

A solution in search of a problem

Instead of addressing inequality, the 10% quota for economically weaker sections creates huge anxieties



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If the number of demands for implementing reforms is any guide, India's reservation system is clearly in disarray. However, it is unlikely that the recently passed Constitution (124th Amendment) Bill, 2019, creating a 10% quota for the economically weaker sections (EWS), will serve as anything more than a band-aid.

Given the deep inequalities prevalent in access to education and jobs based on caste and socio-economic status, affirmative action (or positive discrimination) makes a lot of sense. However, the system that was put in place during the early years of the Republic deserves serious re-evaluation in an era when technology has paved the way for deploying a better equipped arsenal. Here I present an evaluation of the potential implications of the EWS quota Bill, followed by some alternatives.

Excluding no one

The Bill promises 10% reservation to individuals classified as economically backward. However, while a number of criteria were discussed in the parliamentary debate, the Bill is quite silent on this. Assuming that among the criteria discussed in Parliament, those that are currently applied to the definition of the Other Backward Classes (OBC) creamy layer are the ones to be used, it is not clear how useful they would be. While the OBC creamy layer has been created to exclude people who are clearly well off, the EWS quota, in contrast, is expected to focus on the poor. One of the criteria – the

income threshold of ₹8 lakh per annum – has been mentioned. The National Sample Survey (NSS) of 2011-12 shows that the annual per capita expenditure for 99% of households falls under this threshold, even when we take inflation into account. Similarly, as per the India Human Development Survey (IHDS), the annual household incomes of 98% of households are less than ₹8 lakh. Even if we apply all the other criteria for exclusion (e.g. amount of land owned and size of home), the Bill would still cover over 95% of the households. So, who are we excluding? Almost no one.

While the benefits of the EWS quota are likely to be minimal, the cost may be higher than one anticipates. First, it is important to remember that general category jobs are open to everyone, including Scheduled Caste (SC), Scheduled Tribe (ST) and OBC individuals. Thus, by removing 10% jobs from the "open" category, it reduces the opportunities for currently reserved groups. Hence, this is by no means a win-win situation. This may be particularly problematic for OBCs since OBC reservation is limited to 27% of the seats whereas the OBC population is at least 40% of the population, possibly more. Thus, this move is almost certain to result in calls for greater OBC reservation, particularly if a constitutional amendment to increase the proportion of reserved seats from 50% to 60% is already being adopted.

Getting caste certificates

Second, actual implementation of the EWS quota could be challenging. Few non-SC/ST/OBC individuals have a caste certificate. A large number of SC/ST/OBC households report difficulties in obtaining these certificates. How would an individual practically lay claim



to this status?

Third, in an era when skill demands are rapidly outpacing supply of candidates in specialised fields, the EWS quota increases the constraints. If a university advertises for an associate professor for quantum physics under the EWS quota and the only suitable candidate happens to be from an OBC category, she could not be hired. These challenges occur for all positions under specifically reserved categories and we have chosen to live with these difficulties in the interest of the greater good of equity. However, there is little benefit to be derived from the EWS quota.

Redesigning reservations

Arguably, the greatest cost of this amendment lies in the foregone opportunity to develop an enhanced and more effective reservation policy so that we can genuinely see an end to the entrenched inequalities in Indian society in the medium term. We have gotten so used to business as usual that we make no effort to sharpen our focus and look for more effective solutions, solutions that would make reservations redundant in 50 years.

If we were to redesign from scratch, what would an effective affirmative action policy look like? If the goal is to help as many people as possible, we are facing a serious challenge. On the one hand, 50% reservation looks very large;

in the grand scheme of India's population it is a blunt and at times ineffective instrument.

The following statistics from the Union Public Service Commission provide a sobering view of ground realities. In 2014, only 0.14% applicants to the UPSC were selected. Moreover, the general category and OBCs have the highest success rate, about 0.17%, and SCs have the lowest, about 0.08%. This may be because of the perception that it is easier for SCs to be recruited via the reserved quota and this may have led to a large number of SCs taking the civil services examination. One might say that many of these candidates are not qualified for these jobs. However, if we look at the candidates who made it past the preliminary examination (providing preliminary quality assurance), the picture is equally grim. Only about 8% of the candidates who took the main examination succeeded. Here the success rate is 8.2-8.3% for SC and ST candidates, 9.9% for OBCs and 7.8% for the general category. This suggests that in spite of the grievances of upper castes, reserved category applicants are not hugely advantaged.

The above statistics tell us that in spite of reservations, a vast proportion of reserved category applicants do not find a place via the UPSC examination. I suspect statistics from other fields may tell a similar story. This implies that if we expect reservations to cure the ills of Indian society, we may have a long wait.

Spread the benefits

Hence, we must think about alternative strategies. One strategy may be to try and spread the benefits of reservations as widely as possible within the existing framework and ensure that individuals use their reserved category status only once

in their lifetime. This would require that anyone using reservations to obtain a benefit such as college admission must register his/her Aadhaar number and she would be ineligible to use reservations for another benefit (e.g. a job) in the future. This would require no changes to the basic framework but spread the benefits more broadly within the reserved category allowing a larger number of families to seek upward mobility.

A second strategy might be to recognise that future economic growth in India is going to come from the private sector and entrepreneurship. In order to ensure that all Indians, regardless of caste, class and religion, are able to partake in economic growth, we must focus on basic skills. We have focused on admission to prestigious colleges and government jobs, but little attention is directed to social inequality in the quality of elementary schooling. The IHDS shows that among children aged 8-11, 68% of the forward caste children can read at Class 1 level while the proportion is far lower for OBCs (56%), SCs (45%) and STs (40%). This suggests that we need to focus on reducing inequalities where they first emerge, within primary schools.

The challenge we face is that our mindset is so driven by the reservation system that was developed in a different era that we have not had the time or the inclination to think about its success or to examine possible modifications. The tragedy of the EWC quota is that it detracts from this out-of-the-box thinking!

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