



Economic Inequalities and its Relationship with Caste System

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Abstract

In the hierarchy of the caste system, each and every class possesses a significant role, place and status. For years now researchers have studied and concluded the relationship between wealth and the caste system. It is often observed in India that limited and restricted access to basic amenities is available to the lower class while preferential treatment in education and other facilities to the upper class leads to social and economic inequality. It was observed that the concept of pollution and purity is attached to the individual's caste. In contemporary India, caste proves to be a major reason for the perpetual difference in socio-economic status. The central objective of the research paper is to analyse the relationship between wealth and caste and its inequalities. The research is purely based on existing literatures which are books, the internet, magazines, newspapers, etc.

Keywords- Caste System, socio-economic status, inequalities

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I. Introduction

Caste plays an essential role in the Indian's economic life. The caste system is very closely and strictly associated to the economic status and the economic inequality in the society. According to the statement given by United Nations:

The Sustainable Development Goals (SDGs) accentuate equality of opportunity and reduce inequalities of outcomes, law, policy and social practice, and socio-economic inclusion of all under the one goal to leave nobody behind. To empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic status (SDG 10).

The question of inequalities and their consequences have been a major area of research in developmental economics and sociology not only in India but across the globe. It is widely acknowledged that caste is proved to be a central determinant for deciding the individuals' economic and social status which is also associated with polity and power in society. There are very few systems in the world that have survived as long as this one. According to Thorat and Joshi in the article, *The continuing practice of untouchability in India: Patterns and mitigating influences*:

In India, the caste system is one of "the longest survival systems of stratification in the world." It has been rooted in the theological model of cosmogony in Hindu scriptures' (2015).

The roots of this system can be identified from the Hindu Varna system where people are divided into four categories: the Brahmins who were priests and teachers in the ancient period, the Kshatriyas who were basically warriors, the Vaishyas were traders and moneylenders and the Shudras who were engaged in the service based jobs. Besides these four categories, there also exists a fifth category which was known as 'atishudras' who were the lowest of the low caste. They were excluded from the Varna system. In addition to being mutually exclusive, these groups of Varna were also hereditary, endogamous, and based on occupations. The caste system we follow today is the successor of the Varna system. After India attained its independence there was a genuine attempt to eradicate the caste system. As the chairman of the drafting committee of the Constitution of India, Dr Babasaheb Ambedkar included articles such as 14 (Equality before law), Article 15 (non-discrimination on the basis of religion, race, caste, gender, or place of birth) Article 16 (Equal opportunity of employment) and article 17 (Abolition of untouchability). According to Ambedkar In rural India, one of the

arresting features of the caste system is that different castes are placed vertically one after the other following the “principle of gradation and rank” (Ambedkar, 1987).

The untouchables were later classified as ‘Scheduled Caste’; they were the most discriminated and depressed people in India. But apart from them, a large proportion of groups belong to tribal areas with the same discrimination, they later were identified as ‘Scheduled Tribes’ and, recently, another group of castes called other ‘Backward Castes’ (OBCs). The caste groups who enjoyed higher status and were not discriminated against were called ‘Forward Caste’ which included Brahmins and Kshatriyas. Thus, the structure we observe today is based on historical practices. Casteism leads to extreme inequality in society thus to correct the system and to provide each individual with equal status with equal socio-economic background, the ‘reservation system’ was introduced where a certain percentage of government jobs and seats in educational institutions are reserved for women and minorities such as SC and ST category. The socio-economic structure and conditions of SCs and STs have improved due to improvements in overall socio-economic programs over time. Even now people in India continue to define themselves by the caste they belong to and the social group they exist in. Thus it can be said that the caste system affects the social identity in the Indian context which can be labelled as status. Thus the implications of caste involvement across a variety of Indian economic spheres must be understood. Over a period of time, the picture seems to be changing as the gap of inequalities socially and economically is reducing but still, some measures need to be taken for complete eradication of this system, as the roots of this are deep and which have the capacity to cause major harm.

Relationship between Caste and Economy

Structural and economical changes have gained new opportunities and challenges in the last few decades. The trade and the policies of liberalization, privatization and globalization have given India a major boost to be one of the strongest economies in the world. The occupation from ancient India is on the Varna system that is based on caste. People of a specific caste performed a specific job. The jobs are not interchanged between the people of other castes. A caste may be defined as “a small group of persons featured by endogamy, hereditary membership, and a particular style of life that often includes the tradition of following a particular occupation and usually associated with a more or less distinct ritual status in a hierarchical system” (Béteille, 1965). Social roles like profession became inherited in the Indian caste system, resulting in limited social mobility and fixed ranking hierarchies. Various research suggest that this system has been in existence for thousands of years. This network gained economic importance only after 1947, after independence, as India was more aggressively open to the world for trade but with the parallel existence of historical inequalities of the existing caste system.

Many reformers in India have tried to eradicate the caste system but still today it exists, causing an impact on the mind-set of people. The reforms to eliminate caste discrimination failed as the internal cooperation of the people was inadequate and the dominant caste was not submissive to the Varna system. Over the decades after independence, there has been convergence in education, income, and access to public resources across caste groups. It is observed that the caste-based system dominates and exploits economic opportunities. It is absolutely true that the lower caste from the very beginning remained sealed with low-paying jobs with low or no skill occupation for many decades. Thus, the significance of caste-based inequality lies in the fact that it involves the narrowing down of entitlement to economic and social rights from the top to the bottom. These economic and social inequalities “abound with historically denied opportunities to lower caste groups” which are “deeply rooted in the caste system in India for generations” (Deaton, 1997; Newman & Throat, 2007; Shah & Jodhka, 2010).

Caste and economic discrimination can be related in various sectors such as caste and labour market, caste and rural economy, caste and educational sector, caste and business and profession etc. Therefore we can say caste is associated in various ways with influencing the economic conditions of the individual. Studies have proved that lower caste men and women with limited finance and weaker networks experience being persistently identified with their caste background and, consequently, have an understandable preference for the scarce public sector jobs (Deshpande and Newman, 2007, Deshpande, 2013, Jodhka and Newman, 2007). Exclusion of lower caste individuals from the market can cause a severe and adverse effect on the economy as only one sector of the nation is dominant while the other sector will still be dependent, this can give a boost to poverty, discrimination, inequality etc. Caste discrimination can also lead to intergroup conflict which can be related to economics as the gap between rich and poor widens. The more the gap the more it will lead to the destruction of the economy. Economic efficiency is also affected by reducing the job commitment and effort among workers who perceive themselves as victims of discrimination, and by reducing the magnitude of investment in human capital by discriminated groups because the return on their investment is weakened. This is far from the model of a perfectly competitive market economy [Birdsall and Sabot 1991]. Speaking about India in particular, the policy of the nation is towards the improvement of agricultural land, increasing entrepreneurship, capital for business, and a zero unemployment ratio etc. The economic policy is an attempt to reduce discrimination and

gain equality. These policies and especially an attempt to bring forward the depressed class who are in denial of equal economic status. Even after decades after independence, India is still in the stage of development. To change the nature of the country and to push itself from developing status to a developed country, social and economical measures are to be taken, which includes various government schemes for the depressed class, economic measures like subsidy and concessions are to be provided, and gender biases are to be reduced etc.

Initiatives taken by India to reduce caste discrimination

There are various initiatives taken in India through the constitution to eliminate caste discrimination. Some of the major articles are:

Constitutional provision:

- **Article 15- Prohibition of Discrimination**

The article states that there should be no discrimination on the basis of religion, race, caste, sex, or place of birth. Due to this provision, the depressed class gained access to work and live under humane conditions.

- **Article 16- Opportunity of Equality**

The basic aim to include this article in the constitution was to allow equal opportunity for employment for depressed classes. The article states that citizens shall not be excluded from any office under the State solely because of their religion, race, caste, sex, descent, or place of birth.

- **Article 21-A- Compulsory Education**

This article was included in the constitution in 2002 through the 86th amendment act. Education is one of the crucial tools to eliminate caste discrimination and to gain higher economic status thus to fulfil this agenda this article of compulsory education was included. The article states that The State shall provide free and compulsory education to all children of the age of six to fourteen years in such manner as the State may, by law, determine.

- **Land Ceiling**

Individuals and corporations were restricted from owning a certain amount of land, known as a 'ceiling' on land ownership, and surplus land was redistributed to the landless by the government.

- **Article 243D. Reservation of seats. -**

(1) Seats shall be reserved for-

- i) Schedule Caste
- ii) Schedule Tribes

in There shall be, as close as possible, a proportion between the total number of seats to be filled by direct election in every Panchayat and the number of seats reserved so that they correspond to the population of the Scheduled Castes in that Panchayat or the population of the Scheduled Tribes in that Panchayat, and such seats may be allocated by rotation to different constituencies.

II. Conclusion

The central aim of the research paper was to examine and understand the relationship between caste inequality and its association with economic disparities. It is concluded that Hinduism views the Varna system as the backbone of the bifurcation of individuals into the caste system. Till today work and caste are interrelated. Therefore it can be said that caste played a dynamic role. Various challenges and discrimination are faced by the lower caste people by the superior caste. Even after independence the caste system was not fully vanished till today cases of untouchability and lynching are recorded which proves that the society is still practising it, and due to this a major social impact is caused on the economy. After a brief study of both the factors, it can be concluded that there is a deep connection between caste and economic inequality with other factors related to it such as education, poverty, per capita income, consumption etc. due to the non-availability of resources such as education, skills to perform a certain job, social discrimination to other caste people the poverty and inequality increases. It is observed that to reduce this only asset acquisition is not enough. The mentality and attitudes that stem from a sense of superiority based on caste and religion should be changed. The current gap between the forward class and the other caste is wide which needs to be reduced by proper implication of government policies with social awareness amongst people.

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