CONCLUSIONS

7.1. Main findings and conclusions

The main findings and conclusions are drawn from the analysis of primary and secondary data both and divided into the following sections like; educational outcome and wage differentials in Indian labour market, socio-economic condition and status of caste, and migration and change of occupation based on three chapters of analysis viz. chapter 4, chapter 5 and chapter 6.

Educational outcome and wage differentials in Indian labour market

The study found that the period of 1993-2011 has been a period of dramatic changes for these historically disadvantaged social groups. SC/STs have significantly reduced the poverty gaps, in their literacy levels and in their relative representations in different occupations in both rural and urban areas with non-SC/STs. Moreover, the poverty gaps between SCs and GENs has decreased, but the gap between STs and GENs and between SCs and STs has increased in rural areas, which shows social segregation in terms of poverty ratios. Literacy rates have increased over the years and rural-urban differences have also decreased, but SCs and STs are well behind the OBCs and GENs of the country.

Occupational dis-similarity was highest between SC-Non SC/ST households in the beginning of the study in both rural and urban areas but with the passage of time in urban areas the dis-similarity between ST-Non SC/ST has surpassed with that of SC-Non SC/ST. We also find that occupational segregation in rural areas has decreased for SC-Non SC/ST and ST-Non SC/ST but, at the same time, it has increased between SC-ST. SC-Non SC/ST have the highest dis-similarity in occupation, because of landlessness or very low land holdings and ST-Non SC/ST have the lowest for the same.
In urban areas, the situation is totally different. Here we see that dis-similarity index has lower values, which shows that the occupational differences are not as sharp as rural areas and the dis-similarity in urban areas too is decreasing over the years. Occupational dis-similarity between SC-ST is decreasing here; at the same time, for ST-Non SC/ST it is increasing.

The earning function clearly supports the existing evidence of significant positive coefficients for education and marginal wage effects are increasing with the level of education for every social group. But return to education for SCs and OBCs is very low compared to GENs, at every level of education. There is clear evidence of gender and location bias in earnings too.

The study finds from probability distribution plots that the SCs wage distributions are clearly more skewed or placed towards the left than the GENs distribution for rural areas irrespective of the level of education but it is not so for urban areas, where we see much of overlapping distributions for both except for very low hourly wages. As the figures show that for low educated there is some evidence of raw wage gaps in urban sector but such major gaps are not in the case of highly educated urban areas as compared to its rural counterpart.

Logistic regression analysis improves our results by introducing findings of return to education for different employment statuses and it also clears that the occupational segregation is prevalent among different social groups. Better educational attainment is definitely a key for better occupational opportunities for every social group. But for OBCs and SCs the effect of increasing education is somewhat less than general caste and the likelihood of being exempted from lower paying jobs (e.g. agricultural and production activities) with increasing education is very low compared to general castes.

Decomposition results show that endowment component is much larger than the discrimination component in case of social groups, because of the existence of pre-market discrimination like educational attainment, health and other related facilities in the Indian context. Discrimination explains 10.9% of the lower wages of SC individuals as
compared to GENs in 2011-12. Higher levels of education like Secondary, higher secondary and higher education favoured the GENs. Gender and regional differences in wages are prevalent, which is favouring GENs. The study found discrimination component is largely attributed to experience and education.

Full-time jobs have a significant positive discrimination component (6.4%) for the wage differentials between SCs and GENs but part time and overtime jobs have a negative unexplained component that shows in this type of job or activities SCs are in favourable position. Over the two periods, the discrimination component has been decreased significantly for rural areas from 25.9% in 2005 to 21.3% in 2012 but for urban areas, it has been dramatically changed to a negative unexplained component showing in urban areas no such evidence of discrimination in wage differentials was found.

Discrimination component in 2011-12 was negative (-14.0% and -18.4%) for professional/administration and clerical/sales and services activities respectively. Wage differentials for these activities are explained by 114.0% and 118.4% respectively by endowment component and no such caste discrimination was found against SCs (due to negative discrimination component). But discrimination component is highest at 59.8% for agricultural activities; followed by production (19.9%).

In the case of gender wage differentials too, the earning function supports the evidence of significant positive coefficients of increasing education for both males and females. Earning outcomes of education was better for females than males for a higher level of educations. Gender wage differentials were found to be universal e.g. rural urban phenomena and for both low and high educated individuals but caste wage differentials were more profound in rural areas making it more a rural phenomenon. There is also clear evidence of caste bias for males, location and regional bias for both in earnings. Our interaction coefficients indicate that gender wage gap was more prevalent among general category, which was very clear for rural settlements and in southern states, which is characterised with high earnings is also a place where the gender wage gap is highest.
The decomposition analysis indicates towards a very minimal reduction in gender wage discrimination over the years of 2005 to 2012. Discrimination explained 66.1% of the lower wages of female individuals as compared to males in 2011. Discrimination component is highest for production workers (81.3%) followed by professionals (77.6%), agriculture/allied workers (77.4%), clerical workers (65.9%) and is least for sales/services workers (61.4%). Gender wage discrimination is very high for urban areas (86.3%) than the rural settings (71.3%).

It was found that large wage differentials between social groups were mostly because of endowment factors but in the case of gender, this gap is attributed mostly to labour market discrimination which indicates that gender wage discrimination surpassed caste wage discrimination.

**Socio-economic condition and status of caste**

Our primary data analysis of Allahabad division showed that SCs are most vulnerable if we see the basic socio-economic indicators like possession of household assets (mean of asset count was less than two), water and sanitation facility and availability of electricity. Most of the SC households are living in acute deficiency as is evident from the analysis that mostly they are uneducated, have no proper skills to get jobs, landless or very low landholdings, forced to work manual and hazardous labourer jobs and this all leads to low income of the households. The bigger size households are preferred to maintain the daily livelihood (71.0% households had more than 5 members in the family) and even the children (newer generations) are going in labourer jobs to get economically independent soon. This also leads to the formation of nuclear families in rural Allahabad division (more than 75.0% families were nuclear).

The very low socio-economic condition of SCs in Allahabad division can be seen through a general content analysis of the data that more than 70.0% respondents were illiterate or do not have even one year of schooling. The proportion of unskilled workers were at high 90.0% as it results in a high proportion of workers in labourer jobs (81.0%) and very few of them were self-employed or in regular salaried jobs (15.0%). Large numbers of
households are landless (more than 77.0%) and those who have agricultural land (more than 73.0% of them have less than 0.25 acre of agricultural land), it is not at all worth for income generations as irrigation is a big problem for them. All this led to a very low engagement in cultivation activities (only 3.2%). The situation is so worse that more than 76.0% households are living in deplorable kaccha or semi pucca houses, force to use hazardous biofuel for cooking (more than 81.0%), no safe sanitation facilities (only 2.0% have toilets) and still using kerosene for lighting (with 21.0% household electrification). If these proportions are compared with rural U.P. national level data of Census 2011, the gap will be clearly visible at every point. However, the financial inclusion in terms of post office/bank accounts showed a positive picture (98.3%), which may result in increased benefits of cash benefits/subsidies/transfers.

The perception of SCs towards the status of caste was dependent on the age, education, occupation, income and even on the type of family of the respondent. The results showed that respondents with lesser age groups, more education, and better occupation like self-employment/salaried, more income and joint families are of the view that the status of caste has been changed over the years but change of occupation and perception about caste status is independent of each other as change in occupation or occupational mobility is mostly of horizontal type (agricultural to non-agricultural labourer activities).

The old aged discriminatory practices like temple entry, in queues, in schools, access to public water sources and in workplace/transport/shops have mostly been partial in nature as the open practice of these activities is illegal offense but practices like entry into houses, inter-dining and in social activities caste still matters. More than 54.0% respondents were of the view that basic reason behind this discrimination is their lowest ‘caste’ status. Study finds older generations (age), labourers and less educated are significantly sighting ‘caste’ as the basic reason for discrimination over poor economic condition and Illiteracy. Even increasing income has not helped at all to change this phenomenon.
Feeling of inferiority among SCs is independent of education, gender, and age of the respondent which shows that even today the education has not helped to change the sense of inferiority among SCs. On the other hand occupation and income is statistically associated with the feeling of inferiority and the feeling of inferiority reduces for individuals whose income is more or is in better occupation. This leads to inferring that perception about the lower status of caste and feeling of inferiority can be reduced if better occupation and income opportunities are being provided.

To capture the elasticity of earnings, OLS regression has been used and here the study finds that those with better occupations like self-employed/salaried has significantly better earnings than cultivators and on the other side labourers (either agricultural or non-agricultural) has significantly lesser earnings than cultivators. This clears that better occupation is definitely going to pay in better income and particularly for rural areas the training/skill programmes are essential because of very low level of formal education, to make them self-employed rather provide any jobs as providing jobs has a bigger gestation than self-employment activities. It is also evident from the analysis that increased age and education, having joint families and agricultural land and bigger landholdings are positively related to earnings of a household, which again proves the importance of education and joint families in rural areas. The migration and change of occupation are also positively related to earnings of a household as migration would take place for increased wage rates or in the case of no opportunities for jobs and for sample households both the cases were present.

Logistic regression for whether the economic condition has been bettered off or not shows that definitely change of occupation from parent’s occupation has helped them to be economically better off from the earlier generation and possession of any skill is a key to better the economic condition with many folds after controlling for income, asset count, age, household size, possession of agricultural land etc.. Increasing education has negatively affected the perception about economic betterment which showed the lack of job opportunities and poor quality of education being imparted in rural settlements.
Migration and change of occupation

Rural to urban migration in the sample area for SC male workers showed that the migration among the present generations of SC community has increased rapidly over the previous generations. The statistical tests as chi square test and logistic regression analysis showed that the migration decisions were found to be majorly related to employment issues, which is associated with no or lack of employment opportunities and differences in raw wage differentials between origin and migrant places.

The forcing or push factors have influenced the migration among respondents more than the attracting or pull factors as evident from our analysis that most of the respondents who migrate were absorbed in manual labourer job or activities. The migration among respondents is mostly temporary in nature because of many socio-economic and other factors like education, monthly household income, age, the size of household, possession of land, skill, and migration in the previous generation.

It is observed that probability of migration decreases with a lower level of income (implies migration has economically better off the households), years of education and possession of agricultural land or any skill, from their rural origins and younger respondents have a higher probability to migrate than the middle or high age groups. The size of the household does not play a significant role in deciding whether the respondent will migrate or not, however it is positively associated with migration. It is also observed that the effect of migration on the previous generation on migration in present generation was positive and significant.

This all led to infer that socio-economic factors played a critical role in migration decisions. MNREGA has only helped to reduce distress (forcing) migration and its effect is very limiting in curbing aspirational migration in the sample area.

The distress migration among respondents can be clearly seen as those who migrated, the log odds of being better off (life satisfaction) decreases significantly in comparison to those who did not migrate. However, the change of occupation from parents has resulted in increased probability of being better off.
To conclude, the study clears that the migration among respondents is mostly temporary, forcing (distress) and not resulting at all in increased life satisfaction because the migration decisions are not governed by pull factors or by choice, it is mostly accounted for helplessness and restraints.

### 7.2. Policy suggestions

The study analysed the socio-economic condition of scheduled castes in terms of education, occupation, life condition, socio-economic statuses and extent of discrimination faced by SCs which ultimately leads to lower earnings and occupational segregation for them. The study used the primary survey to analyse the socio-economic condition of sample SCs and secondary data has also been used to capture the extent of caste and gender discrimination in earnings and occupational segregation between social groups. On the basis of main findings, the study suggests following policy implications;

The study first analysed extent of occupational dissimilarities between social groups. From the finding, the study suggests some policy implications as we saw that in urban areas the dis-similarity indices are much lower than the rural areas’ indices and in favour of occupational choice similarities among social groups, so increased urbanisation can play a vital role in occupational choices according to an individual’s ability. Urbanisation breaks the orthodox thinking of rural areas and it can boost the process of integration of the society.

At the same time, we have to think of the vast private sector, where there is no formal affirmative action policy of the government. A big unorganised sector does not give any social security to its workers. Increased literacy rates and educational years can result in better employment opportunities for SCs and STs because without that they cannot reap the benefit of government’s affirmative action policy. So being literate is not enough and actually to be an educated and skilled one is the need of the time so that the marginalised can have a significant share of national income. At the same time, they should make themselves more mobile towards their rights and government schemes made for them.
The study then analysed the extent of caste and gender discrimination in earnings which showed large endowment differences in the case of caste and discrimination component in case of gender are a matter of concern for policy makers. For marginalised social groups like SCs, the effectiveness of human, social and physical capital has been very low in comparison to generals and focus should be on providing quality education and skills development programmes, rather than just focusing on numbers.

Affirmative policies (reservation system) have contributed to a much extent in improving the level of education for marginalised, job opportunities in government (public) sector and in representations in legislature but special attention should be needed to mitigate the huge human capital gap between SCs and generals and the ambit of affirmative action policies should be enlarged with rationality. Lower return to education for SCs indicates the need for government policies focusing on education and employment opportunity both simultaneously like; skill development programmes on a much larger scale and free education for poor SC students with scholarships to pursue higher education.

At this juncture, the much awaited “Equal Opportunity Commission” is the need of today’s market, which will not only make a level playing field but also take care of marginalised by providing enough opportunities according to their capabilities.

In this regard, we differentiate between equality and equity as equality represents, the state of being equal either in status, rights or opportunities but as far as equity is concerned, it is related to fairness and it shares anything on the capability of an individual. So, it is to say that SCs do not need patronising schemes, they just need equality of opportunity, equality to earn their due and ultimately it will lead to equity.

Low earning is almost universal for Indian females either it is rural or urban areas, any region (states), occupation or whatever may be the level of education. Their high returns to education, particularly for higher levels of schooling and college education is more than offset by their low attainment of education, in comparison to males, even after many free education campaigns of state and centre government and scholarship programmes. It is very important to aware the parents and girls first, about the benefits of proper
schooling which not only result in increased sense of understanding and problem-solving but also ultimately lead to better employability.

Gender and regional parity in earnings are of utmost importance, on one hand, to empower women economically and on the other, to tackle the rural urban migration problem. Our occupational decomposition results indicate that a huge labour market in India is out of the ambit of affirmative action policies and here the government should initiate to reserve the right to equal earnings and opportunity for marginalised sections of the society like SCs, females and rural people by organising the big unorganised sector.

The primary research based on a survey of rural Allahabad division points towards the very low socio-economic condition of SC households. There is a need to focus on basic infrastructure facilities that should be available to a household irrespective of their caste like; properly treated tap water facility, affordable electricity connections, proper housing, LPG connections and private sanitation facility. Much care should be taken in targeting the poor SCs so the actual needy would get the benefits of government welfare programmes. Multi-level monitoring of programmes and benefits is of utmost importance as most of the welfare programmes are affected by corruption and at the village level, a person from the SC community should be designated as “Observer” for proper implementation of programmes.

The educational status among the scheduled castes and their children was at an unsatisfactory level. Because of various social, economic and other reasons, they did not attend schools and if get enrolled, dropped it very soon. First of all, basic school and college infrastructure is needed for rural areas and secondly, which is more important, a proper environment for education, where children do not opt education as punishment or restriction but as a key to developing their mind, thinking and increased opportunities.

Rural areas are the places with limited occupational opportunities, in which having agricultural land is of utmost importance to earn a livelihood. In the case of sample SC households the acute landlessness is common and those who have, cannot afford to cultivate as it needs many other inputs. The government can have a land redistribution
programme as social justice initiative and should provide the access to other agricultural inputs in affordable prices.

Feeling of inferiority among SCs and various types of discrimination faced by them in daily life are common, actually the older generations have accepted the discrimination as their destiny; however, with newer generations, this feeling of inferiority has reduced but it is still very prevalent in rural settlements. The acts of discrimination can only be reduced or vanished when SCs themselves start feeling normal about their own caste and for that government should start social awareness campaigns like plays in villages which attack on birth based caste system and knowledge them about the equality which is being given to every citizen of India, irrespective of caste, class, religion or region.

Adequate occupational and earning opportunities should be provided in rural settlements as to stop migration and provide a better life in home place to SCs. As we saw that a large proportion of SC male workers are in non-agricultural wage labourer jobs and very few of them can secure a salaried job or self-employment activities, so the government should focus on alternative job opportunities like allied sector, cottage industries, and the nearest market should be developed as agglomeration to all type of activities. This is possible only when these markets and villages are finely connected by nearest cities by roads and by providing urban amenities to rural areas (PURA model of Dr. A.P.J Abdul Kalam).

Most of the migration among sample male SC workers was temporary and is the type of distress migration. Balanced approach is needed in this regard by providing adequate educational infrastructure for future generations, job opportunities, skills through skill development programmes in rural areas and diversification of employment opportunities in rural allied activities. At the same time, migrant places should be made capable of absorbing workforce coming from rural settlements by providing adequate infrastructure in urban centres.

The policies of government should be inclusive in nature and focus should be on weaker sections but at the same time community feeling among different castes and religions should not be harmed or hurt and policy decisions ought to be based on ethics and
maximum welfare of society because in a market economy, the theory of compensation does not fit and ethics play a vital role in deciding the welfare of whole community.

### 7.3 Limitations and scope for further study

As far as the primary survey is concerned, the scope of the study is limited to the rural development blocks of Allahabad Division, as classified by the Primary Census Abstract 2011. The study did not consider urban areas of the same because of low representation of SC urban population in Allahabad, Kaushambi, Pratapgarh, and Fatehpur, comprising only 15.4%, 4.1%, 2.5% and 7.3% population respectively in urban area. If would have been taken Kuashambi district would get only as many as 5 respondents from urban areas and Pratapgarh would get only 3 respondents from the same, this might showed inadequate results because of small samples. The results can be generalised to rural Uttar Pradesh as the sample was large enough (600 households) and random sampling has been used to identify the household.

Some other limitations of the study are;

The study considered two sub-castes of scheduled castes namely; Chamar (Harijan) and Pasi (Saroj), which are dominating in terms of population in the sample area.

The study has analysed the socio-economic status of scheduled castes at a given point of time (cross sectional) in rural Allahabad division. Analysis on district or village-wise comparison is not given.

The primary survey of the study dealt with the Castes of ‘Scheduled Castes’ and other social groups have been neglected. However, in secondary data analysis of caste and gender wage differentials, a holistic picture has been given at all India level.

The scope for further study is hidden in the limitations of this study. It would be very interesting to conduct a bigger sample survey so that we capture the rural urban differences in the socio-economic condition of SCs and include other social groups also in the detailed survey like this for comparison between different caste, religion, and social groups.
To capture the intergenerational change in the socio-economic condition in a more profound way it is very important to incorporate more streams of social sciences like sociology, anthropology, geography, psychology etc. in the analysis, which will give more integrated results to the topic and will lead to refined policy suggestions.

Here the primary survey concentrated only the state of Uttar Pradesh and particularly Allahabad division because of various social, economic, geographic and other constraints related to large surveys. While a comparative study of other states would be very interesting to analyse regional variations in socio-economic conditions and severity of deprivation among social and religious groups.