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**Rescuing exclusion from the poverty debate: group  
disparities and social transformation in India**

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## **Abstract**

This paper discusses the conceptualisation of group deprivation - particularly of *Dalits* and *Adivasis* - in recent poverty analyses in India. While the poverty debate highlights the severe inequalities that groups based on social identity are exposed to, it pays insufficient attention to the nature of exclusion these groups suffer from, and the causes of historically rooted deprivation. This paper explores the ways in which 'SC/ST' (Scheduled Castes and Scheduled Tribes) categories are applied in analysis and policy, the role of these categorisation in India's targeted poverty programmes and recent BPL (Below Poverty Line) Census, how these understate different manifestations of discrimination, and the risks that targeted programmes enhance stigma of groups.

## **Keywords**

Group inequalities, poverty, social exclusion, Dalits, Adivasis, targeting, stigma

# RESCUING EXCLUSION FROM THE POVERTY DEBATE: Group Disparities and Social Transformation in India <sup>1</sup>

## 1 Introduction

There has been, once again, a surge of interest in poverty analysis in India, and group disparities play an important role in this. This is not just of academic interest, but directly related to financial allocations for central government public programmes to states, while the debate on poverty estimates is also linked to the discussion on identifying the poor at local level. This article discusses the ways in which India's deprived groups - particularly *Dalits* and *Adivasis* - feature in these discussions. While the poverty debates highlight the severe inequalities that groups based on social identity are exposed to, the poverty focus within the debate and policies under the 'Inclusive Growth' agenda tend to pay insufficient attention to the nature of exclusion these groups suffer from. Moreover, against concerns in the international literature of the possible stigmatising effects of targeted programmes, the article explores the risks of the way in which 'SC/ST' (Scheduled Castes and Scheduled Tribes) categories are applied in analysis and policy.

The structure of this paper is as follows. It first summarises some of the main features of the recent poverty discussion in India, and how this relates to new proposals for identifying the poor, the BPL (Below Poverty Line) Census. The second section describes the evidence from household surveys about disparities between social groups, which have changed little over time, with most recently particularly *Adivasis* falling further behind. I then move to the frameworks of public policies to address social disparities that have been in place in India for over half a decade, with its modifications, and the way in which attention to deprived groups has been enhanced in recent programmes like Sarva Shiksha Abhiyan (SSA) and the National Rural Employment Guarantee Act (NREGA). Section four discusses the principles of targeting of the poor, and how this relates to universalisation, as discussed in the international literature. Questions posed here include whether universalisation facilitates specific attention to specific deprived groups, regarding the pros and cons of using social groups or social identity as a category of targeting, and the political and administrative dynamics of this in the Indian context. The conclusion provides ideas about ways to strengthen

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<sup>1</sup> This paper was prepared during a ICSSR-NWO-funded research visit to India, to develop research collaboration on policies to address group disparities. I thank S.K. Thorat and R.P. Mangan for their hospitality and encouragement to work on this paper, and the IIDS staff for the many discussions and insights. I am grateful to Manjula Pradeep for showing me the important work of Navsarjan in Gujarat. I also thank Zoya Hassan, Harsh Mander, and N.C. Saxena for their time to discuss my ideas, and ISS students for their enthusiasm in discussing these important issues.

policies vis-à-vis deprived groups, and why in my view exclusion needs to be ‘rescued’ from the poverty debate.

## 2 Recent poverty debates

After the controversy over the comparability of the 1999-2000 NSS data had died down with the availability of the 2004-05 data, new questions emerged about the adequacy of the poverty line used, particularly for rural areas. With an unchanged poverty line, India’s headcount poverty for rural areas in 2004-05 became 28 percent, down from 36 per cent in 1993-94, but much higher poverty rates particularly in rural Orissa (48 per cent), rural Jharkhand (46 per cent), rural Chattisgarh (41 per cent), areas that have large concentrations of ‘tribal’ populations. A growing number of voices started to assert that the national poverty head-count seemed too low, and the poverty line set at too meagre standards. Concerns at national level were complemented at state level, for example by Bihar Chief Minister Nitish Kumar (2007), who argued that the 2004-5 levels of rural poverty were too low. The new World Bank poverty figures for \$1.25 per capita per day on Purchasing Power Parity (PPP) basis suggested a national poverty rate of around 42 percent.<sup>2</sup> The Arjun Sengupta Commission’s estimate emphasised that a very large population of the non-poor population (according to the official poverty line) is only just above that line: application of a Rs.20 per day poverty line brings the number of people living in poverty to 800 million, or over 75 per cent of the Indian population.

The Tendulkar Committee, of which the recommendations were accepted by the Planning Commission in April 2010, has brought India’s rural poverty line up significantly, bringing it very close to the urban poverty line. Taking into account earlier discussions of the adequacy of India’s poverty line,<sup>3</sup> the Tendulkar committee (Planning Commission 2009) updated the expenditure basket and revised the poverty line and consequently estimated the percentage of poor people in India at 37 per cent, or 435 million, almost 10 percentage points higher than the earlier estimate. This estimate is of crucial relevance, including because it sets the norm for the number of people that are entitled to anti-poverty schemes, which are identified using a different exercise, as described next.

Since 1992, the India’s Ministry of Rural Development has carried out a Census to identify the people below the poverty line (BPL) in rural areas that are eligible for various programmes of various Central Ministries and State

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<sup>2</sup> This revision – while called \$1.25 as compared to \$1 – does not imply a higher real poverty line; in fact the consumption it represents is slightly lower (Chen and Ravallion 2008). The revision as proposed in the Tendulkar (2009) report brings India’s poverty line again close to the international poverty line.

<sup>3</sup> Sen (2005), Himanshu (2008), Dreze and Deaton (2008) show that the percentage of households with calorie consumption below the norm has been *increasing* since 1987.

Departments.<sup>4</sup> As described in the Saxena Report (2009), which focused on the need to formulate a new BPL methodology, there is now much experience with this process, which presents critical lessons regarding the possibility of effectively targeting benefits,<sup>5</sup> which are becoming increasingly pertinent as the Indian National Food Security Act will come into operation.

At the same time, evidence shows problems with targeting methodologies. The procedure for identifying the poor has become more complex, as an income cut-off point was replaced with multi-dimensional indicators. There is evidence that some lists were completed in offices rather than actually being carried out. Field research by Drèze and Khera (2010), Rodgers and others (2010) highlight that the current methods to target the poor are blunt instruments. While the number of BPL beneficiaries at state level should remain below the NSS data, in practice it exceeded it, while some of the poor that remained excluded were told that the quota had been reached. NSS data for 2004-05 showed that only 44 per cent of the poorest households (lowest quintile) possessed a BPL card, while 17 per cent of the households in the top quintile had one; 61 per cent of the poor were excluded, while 25 of the non-poor were included.<sup>6</sup>

The recommendations of the Saxena committee includes the creation of categories through which the few best-off are 'automatically excluded', the worst-off 'automatically included', and a grading off all the households in between. For the automatically included, in the view of the Saxena report, exclusion is 'intrinsically linked to caste, gender and social inequity, and ownership of assets like land', facing 'insurmountable social barriers to food and livelihood security', including: destitute living of alms, 'Primitive Tribal Groups', Maha Dalits (Most Discriminated Dalit Groups, like Musahars of Bihar and Uttar Pradesh), single women and their dependents, disables, minors heading households. For the categorisation of the middle group too, social group plays an important role, including Scheduled Castes and Scheduled Tribes (SC/ST, in much of the official documentation), Most Backwards Castes, and Other Backward Castes (OBC) and Muslims, alongside indicators of land ownership, education, health, and household headed by elderly people.

These recent developments have further intensified the efforts to target Indian social policies, using economic but also social-cultural categories. We will discuss the advantages and disadvantages of this below, after an overview of India's persistent group disparities and policy frameworks.

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<sup>4</sup> The list of these includes IAS, NSAP, SGSY, TSC, PDS, NMBS, health insurance, scholarships. The BPL Census method followed experience with IRDP in the 1980s, which highlighted significant inclusion and exclusion errors.

<sup>5</sup> Saith (2007) provides a detailed description and critique of the two-step procedure applied for the 2002 BPL Census.

<sup>6</sup> Saxena (2009: 20); quoting Himanshu (2008).

### 3 Group disparities in India

Alongside continued high poverty and large differences in poverty reduction across India, and generally independent of the poverty line chosen, disparities across groups are among the more striking feature of India's poverty profile. The NSS measure of consumption shows that in 2004-05 (61<sup>st</sup> NSS round) the average consumption of Adivasis (Scheduled Tribes, or ST) was a mere 70 per cent of the average, and that of Dalits (Scheduled Castes, SC) less than 80 per cent of the average.<sup>7</sup> Moreover, between the mid 1990s and mid 2000s, the rate of increase in consumption was lower for Adivasis than for the average, while Dalits too did not catch up with the population as a whole, as Table 1 demonstrates.<sup>8</sup> Despite a relatively stable Gini coefficient of income or consumption, India has been marked by growing regional disparities, and partly linked to that, enduring group disparities.

**TABLE 1**  
**Consumption disparities social groups in India (mean per capita consumption)**

	ST	SC	Other	All
1993-94	247	258	353	325
2004-05	265	298	416	379
as % of average	70%	79%	110%	100%
rate of increase	7%	16%	18%	17%

*Source:* calculations from NSS data by Amaresh Dubey

Disparities in consumption and consequently higher poverty rates are only one among the many dimensions of deprivation social groups are exposed too (Heyer and Jayal 2009). On average, they own less land, and/or their land less often is irrigated, have less access to better-paid jobs, and own fewer household assets (Desai et al. 2010: 37, 70). The research compiled in *Blocked by Caste* shows discrimination against low caste and Muslim job applicants, even in jobs with high qualifications, lower wages for SC and ST employees in similar jobs as higher castes, and - despite positive changes vis-à-vis traditional caste rules - discrimination in labour, land, inputs and consumer goods markets (Thorat and Newman 2010). Social groups tend to suffer, on average, from

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<sup>7</sup> Desai *et al.* (2010: 14 and 24), using IHDS 2004-05 data, show that the median household income of Adivasis is less than half of that of 'forward' castes, and poverty rates four times as high.

<sup>8</sup> These figures refer to averages. SC/ST communities also are represented in higher income groups, and occupy prominent positions in higher education and political institutions, but "many of those at the very top still suffer from untouchability, being socially ostracized, slighted, and continuously reminded of their status, even when they are well-placed from an economic point of view" (Heyer and Jayal 2009: 5).



worse health and education indicators, with for example Adivasis female literacy rates 30 percentage point behind that of high caste Hindu women, and vaccination rates being somewhat lower.<sup>9</sup> Targeted government programmes do reach out to poorest groups, but tend to be weakly implemented and insufficiently progressive, particularly in many of the poorer states. Moreover, Adivasis tend to be subjected to development-induced displacement, while Dalits in particular continue to suffer from practices of untouchability, and caste-based violence including against expressions of increased voice and upward mobility. It is important that these disparities have continued to exist despite an extensive range of measures for deprived social groups, as described next.

#### 4 Policy frameworks for deprived groups

Support to deprived groups is enshrined in the Indian Constitution, and is delivered through elaborate administrative and financial mechanisms. The origins of affirmative action or reservation policies are to be found in late-colonial organized movements, notably in the advocacy of Dr Ambedkar and Jotiba Phule. India's approach to historically marginalized groups draws on provisions made in the Indian Constitution, which contains explicit state obligation towards protecting and promoting social, economic, political and cultural rights.<sup>10</sup> The Constitution officially abolished untouchability, and the disadvantages arising out of its enforcement. It mandates positive discrimination in government services, state run and sponsored educational institutions and legislative bodies. Amendments to the Constitution have promoted representation in local governance structures.

In defining who to include in the Schedules, the government used the 1931 Census information at the level of *jati*, and a list created in 1936: for SCs this focused on backward communities in terms of untouchability or 'polluting' status, mixed with economic, educational and local political criteria; and for STs spatial and cultural isolation. The National Commissions for SC and ST are responsible for considering castes for inclusion or exclusion from

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<sup>9</sup> Desai *et al.* (2010: 88, 133-34); not all health indicators in this survey show substantially different indicators, but other sources tend to confirm disparities. Acharya (2010) and Nambissan (2010) describe social discrimination against Dalit children in schools and health care. Recent research on religious minorities, who unlike Dalits and Adivasis do not qualify for most special government programmes, shows that Muslims are also – and increasingly – suffering from disparities in indicators like child under-nutrition and education, and from a segmented labour market (Sachar Committee 2006: 43, 52, 95).

<sup>10</sup> The Directive Principles of State Policy commits the state to 'promote with special care the educational and economic interests of the weaker sections of the people and, in particular, of the Scheduled Castes and the Scheduled Tribes, and ... protect them from social injustice and all forms of exploitation.'

the Schedule, which needs to be ratified in Parliament. Group classifications have continued to go through various rounds of reformulation, of scheduling and de-scheduling. In the mid 1960s a committee recommended the de-scheduling of various communities, but this was resisted. The most significant and long-lasting impact came from the 1980 Mandal Commission Report, which introduced into the administrative and political arena the category 'Other Backward Classes' (OBC), of which the political consequences have been widely documented.<sup>11</sup> Both the process of scheduling and the principle of reservation have been heavily debated, including because of the idea that the numerically limited policies of affirmative action create a 'creamy layer' among deprived communities, and that the practices reinforce identities; we return to those issues below.

Policies to address deprivation for Dalit and Adivasi groups exist in a range of areas.<sup>12</sup> The first includes legal safeguards against discrimination. This includes enactment of the 'Anti-Untouchability Act' of 1955, which was renamed the Protection of Civil Rights Act in 1979, and the Scheduled Caste/Tribe Prevention of Atrocities Act of 1989. Under the first Act practices of untouchability and discrimination in public places and services is treated as an offence, while the second provides legal protection against violence and atrocities by high castes. These policy measures are monitored annually, with consistent high levels of violence. The second policy area focuses on the economic interest and empowerment of deprived groups, through education and anti-poverty programs. States can make special provision for the advancement of deprived groups, through reserved seats for SCs and STs students, supported by number of financial schemes, scholarships, special hostels, concessions in fees, grants for books, remedial coaching etc. A range of income generation programs for poverty reduction exist, and apex financial organizations to develop entrepreneurial skills and provide credits for deprived groups.

Recent centrally-sponsored schemes - and as discussed earlier the BPL methodology - have intensified attention to benefits for deprived social groups. Sarva Shiksha Abhiyan (SSA) focuses on ensuring that primary education reaches the children of poor families, with community-planning and -management key features of the realisation of these objectives. Inclusion of SC/ST children plays an important role, through its focus on access to schooling in remote rural communities, primers in local languages, and

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<sup>11</sup> See Jodhka (2010) for an insightful discussion of the notion of caste and its 'moments' of culture, politics and identity.

<sup>12</sup> This clearly articulated policy framework has been the outcome of different interpretations of the nature of, and policies to address, deprivation of marginalized groups. In her recent work, Zoya Hassan (2009) argues that caste divisions have been central to India's definitions of disadvantage, and that the idea of cumulative historical disadvantage rather than socio-economic disparities have remained central.

sensitizing of teachers for example. The National Rural Health Mission similarly aims to ensure access to health services in India's poorest areas, and also has a strong emphasis on community-based management, and promoting education and empowerment of - and representation in local committees by - Adivasi and Dalit women. The UPA government's flagship National Rural Employment Guarantee implies a legal entitlement for every poor rural family to 100 days of work at the minimum wage, and aims to end food insecurity, empower village communities, and create assets in rural areas.<sup>13</sup> As the scheme is 'self-targeted' - only people who are willing and able to work will enter - there is little specific attention for group identities, though there is a commitment to creating assets on the lands of Dalits and Adivasis.

The final, and most controversial area consists of reservation, operating in government services, admission in public educational institutions, and seats in central, state and local legislature and bodies.<sup>14</sup> Over time the scope of reservations has been expanded to include government housing, government spaces for shops and commercial activities, etc. Reservation quotas are formulated on the basis of shares of total population. Judiciary and defence are excluded from reservation. The reservation is accompanied by special provisions to enhance the ability of these groups to compete for government jobs, including relaxation of minimum age and of standards of suitability, relaxation in fees, provisions for pre-examination training, separate interviews, and provision of experts from SC/ST backgrounds on selection committees.<sup>15</sup> Thus, reservation in public institutions has come to dominate the debate on group deprivation in India (Heyer and Jayal 2009).

Successive Five Year Plans show gradual public policy changes. Initially, the focus was on the enforcement of legislation to prevent atrocities, and on focused and additive programs to the general development schemes, assuming these would be tailored at the field level to suit the needs of these groups. During the 5th Plan Period a new mechanism for fund allocation from the general budget was introduced. The Special Component Plan (SCP) provides financial allocation from the general sectors in state and central plans,

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<sup>13</sup> There is a rapidly growing literature on NREGA, for example through the report by the Comptroller and Auditor General, large-scale evaluation (Dutta et al. 2010), Khera and Nayak (2009) focusing on the impact on women, the role of social audits (Gopal 2009) and grassroot organizations (Khera 2008).

<sup>14</sup> The Constitution provides for reservation of seats for SCs and STs in the central and state legislatures, and in local bodies at district, *taluk* and village level. The constitutional provision of reservation is complemented by statutory provisions to enhanced political participation. Unlike the reservation in government service, there is a time limit for political reservation, extended every ten years.

<sup>15</sup> Affirmative action is confined to government and government-aided sectors of services and educational institutions. Private enterprises and educational institutions have been excluded from the purview of the policy. Under the coalition government formed in 2004 a debate about reservation in the public sector was initiated.

equivalent to the percentage of deprived groups to the population. During the 1990s, a 'rights and empowerment' discourse found currency, and the Plan committed itself to a three pronged strategy of social empowerment, economic empowerment and social justice. Successive government plans have envisaged a key role for civil society in the implementation of government programs, and in the consultation leading up to those plans. An important section of civil society has become part of the apparatus that implements targeted programs in rural and education sectors, and some of these efforts are likely to have reinforced the targeted approaches.

Monitoring of these programs is carried out by a number of official bodies. At the Government of India level the Ministry of Social Justice and Empowerment for Scheduled Castes, Other Backward Castes (OBCs) and Minorities, is responsible for monitoring - with corresponding departments at state level. In the 1990s National Commissions were set up to facilitate SCs, STs, OBCs, Minorities and the Safai Karamcharis (Scavengers) in claiming their rights - again with corresponding state commissions.

Relatively little academic or independent analysis exists regarding the impact of various policies - certainly compared to the rich body of literature in the US or UK. Analyses show strongly contrasting pictures, maybe particularly around reservation where the 'vulgar vote bank politics' in which these policies are embedded is contrasted with positive assessment of perhaps slow and intangible but very important symbolic changes brought by these public policies. Regular official monitoring reports and reviews have a strong focus on inputs, without for example assessing impact on poverty or human development indicators, let alone broader objectives around social transformation.<sup>16</sup>

In certain respects, the support to deprived groups has led to the opposite of what some of the progressive legislators more than half a decade ago intended, and made social identities ever more deeply entrenched in policy and political frameworks. We now turn to a discussion of the possible implications of the use of group categories in the targeting of benefits of public policies, starting with a brief discussion of the international literature on targeting.

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<sup>16</sup> The evidence on Orissa points to poor performance even at the level of utilization of funds – with the special programme for southern Orissa a prime example (de Haan 2008) One cannot generalize for this, but it does suggest that the programmes, per se are unlikely to make a big impact on deeply-entrenched social differences. What they have done, however, is contribute to reinforce the categories as such, of the labelling of blocks as 'tribal' (almost half of Orissa's block have majority tribal population), and common language that identifies poverty with tribal identity (discussed further below).

## 5 Targeting the poor: pros and cons

Who are the people entitled to the yellow or red coupons? ... What is the unit of entitlement ...? ... do the people in the village clearly understand it? ... why is there such a clamour for coupons for every member of the family? The above questions typically highlight what have come to be known as the inclusion and exclusion errors in the identification of the poor in India. These errors and the debate around the numbers of the poor have come to dominate the question of policy prescriptions like they never did in the past ever (Tripurari Sharan, Secretary, Department of Food and Civil Supplies, at Patna seminar on Poverty in Bihar, April 2010).

Targeting the poor has become an increasingly important feature of India's public policies, particularly of centrally-sponsored schemes like the Public Distribution Scheme (PDS) and more recently SSA, NRHM and NREGA as discussed above. The latter follows the self-targeting method of employment schemes, where only the most needy would be willing to supply labour for wages (though wage rates in NREGA are relatively high compared to market rates). For PDS, identification of the poor through administrative means is crucial, and will become even more important when the National Food Security Act comes into operation. Knowledge about 'inclusion and exclusion errors' is growing, and it is thus important to review what we know about the practices of targeting, first in general before we discuss practices of targeting towards social groups.

Since the 1980s, targeting has come to play a central role in the social policies of low-income countries (and in the OECD), and this move has been associated with the rise of neo-liberal approaches to economic and other public policies. While targeting is central to recent social protection programs around the world,<sup>17</sup> with a large literature on targeting errors and success, the social policy literature including that generated by UNRISD has been extremely critical of principles of targeting. Mkandawire (2005) argues that policy advice has not learnt from the historical experience with targeting, and that more equal societies have tended to lean towards universalism. Four issues in the debate on targeting are important for the discussions here.

First, there is the cost dilemma. On the one hand, targeting is seen, and became increasingly popular during the 1970s and 1980s, as a mechanism to reduce expenditure. On the other hand, it is generally recognized that the cost of targeting can be high: 'leakage' is common, and the administration of

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<sup>17</sup> See for example Barrientos and Hulme, eds. (2008), Fiszbein and Schady (2009).

targeting expensive;<sup>18</sup> India's PDS is a case in point, with very large differences in performance across states.<sup>19</sup> The administrative apparatus necessary may not be available in poorest countries or regions, and even if it does exist technical problems including aggregation of indicators continue to exist (including how to aggregate social identity and economic status). Implementation is likely to be subject to local power relations, and violence around the distribution of BPL cards has been noted in parts of India. Costs and leakage tend to vary greatly according to types of targeting: targeting based on income criteria is likely to be very difficult, while self-targeting as in employment schemes, or targeting on the basis of group characteristics (e.g. pregnant women, school-age children) is typically less expensive and less likely to lead to leakage.

A second question is whether targeting of benefits leads to reduced political support. There is a common assertion - though not to my knowledge sufficiently tested - that programs for the poor tend to be poor programs.<sup>20</sup> Also, universal programs would engender political support from the middle classes, unlike targeted programs, which imply the better-off have to pay for a program from which they derive no benefits. However, it is possible for targeted programs to be supported by a progressive middle class, and it may be equally true that support for benefits depends on the assurance that they do reach the 'deserving poor' (particularly if the delivery comes with conditions, such as sending children to school). India's Integrated Child Development Programme and many other targeted primary health, nutrition and school programs to my knowledge have seldom been openly opposed by the powerful or better-off.<sup>21</sup> Recent experience with targeted programmes, particularly in Brazil, also shows that it is possible - under specific circumstances - for political leaders to generate political commitment for targeted schemes.

Third, Tendler (2004) in particular has argued that targeting tends to contribute to a 'parcelization' and 'projectization' of social policy. Targeting is a convenient method for externally-funded projects, with limited time duration, and requirements to show time-bound result. This also implies a bias towards particular forms of partnerships, with agencies dedicated to such targeted programmes, in practices often operating outside mainstream line agencies (like social funds that became a popular donor instrument to channel benefits to the poor, starting in the wake of the crises and adjustment

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<sup>18</sup> Ravallion (2009) argues that cost calculations are less clear than suggested, and more attention should be paid to outcomes for poor people.

<sup>19</sup> The Planning Commission concluded that 58 per cent of subsidized food grains did not reach the BPL families, and the cost of transferring Rs.1 is Rs.3.65; people in Kerala received on average 4.58 kg of food grains, while in Bihar it was only 0.15 kg (Saxena 2010).

<sup>20</sup> For example Mkandawire (2005), quoting Amartya Sen.

<sup>21</sup> It is important to retain a notion of political agency in the analysis of social policy, and the historical lessons that much social policy is driven by the (enlightened) self-interest of elites or middle classes as well as class mobilisation.

programmes of the 1980s). Similar issues pertain to India's Centrally Sponsored Schemes, and the tendency of adding special and often overlapping programmes. Arguably, this is not unique to targeted programs, but ingrained in the federal nature of its policy making and implementation; however many of the Schemes do tend to have a targeted approach, hence to review the impacts of this is particularly important for these major schemes.

The increasing emphasis in India on rights in the implementation of public policies does have the potential to change the mode of implementation, as roots of enhanced accountability are clearly planted.<sup>22</sup> However, the proliferation of schemes at central and state levels continues. Moreover, the recent debates (and the Inclusive Growth model which emphasises the sharing of benefits of growth<sup>23</sup>) have a strong focus on targeted poverty programmes: not only does this make the question of impact of targeting more pertinent, but it also tends to reinforce a 'residual' notion of social policy, which focuses attention merely on the malfunctions of markets rather than transformation of institution.<sup>24</sup> This approach focuses on addressing specific needs, without considering their causes and patterns of social and economic exclusion. NREGA for example has been shown to be a successful cash transfer scheme, providing important relief to insecurity of poor workers, but the emphasis is strongly on the number of days worked, and much less on the contribution to rural infrastructure and agricultural improvement (or, indeed, land reform),<sup>25</sup> which would be central for sustained development and transformation of socio-economic relations.

A further argument revolves around the social and psychological impact of targeting on its beneficiaries. Because benefits are targeted, they provide little incentive for beneficiaries to 'graduate' out of the program (as they would lose the benefit), a problem that universal benefits would avoid. Targeted benefits can stigmatize groups of beneficiaries, as they single out a group of people as 'poor' and as 'beneficiaries' rather than 'participants', may lower their self-esteem, and might divide them according to specific programs.

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<sup>22</sup> <http://www.righttofoodindia.org/index.html>

<sup>23</sup> In the Foreword to the 11<sup>th</sup> Five Year Plan the Prime Minister stresses that inclusive growth implies that benefits must be "adequately shared by the poor and weaker sections of our society, especially the Scheduled Castes (SCs) and the Scheduled Tribes (STs), Other Backward Classes (OBCs) and minorities" (in: Mehta and Bhide, undated); the Plan emphasizes growth and human development, but the poverty debate has focused mostly on targeted programmes. See Dev (2008) for a discussion of inclusive growth policies.

<sup>24</sup> Since 2004, public policy has focused on social sector and social protection schemes, with apparently much less attention to productive sectors of agriculture, non-farm occupations, and other sectors, even though there is evidence that agriculture production, jobs, and rural-to-urban migration have grown only very slowly.

<sup>25</sup> [nrega.nic.in/.../Monitoring\\_&\\_MIS\\_Presentation.pps](http://nrega.nic.in/.../Monitoring_&_MIS_Presentation.pps);  
[nrega.nic.in/presentations/Checklist\\_st\\_monnrega.doc](http://nrega.nic.in/presentations/Checklist_st_monnrega.doc).

Again, these issues are context-specific, and to some extent a question of design. Targeted benefits can be a 'right', as in India, thus achieving inclusion in terms of access to state provisions. Targeted schemes can encourage participation, and can lead to political mobilization. The incentive issue too can be incorporated into program design: for example if wages are provided below market level, and schemes only operate during times when no employment is available, it is unlikely that beneficiaries would become dependent on the scheme.

Thus, there are many unresolved questions regarding the need and possibilities of targeting the poor. Universalism does not preclude targeting, and indeed the classic social policy literature highlights the potential progressive role of 'targeting within universalism'.<sup>26</sup> We now turn to the question of targeting using group and social identity.

## 6 Social groups as targeting category

during the process of enumeration of various castes under the census operations in pre-Independence India, there was a clamour from several communities for being enumerated as members of higher caste as against their existing status ... people seeking higher social status in the country. The contrast with the situation today cannot be missed. By attempting to get itself enumerated in the ranks of the poor a family is obviously not doing anything that may even be remotely associated with attempts to improve its social status... There is, in a sense, a premium on poverty. The stigmatic connotations of poverty in social terms seems to have waned for all practical purposes. (Tripurari Sharan, *op. cit.*)

Sharan may have over-stated the extent to which the stigma of lower castes may have disappeared, but his point about the impact of the way in which government programmes are implemented is an important one. The use of social group and identities is very different from the use of targeting categories and practices in social protection programmes elsewhere, such as pregnant mothers, or associated with changes in behaviour such as school or health care attendance. The Indian practice of adding social group (and

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<sup>26</sup> Skockpol, quoted in Echeverri-Gent (1993: 197 ff), implying specific programmes through which universalistic policy is implemented in for example education, health, and employment. See P. Sainath's note on universalisation in the Saxena (2009) report on BPL.



historical disadvantage) as category of targeting has a number of implications, which require further reflection.

As indicated above, the international literature is concerned about the stigmatisation that targeted benefits create, as they single out a group of people, which may lead to lowering of their self-esteem, and resentment amongst those that do not receive the benefits. Galanter (1984: 551) discussed this with respect to affirmative action in India, but the literature - alongside political differences - remains divided over the question. Guru (2001) sees the application of categories as a deliberate and artificial construction of the state, trapping deprived groups into passivity and subordination. Simultaneously, there is clear evidence of resentment against affirmative action in India, as elsewhere, but there is also evidence and recognition of the positive benefits, as many people in senior positions are unlikely to have got there in the absence of affirmative action, and they do provide role models for others (the absence of affirmative action for Muslims is arguably one of the causes for the relative lack of progress in education indicators).

While the impact on own and others' perceptions, and whether it was stigma or affirmative action that came first remain a matter of dispute, the use of social group in public policies does seem to have *reinforced* group identities. It may be important to stress that these social identities are not primordial, but created and reinforced through social and policy practices, and as such are heavily disputed. Classifications of communities, and creation and dismantling of caste categories have been criticized. Inconsistencies in comparisons across states, sometimes even regarding classification as 'caste' or 'tribe', are almost inevitable. Critics of reservation have argued that they are based on too broad categories indicating collective deprivation of communities, and that some communities - notably Muslims, and OBCs earlier - are wrongly excluded from affirmative action. The application of preferential policies has seen a continuous expansion of entitlements, thus weakening a focus on the most marginalized groups, and arguably diluting the focus on the causes of their marginalization.

In the Indian case, political dynamics - notably those of 'vote banks' - have given a tremendous impetus to the expansion of preferential policies, to different spheres and for a growing number of groups. Since the decline of the hegemonic power of the Congress Party, caste politics, or the 'democratic incarnation of caste' (Shah 2002: 28) has become a central feature of Indian politics and public debate even while caste-related phenomena like rituals and association with occupation are changing (Beteille 2007). Even the Hindutva movement of the 1990s did not stop the ascendancy of caste as organizing political framework. This has taken the practices of preferential policies far beyond their original motivation and continued to extend the life of the affirmative policies that were designed to be in existence for a period of ten years only.

We know very little about the stigmatizing effect of special provisions for social groups, and clearly more research is needed. Affirmative action has contributed to political opposition and even polarization, while they have also contributed to an enhanced articulation particularly of a Dalit identity. Where the stigma of Dalits and others continue to exist, special provisions may become part of discriminatory attitudes. Research by Nambissan (2009: 23) which highlighted both severe social discrimination in schools *and* increased assertion by lower caste children, also showed how special programs contribute to stigmatisation, with higher caste boys teasing “you are of low caste, you get scholarship, we do not.” What this suggests is not that affirmative policies are undesirable - clearly the stigma of caste precedes that of that possibly brought about by affirmative action - but that policies need to be sensitive to the nature of exclusion, and ensure safeguards against informal mechanisms of discrimination are an integral part of policy implementation.

While the categories of social groups also have become firmly rooted in the discourse and practices of government policy implementation (de Haan 2007), there is remarkable little research on the day-to-day practices of government officials in their application. One should expect a great deal of diversity in practices across the country, but the challenges in India’s poorer areas are an important reminder of the different impacts of policies. Orissa has had relatively poor implementation of many of the public programs, including the KBK program, and de Haan (2008) argued that weak accountability - weak local governance, civil society - and unchallenged dominance of a coastal based elite have been contributing factors to the weak implementation of poverty and other programs. Moreover, in my own experience with government officials, the application of administrative categories does not seem to alter deeply-entrenched social differences and attitudes, and arguably contribute to reinforcing of the categories, of labelling of blocks (territorial divisions) as ‘tribal’ (almost half of Orissa’s block have majority tribal population), and common language that identifies poverty with tribal identity. Critically, in Orissa, Dalit and Adivasi identity have been very weakly articulated in Orissa, with political representatives having had very little progressive impact, and the policy and political dynamics are radically different in other parts of the country.

The Orissa experience, while not generalisable to India, provides an indication of the conditions under which application of social group categories can contribute to social transformation. Arguably the frameworks of development in Orissa are insensitive to the nature of exclusion that exists in the state. To be more precise, the predominant power relations do not facilitate an implementation of these policies that will lead to a transformation of social relations (whereas in Bihar which has been marked by social churning these same policies become central to the ‘caste politics’). Instead, though more research is needed to test this hypothesis, the way targeted programs are

implemented in these circumstances is likely to lead to continued stigmatization of marginalized groups.

## 7 Conclusion

For over half a century, categories of ‘SC’ and ‘ST’, and indeed ‘SC/ST’ have become firmly imprinted on the administrative apparatus and in the mindset of officials. The current Inclusive Growth emphasis on ensuring the poorest do benefit from India’s high levels of growth, and the recent debates on inclusion and exclusion errors in social protection programmes particularly related to the food distribution system is deepening this imprint. Current methods to target the poor tend to be blunt instruments, and various studies show relatively poor performance of targeted schemes like PDS, with large variations across states. The main concern here is a different or complementary one. The key question is not whether benefits reach the poor (or whether ‘inclusion errors’ are reduced), but what the method of trying to reach the poor does to the nature of social exclusion that deprived social groups in India is exposed to.<sup>27</sup> The reasons why, in a conceptual sense, ‘exclusion’ needs to be rescued from the poverty debate are the following.

India’s steady trend of poverty reduction and relatively stable Gini coefficient should not make us lose sight of the deeply entrenched social, economic and political inequalities, notably between different social groups. Neither the estimation/measurement (NSS) nor the identification (BPL Census) of the poor analyse the causes of poverty, or the nature of exclusion. This is partly corrected with an analysis of correlates of poverty (for example, Dalits’ deprivation is linked to landlessness) but this merely shifts the problem, as the causes of these correlates still remain unclear. This is not mere semantics, as the causes of landlessness of Dalits, of lack of access to forest produce for Adivasis, of different returns to labour, etc. are key to understanding the nature of exclusion. With the focus on targeted poverty programmes, the nature and causes of deprivation receive little attention.

The categories of ‘SC/ST’ have been predominantly administrative ones, and possibly over time increasingly applied unthinkingly. The way the categories are clubbed together (and the dominance of ‘caste’ as explanation of all differences and disparities) suggests a risk that policies are applied insensitive to specific context: not only is the nature of discrimination against Dalits fundamentally different from that against Adivasis, but each group is highly heterogeneous. The affirmative policies that were initially scheduled to exist for ten years have continued to be extended, without fundamental consideration of objectives and achievements. The initial focus on most

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<sup>27</sup> See Thorat and Sabharwal (2010) for a conceptual discussion of the notion of social exclusion; my own interpretation of the notion is described in de Haan (1998).

deprived groups has arguably been weakened by the continuous extension of groups of beneficiaries: the argument here of course is not that these would not be deserving of support, but that the extension of policies - alongside the 'targeting of benefits - leads to losing sight of the nature of deprivation and discrimination different groups suffer from.

There has of course been a very different process of assertion of group identity notably that of Dalits, most recently with the rise of an urban middle class, indeed partly as the result of affirmative action. For policy purposes, it is critical that understand the conditions under which such progressive identification does occur, what institutions and attitudes hinder this, and in particular in the context of the debate on poverty estimation and identification what additional measures need to be put in place to ensure targeting to social groups will have the intended transformational impacts.

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