



“CASTE, INEQUALITY, AND DEVELOPMENT: EXAMINING THE ECONOMIC AND SOCIAL IMPLICATIONS OF CASTE IN INDIA”

Prity Kumari Research Scholar Centre for Economic Studies and Planning Jawaharlal Nehru University, New Delhi, 110067.

Abstract

For one-fifth of the world's population, national identity is a determining factor in survival, yet it is not considered in the international discourse on development to the same extent as gender, ethnicity, age, religion, or other identifying criteria. This study examines why the fight against racial and ethnic inequalities is not integrated into government programs such as the Sustainable Development Goals (SDGs) and explores its necessity. Using India as a case study, it observes that the caste system there is perceived as an obsolete and problematic historical phenomenon, requiring affirmative action measures, just like the injustices and inequalities that have increased in the contemporary world, particularly since the 1990s. A growing body of work in anthropology, economics, history, and political science is mobilised to examine ethnic life within its social, economic, and developmental contexts. Questions have been raised about ethnicity, such as social status, the role of ethnicity in post-liberation rural areas, the structure of urban employment and businesses, and the impact of affirmative action policies on education and public services. The concept of caste is complex, profoundly transformed by the economic and political forces of modernity. It is linked to socioeconomic inequalities and has a considerable impact on individuals' lives. The effect of the caste system is not local; it spreads from village to city and through markets. The caste system can persist in the market era and even profit from it: its status allows it to create opportunities for others, and the threat of inferior social development breeds abuses. It is therefore necessary to undertake legislative reforms to reduce inequalities, both market and non-market, and to combat inequalities between informal sector workers and the self-employed. It is also essential to ensure that the caste system occupies its rightful place in international development programs.

Keywords –

Caste, Sustainable Development Goal, Employment, Market.

I. Introduction

The Sustainable Development Goals (SDGs) emphasize equality of opportunity and reduction of inequalities of outcome, elimination of discrimination in laws, policies and social practices, and socio-economic inclusion of all, under the banner of the goal of “Leaving no one behind”. The term “all” here means “without distinction as to age, sex, disability, race, ethnic origin, religion or economic or other status” (SDG 10.2). The issue of caste is not explicitly mentioned.

Several international human rights organizations claim that more than 260 million people worldwide experience discrimination based on caste (or “occupation and descent”, the term used by the UN to refer to this system of hereditary status), that caste is a fundamental determinant of social exclusion and development, and that it affects approximately 20 to 25 percent of the world’s population, particularly (but not exclusively) the population of South Asia and its diaspora. They have advocated for the integration of the caste system into progress indicators and data disaggregation, and have published parallel reports on caste-related inequalities, which are absent from national SDG reports (ADRF, 2017).

Although prohibited under international human rights law, discrimination based on caste or “occupation and descent” is excluded from the agenda of intergovernmental negotiations, including those related to the SDGs. Should the global political agenda consider caste identity and relations as drivers of poverty and inequality? What evidence supports the existence of the caste system as a



determinant of opportunity, and what are its mechanisms? Why is caste so often excluded from the debate and treated differently from age, ethnicity, or religion? The topic is vast, and this analysis focuses on the role of caste in India's economic processes and public policies.

The interdependence of identities (caste, class, gender, religion) that give poverty in India its distinctive social character means that caste cannot be studied in isolation (Shah et al., 2018). However, this study focuses on works that attempt, both empirically and analytically, to identify the “grammar” of the caste system (Deshpande, 2017) that underpins persistent socioeconomic and human capital inequalities in India (and, by extension, elsewhere). Today, in both absolute and proportional terms, the wealth of the state (land, buildings, finances, etc.) is largely owned by the “upper” castes, while the “lower” castes participate in the economy or work as wage earners.² Per capita income and access to prestigious jobs decline as social determinants such as education decline, or as human capital improves, the proportion of people living in poverty increases, illustrating what the Dalit political leader B.R. Ambedkar called “progressive inequality” (see Thorat [2017] for an analysis of data up to 2014). By aggregating differences in occupation, education, and wealth in the Caste Development Index, Deshpande (2017, 93) shows that levels of inequality within castes have not improved (and sometimes even worsened) despite greater wealth or faster growth in different regions of India. Statistically, in India, the caste into which one is born remains one of the most important determinants of future prospects.

The caste system is a source of unease and controversy among the Indian middle class. Is it relevant to consider the issue of caste in the modern era? Is caste not an “internal” matter, linked to heritage and culture, and external to the sphere of global issues? Certainly, international analyses of poverty and inequality give less importance to caste than to gender, race, or age. I will begin this study (part 2) by examining the concept of caste, which explains its exclusion from world politics. This will allow me to address the core of the history of caste in Indian social policy. Part 3 will examine the anthropological debate about the caste hierarchy and its evolution. Part 4 examines the caste system and rural economic transformation. Turning to the economy as a whole, section 5 analyses the caste system and the labour market, while section 6 considers the role of castes.

II. Literature Review

Dumont (1970) conceptualised caste as a hierarchical system rooted in purity and pollution, whereas Srinivas (1962) emphasised social mobility through processes like Sanskritization. More recent scholars such as Dirks (2001) argue that colonial rule re-organised caste into a modern political category, while Gupta (2004) highlights the need to integrate economic and political structures rather than relying solely on ritual frameworks.

Béteille (1965) and Washbrook (2001) show how colonial land settlements and agrarian structures reinforced caste stratification. Banerjee and Iyer (2005) provide evidence that historical land institutions continue to shape inequality and public goods outcomes. Their work highlights the path-dependent nature of caste-based disadvantage across generations. Thorat and Newman (2007) present landmark evidence of discrimination in urban labour markets using field experiments. Deshpande (2011) synthesizes statistical patterns showing persistent gaps in wages, occupations, and job access for Scheduled Castes (SCs) and Scheduled Tribes (STs). Similarly, Ito (2009) and Madheswaran & Attewell (2007) find that a substantial portion of wage differentials cannot be explained by education alone, indicating structural discrimination. Casella and Rauch (2002) and Munshi (2011) show how ethnic and caste networks shape trust, credit access, and trade. Jodhka (2012) documents how caste-based networks dominate contracting and subcontracting relations in rural and urban India. These studies argue that markets do not eliminate caste boundaries; instead, they often operate through them. Tumbe (2018) demonstrates that while migration provides opportunities for income growth, caste continues to shape access to housing and labour markets in cities. Rogaly et al. (2002) and Mosse et al. (2002) show that migrant labourers from lower castes remain trapped in informal, low-wage



occupations despite urban relocation. Kanan and Papola (2017) note that caste mobility through migration varies significantly across regions and sectors.

Galanter (1984) offers foundational analysis of India's reservation system, noting its transformative yet limited redistributive impact. Pande (2003) finds that political reservations for Scheduled Castes increase targeted spending but have mixed effects on economic outcomes. Jaffrelot (2003) and Chandra (2004) show how caste-based political mobilisation reshaped electoral politics without fully dismantling economic inequalities.

Rege (1998) demonstrates how caste and gender interact to produce distinct disadvantages for Dalit women. Kapadia (2017) documents gendered labour exploitation among lower-caste women in rural South India. Deshpande and Kabeer (2019) provide evidence that Dalit and Adivasi women face the steepest labour market penalties, reflecting multiple intersecting axes of exclusion.

Borooah (2005) and Deshpande & Yadav (2006) show that caste gaps persist across all levels of education and often widen in higher education. Thorat et al. (2016) document continued discrimination in schools and universities. Nambissan (2009) argues that educational institutions frequently reproduce caste hierarchies through tracking, exclusion, and Banerjee et al. (2009) introduce rigorous field-experimental methods to examine labour market discrimination. Bertrand, Hanna and Mullainathan (2010) use audit experiments to uncover biases in hiring. Kumar and Deshpande (2020) employ large-scale panel data to quantify caste mobility, showing strong intergenerational persistence among marginalized groups.

Duflo (2001) demonstrates that public infrastructure investments reduce caste inequalities when targeted effectively. Mani, Beaman & Pande (2012) show that political reservations can reshape aspirations among low-caste communities. However, Jodhka & Shah (2010) find that many skill-development and poverty-alleviation programs fail due to local elite capture and caste-based barriers in implementation.

III. Caste System in Indian Social Policy

According to (a) Caste system as a residual issue of religion and culture, the claim that the caste system is marginal in the development policy debate deserves justification because it has become a central element of Indian politics and affirmative action policies. We argue that integrating the caste system into social policy largely ignores its persistent structural role in causing inequality and poverty in the current context of market-oriented development. Rather, it is seen as an archaic Indian cultural and ritual phenomenon, erased by this development, or as a social handicap subject to (theoretically, temporary) "special measures" (see Vogre, 2010, pp. 336-337).

The government of independent India was reluctant to use the caste system to explain poverty and inequality and considered no place for the social classifications used in colonial administration Hence the abandonment of the caste category in the national census after independence (Dirks, 2001, Jaffrelot, 2006).³ Both Gandhian utopianism and socialist universalism expected that archaic castes would disappear with modernization. However, the Indian Constitution, which embodies commitment to equality in its guiding principles, also recognizes historical disadvantage by – Presidential Decree (in 1950) – granting special protection and benefits to a list (or directory) of castes (initially set up by the British in 1936). from the practice" were, none of which were definitions or criteria for this untouchability (Dirks, 2001; Galanter, 1984).⁴ Since untouchability, now illegal, is considered a Hindu practice, the caste category (which according to the census, represents about 17% of the population) excluded Muslim and Christian converts who available According to data, peers experience untouchability (Ministry of Minority Affairs, 2009; social policies on caste (and relevant ministry and commission directives) focus on disadvantages faced by certain groups, see caste system as a static or residual problem addressed through corrective measures, safeguards, guarantees, and grievances As a dynamic relational issue falling under the state's general obligation to combat inequality and discrimination Although criminal law (Prevention of Crime Act 1989) prohibits specific offenses



against SC members, the caste system is not integrated into any comprehensive law against discrimination and to promote equality in India I) market change is considered an issue.

Historians studying the role of missionary and colonial politics explain how the caste system formalized as a “social sphere” separate from matters of religion or political economy (Vishwanath, 2014) and how it had to be solved through internal reforms, rather than state intervention. In fact, rather than seeing caste-based discrimination as an issue of Hindu religious reform, rather than a violation of socio-political rights, M.K. Gandhiji to Dr. B.R. Ambedkar in the pre-independence debates (Dirks, 2001; Roberts, 2016). In terms of religion and historical disadvantage, the caste system escapes economic planning (Jodka, 2016, p. 232) and is seen as an internal cultural problem, excluded from international frameworks applicable to other forms of discrimination such as gender or race. Although UN bodies include race in the category of “race” (one of the five “bases” of racial discrimination), India rejects this classification, as well as the control it entails by UN treaty bodies (Keane, 2007; Ware and Keane, 2017). (b) Race as a Political Issue - The religious/cultural, historical, and ethnic confinement of ethnic groups (Mosse, 2016) separates ethnic groups from development. This “culturalization” of ethnicity (Natrajan, 2011) refers to the “economicization of poverty, that is, economic decline and resource “commodification” in development, a phenomenon noted by Hirschman (1997). special or “reservations” in government jobs and higher education, previously reserved for Scheduled Castes (SCs)—have extended these privileges to a more exclusive group of other disadvantaged groups (OBCs). as a basis for socio-economic backwardness (not just a consequence of Hindu untouchability But, as a large body of literature shows, its net effect was not to refocus policy on caste in economic relations, but to anchor it in the arena of political competition (Jaffrelot, 2006; Jayal, 2006). 2015). The extension of caste quotas beyond the “ex-untouchables” generated strong opposition from the upper castes. This claim to what was originally a passive caste gave “OBCs” (Other Backwards Classes) political significance of the lower castes (in the northern states) as the “quiet revolution” of India, particularly marked by the formation of caste-based parties and their subsequent electoral success.

This convergence of political parties, which emerged from the interaction between caste and politics, constituted a specific moment in this reciprocal alignment: the caste system shapes democratic political life in India. Electoral politics is a way of revitalising caste identity (Sheth, 1999), with leaders expressing their perceived preferences through the emergence of high-status groups, new myths, and caste identity (Gupta, 2005; Jodhka and Manor, 2017b). The extensive literature on the various aspects, phases, and regional forms of caste politics is beyond the scope of this review. What is observed is that politics and public debates about race, centred on quotas, have become deeply disconnected from the broader role of race in the economy and socio-economic development. This independence of caste political dynamics from development is illustrated in Witso’s (2013) analysis of the Bihar government (under Lalu Prasad Yadav, OBC, 1999–2005). Despite their political power and ability to threaten upper caste-dominated national development policies, the lower castes failed to translate this power into institutional changes capable of bringing them lasting and equitable socioeconomic benefits. From a similar perspective, Jayal (2015) regards the political rationale for quota expansion as “arbitrary,” thereby obscuring the growing income inequality from neoliberal reforms introduced during the same period (after 1991). Indeed, as the Indian government reorganises itself to embrace industrial capital, it must also respond to democratic pressure from the lower caste poor by allocating tax revenues from new industrial wealth to massive increases in social programs, implementing an inclusive growth discourse social and economic. At the same time, ethnic values are reduced (Gupta, 2012; Jayal, 2015; Varshney, 2017).

Studies of patterns of caste rejection in the middle and upper caste—the assertion that market economics and meritocracy have (or indeed should) put the issue of race on the back burner (Deshpande, 2013; Subramaniam, 2015)—reveal little consideration of race in decision-making bodies themselves. Anti-caste discourse views caste as unnecessarily perpetuated by affirmative action, which



penalises ability and unfairly benefits the lower castes and their representatives—opportunistic political entrepreneurs who exploit their constituents (Jodhka and Manor, 2017b, p. 1). Thus, the lower castes are charged with upholding the caste system and its political objectives, while the upper castes claim the same.

IV. Rural Ethnography: Ethnography and Social Mobility

Most scholars recognize that a species is the result of a combination (sometimes very ancient) of elements within a specific historical context and that it must be studied as such. In relation to the early modern era, from the late 17th century onwards, the expansion of trade and militarization, state systems and incomes on the Indian subcontinent shaped caste society, a phenomenon that intensified under British rule (Bailey, 2001). Few doubt that the linear and self-regulating descriptions of the “traditional caste system” developed by field anthropologists who arrived in the 1950s bore a strong colonial imprint: the way in which its income and property systems disrupted traditional political order and settlement patterns; the effects of its census categories and its systems of recruitment, storage and (political) representation; The importance given to the Brahmin priesthood and the strengthening of a competing caste of “untouchables” (Bayly, 2001; Charsley, 1996; Cohn, 1987; Dirks, 2001) are important factors to consider. Whether the British “invented” the caste system or its concept remains a matter of debate (Fuller, 2016), and historical revisionism is now integrated into the Hindu nationalist critique of the concept of caste itself (Mosse, 2016).

The diverse and heterogeneous nature of this system has not prevented attempts to develop a unified theory. Some have modeled it according to three main criteria: social differentiation, social status, and occupational specialization (Dumont, 1980). Others (Lindt, 2013) distinguish different dimensions of caste. The hereditary dimension arises from various factors such as family groups (jatis), marriage restrictions, dietary restrictions (e.g., vegetable consumption), and restrictions related to cohabitation after divorce. The dominance of female reproductive sexuality in humans suggests that gender plays an important role in the functioning of the species (Chakraborty, 2003). In its economic dimension, caste corresponds to the division of labor and defined social position, especially within the rural agricultural system. In its political sphere, caste represents systems of control and domination at the local and subnational levels. Finally, caste possesses an ideological dimension related, for example, to notions of purity and impurity, a set of rituals, or a certain moral and physical constitution, as well as specific interpersonal relationships (Dumont, 1980; Marriott and Inden, 1977).

Dominant conceptions of caste have given priority to ideology. In his work **Homo Hierarchicus**, Dumont (1980) emphasizes, first, that a multitude of endogamous jatis (castes) shared an ideological coherence, marked by the opposition between the “pure” and the “impure”. Second, the social occupations or “classes” of ancient India, known as the four-tiered varna (Brahmin: priesthood, Kshatriya: royalty, Vaishya: trade/production, and Shudra: service), were an example of this. The superiority of Brahminical purity over Kshatriya power established an ideological division between status and power, which, for Dumont, made castes a distinct social system. The fifth category, the Avars (without varna), was composed of the “untouchables”, who were socially excluded.

This conception of caste as a Hindu social system for managing ritual purity or impurity, independent of power or wealth, has proven to be ill-suited to empirical research (see the critiques of Dirks, 1989; Raheja, 1988; Bereman, 1971). Discourses of caste purity or honor have been shown to be culturally subordinate to (inseparable from) political and economic power, especially the subjugation of enslaved agricultural workers, who were considered impure untouchables. Complex taboos around caste among non-Hindus, including Christians (Mosse, 2012), have demonstrated the inadequacy of religious ideologies; and the varna system, while sometimes used as a model for status claims, has had limited definitional validity at the pan-Indian level (Srinivas, 1995). However, tribal theorists (in the 1950s and 1980s) saw caste as a unifying system of rural occupational specialization, where potters and priests, carpenters, barbers and agricultural workers provided services to dominant landowners.



Whether characterized by administrative filth, caste dominance, unequal rights, agrarian exploitation, a truncated remnant of the pre-colonial state system, or an invention...

V. Urban Development: Caste and Class Structure

The long-term studies of agriculture that have been conducted since water and 1950s shows that in agriculture that not new opportunities are employed, be it the it is inhabited, inequitable and deeply embedded in the system of racial justice (Epstein et al., 1998; Lanjouw and Stern, 89). During the period of agriculture-led growth (the land reform movement of the 1960s and 1980s), the preference for technological advantages, which were shaped by the caste system, often excluded Dalit workers (Bremar, 1974; Harriss, 192). In recent years, however, land and agriculture have lost their importance as a source of political power. Throughout India, high-ranking village elites are moving out of local economies and politics, and their authority is replaced by decentralized power centers or decentralized networks of credit facilitators, government programs, markets, and jobs—a small but critical set of factors (Gupta; Year 2013). In addition to a slight decline in agriculture, the post-1991 transition period witnessed an increase in non-agricultural employment in rural areas. The latest seventy-year-old report from Palanpur, Uttar Pradesh, reflects a global phenomenon: declining rural poverty and rising incomes from well-paid jobs, but also increasing inequality, as the poorest turn to precarious jobs in clothing, sewing, garment factories and unsuitable railway facilities. (Himanshu, Lanjouw, Murgai, and Stern, 2013).

Does the caste system contribute to inequality? His findings are mixed. While Himanshu et al. Lanjouw and Rao (2011) argue that previous research on inequality within households—that is, within ethnic groups rather than between them. Palanpur is compared to Sugao, a village in Maharashtra, where the income from employment abroad (through migration) is not followed by traditional pathways. 2014a the diverse economic villages around the major garment factory in Tiruppur (Tamil Nadu) present contradictory results, even in neighboring villages: collectively, new, labor-seeking markets lead to reduced caste-related discrimination; in other words, power-based rural production reinforces the power of caste, inequality, and exclusion of influence.

We estimate the effect of ethnic membership on rural economic inequality after the reforms in 1993–1994 and 2004–2005. They observed that Dalits earned more in ethnic minority villages (the “fault lines”), due to the evidence presented in Anderson’s (2011) report (based on a study of 120 villages in northern India) on how the caste system affects groundwater markets. For example, farmers from lower castes achieved 45% higher yields when they were in villages where water vendors belonged to the same caste. In a 2013 survey of 80 villages across four states (Thorat, 2017), Dalits reported caste-based discrimination resulting in inequalities in access to inputs (seeds, credit, including agricultural inputs) and in the sale of agricultural products. Understanding how the labor market and other rural markets affect the policy process, and vice versa, requires consideration of several factors: differences in industrial or manufacturing history, proximity to cities, population density, and policy structure (Lanjouw and Rao, 2011). However, there is little evidence to readily conclude that capitalism disrupts the agricultural system to “alter and destroy the social system from within” (Prasad, 2008).

The caste system also has non-market implications for development. On the positive side, Dalits have benefited from a significant increase in public spending on public services, which has helped to equalise access to education, healthcare, housing, water, and electricity (Banerjee and Somanathan, 2002).

VI. The Urban Labour Market Status System

For many Dalits, the city represents an escape from the drudgery of rural labour and the risk of humiliation, akin to “pure poverty” (Roberts, 2016, p. 55). In the industrial sector, rural migrants benefit from the scale of migration, sharing the labour of different groups and settlements, and forming friendships. As Deshpande (2017) concludes, the diversification brought about by post-revolutionary



development has not, from one state to another, broken the hierarchical relationship between the most prestigious and Dalit jobs and the artisanal and casual labour. National survey data reveal barriers to Dalit job mobility, preventing them from moving beyond their caste-related or low-skilled service occupations (such as stonemasonry or carpentry) to higher-paying jobs or self-employment (Das, 2013). In the context of increasing inter-caste migration (especially in urban areas), studies show that inter-caste persistence (especially in employment) is particularly strong among Dalits (and Adivasis, “Scheduled Tribes”) (2017, xiv-xv). The intersection of class and gender means that Dalit women, whose labour force participation rates are much higher (though declining) than those of other classes, face significantly lower levels of labour mobility. Although they are often portrayed as enjoying a certain degree of gender freedom (compared to upper-caste women), Dalit women face highly exploitative working conditions. In a national survey, one-third of women reported experiencing physical violence (Deshpande, 2017, pp. 138–139). While greater success reduces violence against women (or its reporting), it also brings with it restrictions aimed at strengthening their status, mobility, and decision-making power (Deshpande, 2017; Still, 2017).

Recent cultural research examines the subtle ways in which class identities shape modern opportunities across contexts. Those leaving precarious agriculture to seek urban jobs are targeted for jobs that are categorized based on their skills, vulnerability, risk, toxicity, or social status, all of which are related to their class. Thus, for example, Dalit textile workers in Tiruppur are more likely to be employed in low-skilled and unskilled dyeing units, while non-Dalits are concentrated in high-skilled garment units (Carswell, De Neve, and Heyer, 2017). The new wave of rural industries is creating skilled and managerial jobs for upper-class people, but despite the legal challenges to accessing these permanent positions, those who have lost their land in the new developments are struggling to find stable jobs as security guards, warehouse workers, or janitors.

By compiling case studies from across India, Shah et al. (2018) show how India’s rapidly growing industrialisation is shaped by the inequalities inherited from the control of the urban class (see also Still, 2015b). Hierarchical networks within corporations, sand mining companies, university companies, real estate markets, and IT companies are important for the functioning of businesses, government offices, and education (Fuller and Narasimhan, 2014, 2015). (Jodhka and Manor, 2017a; Shah et al., 2018; Witsoe, 2017). The hierarchically structured urban rental markets (Thorat, Banerjee, Mishra, and Rizvi, 2015) shape residential segregation in Indian cities (Singh and Vithayathil, 2012).. In particular, about the labour market, three effects related to hierarchical structures can be distinguished: (1) job status, (2) network effects (or opportunity control), and (3) exclusion by groups. These effects can be examined in turn.

First, in terms of work conditions and the different levels of work and workers, the division of labor by status is particularly pronounced in certain sectors, such as (South Indian) restaurants with Brahmin cooks and waiters (Iversen and Raghavendra, 2006) or cleaning work with Dalit workers. Despite the claim of high-status sectors such as information technology to be associated with high-level knowledge and skills (Brahmins) (Fuller and Narasimhan, 2014; Upadhyaya, 2007), information-based work is particularly discriminated against.

VII. Social Class in the Business Economy

Dalits can escape discrimination in the traditional labor market by turning to self-employment. Indeed, the dramatic two-thirds increase in the number of self-employed workers following the transition to private enterprise since 1990, with half of the workforce being self-employed by 2005, suggests the disappearance of this social class (Harriss-White, Vidyarthi, and Dixit, 2014, pp. 40–51). The importance of this social class in the business world and the frequency of same-sex relationships in the workplace suggest otherwise (Deshpande, 2017, p. 21). Here again, in the business world, three effects of class are observed: (1) network effects, (2) market conditions, and (3) exclusion and group barriers. Starting with the network, its importance is evident in the way in which the groups that dominated



trade in the early 19th century entered production, followed by the agricultural groups, especially in the changes that took place after 1991 (Chari, 2004, Damodaran, 2008, Munshi, 2016a, pp. 14–15; Rudner, 1994). Multi-level networks of corporate governance are particularly important where risks are high, formal institutions are weak, and “selective trust” in quality is strong (Harriss, 2003, pp. 766–767), whether in the low-cost, high-quality textile industry of Gujarat or the high-end diamond industries of Mumbai and Antwerp studied by Munshi (2011).¹⁴ Strong multi-level networks also emerge in marginalised markets, such as leather, personal care products, cleaning services, and the Dalit-dominated waste economy (Jodhka, 2010).¹⁵ Gill’s study of the waste industry in Delhi illustrates this phenomenon: it shows how class divisions (here among Dalits) distinguish those who deal in dry, non-biodegradable waste, often plastic (kabada), and how Dalits are most marginalised. when they segregate and sort unsorted waste (kooda-kachhra) (Gill, 2012).

Indeed, markets are at a low ebb, and even when they are marginalized, the most sought-after sectors are associated with traditional occupations. Dalit businesses have limited access to markets. In the macro-economic context, the caste dominated the market for high-value products such as oil, milk and rice, while Dalits were marginalized from the food and clothing markets (except for their own customers), relegated to jobs requiring minimal physical effort. Even transport services were segregated: non-Dalits were transported over long distances, while Dalits were transported over short distances.

The most important networks and markets do not include: restricted access to capital or additional goods (e.g., goods not subject to status restrictions), trade networks, territories, infrastructure, raw material supply chains, and markets controlled by other groups. As a result, Dalits (the first generation to enter the entrepreneurial economy) have entered the lower ranks, managing small shops, as vendors, or as agents. These are mainly subsistence enterprises, rather than entrepreneurial enterprises, which are owner-managed or family-run, lack access to formal credit, and are predominantly rural and male-owned (Guérin et al., 2015; Harriss-White et al., 2014; Jodhka, 2010); (Deshpande and Sharma, 2016; Deshpande, 2017, pp. xvii–xxii). The small share of Dalit businesses initially declined after the reforms before rebounding in 2005 (Harriss-White et al., 2014; Iyer et al., 2013; Thorat et al., 2010). Despite alternative forms of employment, particularly in rural areas (but with limited benefits from microfinance programmes¹⁶), inequality persists within Dalit businesses in urban areas (Deshpande, 2017, p. xviii). This calls into question the perceived impact of urban exclusion (Gupta, 2004, xx) (see below), as well as the contemporary hope of the market to combat this exclusion through “Dalit capitalism,” as envisioned by the Dalit Chamber of Commerce of India (DICCI), founded in 2005 by an influential but largely unrepresented Dalit millionaire.

Prakash's (2015) study, based on 90 cases, provides insight into the experiences of Dalit entrepreneurs in a liberal economy. It reveals the effects of exclusion from networks that disseminate information, offer preferential rates, allow for the transfer of shares, or facilitate the exchange of information.

VIII. Conclusion

Unlike studies on status and development, recent research argues for the integration of status equality into social policies, particularly as an individual measure of opportunity. The findings concerning the effects of status in India are relevant to other South Asian countries and their diverse populations. The fact that status is influenced by other identity factors (gender, social class) does not preclude us from examining its specificities: types of occupational status, exclusion and marginalisation, network effects, status differences, and marginalisation. While few Indians live in poverty, many of them are Dalits and Adivasis, especially women (Harriss-White et al., 2014, p. 7). However, the mechanisms underlying poverty differ across groups. As demonstrated, Dalits face difficulties integrating into the same labour markets. They own less land, have more difficulty finding employment, and receive less education. Gang, Sen, and Yun (2008) argue that some of the Dalits' poverty stems from these "characteristics," while the Adivasis are poor due to the low profitability of certain characteristics, such



as agricultural land and limited access to technology. Their distinctiveness is more related to their geographic location than to their position in the labor market.

The group effect is not limited to individuals; Dalits migrate from villages to cities and to all markets where "cultural and social relations have developed" (Das, 2008, p. 3), and they impact the benefits derived from developments such as education. Differences related to class relations require no ideological justification and reproduce themselves, regardless of urban development or the neoliberal industrialization that consolidates the world. They ensure that any opportunity for social mobility for Dalits, whether it be starting a business or accessing middle-class education and services, becomes a source of discrimination against them. This discrimination stems from the interdependence of the economy and different social classes, as evidenced by the "glass ceiling" that hinders access to paid employment and the "sticky floor" that stifles human activity. It is perpetuated from generation to generation, widening the gap between different social classes.

The data presented here underscore the need for innovative public policies to combat discrimination, whether or not it affects marginalized people, to remove barriers and support Dalits in the informal and private sectors, and to adapt interventions to the realities of different contexts. They also highlight the importance of an informed dialogue on inequality and the exclusion of this issue from the global political discourse on sustainable development.

Conflict of Interest

The author declares that he has no conflict of interest.

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