Economists have tended to focus on expenditure patterns, consumption and income to assess poverty and inequality in rural India. Within these categories, the debate among economists normally focuses on the average consumer or the one living below the poverty line. This approach fits well with methods for studying changing inequality in most countries. However, it ignores the most important aspect of rural India—the inequality created by the caste system. A focused study of Dalits finds that the growth of the market economy has ushered in a reduction in caste and social inequality with an impact more fundamental and far reaching than the changes in average income or expenditure patterns. Dalit well being, when measured by personal consumption patterns, practices around social events, personal relationships across castes and expansion into non-traditional economic activities and occupations, shows rapid improvement in the market reform era in contrast to previous decades.

A study by Devesh Kapur, Chandra Bhan Prasad, Lant Pritchett and Shyam Babu, titled Rethinking Inequality: Dalits in Uttar Pradesh in the Market Reform Era, presents results from a study of Dalits in two blocks of Uttar Pradesh—Azamgarh district in east UP and Bulandshahar district in west UP. The survey was designed and implemented by members of the Dalit community and all Dalit households in the Block responded to questions about social practices and conditions important to them currently and in 1990.

The study finds that there have been major changes in the grooming, eating, and ceremonial consumption patterns of Dalits, signaling their higher social status by adopting higher status consumption patterns. The study starts the analysis of social changes with what might seem not social, but apparently trivial consumer items: the use of personal grooming products such as toothpaste, shampoo, bottled hair oil. When Dalits are treated as social inferiors, then they also can appear in society with lower standards of personal appearance. Change in grooming is seen as an assertion of social aspirations. The study finds massive shifts in the use of the three personal grooming products. Almost none of the respondents recalls using these in 1990, while today over half of the people in both blocks report someone in the household using each of the three items. Dalits who used none of these three items went down by 80%. The use of toothpaste and shampoo rose from near zero levels to over half the respondents using these products today.

The study shows the shifts in diet among Dalits, as some foods with low social markers, which were the community’s main sources of calories, have practically disappeared and new items—spices and vegetables—have appeared. One example is drinks made from sugarcane or hardened molasses. These are high-calorie drinks that provide energy for manual labour. As these were often provided by landlords for their workers in the field as part of the wage, they came to be associated with agricultural labour and low social status. This has mostly disappeared from Dalit consumption baskets in these two blocks. Tomatoes and packaged salt, which were uncommon in Dalit diets in 1990s, are now part of regular consumption items.

Second, respondents report changes in the accepted behaviors between castes, with rapid erosion in discriminatory processes. By and large in these blocks, Dalits are less likely to be seated separately at weddings, they no longer are expected to handle the dead animals of other castes, there is a noticeable increase in births in Dalit households, and non-Dalits increasingly accept hospitality in Dalit homes.

None of these practices were common in 1990s.

Third, there have been large shifts in the pattern of economic life, both away from and within the villages. There has been a considerable increase in migration to distant cities to work. Nearly half of Dalit households have a member working in the cities. In the villages, Dalits have shifted into professions such as tailors, masons, and drivers, and businesses such as grocers, paan shop owners. Agricultural relations have changed such that almost no Dalits participate in bonded economic ties (halwaha) and fewer Dalits work as agricultural labourers on upper caste lands. Dalits now are much more likely to contract in factors from high caste groups (say tractors, land) than sell their labour to them.

Many other dimensions of social practices have also seen impressive improvement. In the 1990s, it was almost unheard of for non-Dalits to accept drinks or snacks if they visited Dalit households, which, in a culture of hospitality, excludes Dalits from reciprocal relationships. By 2007, in more than half of the villages, non-Dalits would accept drinks or food on visits. Another traditional practice was that only Dalits would lift the dead animals of the non-Dalits. Enumerators recorded whether dead animals of non-Dalits were lifted by ‘only Dalits’, ‘mainly non-Dalits’, ‘equally’, or ‘no one’. In the western block in the 1990s, in three-quarters of the villages only Dalits lifted the dead animals of non-Dalits. By 2007 this was only true of 5% of villages.

Social inequalities based on caste still remain an important aspect of Indian reality. But the changes accompanying the growth of a market economy offer a growing sense of empowerment and opportunity that can help change the face of rural India.
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