indeed, quite the opposite. Throughout the interview, we see consistent pronouncements about talent and merit, without respect to “caste, creed and color.” But the production of merit is itself a highly unequal business and, hence, the linkage of modernism with merit, and merit with cultural capital, effectively eliminates Dalits, for example, from the competition.

Perhaps this is to be expected in a media company where image is so critical to the bottom line. Let us turn, then, to a manufacturing firm where this pressure is less evident. Food Futures, a twenty-year-old company that sells processed agricultural products, is a small family-owned firm, launched some forty-five years ago. It has a total workforce of 150 people, some of whom work in the Delhi headquarters, while others work in an industrial town in Punjab. As a fairly new firm, they embrace management practices that they believe are consistent with modern techniques. As the human resources director explained, he sees no relationship between the quality of one’s work and background characteristics such as caste:

I haven’t seen any kind of correlation between the religion of a person and his work. It is basically his caliber, attitude, and commitment that are seen. I have seen people from various castes. Some hailed from the so-called BIMARU states6, but they are very active and committed towards their work.... So, I never thought about caste and creed.
He acknowledges that not everyone shares his enlightened perspective and some actively practice an affirmative form of caste discrimination:

Some owners of Indian companies come from a particular caste and the people, who belong to this community, may have some kind of positive discrimination. For example, a person, who is a thriving businessman, is always helped by people from his own caste or community, or the kind of friends he has, also belong to the same caste.

Yet, from his perspective, this is not a modern attitude and it is fading quickly. It is more likely to be found outside major cities or in rural areas. “Such things are not very strong today,” he explained.

About the impact of these stereotypes in recruitment, I don’t think it works. No one recruits anyone on the basis of his caste or the region he comes from if he is not going to be useful.

Even so, he notes that “caste is a politically sensitive issue and there are people who are very particular about caste.” They would tend to be people in smaller organizations who are more likely to “belong to the person who set up the company”. But these practices are going the way of the past because globalisation creates competitive pressures that wipe the conservative or backward practices of the past out of the way:

I do see among my colleagues a kind of bias against these communities, stated or unstated. But now because of the competition being intensified, the corporations have started to overcome these issues. These things may be carried in small organizations... as [they] are run by one single individual. Also, in family owned organizations, there are these people who recruit people from their families, relatives, and villages. In professional organizations, these things have gone.

Hence, it is not that casteism or its cousin, in-group preference, has disappeared completely. As this manager sees the matter, an evolutionary trend is in progress. The firms, most exposed to international competition and modern management, have abandoned these vestiges of discriminatory tradition, while the smaller firms, that cater to local markets or rural employers who are far from the influences of large markets, are slower to accommodate. It is there, and only there, that these retrograde practices will persist.
The language of merit, the morally virtuous credo of competitive capitalism, subtracts from the conversation the many forms of institutional discrimination and disinvestment that prevent all members of a society from competing on a level playing field. It assumes that we begin from the same starting point (regardless of evidence of deprivation), enter equally efficacious credentialing institutions (despite the clear inequalities in schooling that take a heavy toll on the poor and low castes), and come out ranked objectively in terms of sheer quality.

4. Family Matters

The American language of meritocracy similarly relies on the subtraction of institutional inequality, as well as the ability to overlook the persistent impact of historical discrimination that has left deep tracks in test score gaps, differential educational attainment by race and class. Whatever the consequences of these handicaps, the American variant nonetheless clings to the principal that the only thing that matters is individual capacity.

For Indian employers, there is no contradiction between an emphasis on individual merit and notion of valuing “family background,” which, virtually every hiring manager emphasized, was critical in evaluating a potential employee. Americans would view this notion as a contradiction in terms. The whole concept of the “American dream,” rests on the notion that rising above one’s station at birth, one’s family of origin is essential to the very notion of merit. On this theory, it is no more legitimate to “dock” a job candidate for characteristics of his family then it is to reject him on the grounds of race, age, or gender. This does not mean that background plays no role in the production of qualifications, for it surely does, but as explicit criteria for hiring, family characteristics would be beyond the pale.

What kind of information is an Indian hiring manager seeking when she asks about a candidate’s family background? For some, the concept is amorphous and would stretch to include virtually anything that was not directly related to educational credentials or work experience. For others, the idea was quite specific.

The human resources manager of the India Shoe Company, a firm employing 10,000 core workers and 2,000 casual workers, focused on a variety of qualities entirely beyond the control of applicants. “In family background,” he said, “we look at...”
1. Good background
2. Educated parents
3. Brother and sister working
4. Preference for those from urban areas

The ABC firm employs more than 20,000 people over sixty locations throughout India. It has been an important corporation for over hundred years, selling agricultural manufactures, clothing, and paper goods, among other diversified products. The 45 year old Brahmin manager of ABC’s HR department was clear that family background and/or the kind of setting in which a candidate was raised makes the difference between success and failure in a job applicant. “We ask them about family background,” he noted, “depending up on the position applied [for] and the kind of task allotted with the position.” The need to prove one’s worthiness through family characteristics is most important for managerial workers, he explained. For lower level workers, the assumption is that they would not pass muster on these grounds. Instead, they want to know whether a potential janitor (for one of the firm’s hotels) has the same standards as those that the company wants to promote:

Say for example, in housekeeping, we generally avoid keeping people from slum areas because his appreciation for cleanliness will be different from us. For him, a dusty room would also be a clean room. If he is trainable, then there is no problem of taking him in the company. But in front office, we go for trained and professional people and they all belong to higher castes.

Whether or not someone appears to be “trainable,” is going to be judged according to the interviewer’s estimation of how far away from an assumed list of traits, born inexorably out of the “neighborhood characteristics” of his upbringing, the applicant can be coaxed to come. There is a barrier to be overcome, rather than a blank slate on which to build.

Why does family background matter so much? It seemed unnecessary to explain for nearly all of our informants; it is so important a part of the hiring system that the question seemed surprising. But when asked for more detail, respondents answered with a theory of socialization: “merit” is formed within the crucible of the family. The HR manager of Food Futures provided the most coherent expression of this theory:

Personal traits are developed through the kind of interaction you have with society. Where you have been brought up, the kind of environment
you have in your family, home, colony, and village - these things shape up your personal attributes. These determine a person’s behavior and working in a group with different kind of people. We have some projects abroad, and if a person doesn’t behave properly with the people abroad, there is a loss for the company. Here, family comes in between whether the person behaves well and expresses himself in a professional way for a longer term and not for a short term. This is beneficial.

What one sees on the surface - credentials, expressed attitudes - is shaped in the bosom of the family. For the hiring manager, who cannot delve more deeply into the character of the applicant than surface characteristics, the successes of the rest of the job applicant’s family stand in as proof that the individual before him is reliable, motivated, and worthy. If the answers do not come back in a desirable form, the surface impressions may be misleading. Doubt is cast on the qualities of the individual.

Mr. Soames, the hiring manager of a major manufacturing firm that employs over 2800 people to produce some of the finest jewelry in India, echoed this sentiment in explaining what he learns from answers to questions about family background:

We also ask a lot of questions related to family background: questions like how many family members are there, how many are educated, etc. The basic assumption behind these questions is that a good person comes from a good and educated family. If parents have good education, the children also have good education. Some questions about their schooling, such as what type of schooling and where did they [grow up].

The human resources manager of the Cool Air Corporation, a family run manufacturing firm that produces air conditioning units, echoes the same idea:

A good culture comes from a good family, good parenting. The person is also then stable. Not like people who come from workers background.

As these managers see it, background characteristics of this kind are the source of “soft skills” that are an asset for the firm. The person who can manage adroitly in the organizational context of a firm hierarchy in India and abroad, is going to contribute to the bottom line; the person who has trouble in these interactions will detract. But the surface evidence of soft skills is
difficult to judge in an interview and, by the time it matters, managers seem to believe, it would be too late if the judgment of the hiring manager at the outset had been faulty. Hence, they search for corroborating information to short up their estimation of an applicant’s personal qualities and find it in the “data” on family background.

In Erving Goffman’s (1959) terms, the employment or educational status of family members is a source of discrediting or corroborating information that either undermines or reinforces a job applicant’s impression management. One could create a smooth persona, projecting the ability to work well in a corporate environment, but if the rest of the family does not line up with this projected self, the manager is alert to the cracks in the façade.

This is as close as we can come to pinpointing the underlying rationale behind questions on family background. A more compelling explanation for the practice, however, probably lies in the history of recruitment over the long run in which a scarce commodity like a job would rarely be given over to a stranger, but would become a gift in a reciprocal exchange system. One’s status as a member of a family was (and still is, in many places) an integral part of personal identity and, in many respects, is only fully understood within the social coordinates of local society as a representative of the family, the village, or the caste. A firm is, therefore, not hiring an individual but, in some sense, is employing a representative of a larger social body: the family, the village, the tribe, the caste.

Regardless of the origins or the contemporary purpose of screening applicants on family background, the practice, almost by definition, will eliminate Dalits, OBCs, and others for whom historic (and contemporary) patterns of discrimination have made it difficult to assemble the necessary credentials in employment or education. While there are Dalit families that have managed, through the reservation system, to overcome caste bias and find jobs that are respectable enough to help launch the careers of the next generation, the odds are against them. Of the 160 million Dalits in India, the majority are rural, landless laborers. Unemployment among them is high, and the occupations they hold will not lend credence to the efforts of an educated job applicant looking for work in the formal sector in India today. Urban Dalits are largely relegated to the informal sector and, if employed, are more likely than not to be in low prestige positions. While pollution taboos have faded in the large urban centers, social exclusion remains pronounced and limits the mobility of Dalit families. The fortunate few, who manage to get an education, are far
less likely to be able to produce the kind of evidence of sterling family background that an employer seeks.

We would be on safe ground in surmising that invoking family background in hiring decisions will act as a barrier to low caste Indians in their search for employment. Ironically though, human resources personnel point out that it will effectively put the brakes on the prospects of the well-to-do as well. If Dalits are too lowly, the scions of rich families are considered bad material for employment. As the HR managers see it, they are pampered and lazy and accustomed to getting jobs on the basis of connections alone. In the competitive world of global capitalism, this won’t do either.

Security Services Inc. (SSI) is an enormous firm of over 100,000 employees. Begun in 1989, SSI provides security guards, training, and protection of everything from private firms to ATM machines. They operate in all of India’s major cities and can brag of over 500 client firms. Typically, they hire guards from rural areas, recruited for their physical strength and imposing stature. Their employees are “mostly from interior places where the state doesn’t provide them jobs,” the HR manager explained. “[There is] no availability of jobs and poverty is more.... They generally come out [of the hinter lands] and join us.”

When the firm first began, Mr. Smith explained, they recruited workers informally and made heavy use of nepotism, tribalism, and local connections to address their almost chronic labor shortage. “Many people came up through references, children of earlier employees, people from the neighborhood.” As time progressed, this was deemed “not professional” and now they recruit from regional colleges and “B grade institutes” as well as the armed forces as sources of labor. Family background, however, continues to play a role. What the manager is trying to weed out, though, are people from families that are too elevated:

Somebody from a high profile family - for him, the job is not very exciting. For example, a chartered accountant, he has to do a lot of work in the company. That kind of professionalism is not there [in a high profile person]. So, that kind of person we may not like.

A car-manufacturing firm, now half foreign owned, employs 3,800 workers in one plant alone. It is in the process of building another and, hence, has been recruiting new workers of late. What do they look for in a new employee? “First is the qualification and relevant background,” the HR manager explains.
“If the person frequently changes jobs, he is not preferred.” But this is not sufficient. One must be willing to work hard and that is a quality, which this manager believes is absent from those at the top of the social structure:

We judge and prefer a person who is humble, not aggressive, and open to all. We see the family background. People, who come from high profile families, are not preferred as they have an inner pride within them, which makes them arrogant. People from middle class are preferred.

Of course, the cost of exclusion for someone from the upper registers is not nearly so punishing as it is for those at the bottom. Nonetheless, it is important to recognize that the meritocratic model, which places “family background” in a central position, favors those industrious members of the middling classes/castes and makes life harder for those at the very top and the very bottom.

5. Regional Stereotypes

Americans are familiar with the stereotypical reputations assigned to our regional cultures and the workers who come from them. America’s southern states are often deemed languid and slow. Northeastern residents - particularly New Yorkers - are described as brusque, fast paced and almost genetically rude. Californians are characterized as laid back and informal, superficially friendly and obsessed with physique. Midwesterners are sober and plain, befitting the Scandinavian and German heritage of so many. Relatively little research has been done on the impact of these regional stereotypes on hiring patterns, at least compared with what we know about racial bias in employment decisions. Nonetheless, region is certainly in play as a background characteristic that, like height or weight, may play a role in determining an individual’s life chances.

While India is known for its hierarchical caste system, our interviews suggest that equally pronounced regional stereotypes inhabit the minds of human resources managers, particularly those whose firms hire a large part of the workforce from outside of large urban centers. Not only do they have firm ideas about the qualities that different regions inculcate in their residents, but they also worry about the social consequences of either throwing workers together in unbalanced combinations of antagonistic local groups or, about the opposite, endangering solidarity within the work force, based on caste, tribe, or village membership, in the service of opposition to management.
The Kilim Chemical Company is a family owned business, founded 45 years ago to supply caustic soda to the aluminum manufacturing industry. They run manufacturing firms in remote regions of India where the raw materials are extracted and refined. One family owns 65 per cent of the shares, but the firm is “professionally managed,” meaning it employs managerial staffs that are not beholden to the family. Kilim has over 1000 core workers on the payroll and, in addition, employs thousands of seasonal workers who are involved in salt manufacture, an essential element of caustic soda production. The HR manager, an economist employed by the firm for two years, tells that the firm is very stable. “We have extremely good industrial relations,” he explained. “We have never had workers going on strike.”

The firm is “widely recognized for [its] generosity... there are people who have been working here for 20 years, 25 years and 50 years.” As is typical of many family firms, a paternalistic relationship obtains between the owners and the community surrounding the manufacturing plants.

[The owner] has a bungalow in [the township where the plant is located]. He goes there every two, three months and visits and, then, goes around the place. So, everybody knows who he is. He is a Mai-Baap [mother-father], but in terms of welfare.

Though described as a shy man, the owner nonetheless makes a habit of turning up at village weddings to make contributions to the bride’s father. In this respect, the firm is a kind of family, with obligations that stretch beyond the work world to the private sphere of kinship and households. Given this kind of integration, it is perhaps not surprising that the professional management can rattle off images of local ethnic groups that are strikingly categorical. “Are there any kind of stereotypes about labor?” we inquired. “I understand what you’re talking about,” the HR manager replied. “I understand what you’re talking about,” the HR manager replied.

Now it is a little impolite thing to say it on a tape recorder. There is a great deal [of stereotyping] about Uttar Pradesh people. There is a constant mimicking of Bihari laborers. Lazy guys, come in, drop in without work, you know, but we have no choice, we have to work with those kind of people, rather than people from Gujarat and Maharashrata....

I can manage with these people, but in casual [conversation] we say he is so laid back. We have to adjust. The work I expect to be done in three minutes would probably take an hour and a half, but it will get done.
National Airlines, a fairly new transportation company, serves 45 cities in India and a variety of international destinations. 8400 workers are employed by it, including those on regular and contract hiring agreements. Its core work force tends toward management and high level jobs, including pilots, airhostesses, and the like. Low level jobs like loaders, cleaners, data entry operators and sweepers are almost entirely contracted out, a common practice in Indian firms. A self-consciously modern firm, National Airlines maintains a web site for employment applications, its preferred recruitment method.

When asked about the kinds of workers they employ with respect to background, region, or religion, the HR manager was completely open about the fact that they select on appearance, fluency in English, and cultural sophistication. “This is a service providing industry,” Mr. Gupta explained. “We need good people, people who have some style and looks.”

A stylish guy, who also communicates well, speaks good English, who is very much educated, well grown and who comes from a particular ‘class’, is preferred. So, we do not recruit anyone and everyone. We have identified some regions and communities from where we get out people. Say in North India, Punjabi culture is very much open; their faces have glow.

But that is not the same case with Haryana culture, Uttar Pradesh or Bihari culture. They are not good for us. Their cultures, their way of speaking and dealing with others would not work in our company or in this industry. They don’t have that openness.

A majority of airhostesses come from Punjabi families, as they are open. They can speak or communicate well. Some of them are from the Northeast.

Mr. Gupta went on to explain that National Airlines likes to recruit “sardar” (Sikh) girls who are also well spoken. But they are not interested in just any sardar. Instead, they specifically seek out “those who come from good families....”

Sardar girls won’t speak well if they come from Himachal Pradesh. They may not be cultured.

Physical appearance is integral to Gupta’s image of the right kind of employee for National Airlines. He has very definite ideas about whether one finds people with the right features, the requisite “glow on their faces.”
Frankly speaking, people from urban areas are preferred more than those coming from a rural area in this company, because rural mentality does not suit us and the company.

He is of the view that girls, whose fathers are in the military, are a particularly good bet for jobs in the airline industry. “People who come from this particular culture,” he notes, “have a tendency to come together and work for the company.”

Security Services, discussed earlier in the context of family background, combines views about the appropriateness of particular regions as a source of employment, with straightforward caste bias. Recruiting in rural areas, where laborers move in and out of agricultural labor and seasonal employment with firms like this one, they have come to know the Scheduled Tribes in the region. They know that when the harvest season arrives, their work force will disappear for a month or two. But this varies by region, and the HR manager has developed very strong views of who will work out and who will flake out:

If we go down to the South, say Chennai, Bangalore...that part of the country has a different attitude and they work much better. Basically, it is the culture of the area. The feedback from the customer is that the service in those regions is much better.

If I go to Noida area (in Uttar Pradesh), the social system is not balanced. If I go to Gurgaon, it is the most horrifying because of the concentration of Jats there. They are very arrogant. In India, this is the community, which is the most unsophisticated. The roughest community is the Haryanvi community. They don’t understand logic; their blood starts boiling fast. In terms of discipline, commitment and confinement to rule, I find it is least in these people.

Hiring managers who are themselves from urban areas, are particularly uneasy about rural and tribal peoples, and are prone to regard them in terms of group characteristics. They see Tribals moving en masse into employment niches where they multiply through personal networks and, then, become a source of trouble. Urban dwellers are generally regarded as less troublesome, even if they descend from rural populations that fall under suspicion. The tempering influence of a heterogeneous urban environment reduces tribal affiliations, or so the managers seem to see it. Hence, as long as these communities mix with others and appear less as a block, they are more acceptable targets for
recruitment. Nonetheless, underlying stereotypes prevail, as Security Services sees the matter:

In Delhi, they have a mixed background. There are Biharis, Oriyas, Gadwalis, Pahadis (Nepalese). So, these people behave well with high profile people. If a group of Gadwalis [from the hills of North India] come together, then their behavior changes. Same is the case with Biharis. If they are one, one each, then there is no problem. If they come in masses, there is a problem.

India Motors, an automobile manufacturer based in Punjab, is now a multinational firm, jointly owned now by one of the major Japanese firms. Two production firms - one in Gurgaon and one in Dharuhera - have been in operation for more than twenty years. 4500 workers are listed on the India Motors payroll, but the actual workforce is nearly double that number, since contract employees are brought on as temps. The senior HR manager, Mr. Vincor, who had been with the firm for fifteen years, explained that the workforce that mans the plants is drawn from nearby areas and, hence, is dominated by the indigenous peoples of the area:

The social profile of labor varies significantly in the two plants. The first plant in Dharuhera is dominated by the labor from nearby villages, which means they are mostly from Haryana. Since they were recruited from available labor locally, they are not very educated. In fact, most of them were trained by us.

Caste plays an important role in organizing the rural labor force. As Mr. Vincor explained, even the unions are structured by caste:

Nearly 450 workers [in the first plant] belong to the local dominant caste of Jats and another 250 to 300 come from another dominant caste of Ahirs. Around 100 to 150 would be from different backward castes. Our workers are also organized on caste lines. Trade Union elections are mostly on caste lines....

Jat group is arrogant. It does not listen to any one. Ahirs are tamed. Brahmans are more learned and they speak well, and SCs are not vocal.

These are not neutral observations. The social organization of caste provides a platform for collective grievances, and the firm has been on the receiving end of labor actions that can be more easily organized, given the caste lines in
the workforces. “At times they are very aggressive,” Vincor complained. “We have seen a lot of bad phase, strikes and lock outs.”

The firm tries to temper the power of ethnic/caste-based organizing in two ways. First, the firm’s owner maintains a paternalistic relationship that they hope will cut through these solidarities and engender loyalty to the firm. As part of its civic relations, India Motors builds hospitals, schools, tube wells, eye camps, and health camps. In this, they resemble the “company towns” of the American past. Between the personal gestures to family members and the infrastructure the firm provides, the link between worker and firm tightens into a dependency.

The plant is everything for them, their mai-baap. They are loyal to the [owner’s family]. Middle level officers directly communicate with the chairman. The chairman also patronizes them. There are some occasions when workers can meet the chairman directly. The chairman also attends the employees’ weddings or their children’s weddings.

Second, they try, where possible, to “divide and rule” by limiting the number of like-caste individuals in any given part of the production process.

If we recruit fifty people, not more than ten to twelve Jats are recruited and the rest should be from diverse background. We need loyal and obedient workforce: people who will listen to us and work religiously.

India Motors relies on hiring practices that promote a mix of castes rather than permitting the dominance of a single group. And they avoid those groups that management regards as oppositional in character, likely to refuse management dictates and threaten labor actions instead.

The company’s second plant is described in very different terms. Here labor relations are more professional and less personalistic. Mr. Vincor regards the second plant as more modern, closer to the rest of the world economy in part because of its more impersonal labor practices. The language of globalisation, which equates patrimonial bureaucracy and ethnic or caste-based hiring with the past, and formal mechanisms for hiring rather than personal networks, meritocratic principles (albeit in the context of “family background”), and national rather than local recruitment, represents a self-conscious effort to align India with international business culture, rather than traditional, customary and ancient local practice.
The flip side of caste prejudice is a preference for specific groups, regional ethnicities, and religions, based on the view that they are particularly suited to a given occupation. Fitness Health Corporation, a relatively new firm owned by “an upper caste Sikh family,” employs about 4,000 people in northern India, while another 1800 workers - ranging from “ward boys to nurses, cleaners and receptionists” - are contract workers. Fitness is a new industry of private health providers that caters to relatively wealthy families. They are particular about the people they hire because they are serving an elite clientele.

The majority of our employees are local, most north Indians. We have peoples who have migrated from Noida and Gaziabad. However, most of our nurses are females coming from South India, especially from Kerala (Malu Christian girls)... they are better in knowledge than other girls and this is because they are doing the job from generation to generation and the knowledge is passed from one ...to another.

Higher caste people are reluctant to send their daughters in this nursing profession. They think that this is not a good profession, looking after the patients, cleaning them, and other things. The nurses [we hire] are mostly Christians, must be converted (from low caste [Hindus]) or born Christians. They generally don’t belong to Scheduled Castes. People coming from North India are mostly Punjabis, an average Punjabi girl.

As the HR manager - an upper caste Hindu woman - makes clear, there are channels of recruitment in operation that have been, if not restricting, then at least providing insider advantage to a regionally based religious groups. These preferences are based in part on traditional views of who will be willing to come into physical contact with patients, and whom patients will accept in that role. One could argue that this manager is merely describing a labor migration flow, rather than unveiling a preference that affects who the firm will hire among those who present themselves as applicants. There hardly seems to be a difference in practice. Fitness Health searches among the groups it sees as “fit” for the job and neither looks for nor entertains others easily.

Such a preferential policy often exists side by side with a bright line that excludes those who do not fit these stereotypical expectations. For Fitness Health, this clearly includes Dalits, who need not apply. “Among SCs,” the manager explains, “there is a lack of technical skills. And their attitude is unmatchable for the company.” Is this an unfair, an example of bigotry? No, she insists.
We have no prejudices about SCs and Muslims. This is a mind set issue.

A “mind set issue” echoes a global language of “psychological fit,” often determined through the use of psychometric tests that have become popular among modern managers in multinational firms. These multiple choice personality assessments are considered scientific instruments that will assist employers in matching the needs of the firm with the intrinsic qualities of applicants. Only a few of the firms we studied employ them, but the ones that do tend to be in the most globalized industries, particularly communications.

6. Reservations

The Constitution that marks India’s founding as an independent nation was passed in 1947 in the midst of fierce political battles over the religious and ethnic composition of the country. Dalits, or untouchables as they were then termed, seeking to gain some leverage during Independence, agreed to remain inside the Hindu fold if they were guaranteed quotas in the public sector, especially higher education, employment, and in Parliament itself. Today 22.5 per cent of public university seats, including those in the most elite institutions, are set aside for Scheduled Castes and Scheduled Tribes who are primarily rural landless laborers whose standard of living is abysmally poor. In the sixty years since the creation of this “reservation” policy, a small (though impossible to measure with any certainty) proportion of these traditionally shunned groups have been able to claim places in public education, the civil service and, finally, in the Government itself.

These opportunities are vital to the upward mobility of the Dalit population. Even though only a small proportion ever gets this far, it is a right that is fiercely protected. Indeed, other groups (including the so-called “Other Backward Castes” or OBCs) have lobbied to extend the policy to themselves, arguing that an additional 27 per cent of seats in high education be set aside for them. The proposal sparked riots across India in 2006, as medical students and doctors took to the streets and fought pitched battles with the police, insisting that merit should be the only criterion for entry into these coveted programs and medical professions.

As eye-opening as these protests were, they are but the tip of a larger iceberg. The Indian economy has been gradually opening itself up to international competition, trade, and foreign investment. Pursuing a liberalization strategy, the state has been contracting in size while the growth of the private sector
has been significant. Over the past three years, the country has averaged growth rates of about seven per cent, and today it represents the third largest economy in the world, behind only the United States and China. It is a matter of some controversy as to whether or to what extent the nation’s poor have benefited from these trends. In any case, the ground is slipping out from under public sector workers as the government continues to pursue the liberalization strategy and the future increasingly seems to lie with private employment.

This trend, in turn, has turned the attention of legislators and advocates concerned about continuing discrimination against lower castes to suggest that reservations policy be extended to the private sector. They argue that only if the private sector commits to affirmative action through quotas will the rights guaranteed in the Constitution be protected.

Reservation in the private sector was uniformly opposed by the human resources managers interviewed for this study. Not one in the entire portfolio of research subjects had anything positive to say about quota-based hiring. Ultimately, their objections trace back to the first topic raised in this paper: the relationship between modernity and meritocracy. The future of the Indian economy, they argue, lies in increasing productivity and this, in turn, requires that each firm permits the “creamy layer” to rise, while the incompetent fail and disappear. There should be little need to justify this perspective, as the employers/managers see the matter: it is the natural way of Adam Smith’s hidden hand, the only means to achieve the greater good.

From the perspective of HR managers, reservations policy inserts ascriptive criteria into the hiring process and short circuits the competitive processes essential to the market. This way lies the ruination of India’s economy and, hence, the policy must be stopped dead in its tracks. Interference in the name of social engineering will ultimately defeat the purpose of national growth, and the loss of international investment that would accompany quota regulations would strip the whole country of the capital it needs.

Beyond this general attack on reservation, there were a variety of sub-themes worth exploring for the images they throw off of the underlying nature of low caste workers. The first is the view that discrimination is not a problem at this stage in the development of India’s labor market. It might have been an issue in the past, but India has turned a corner and as a modern nation, no longer thinks in terms of caste at all.
The most surprising example of this view came from the founder of an organization dedicated to reforming the occupation most often populated by Dalits, the urban scavengers. This firm runs public waste facilities in urban areas and provides employment, ostensibly to members of any caste, but in practice heavily subscribed by Dalits. The firm’s birth was inspired by Gandhi’s 1917 campaign to de-stigmatize the ex-untouchables by insisting that every caste Hindu should clean his own toilets, a principle adopted by the Congress Party and promoted by the government in the late 1950s. Waste Management Corporation was founded as a response to a public health initiative started in the late 1970s that was ideologically compatible with the de-stigmatization campaign and has spread all over India as an industry intended both to improve sanitation and provide employment for those without more appealing options. Given this background, one might imagine the leadership of the firm would be acutely aware of employment discrimination. Not so.

“I haven’t come across anywhere where a Scheduled Caste has been denied a job because he is a Scheduled Caste,” the director explained.

Nobody can do it, even in the private sector. Private sector is more concerned about its profit and production. If someone is an asset, he or she is accepted....If a schedule caste person comes to me and he is brilliant, I will employ him.

Confidence in the basic fairness of the employment system was echoed in our interview with Mr. Palin, the manager of a large retail firm started fifteen years ago to supply the growing Indian market with household products. Today, the firm has 3500 workers all over India and competes for workers who are not from the top universities and institutes, since the wages in retail a modest, but rather the graduates of less prestigious training programs. When asked whether reservations were a good idea or a necessary practice, he answered, “if a person is capable enough, he or she doesn’t need reservation. There are enough jobs in the market; one can easily achieve what he wants....”

What matters - according to those who believe that opportunity is ample and, therefore, reservations are unnecessary - is talent. Those that have it will find work, regardless of their caste background, and those who do not, lack the necessary qualities and deserve to fail. As Mr. Sunasi, the HR manager of a large transportation firm, emphasized, cream rises:

We don’t hire people based on their caste and creed. The company sees only one thing and that is merit and that is the only one criteria.... I don’t think
there should be reservation on the basis of caste. Talent should be talent and should not be manipulated....

There should be no reservation in the private sector. No company will allow it. They need educated people and recruit only on the basis of merit....

Virtually every interview we collected includes a statement to the same effect. Yet, managers are aware that inequality is persistent, that low caste individuals have less opportunity than others in the labor market. Few would argue that this state of affairs comes about just because talent is differentially distributed. Instead, they suggest that a human capital problem, created by an educational system that disadvantages Dalits and OBCs, is producing a talent deficit in this population. The hiring manager for Global Productions insisted that unequal education is the root of the problem. When asked why it was that Dalits are virtually never employed in top private sector jobs, she responded:

I haven’t thought [about] it that way. I don’t think that it is true [that discrimination is at work]. I think it could be a lot to do the way our society is developed. There could be possibility that because Dalits are economically weaker, so they haven’t gone to best schools and colleges. That could be a reason. But if you have a level and a degree, no one can stop you.

Hence, the explanation for poverty and disadvantage in the lower castes has shifted away from the pollution taboos and enforced exclusion toward the institutions that certify talent. Almost to a person, the view among employers is that education - not affirmative action - is the key to uplifting the low caste population.

And here, some would admit, India lags behind. It has not invested as heavily in education as it needs to do and should feel some obligation to remedy the problem. Dalit students attend inferior schools and this, business leaders agree, needs to be addressed. Pradeep Wig, the Owner of Kwality Ice-Creams, is the author of an important report from the business community submitted to the Prime Minister in July of 2006. Wig is concerned that the government would even contemplate the idea of extending reservation to the private sector and likens the idea to the confiscation of private property.

What, then, is the appropriate diagnosis and remedy? “Frankly, corporations have no solution to the problem,” he explained.
We cannot progress in this regard [equal hiring] unless there is integrated schooling in India. In countries like USA, where you have integrated schooling, the young people grow up together. For fifteen to twenty years of their life, they have been together in the school despite the difference of colors.... Industries have little role to play. One should not have more expectation from industry.

Hence, investment in education and encouraging integration to break down barriers that divide Indians by caste will pay off in leveling the playing field. Then, and only then, can business be expected to show equal hiring rates, because it will be choosing from among equally qualified applicants.

Business elites express confidence in the notion that once a greater investment has been made, the playing field will be level and the natural, market driven, sorting devices will be able to operate as they should. Yet, it was striking in our interviews, how often HR managers argued that the business community should forge ahead in hiring as if equality of educational opportunity was already a reality. Hence, Mr. Sunasi suggests:

Instead of reservation, provide them free schooling and, then, let them face the competition. If talent is there in them, it will come out. I am personally against reservation even in colleges and jobs.

His counterpart at Global Productions agrees. “Reservation,” she told us, “this is a bad move.”

The caste or a particular social background does not qualify a person for any specific job. Why is a person getting into academics? A person gets in to perform, to achieve. So, you are killing the very purpose by letting people enter through reservation. You are killing your own institution.

She believes that investment in education for the poor will pay off as long as it is earned through hard work. Scholarships for the economically disadvantaged represent a sound response to the problem of under-representation of SCs in the formal sector:

See [a lower caste person’s] economic situation, if you have to help him. Let him study well, let him get his marks and then wave off his fees. Do a favor! Yes, do a favor, wave off his fees and do that for any
other, not for a particular caste, but that can be for anybody who provides the proof of income.

The fact that primary education is so weak in India, according to the manager of Security Services, puts the scheduled caste and poor children at a disadvantage from the very beginning. “In my perspective,” he explains, “elementary education has to be strengthened.”

Any parent who doesn’t send their children to school - the roadside beggars, the street children - they should be provided with primary schooling and it should be strengthened. They should be rigorous at the primary level; there should be standardization of education. Instead of giving them reservation in jobs and compromising merit, provide them elementary education…. Give them extra slots in schools for their personal grooming, overall personality development, and personal education. But [if we go] beyond this point, the country will go to hell.

His counterpart at the India Shoe Company echoes the same notion:

We do not support reservation. Productivity will suffer and the company will suffer. The Scheduled Castes should be given opportunities in education and after that; they should compete on their own…. There should be no reservation for any category of population in education either.

What are the pitfalls of insisting on reservation for the moment? Here, a litany of problems emerges. First, employers argue, acquiring a job through a reservation policy destroys the incentive to be productive. The HR manager of Kilim Chemical Company is certain that anyone who gets a job as a consequence of government-induced social engineering, will behave as if there is no relationship between performance and his ability to hold on to the job. He will take the position for granted and under perform. “In a corporate environment,” he explained, “[reservation policy] is disastrous because people use it as a trick.”

People take advantage and do not do any work…. This guy, like he says, because I am a Scheduled Caste, I will get away with anything that is not acceptable and it happens. That’s number one.

This manager worries that grievances will follow if a scheduled caste person is passed over or not hired, not unlike the problems he encounters with trade
unions, which he thinks, make trouble when they don’t get what they feel is their due. The trouble brings production to a halt and costs the company on the bottom line.

See, main chamar hun is liye muj ko nahin select karte (because I am a Chamar [SC], that’s why I am not selected]. That kind of thing is bad. In the private sector, if you reserve, they will bring productivity down.

Americans familiar with the debate over welfare reform will recognize the language here, though it is oddly transposed into a work context. Charles Murray, Lawrence Mead and other critics of the US system of public assistance argued that it was fundamentally flawed because it removed all incentives to work and recommended dismantling non-work related benefits in order to drive recipients into the labor force where they would have to sink or swim. Murray’s and Mead’s complaints had to do with what they saw as incentives to avoid the labor market altogether. Indian employers complain that reservation will incline low caste workers not to work as hard as they would if they had to “earn” their job and worry about whether they can retain it. Multiply that times the millions of workers who would come into their organizations by virtue of quotas and, they argue, the productivity of their firms would collapse.

The assumption at work here is that the purpose of reservation is not to level the playing field or permit a deserving Dalit to gain a job he would otherwise be denied for reasons of prejudice. Instead, reservation represents a political victory that enables the unqualified to game the system, forcing firms to permit indolent time-servers into a labor force that is scrambling to meet production targets. The hiring manager for Security Services says that he sees this problem at work when he recruits new employees from universities that practice quotas for Dalits in higher education. Their qualifications are simply not equal:

In terms of caliber, competence, and delivery, these people are far lower than their batch mates [non-reservation classmates]. I had an engineer from [SC] background. We had to take this person because the salary structure was not so good and, hence, the lower rungs of IIT [Indian Institute of Technology] graduates will come in the company.

He terribly disappointed me. No discipline, no competence, and no confidence. The person did not understand the basic rules and
fundamentals…. He was looking for small personal benefits, cutting
corners, low comprehensiveness, loosing the character of the company
because of low job delivery.

I have experience of five to six people coming from such background.
These people were from SC background, only carrying the tag of IIT,
but no way compared to their batch mates.

The outcome of the experience, he explained, was that the firm raised wages
to avoid being left with the dregs of the technical institutions.

For further proof of the damage reservation would do to firms’ competitiveness,
employers point to government organizations in their own fields. India has
had public hospitals for many decades. The employment manager of Fitness
Health, a private health care firm that operates hospitals for paying customers,
looks upon his “competition” with contempt and believes that if his firm were
forced to comply with reservation policy, they would end up in similar condition:

If there [were] reservation in this company, nurses and ward boys
won’t work and pay less attention to patients. See what is happening
in government departments. Incapable people are pushed in and,
ultimately, we all lose. These people do not work hard. They enter with
low [grades]. Our job is very technical and incompetent people cannot
be relied upon to [do] such work. There is no place for poor education
and technical skills in our institution. Our company will resist any kind
of caste-based reservation.

According to these employers, not only does reservation policy let the scheduled
caste beneficiaries off the hook, but it has also the potential to spread a
watered-down work ethic to others or so, the manager of Global Productions
explains. “What has the reservation system done to India’s education system?”
we inquired. “Somewhere, it affects the people who work hard. It de-motivates
them.”

Dalits fail under reservation, we were told, in part because they have
internalized the negative expectations that underlie the policy. Here employers
reflected an acquaintance with the position taken by some American black
conservatives that affirmative action casts doubt on the capabilities of its
beneficiaries, as well as race-mates who compete and succeed without any
assistance from social policies. This view posits that white students or
employees in American schools/firms will come to see any Black person as sub-
standard and able to gain entry to an elite institution only with the special help of a selection system that gives them preference for ascriptive reasons. Conservatives like Ward Connerly go on to argue that these preferential admissions policies undermine the self-confidence of minority students who come to believe that they are not really good enough to be in elite institutions. If the policy is dismantled, the only people who will be admitted are those who meet universal standards.

Pradeep Wig, the author of the report from the business community to the Prime Minister on the subject of inclusive employment, is inclined to extend this diagnosis to the Indian case as well. “The lower caste people are scared,” he insists.

They have already accepted that they are smaller [less capable] than the high caste people.... They have a low confidence level. I had one person from SC background; he is a scared fellow. He doesn’t even speak with me. They are so much oppressed that he doesn’t even question me.

Reservation exacerbates the problem, he claims, because it reinforces the view that absent a special boost, the SC employee would never hold the job he has. What is more, Wig worries, reservation will increase rather than decrease “casteism” in Indian firms. It will “increase the divide in companies” as positions are doled out via background characteristics rather than personal qualities. Groups will form to protect their positions within the private sector and the result will be division everywhere.

Trouble will follow as groups align themselves in opposition to the privileges extended to some. Employers can see that something of this kind has already happened in higher education, as upper caste students rally outside the medical schools to protest the claims of OBCs to a reservation quota for themselves. They fear similar forms of disruption in their own organizations if reservations are imposed on the private sector.

Finally, we see in some interviews arguments for fairness that see in reservation the creation of unfair advantage and inherited rights. On this account, reservation is itself unequally distributed. The Jodor Steel Company is thirty years old and has production facilities all over India. The firm produces pipes that supply gasoline and oil, and employs 12,000 core employees and an equal number of temporary workers. Owned by a Baniya family, traditional traders from northern India, the Jodor Company is a powerful manufacturing firm that
employs tribal peoples in the hinterlands all over India. The manager, who participated in this project, had experience of working in both the private and public sector. He was of the firm opinion that reservation policy is a disaster because it has become the preserve of one class of Dalits:

It is high time we should get out of [the quota system]. We must stop this. No one should avail of such a facility. It has become a privilege for them. Father was taking it; then his son and now his great grand son. It then becomes institutionalized. Government should stop it. Only the urban Dalits take the benefit of it and [the] rural class is kept deprived.

Readers familiar with William Julius Wilson’s argument in *The Truly Disadvantaged* will recognize a common theme here. Wilson argued that race-based affirmative action, while beneficial in many ways, ultimately would do little for the poor. Middle class African-Americans would be best able to compete under these conditions, while the poor would be unable to benefit. This is why Wilson argued for economic disadvantage as the basis for affirmative action. Both for reasons of political appeal to color blind policy and because the poor are the most likely to need recognition of special barriers, Wilson argued in favor of more universal policies with targeted benefits.

In the end, though, it would appear that reservation policy is a complete “no go” from the corporate perspective. In the twenty-five interviews we had, there was not a single supporter of the idea. At most, hiring managers were willing to support policies of educational investment, scholarships to reward deserving students, as a means of encouraging meritorious behavior and the future benefits that are presumed to go with high achievement.

As the HR manager of security systems summed up the situation, nothing in the Indian experience of reservation policy since Independence inspires confidence that it is a viable or desirable route for the private sector. Instead, it should be dismantled everywhere else:

Why should we need reservation after sixty years of [it]? We have not done our jobs, as corporate ventures, as politicians. It is just a waste of the country. Sixty years and every ten to fifteen years, their generations have changed and there is no material change at all. Sixty yeas and that’s enough. No more reservations are required.

India’s success in the international market place provides ample justification, as this manager sees it, for the wisdom of promoting competition, meritocracy,
and investment in the best. The least well off will receive the trickle down benefits of high growth if the country avoids fettering itself with anti-competitive policies.

All our Indian universities have tied up with foreign universities, and now what for we need reservation? Today it has reversed; foreign companies are coming and tying with us. IIMs are opening up campuses outside [of India] because they have intellect to cater to others. Why can’t people from SCs come up?

We have spoiled the country and played with the people for fifty years…. It is people like us who are paying for these people.

7. In the Name of Globalisation

The language of meritocracy has spread around the globe along with the competitive capitalism that gave birth to it. Largely gone is the notion that patrimonial ties, reciprocal obligations, and birthright should guarantee access to critical resources like jobs. Those ascriptive characteristics continue to matter - now dressed up as “family background” rather than caste - hardly causes the managers we interviewed to skip a beat. They are convinced that modernism is the future of their firms and the future of the country. It calls for the adoption of labor market practices that the advanced capitalist world embraces and a blind eye to the uneven playing field that produces merit in the first place.

What are the consequences of this cultural shift, of the spread of a common language that resonates with moral precepts of fairness, level playing fields? Can one argue against meritocracy in the modern world? Two responses come to mind. First, as we have suggested in this paper, the belief in merit is only sometimes accompanied by a truly “caste blind” orientation. Instead, we see the commitment to merit voiced alongside convictions that merit is distributed by caste or region and, hence, the qualities of individuals fade from view, replaced by stereotypes that - at best—will make it harder for a highly qualified low caste job applicant to gain recognition for his/her skills and accomplishments. At worst, they will be excluded simply by virtue of birthright. Under these circumstances, one must take the profession of deep belief in meritocracy with a heavy grain of salt. Anti-discrimination law is required to insist on the actual implementation of caste-blind policies of meritocratic hiring and, we submit, to question common and accepted practices of assessing
family background as a hiring qualification, for it may amount to another way of discovering caste.

Second, the findings in this paper return us to the question of how merit is produced in the first place. The distribution of credentials, particularly in the form of education, is hardly a function of individual talent alone. It reflects differential investment in public schools, health care, nutrition, and the like. Institutional discrimination of this kind sets up millions of low caste Indians for a lifetime of poverty and disadvantage. As long as the playing field is this tilted, there can be no real meaning to meritocracy conceived of as a fair tournament.

This is not to suggest that a commitment to competition is, in and of itself, a bad idea or a value to be dismissed. It is a vast improvement over unshakeable beliefs in racial, religious or caste inferiority, for it admits of the possibility that talent is everywhere. Until the day that institutional investments are fairly distributed, policy alternatives will be needed to insure that stereotypes do not unfairly block the opportunities of low caste Indians and rural job applicants.
Endnotes


2 The official unemployment rate among the Scheduled Castes in urban India is 10.5 per cent as against 8.2 per cent for the “Other Backward Castes” and 6.8 per cent among upper caste Hindus. It was 8.1 per cent among Muslims and 10.9 per cent among other minorities. Unemployment for the entire urban population was 8.3 per cent. These figures are based on the 61st round of the National Sample Survey carried out in 2004-05. Prime Minister’s High Level Committee (2006), Social, Economic and Educational Status of the Muslim Community of India: A Report.

3 See especially Sukhadeo Thorat, Paul Attewell and Firdaus Rizvi in this volume. It is more likely the case that employers and hiring managers understated the degree to which bias influences hiring than overstate it. As Pager and Quillian (2005) show in a comparison of results from an audit study and a telephone survey of the same employers, those, who indicate an equal willingness to hire black and white ex-offenders, actually display large differences by race in audit experiments where they are given an opportunity to consider matched pairs differentiated only by race.

4 Hiring managers often do not know exactly how many contract or temporary workers their own firms employ, particularly if they are spread out all over the country. Hence, it could easily be the case that the total workforce of these firms is closer to 300,000 than the 210,000 we can total up. But the data on the demographics of contract labor is less reliable by far than what we have on the core labor force and, in any case, the hiring managers, who participated in this study, are not responsible for actual hiring decisions where contract labor is concerned. This is an important limitation, though, because for many low skilled Dalits, the opportunities, provided by contract positions, are undoubtedly more important than the positions that are at issue for the core labor force.

The smallest of the firms has only 135 core employees, while the largest has approximately 100,000. They range from manufacturing- still heavily represented in the city of Delhi - to service firms, especially hotels and restaurants. Many of the firms were founded as family enterprises and some still are. A number of them began as British owned production companies in the colonial era, transferred to Indian management after Independence, and have now been absorbed into multi-national firms.
Most were family run firms that have now transitioned to what interviewees refer to as “professional management,” by which they mean that network-based hiring has declined in favor of more formal sources of recruitment, including websites, newspaper advertisements, on campus interviews, and “headhunters.” These avenues do not entirely preclude the exercise of personal ties, as we shall see below, but it has become a matter of pride to move away from total reliance on “in group” recruitment as the former is regarded as too traditional, while more formal and open routes have been deemed more modern.

### Firm Type and Size

<table>
<thead>
<tr>
<th>Firm Type</th>
<th>Number of Core (and Contract) Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>8,000</td>
</tr>
<tr>
<td>Hotel</td>
<td>550 (100)</td>
</tr>
<tr>
<td>TV and Magazine</td>
<td>700</td>
</tr>
<tr>
<td>Auto manufacturer</td>
<td>4,500 (3500)</td>
</tr>
<tr>
<td>Shoe manufacturer</td>
<td>10,000 (2000)</td>
</tr>
<tr>
<td>Daily newspaper</td>
<td>3,000 (800)</td>
</tr>
<tr>
<td>Chemical company</td>
<td>1,100</td>
</tr>
<tr>
<td>Tobacco manufacture/hotels</td>
<td>20,000</td>
</tr>
<tr>
<td>Health care</td>
<td>4,000 (1800)</td>
</tr>
<tr>
<td>Steel manufacturer</td>
<td>11,000 (10,000)</td>
</tr>
<tr>
<td>Food processor</td>
<td>150</td>
</tr>
<tr>
<td>National airways</td>
<td>6,000 (2400)</td>
</tr>
<tr>
<td>Security firm</td>
<td>100,000</td>
</tr>
<tr>
<td>Alternative medicine</td>
<td>3,000</td>
</tr>
<tr>
<td>Air conditioning manufacture</td>
<td>300 (700)</td>
</tr>
<tr>
<td>Courier/cargo</td>
<td>no data</td>
</tr>
<tr>
<td>Public toilet placement/cleaning</td>
<td>3,500</td>
</tr>
<tr>
<td>Retail home furnishings/clothing</td>
<td>no data</td>
</tr>
<tr>
<td>Hotel</td>
<td>1,000 (100)</td>
</tr>
<tr>
<td>Automobile manufacturing</td>
<td>7,000 (42,000)</td>
</tr>
<tr>
<td>Watch manufacturing</td>
<td>2,800</td>
</tr>
<tr>
<td>Hotel/restaurant/food processing</td>
<td>2,000</td>
</tr>
<tr>
<td>Ice cream manufacturer</td>
<td>no data</td>
</tr>
<tr>
<td>Communications/video</td>
<td>800</td>
</tr>
<tr>
<td>E-commerce</td>
<td>135</td>
</tr>
</tbody>
</table>

5 All company names have been changed and identifying details modified slightly to protect the privacy of the firm and that of our interview subjects.
6 BIMARU is an acronym coined by demographer Ashish Bose to refer to India’s less developed states of Binhar, Madhya Pradesh, Rajasthan, and Uttar Pradesh. The word Bimaru in Hindi means someone who is perennially ill.

7 Having long suffered from pollution taboos that forbid the higher castes to associate with them, Dalits were confined to jobs (often no more than forced labor) as “scavengers,” responsible for cleaning latrines, dealing with dead bodies or animals, and working with leather, which must be cured in urine. All of these traditional occupations are regarded with disgust by other castes. Gandhi famously insisted that his fellow Brahmins clean their own toilets and for this, he was regarded as a turncoat by millions of high caste Hindus.

8 http://select.nytimes.com/search/restricted/article?res=F70C1FFD3B5A0C708EDDAC08945DE404482 OBCs pushed for an additional 27 per cent of positions in higher education to be reserved for them.


10 This is the only participant in our project whose real name is being used here because he is speaking as a public figure, the author of a major government report, rather than as a business owner whose hiring practices are at issue.

11 ASSOCHAM report on Concrete Steps by Indian Industry on Inclusiveness for the Scheduled Castes and Scheduled Tribes, submitted to the Prime Minister of India, July 27, 2006

12 The former regent of the University of California who has sponsored successful ballot initiatives to make affirmative action by race or ethnicity illegal, on the grounds that it diminishes the confidence of minority students, causing them to question the legitimacy of their own achievements, as well as the illegitimacy of policies that are not “color blind.”
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