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Abstract

[Excerpt] The concept of job reservation relies upon government intervention into the labor relations area in order to promote the rights of some particular portion of the population. The reasons for this intervention may come from diverse rationales but usually can be reduced to a political one. For example, after the miners' riots of 1922 in South Africa, the government reserved certain jobs in the mining industry for whites only. In the United States, as a result of the civil rights movement of the 1960s, the Equal Employment Opportunity Commission was established to assist blacks and other minorities from discrimination through affirmative action programs.

Since independence, the government of India has also tried to promote interests of certain population groups in the employment area. This article will examine the historical background of the Indian situation, government actions in the employment area and reactions to the present situation.

Keywords

job reservation, India, employment, population groups

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Job Reservation in India

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The concept of job reservation relies upon government intervention into the labor relations area in order to promote the rights of some particular portion of the population. The reasons for this intervention may come from diverse rationales but usually can be reduced to a political one. For example, after the miners' riots of 1922 in South Africa, the government reserved certain jobs in the mining industry for whites only. In the United States, as a result of the civil rights movement of the 1960s, the Equal Employment Opportunity Commission was established to assist blacks and other minorities from discrimination through affirmative action programs.

Since independence, the government of India has also tried to promote interests of certain population groups in the employment area. This article will examine the historical background of the Indian situation, government actions in the employment area and reactions to the present situation.

The division of Hindu society into four distinct classes can be traced back to the Rig Vedic times, about 2000 B.C. Purushasukta, the last chapter of the Rig Veda describes these four classes as created from the limbs of primitive man.¹ Accordingly, the "Brahmana" was created from the mouth and thus was intelligent, intellectually superior to all others, and therefore the highest class. The "Kshatriya" (second in the hierarchy) was created from the arms of the primitive man and, therefore, was the warrior or ruler, whose duty was to protect the people. The "Vaishya," originating from the thighs and trunk, was the farmer or trader, given the duty of procurement of food for society. The "Shudra," created from the feet of primitive man, was the lowest caste in the social ladder, whose main duty was to serve the other castes.

It was only natural that the higher castes were able to exploit the lower ones through this framework of social organization. The lower classes were totally dependent on the meagre handouts of the upper class and were made to work hard for them. This convenient manner of social stratification gave the higher castes a deep-rooted interest in the perpetuation of the system. Consequently, members of the lowest castes have always suffered from discrimination in all areas of life, be it social, political, or economic. Since Hindus accepted their birth into any of these classes as their fate, they did not attempt to revolutionize the system.

Hindu society has been divided in this manner for centuries and has remained so till the early 20th century. Since over 82 percent² of the Indian population consists of Hindus, the effects of the caste system has widely influenced Indian life. At a practical level, even in the 1920s, most government employees and private businessmen were from the upper castes, namely the Brahmins, the Kshatriyas, and the Vaishyas, by virtue of their greater access to wealth and education. Today, by virtue of various policies of the government, rule of law, education, economic development, and the introduction of adult franchise, class restrictions have loosened considerably. Although economic development and education have been successful in eroding many basic foundations of the caste system, it still remains, in the rural areas, as a channel of communication and mobilization for the politician, while campaigning for elections.

¹ M. M. Shankdev, *Genesis of the Caste System*.

² Population Survey, *Indian Economic Review*, 1975

Government Initiatives

Prior to independence, provincial governments began implementing various welfare measures for these lower classes, referred to as backward or depressed classes as early as 1885. However, these measures picked up momentum in the 1920s, when the governments of Madras, Mysore, and Bombay commenced reservations for non-brahmins in certain government positions and educational institutions. The Montague Chelmsford reforms in 1919 provided for representation of backward classes on public bodies. Further, the Government of India Act of 1935 also extended benefits of political representation in the federal legislature and provincial governments. However, these efforts were sporadic and lacked direction.

Following India's independence in 1947, the government turned its attention to prescribing a uniform, nationwide policy on upliftment of backward classes as a part of the larger objective of the eradication of poverty.³ The Indian constitution, articles 14, 15, 16, and 29, provided the individual citizen equality before law and equality of opportunity and prohibited discrimination against any citizen on the grounds of religion, race, sex, caste, or language in education, employment, and access to public places. When it was realized that the mere inclusion of these provisions would not automatically give the backward classes the opportunities that the other classes had, the government amended the constitution in 1951.

The amendment provided that the states could make provisions for the advancement of any socially or educationally backward classes and also for the reservation of appointments in government undertakings and institutions, provided that the extent of such reservations should not exceed 50 percent of all appointments. The argument, that these provisions were "ultra vires" of the constitution, in the sense that it was in effect discriminatory, was countered by the argument that it was the duty of the state, according to article 46 of the constitution, to promote with special care the educational and economic interests of the weaker segments of society. Accordingly, state governments were directed to identify backward classes based on relevant criteria developed by themselves and to take whatever actions they deemed appropriate for the advancement of backward classes in their states.

The central government, based on the report of the Kalelkar Backward Classes Commission in 1953, decided that it would serve no purpose to attack the problem of social upliftment on a central government level. However, the government decided that it would limit reservations in central government institutions to only scheduled castes and tribes and not to other backward classes. The Kalelkar Commission had listed about 2400 backward classes, from which about 837 were extremely backward or "scheduled." The state governments drew up exhaustive lists of backward classes based on a number of social (caste), economic, and educational criteria. Many states spent years on the identification of backward classes and developed a series of comprehensive schemes for the upliftment of backward classes, including provision of housing, land loans, agricultural loans, and reservation policies for education and employment. We will confine our attention to education and employment in this paper.

Based on the 1931 castewise enumeration of population, updated to a certain extent in 1961 (which is the latest available data on the subject), the estimated population of backward classes were as follows:

CLASSES	% OF TOTAL POPULATION
A) SCHEDULED CASTES/TRIBES	22.56%
B) OTHER BACKWARD CLASSES	52.00%

Therefore nearly 75 percent of the Indian population was classified as backward, based on educational, social, or economic criteria.

³ *Report of the Backward Classes Commission, 1979.*

State and Central Governments

Different state governments have approached the concept of reservations with varying degrees of enthusiasm.⁴ The process of identification has also taken considerable time. However, by 1979, when the Mandal Commission reviewed the reservation system, about 18 states had actively implemented reservation policies. States had also used differing definitions of “backwardness.” In general, the percentage of reservations was in proportion to the percentage of backward communities in the states’ population. Generally, the percentage of reservation in educational institutions was the same as the percentage of reservations in employment. The average percentage of reservations for both education and employment over all states was about 34 percent, ranging from five percent in Punjab to 50 percent in Karnataka and Kerala.⁵

Reservations in educational institutions implied that the minimum qualifying standards for admission into state-run, scientific, professional colleges and institutions were lower for members of backward classes than for members of forward classes. Consequently, a person from the backward classes needed only about 45 percent marks to secure admission to, perhaps, a medical college, whereas other students would require at least about 80 to 90 percent based on open competition. In the area of employment, qualifying standards were also lower for backward class members. In various state administrative bodies, a greater percentage of lower rated jobs were reserved for backward classes, bearing in mind that they lacked advanced educational qualifications. State-run industries, administrative bodies, and other bodies also implemented reservation. Many states provided financial scholarships to members of backward classes, to enable them to attend privately run educational institutions on which the reservation system was not binding.

The central government, which had decided to implement reservations in respect of scheduled castes and tribes only, accordingly provided reservations up to 22.6 percent⁶ in all centrally run educational institutions, government departments, and industries. Data in 1979 indicated that only 18.7 percent of these reserved jobs were filled, seemingly due to a lack of sufficient applications from these classes. In certain Public Sector Enterprises, like the Railways, Telephones, Steel Authority of India, etc., where certain minimum technical qualifications were necessary, reservations were concentrated in administrative positions only.

When a review was conducted on the reservation system in 1979 by the Backward Classes Commission, it was found that, out of the total number of employees in the administrative departments of the central government, only 18 percent were scheduled caste members and 12.55 percent were other backward class members. In relation to the total population of scheduled castes and tribes and other backward classes, 22.6 percent and 52 percent respectively, this is not a very large figure. While the schedule castes and tribes were fairly represented in the government departments, other backward classes were not so well represented. It was this factor that led the Backward Classes Commission in 1979 to recommend that the central government expand its reservation scheme to include other backward classes and to reserve a further 27 percent in employment and education (apart from the existing 22.6 percent for scheduled castes and scheduled tribes) for the other backward classes.

In recent years, the reservation issue has gained considerable political importance, with political parties actively encouraging or dissuading reservation. However, the government is committed to the policy of reservations and is actively implementing the scheme. While it is not mandatory for organizations in the private sector to accept the policy of reservations, political parties and state

⁴ “Review of Reservation,” conducted by the Mandal Backward Classes Commission, 1979.

⁵ *Report of the Tata Institute of Social Science Survey*, 1979.

⁶ NOTE: For a detailed note on the reservation procedure in respect of recruitments and promotions of scheduled castes and tribes, see Office Memorandum, No. 6/16/81-BPE/AM-I (SCT CELL), Government of India, Ministry of Finance, Bureau of Public Enterprises, addressed to all Ministries/Departments of the Government of India, signed by S.S. Samaddeu, Under Secretary to the Government of India.

governments do not hesitate to apply pressure on some of the organizations to accept reservations. In some organizations, it even has become a perennial union demand. In many states, if any private organization obtains financial assistance from the state government, a reservation policy is unofficially imposed on the organization. Since 75 percent of the population is classified as backward and stands to benefit from the reservation policy, the objections of the balance 25 percent of the population often go unheard.

Reactions to Job Reservation

Reaction to the reservation system on an aggregate level has been characterized by violent opposition as well as non-violent acceptance by the members of the forward classes. Generally, reactions in the north of India were marked by a greater degree of opposition and violence than in the south. Characteristics of individual states have influenced the reactions. In the state of Bihar, for example, there has always been a deep antagonistic division between the castes, and reservation has helped to further enhance that division. The private tertiary sector has been very stagnant in this state; consequently, forward community members have been dependent on government jobs. As a result, reactions were stronger.

In contrast, in the southern states of Karnataka and Kerala, reservation schemes have had a longer history, and the backward classes far outnumbered the forward classes. Furthermore, the backward classes had succeeded in achieving a degree of political clout that ensured the rapid and inevitable implementation of reservation. Although the youth belonging to the forward classes in these areas also face the crunch of reservation, most of them have written off the government service and have concentrated on the more lucrative private sector, where no reservation system exists.

However, there has been opposition in almost all the states from the forward classes. It is in the area of reservations for education that the opposition has been the strongest. On the individual level, it is always impossible for a student from the forward class, with extremely good results, to accept the fact that admission into a state-run educational institution would be denied to him, in favor of a backward class student with only mediocre results. Consequently, it is at this level that the opposition really arises.

While it is not mandatory for the private sector organizations to accept reservation systems, they face a variety of informal and indirect pressures to do so, from political parties, unions, government officials, civic bodies, social organizations, and individuals. While these pressures do not imply any formal state policy regarding reservations, they reflect the importance of the issue in the minds of the people.

Government officials are in a position to exert pressure in myriad ways. For example, an entrepreneur wanted to start a gas cylinder factory in the state. The state government, in the form of the state industrial development corporation, was willing to grant loans for the project in return for a half share in the business. When the entrepreneur visited the chairman of the SIDC to finalize the deal, he was told that he must agree to the appointment of only backward class people in the factory or else the loan would not be processed. Since this would mean accepting an inferior quality workforce, the entrepreneur was reluctant but finally agreed to the induction of backward class employees in the lowest rated jobs in his factory. The chairman of the SIDC had had no personal interest in the reservation system but was forced to impose a reservation system on the entrepreneur by a political party that threatened him with a transfer to another department if he did not acquiesce to their demands. Since senior appointments to state government bodies are largely political appointments, political parties do have an influence in these appointments and in this case would easily be able to carry out their threat.

In another instance, a businessman starting a small factory sent his application to the state electrical inspectorate for approval of the electrical installations in his plant. He did not receive any reply. Assuming that the delay was due to the normal bureaucratic processes of the state government, and since he could not commence production in his factory, he approached the officials with the

standard bribe that is the normal procedure to speed up the bureaucratic process. Even the bribe did not work. The officials indicated that they would grant approval in respect of his installations provided he agreed to employ a few backward class people in his factory.

In a state where 50 percent of most government jobs are reserved for backward classes, one out of two government servants are therefore backward class members, who do not lose any opportunity to secure a few jobs for members of their class. All industries have a number of interfaces with the various government agencies on a day-to-day basis (for example, the electrical inspectorate, the factories directorate, the state excise commissioner, sales tax officials, pollution control board officials, licensing authorities, boiler inspectors, and numerous other bodies).

In all of these areas, businessmen have to pay a certain price in order to obtain the necessary license, approval, permission, etc. in time. Non-payment will only result in lengthy delays, which could result in considerable losses and consequently most businesses pay this price. The price could either be a bribe or gift to the official concerned; in many cases, it boils down to recruitment of a few backward class members. This is largely due to the vast number of backward class members in government positions, or to pressure from various groups or government officials.

While one of the authors was employed as an Industrial Relations manager of a large factory in India, the workmen in the factory resorted to an indefinite strike, consequent to breakdowns in negotiations for a new long-term agreement. The government conciliation authorities intervened in the dispute and held numerous yet unsuccessful conferences to settle the dispute. The strike continued for about six months before the state labor minister intervened in the dispute. He informed us that he would be able to pressure the unions to scale down their demands provided the company agreed to employ a few backward class members in the organization. We agreed to his proposal, and the dispute was solved in two weeks. No doubt the labor minister was able to bring political pressure on the union leaders to accept his point of view (unions are basically political arms of political parties). In this case, the labor minister himself was a member of the backward classes and was under pressure to justify to his electorate that he was doing something for them. Since almost 75 percent of the population is comprised of backward classes, many of the elected representatives of the people tend to be from these classes. Besides, even if they are not, they cannot ignore the interests of the backward classes, since they comprise almost 75 percent of the electorate.

In many states, there is a tendency for political parties to be organized on the basis of caste and religion, and, consequently, those castes/religious groups tend to have a wide ranging influence in the government. Private sector employers face pressure from their unions also. Generally, unions are a wing of a political party, and the party ideology often influences union actions in the workplace. Consequently, most unions also encourage their managements to recruit the backward classes. If reservation is one of the stated goals of the political parties, which is invariably the case, then unions tend to treat reservations as a subject matter of negotiations. Employers invariably accede to these demands if unions grant significant concessions in other areas.

Normally, in states where the literacy rate is fairly high, workers join unions either due to their political ideologies or because they perceive the unions as being successful in their dealings with management. In states with low literacy levels, workers join unions based on political beliefs or on the basis of caste. One company in the state of Tamilnadu, at Tuticorin, had to deal with seven unions that represented the 3,000 workmen in the plant. The two major unions were caste based unions whose main goal was to ensure that members of their caste were recruited. They were willing to make significant concessions as long as there was sufficient recruitment of members of their caste. Union leaders were able to justify to their members regarding the significant concessions by pointing out the increased employment of their caste in the company. This is an undefeatable argument, since the population is large and jobs are scarce. There was a situation in this factory where the company wanted to introduce computerization, which implied reduction of employment potential in the future. Unions in India generally strongly resist the introduction of labor-saving devices, and negotiations of such introductions generally take a lot of time. In this case, the company was able to obtain a settlement in a week's time by

guaranteeing the recruitment of a few backward class members to the two major union leaders. Caste based unions are a common feature in many states of the country.

Other civic bodies also bring pressure to bear on the private sector for the recruitment of the backward classes. It is not unusual for the panchayat president (a panchayat is a subdivision of a district) to approach industries in his panchayat with requests to employ more local backward class people. In return, he might ensure that the panchayat cooperates well with the organization and may also be able to make some concessions in its evaluation of local panchayat taxes, water rights, etc. Other influential district officials, like the District Collector, the Superintendent of Police, the Revenue Divisional Officer, the Circle Inspector of Police, the Block Development Officer, the member of the legislative assembly from the district, are all in a position to pressure industries in the district. All these officials in turn face pressure from political parties, social organizations, and individuals to obtain a few jobs for members of their respective castes or communities. Consequently, these officials turn to the private sector.

Social organizations, many of which are caste based, do excellent work to increase recruitment of members of their caste. They function sometimes as informal employment agencies, which survey the job market and send candidates for interviews for employment to private employers. These organizations also enlist the support of politicians, government officials, municipal officers, and well-known individuals to intercede with the private organization on their behalf.

As a general rule, private organizations that do recruit backward class members on the basis of various pressures induct them at the lowest level in the organization. However, with the benefit of increased education, many of the backward class members are able to obtain employment in private organizations on the basis of merit alone. While there is liable to be a fairly large proportion of the unskilled workforce who are from the backward classes, it is not so in the other categories of skilled workers and in higher levels, where merit is the only criteria. In contrast, in government organizations, the concentration of backward class employees is greater at all levels, mainly due to the reservation system.

Conclusions

A policy of reservation automatically implies abandoning the principles of merit in the selection process. Since opportunities are few and the population large, merit is the only fair selection process. Since merit is not the only criteria, it often results in the selection of lower quality of personnel. It cannot be denied that the reservation system in education tends to provide inferior quality professionals. In the employment area, India needs able administrators at all levels of government, and the reservation system does tend to detract from the required quality. Bearing in mind that the backward classes need upliftment, what appears to be necessary is increased concentration on education and financial assistance to backward classes. The purpose of the approach should be to bring these backward classes to the stage where they will fare well in competition with others in both education and employment. This implies restructuring, strengthening, and expanding the current educational infrastructure, which is a difficult process. Besides, reservation is an easier, more acceptable populist method. Further, the government that reduces or abolishes reservation will most certainly not remain in power, which is a factor the politicians consider rather carefully.

The process of economic development and the spread of education has resulted in narrowing the gap between the classes considerably. As larger percentages of backward class members attain acceptable standards of education and employment, they should be removed from the "backward" classification, so that attention is given only to those classes that genuinely need help. It would be a useful exercise to review the classification of backward classes once again and also check whether the criteria used for classification of backwardness is relevant for today's conditions. If this is not done, it will provide the backward classes incentive to remain "backward," secure in the knowledge that, with relatively little effort and qualifications, the government still guarantee them adequate educational and employment opportunities. A periodic re-examination of the classification of backwardness and a

progressive reduction of reservation percentage, coupled with expansion of educational facilities, is the policy that will suit the country best in the long term. Governments may be reluctant to reduce reservation or attempt a reclassification because of their tremendous political implications, but it would be consistent with the principle behind helping the genuinely needy only. Besides it would also result in the induction of well-qualified, able personnel in the various government departments and offices.