Chapter: 2

Social Exclusion Framework for Understanding the Problem of Excluded Groups and Poor

2.1 Introduction

The origin of the term “Social Exclusion” goes back to mid-1970s when René Lenoir first developed the expression of ‘Social Exclusion’ as a complement to the framework of market discrimination conceptualized by Gary Becker during 1960s (Sen, 2004). However, the phenomenon of social exclusion in the Indian context is not similar to the experience of excluded groups in other countries. In the Indian context, social exclusion differs from other countries mainly on three counts. One, the basis of the social exclusion in Indian context is birth and continues till the death. The birth of an individual in a particular Varna\(^1\) (a term that represents groups of castes) decides the socio-economic status in the society. Two, exclusion of an individual is not caused due to the individual characteristics, but could be attributed to societal phenomenon in the sense that an individual can be excluded not due to his characteristics, but due to the reason that he belongs to a certain social group. And thirdly, the notion of impurity is attached to the exclusion and religious sanctions which are continued historically.

This differential treatments has been initially conceptualized by Sukhadeo Thorat through the concept of social exclusion to understand the problem of all marginalized groups in India. According to Thorat, “in India, exclusion revolves around the societal institution that exclude, discriminate, isolate and deprive some groups on the basis of, gender and others” (Thorat and Sadana, 2004). Further, he simplifies that the concept of exclusion is related to the societal institution which exclude, discriminate, isolate and deprives some groups on the basis of groups identity like caste, ethnicity, religion, gender etc. Social exclusion describes a process by which certain groups are systematically discriminated against because of their caste, religion, gender, disability or other factors. Social exclusion keeps a social group outside power centers and resources. It takes the form of segregation from the social, political, economic, cultural, educational and religious domains of society. It thus imbues a sense of superiority and inferiority in members.

\(^1\) In India, different castes are grouped into four Varna viz., Brahmin, Kshatriya, Vaishya and Shudra. This is also called as chaaturvarna (i.e. four Varnas). It is to be noted that the untouchables does not come under this chaaturvarna system, but the these are called as antojaya or out of varna system.

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of a society or culture and results in a system of domination and subjugation. These processes ultimately lead to oppression and exploitation resulting into poverty and deprivation (Thorat 2007).

With this backdrop, the central purpose of this chapter is to explain the ideology of S.K. Thorat related to the problem of social exclusion. He discusses this concept for understanding the problem of marginalized section in India. In order to understand the whole genesis of the concept, we have made seven sections in this chapter. In the second section, we explain the concept of social exclusion followed by the theoretical underpinnings of the concept of market and non-market discrimination in the third section. In the fourth section, we discuss the indicators of economic and social discrimination. In the fifth section, we cover different methods of measuring economic discrimination and lastly we discuss the consequences of social exclusion –human poverty –and social exclusion linkages. in the last section, we conclude the issue of social exclusion framework in the Indian context.

2.2 Concept of Social Exclusion

In view of Thorat, exclusion on the basis of race, colour, religion, ethnic background, national or social origin exits in many nations under diverse social, economic and political system, and India has been no exception. The concern about exclusion at the policy level is primarily because of its consequences on economic growth, inequality and deprivation that it particularly brings to the excluded and discriminated groups. He said that social exclusion has been defined as “the process through which individuals or groups are wholly or partially excluded from full participation in the society within which they live.” Two defining characteristics of exclusion are particularly emphasized, firstly the societal relations (or institution) that causes exclusion and secondly its consequences in terms of deprivation in multiple spheres –coming mainly through denial of equal rights (Thorat 2005). The concept thus focuses attention on social relations and the institutions underlying the process of exclusion and its adverse consequences in multiple spheres on the excluded groups.

The application of the concept of social exclusion in the Indian context is developed on the basis of the formulations provided by Amartya Sen and Buvinic. Thorat points out two major distinctions of the concept given by Sen (2004). One, there is a distinction between the situation where some people are being kept out, and where some people are being included in deeply unfavorable inclusion. The unfavorable inclusion with unequal treatment may carry the same adverse effect as “unfavorable exclusion”. Two, differentiation between “active and passive exclusion” for the casual analysis and policy response, as it is important to distinguish between
“active exclusion” fostering of exclusion through the deliberate policy interventions by the government, or by any other willful agents to exclude some people from some opportunity, and passive exclusion which works through the social process in which there are no deliberate attempts to exclude, but may result in exclusion from a set of circumstances.

Besides, there is another distinction Sen provides, which Thorat discusses, is the “constitutive relevance” of exclusion from that of “instrumental importance”. The former have an intrinsic importance of their own. For instance not being able to relate to others and to take part in the life of the community can directly impoverish a person’s life, which may further generate further deprivation. This is different from social exclusion of “Instrumental importance”, in which the exclusion in itself, is not impoverishing, but can lead to impoverishment of human life.

Thorat has contributed in understanding the concepts of exclusion or discrimination on the basis of the mainstream economics in the context of race and gender. The mainstream economic literature throws more light on discrimination that works through markets, but he developed the concept of market discrimination with further analytical clarity. In the market discrimination framework, exclusion may operate through restrictions on the entry in the market, and/or through “selective inclusion”, but with an unequal treatment in market and non-market transactions (this is close to Sen’s concept of unfavorable inclusion).

In the approach of Thorat, these developments in social science literature indeed enable us to comprehend the meanings and manifestations of the concept of social exclusion, and its applicability to caste and ethnicity based exclusion in India. Thus, the manner in which it has been developed in social science literature, the concept of social exclusion in general and economic exclusion in particular, essentially refers to namely the “Societal institutions” (of exclusion), and their “outcomes” (in terms of deprivation). In order to understand the dimensions of exclusion, therefore, it is necessary to understand the social relations, which lead to exclusion of certain groups causing deprivation in multiple spheres i.e., civil, cultural, political, and economic. For a broader understanding of the concept of exclusion the insights into the societal process and institutions of exclusions are as important as the outcome in terms of deprivation for certain groups (Thorat 2005).

Thorat emphasises on recognizing the group characteristic of exclusions and economic exclusion or discrimination is independent of income, productivity or merit of individuals in the
group. Often people do get excluded from the market due to lack of income or unemployment due to low productivity/skill or no admission due to lower level of so called merit. In these cases, low income, productivity and merit are direct cause of exclusion. In the case of group based exclusion on the other hand, the basis of exclusion is group identity and not the economic characteristics of a group. The focus of exclusion is social group and not individual. It is a different matter that exclusion may necessarily lead to denial of economic opportunities and powerlessness. But low income, productivity or less merit are not the original sources, it is the outcome of exclusion associated with group identity. This group characteristic needs to be recognized when we discuss the policy and remedies against discrimination. It is also possible that some individuals in the discriminated group may be economically better off and they may have some advantage in overcoming the effect of discrimination compared with their poor counterpart. But since exclusion has group focus they would also suffer from discrimination- though may be not with the same degree and magnitude as the poor member of their group (Thorat 2005).

Buvinic also provides concept of social exclusion which emphasises that, “...inability of an individual to participate in the basic political, economic and social functioning of society”, and it involves, “the denial of equal access to opportunities imposed by certain group in society upon others.” Above the definition, Thorat said, this definition captures three distinguishing features of social exclusion. One, it affect culturally defined group; two, it is embedded in social relations between them; and three, it results in deprivation or low income for those excluded. It is critical to take note of the particular form of exclusion in the Indian context where inscriptive rather than achieved characteristics are the basis of exclusion. The former are not amenable to alteration as a consequence of individual’s agency and cannot, therefore, be regarded in any fashion as a matter of personal responsibility (Thorat 2007).

In the approach of Throat, exclusion in the Indian case revolves around the societal interrelations and institutions that exclude, discriminate against, isolate and deprive some groups on the basis of group identities like caste and ethnicity or religion. The nature of exclusion revolving around the caste system, particularly, needs to be understood and conceptualized. Caste-based exclusion has formed the basis for various anti discriminatory policies in India. Add to this, Thorat said that the practice of caste-based exclusion and discrimination thus, necessarily involves failure of access and entitlements, not only to economic rights, but also to civil, cultural and political rights. It involves what has been described as “living mode exclusion”, exclusion in political participation, and exclusion and disadvantage in social and economic opportunities. The
Caste/untouchability and ethnicity-based exclusion thus reflect in inability of individuals and groups like former untouchables, adivasi and other similar groups to interact freely and productively with others and to take part in the full economic, social, and political life of a community. They have incomplete citizenship or denial of civil rights, political rights and socioeconomic rights (Thorat 2005-a).

In social science literature, there is general agreement on the core features of social exclusion, its principle indicators and the way it relates to poverty and inequality. Social exclusion is the denial of equal opportunities imposed by certain groups on others which leads to inability of an individual to participate in the basic political, economic and social functioning of a society (Thorat 2005-b).

Thorat discusses diverse ways in which social exclusion can cause deprivation and poverty. The consequences of exclusion thus depend crucially on the functioning of social institutions, and the degree to which they are exclusionary and discriminatory. Social exclusion has a considerable impact on an individual’s access to equal opportunity if social interactions occur between groups in a poor–subordinate relationship. The focus on groups recognizes the importance of social relations in the analysis of poverty and inequality (Thorat and Haan 2008-a).

In the view of Thorat, the outcomes of social exclusion in terms of low income and high degree of poverty among the excluded groups depend crucially on the functioning of social and economic institutions through a network of social relations, and the degree to which they are exclusionary and discriminatory in their outcome. Social exclusion has a sizeable impact on an individual’s access to equal opportunities if social interactions occur between groups in power/subordinate relationship. The groups focus on social exclusion recognizes that people are excluded because of described rather than achieved features, beyond individual agency or responsibility (Thorat 2005-c).

One of the important argument, Thorat puts, is the individual exclusion versus group exclusion. The concept of social exclusion essentially refers to the process through which groups are wholly or partially excluded on the basis of group identities from full participation in the society, economy, and polity in which they subsist. It involves two crucial dimensions, namely, ‘societal relation’ (causing exclusion) and their ‘outcomes’ (causing deprivation). Therefore, for understanding the nature of exclusion, insights into societal relations and institution of exclusion is
an important as delineating their outcomes in terms of deprivation for excluded groups (Thorat and Newman 2010). The concept of social exclusion clearly draws distinction between group exclusion and exclusion of an individual. In case of ‘group exclusion’, all persons belonging to a particular social/cultural group are excluded because of their group identity and not due to their individual attributes. Exclusion of an ‘individual’ is fundamentally different from the exclusion of a ‘group’. Individual (both from excluded and non-excluded group) often get excluded from access to economic and social opportunities for various reasons specific to them (and not because of their group social/cultural identity). For instance, individuals may be excluded from employment due to the lack of requisite education and skills. Individual may face exclusion in access to education due to lack of minimum qualification and merit, or their inability to pay for costly education. An individual may also be excluded from access to input and consumer markets due to lack of income and purchasing power. Here Thorat said that, the exclusion of an individual has necessarily no connection with social and cultural identity of a person. On the other hand, in case of the exclusion of a social group variables associated with social and cultural identities –such as social origin like caste, ethnicity, religion, gender, colour and race – become important and exclude all persons belonging to then from access to capital assets, business, employment, education, civil and political rights, and other social needs. Thus, the group characteristics of exclusion are based on social and cultural identity, and are irrespective of individual attributes (Thorat and Newman 2010).

2.3 Concept of Economic Discrimination –Market and Non-market Discrimination:-

Within social science literature, a more precise elaboration of the concept of discrimination has come from the discipline of economics in the context of race and gender. Mainstream economics literature throws market and non-market transactions, and some develops the concept of market discrimination with some analytical clarity. In the market discrimination framework, the discrimination of a group may operate through restrictions on entry to markets and/or through ‘selective inclusion’, with unequal treatments in market and non-market transactions.

Labor market discrimination, as Thorat argues, can occur in hiring –for instance, when two persons with similar employment experience, education, and training apply for employment, but because they differ in some non-economic characteristics, they face denial in hiring (Thorat and Newman 2010). The differences are thus, correlated with certain non-economic (social origins like caste, origin, ethnicity, and religious backgrounds) characteristics of an individual. He also said that, there are very few theoretical attempts at the economic interpretation of the caste system, but
nevertheless, they do recognize that caste as a system of social and economic governance is determined by certain religious ideological notion, and customary rules and norms, which are unique and distinct. The economic organization of the caste system is based on the division of the people in social groups (or castes), in which the social and economic rights of each individual caste are pre-determined or ascribed by birth and made hereditary. The entitlement to economic rights is, however, unequal and hierarchical (graded). The economic and social rights are unequally assigned and, therefore the entitlement to rights diminishes as one move down the caste ladder. The system also provides for a community-based regulatory mechanism to enforce the system through the instruments of social ostracisms (or social and economic penalties), and is reinforced further with the justification from and philosophical elements in Hindu religion (Thorat and Newman 2010).

The fundamental characteristics of pre-determined and fixed social and economic rights for each caste, with restrictions for change, implies ‘forced exclusion’ of one caste from the civil, economic and educational rights which other caste enjoy. Exclusion in civil, educational and economic sphere is, thus, internal to the system and a necessary outcome of its governing principles. In the market-economy framework, occupational immobility would operate through restriction in various markets, and may include land, labour, capital, credit, other inputs, and services necessary for pursuing any business or educational activity (Thorat and Newman 2010).

This implies that in its original form, unlike many other human societies, the Hindu social order governed by the caste system does not recognize an individual and its distinctiveness as the center of social purpose. In fact, for the purpose of rights and duties, the unit of Hindu society is not an individual (even a family is not regarded as a unit in the Hindu society, except or the purposes of marriage and inheritance). The primary unit in Hindu society is caste and, hence, the rights and privileges (or the lack of them) of an individual are on account of the latter’s membership to a particular caste. Also, due to the hierarchical or graded nature of the caste system, the entitlements to civil, economic and educational rights by different castes become narrower as one goes down the hierarchical ladder of the caste system. Various castes their rights and duties get artfully interlinked and coupled with each other in such a manner that the rights and privileges of higher caste and the other backward castes locate at the abyss of the caste hierarchy, in this sense, a caste does not exist singularly, but only in plural. Caste exists as a system of endogenous groups, which are interlinked with each other in an unequal measure of rights and relations in all walks of life. Caste at the top of the order enjoys more rights at the expense of those located at the bottom.
Therefore, the lower castes such as the former untouchables and other backward castes located at the bottom of the caste hierarchy have much lesser economic, educational, and social rights.

Caste/untouchability–based exclusion is reflected in the inability of individuals from the lower castes to interact freely and productivity with others, and this also inhibits their full participation in the economic, social, and political life of community. Incomplete citizenship or denial of civil rights (freedom of expression, rule of law, right to justice), political rights (right and means to participate in the exercise of political power), and socio-economic rights (right to property, employment, and education) are the key dimensions of an impoverished life. From this perspective, Thorat gives the concept of caste and untouchability–based on market and non-market discrimination, can thus be define as follows:

1. Complete exclusion or denial of certain social groups such as the lower caste by higher castes in hiring or sale and purchase of factors of production, (like agricultural land, non-land capital assets, and various services and inputs required in production process) consumer goods, social needs like education, housing, health services, and other services transacted through market and non-market channels, which is unrelated to productivity and other economic attributes.

2. Selective inclusion but with differential treatment to excluded groups, reflected in differential price charged or received (different than market prices). This may include price of input factors involved in production such as wages to human labour, price for land or rent on land, interest on capital, and rent on residential houses. This may also include price or fee charged by public institutions for services such as water, electricity and other goods and services.

3. Unfavorable inclusion (often forced) bound by caste obligations and duties reflected, firstly, in over-work loss of freedom leading to bondage, and attachment and secondly, in differential treatment at the place of work.

4. Exclusion in certain categories of jobs and services of the former untouchables or scheduled castes who are involved in so-called ‘unclean or polluting’ occupations (such as scavenging, sanitary jobs, leather processing, etc.). This is in addition to the general exclusion or discrimination that persons from these castes would face on account of being low-caste untouchables (Thorat and Newman 2010).

2.4 Indicators of Economic and Social Discrimination:-
Thorat has given some indicators of economic and social discrimination as follows.

1. **Land Market**

   In case of land market the untouchable would suffer from exclusion as they may be denied the right of purchase of land for agriculture purpose and non agricultural purpose. Similarly they may not get land or space on rent or lease. If they do get access for purchase or lease, price and the rent may be higher than the market rate and also the term and condition may be unfavorable to them. The untouchables may also suffer from discriminatory access to the common property resources such as grazing land and other community land and public water bodies (Thorat 2008-b).

2. **Capital Market and Occupation**

   In the case of capital market the untouchable may be excluded from the supply of capital by the formal and informal credit institutions and if they do get some access to the credit, they may be required to pay rate of interest higher than the market rate. Besides, the terms and conditions may be unfavorable.

3. **Occupation**

   One more variant of capital market discrimination may operate through restriction on investment in economic activities (or occupation) other than their own caste occupation. The exclusion may operate through several restrictions such as refused to supply capital and infrastructure to undertake prohibited economic activities.

4. **Employment Market**

   The low caste persons may be excluded from employment and in case they do get access to job they may face discrimination in wage earning. Including the terms and conditions of hiring, they may be required to work at wages lower than market rate further the customary rules and obligation may force them in over work and lower wages.

5. **Input (factors) Market**

   Another form of exclusion and discrimination relates to input factor market. The untouchables may be denied access to buying of various inputs of production. If they do get access they may be required to pay price, which will be higher than the market price.
6. **Consumer Market**

The untouchable may be facing the discrimination in trade (wholesale and retail) in consumer goods. They may face restrictions and discrimination on the sale and purchase of consumer goods. Besides, they may be required to pay a higher price than the market price whenever they buy from the market and a lower price for the goods that they offer for a sale in the market.

7. **Services and Civic Amenities**

In the case of social services the untouchables may face exclusion and discrimination in education, housing, health services, and access to public road, electricity and water. In the case of education they may suffer from barrier to the entry in the education institutions and unequal treatment by the teacher. In the case of housing they may face restriction on purchase and renting of residential houses. They may be required to pay housing rent higher than the market rent. In the case of health services they may face exclusion and or discrimination in the access to civic services like road, electricity and drinking water.

8. **Untouchability, Isolation and Exclusion**

The untouchables are the only group who suffer from the practice of untouchability base on concept of pollution and purity. Since the untouchables are considered to be impure they suffer exclusion and discrimination in several economic activities. Generally speaking they may suffer exclusion from the participation in certain categories of jobs (the sweeper being excluded from inside household job such as cooking or others). Similarly, they may face exclusion the consumer market in so far as the people from high caste may not like to buy the consumable goods from them (such as vegetable or milk and others).

9. **Civil Rights and Political Rights**

The untouchables may suffer discrimination and exclusion in use of public services like road, temple, water bodies and several other public services and places and also in political participation at various levels (Thorat 2008-b).

2.5 **Methods of Measuring of Economic Discrimination**

Thorat uses three main criterions to measure the incidence of discrimination in market (and even non-market). These three criterions relate to access to market for purchase or sale, prices (charged
for labour), factor inputs, goods and services, and terms and conditions for persons entering into market and non-market exchanges. These three criterions are:

I. **Unfair Exclusion** - Discrimination may be practiced through complete exclusion or denial to members of certain groups from having an access to various market and non-market exchanges such as hiring labour, in sale and purchase of factors inputs, in supply of credit, in sale and purchase of product and consumer goods, and in supply and demand of social services, which are unrelated to normal terms and conditions of exchange;

II. **Unfair Inclusion** - Selective inclusion but with differential treatment. Discrimination may be practiced through selective access to market and non-market transactions, but with differential treatment reflected with in prices charged for factor inputs, goods, and services to certain groups; and

III. **Unfair Inclusion on Unequal Terms of Contract** - Discrimination may be practiced through unequal terms and conditions of transactions carried through various market and non-market exchanges (Thorat 2009).

Different forms of labour market discrimination may be conceived and measured in terms of the following (Thorat and Sadana 2004):

- a) Complete exclusion of discriminated of social groups from employment, that is, employment discrimination;
- b) Selective inclusion in employment, but with unequal treatment reflected in lower wages unrelated to productivity, that is wage discrimination;
- c) Selective inclusion with unequal hiring terms and conditions with respect to hours of work and other terms, that is, discrimination in conditions of work;
- d) Differential behaviour towards low caste employee in place of work, that is, discrimination in social relations at work;
- e) Compulsory or forced work associated with traditional case-related obligation involving loss of freedom; and
- f) Finally, exclusion of low castes from certain types of jobs, particularly due to the notion of pollution and purity (Thorat and Deshpande 1999).
2.6 Consequences of Social Exclusion-Human Poverty- and Social Exclusion Linkages

The concern about discrimination is precisely because of its linkages with underdevelopment, inequality, poverty and the potential inter-group conflict that it can lead to between the dominant and discriminated subordinated groups. Thorat puts his concern over social exclusion from two major perspective from development and deprivation perspectives.

I. Development Perspective

The standard economic theory of discrimination indicates that economic discrimination generally generates consequences, which adversely affect overall economic efficiency and thereby economic growth. The market discrimination leads to failure of market mechanism, which in turn induces inefficiency due to misallocation of labour and other factors among firms and economy (Thorat and Kumar 2008).

Factor immobility also brings segmentation of the markets. In case of caste system, for instance, fixed occupation by not permitting mobility of human labour, land, capital and entrepreneurship across casts, the system creates segmented markets and brings imperfections in each of these markets. Thus, far from promoting competitive market situation, it creates segmented and monopolistic markets. Labour and capital fails to shift from one occupation to another even if the wage rate and rate of return (or investment) are higher in the alternative occupations. Factor immobility brings gross inefficiency in resource allocation and in economic outcome.

Economic efficiency is also affected by reducing job commitment and efforts of workers who perceive themselves to be victims of discrimination and by reducing the magnitude of investment in human capital by discriminated groups. In caste based segmented markets, the economic efficiency is thus lower than in the model of perfectly competitive market economy.

Factor immobility also leads to unemployment, which is typically associated with the customary rules governing employment in various occupations. By not permitting the movement of labour between occupations, caste becomes a direct cause of much of voluntary unemployment for higher caste and involuntary unemployment for low caste persons. The higher caste Hindus would generally prefer to be voluntary unemployed for sometime than to take up an occupation which is considered to be polluting. For the lower castes, on the other hand, the restriction to take other
caste occupation will compel them to remain involuntary unemployed. Thus involuntary unemployment in the case of lower castes and voluntary unemployment in the case of higher caste is one of the negative outcomes of the caste system (Thorat and Kumar 2008).

The economic efficiency of labour suffers severely in another manner also. Insofar as the division of occupations is not based on individual choice, the individual sentiment, preference and the natural aptitudes have no place in it. The social and individual efficiency requires us to develop the capacity of an individual to the point of competency to choose and make one's own career. The principle of individual choice is violated in the caste system insofar as it involves an attempt to appoint a task to an individual in advance, selected not on the basis of training or capacities but on the caste status of the persons.

Further, some of the occupations are considered socially degrading which reduce the social status of persons engaged in them. Forced into these occupations on account of their caste origin, people do not derive job satisfaction. In fact, such occupations constantly provoke them to aversion, ill-will and desire to evade. The caste system also disassociates intelligence from work and creates contempt for physical labour. The dignity of physical labour is nearly absent in the work ethics of the caste system. The lack of dignity of labour thus affects the incentive to work adversely. This implies that the caste system (as an economic organization) lacks several elements, which are required to satisfy the conditions for optimum use of resources and optimum economic outcome (Thorat and Kumar 2008).

II. Deprivation perspective

From the above discussion, consequence of discrimination and exclusion impact on income distribution or poverty. The consequences of the caste system in terms of equity and poverty are more serious than that for economic efficiency and growth. Since the access to source of income and economic reward under the caste system are determined by job assignment, the result is an income distribution generally skewed along caste line. Dr. Ambedkar argued that what every may have been the original purpose behind the origin of the caste system but latter as it evolved in its classical form it certainly involved an economic motive, the purpose of which was income maximization through coercion rather than economic efficiency of any sort. The manner in which the customary rules and norms regarding right to property, occupation, employment, wages, education, social status. Occupation, dignity of labour, are framed and defined they involved
exclusion and exploitation and hence the poverty of the low caste untouchable. Economic disparities in general (as much as the social-cultural) and poverty of low caste untouchable in particular is a direct outcome of the particular scheme resource and income distribution in the caste system. The core and centre of which was the denial of social and economic rights to low caste persons (Thorat and Kumar 2008).

2.7 Summary

In this chapter, we examined the concept of social exclusion interpreted by Thorat in Indian Context. We find that it revolves around the societal interrelations and institutions that exclude, discriminate against, isolate and deprive some groups on the basis of group identities like caste and ethnicity or religion. In the case of untouchables the exclusion revolves around the caste system and another source of exclusion is linked with ethnic identity from which groups like Adivasis suffer.

We also understand that, exclusion in civil, educational and economic sphere is, thus, internal to the system and a necessary outcome of its governing principles. In the market –economy framework, occupational immobility would operate through restriction in various markets, and may include land, labour, capital, credit, other inputs, and services necessary for pursuing any business or educational activity.

Economic discrimination generally generates consequences, which adversely affect overall economic efficiency and thereby economic growth. The market discrimination leads to failure of market mechanism, which in turn induces inefficiency due to misallocation of labour and other factors among firms and economy.

We also understand that, the manner in which the customary rules and norms regarding right to property, occupation, employment, wages, education, social status. Occupation, dignity of labour, are framed and defined they involved exclusion and exploitation and hence the poverty of the low caste untouchable and other marginalized groups. However, the investigation of Thorat's empirical investigation on the issue of social exclusion in the framework of caste discrimination will further improve our understanding.
Reference:


