

# India's Caste System, Social Inequality and Demonetization

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*For over a millennium one of the recurring debates among Indian philosophers was whether this world was real or a mere dream. To be more precise, the claim was, we are all part of Maha Vishnu's dream as He sleeps peacefully on a giant serpent, with a lotus blooming from His navel.*

Paradoxically, those who preached most passionately that our senses mislead us and everything around was *Maya* or an illusion, went on to corner the largest chunk of material reality.

Behind the smokescreen of clever mythology, it was they, who grabbed the lion's share of everything tangible over the centuries – from land, water, natural resources to hard political and social power. Worse still, using a mix of brute force and religious mumbo-jumbo, they consolidated the exploitation of those who work by those who merely cook up tall stories, through the nightmare of the caste system.

**Today the politics of *Maya* is well and truly back in play with Narendra Modi's 'Mahayagna' a.k.a. demonetisation** promising a digital *Moksha* through the *tapasya* of a 'war on black money'. Once again, as in India's sordid past, the biggest losers of this devious push for a cashless economy are going to be those right at the bottom of the Indian caste hierarchy.

From all evidence so far it is clear, that the Scheduled Castes and Scheduled Tribes, who make up a bulk of those surviving off India's vast informal economy, are the worst affected by the sudden disappearance of cash from the economy. Labour in agriculture, construction, fishing, textiles, micro-enterprises, the urban and rural poor – mostly from these marginalized castes – have been pushed to the brink of starvation or worse due to loss of jobs and income.

The other sections hit hard, are small and medium sized farmers, who are overwhelmingly from the different Backward Castes and artisans, mostly from poorer Muslim communities. It is true that demonetisation has also hit the economically and caste-wise better off trading communities, but they seem to have been sacrificed in the quest for complete domination by global and national corporations – who pay our politicians to run the country on their behalf.

The most apt way to describe what is happening in India today is perhaps through a completely new term – *dwijitalisation*. Under the new rules of the *dwijital* economy only the

*dwij* – or twice born as the Hindu caste elite call themselves – will climb still higher up the social and economic hierarchy, while kicking the ladder down to ensure no one can follow.

**Dwijital India** will thus continue the rigid division of ‘duties’ along caste lines that has been used for centuries to enable the free transfer of energy and resources from those below to the ones at the top in various ways. The *Purusha Sukta*, a hymn from the ancient Rig Veda, used the analogy of the human body to describe the social hierarchy clearly.

The Brahmin priest/philosopher is the mouth, the Kshatriya or warrior the arms, the Vaishya or businessman the thighs and the Shudra or worker is right below as the feet. Those who have to deal with human or animal wastes are much worse off, relegated outside the pale of the caste system itself and rendered ‘untouchable’.

At its core the idea, which forms the theoretical basis for the Indian caste system, is that the mind and its creations are noble and permanent while the body is impure and ephemeral. Mental work (software) is superior and hence deserves a regular ‘transaction fee’ (think Paytm or Jio Money) from those who perform physical work (hardware), that is inferior.

In more recent times and through the colonial period, traditional caste privileges and inherited wealth were combined with access to modern education, to create the Indian ruling elite – family-run industrial empires, big landholders and a bureaucrat/politician nexus that today have a complete stranglehold on state power. There is also a sizeable Indian middle class serving the system, that claims its prosperity is due to a mix of merit (ability to pass exams), hard work (long hours in the office) and honesty (taxes deducted at source).

Together, all these sections of Indian society, have made best use of new opportunities thrown up by globalization, to establish a society which is easily among the most unequal ones in the entire world. Just 1% of the richest Indians control over 58.4% of the country’s wealth while the top 10% account for 80.7%. The bottom 50% of the population fights for its share of a mere 2.1%.

The Modi regime’s current campaign against corruption does not even begin to address the structural bias of the social and economic system in favour of those who have been long-term beneficiaries of illegality and immorality in different forms. Instead, it uses racist tropes to describe ill-gotten money, equating white with ‘good’ and black with ‘evil’. One Modi cabinet minister even called the anti-corruption campaign a war on ‘*asuras*’ – the dark skinned indigenous people who were conquered by upper caste migrant populations in ancient India and commonly figure in Hindu mythology as ‘demons’.

Of course, caste discrimination was acknowledged at the time of Indian independence from British colonial rule, thanks to numerous struggles by the oppressed castes. This was reflected in affirmative action policies of reserving a certain percentage of government jobs and admission to educational institutions, as also financial support through loans and special schemes, for these castes.

However, all these measures have been half-heartedly implemented and are so woefully inadequate, that seven decades later there is not a single positive indicator of social development where the Scheduled Castes or Scheduled Tribes figure anywhere near the top. Whether it is land holdings, income, literacy, nutrition or health status it is these sections – who constitute one-third of India’s population – that are right at the bottom of the pile.

For example, according to the Socio-Economic and Caste Census of 2011, 54% of those from the Schedule Castes were landless, while Scheduled Tribes -despite having somewhat better land ownership were even more deprived due to lack of cash income. Together these two communities form the most vulnerable section of India's population.

Economic vulnerability is reflected in the dire health status of these populations too. In 2015 India recorded the largest number of under-5 deaths in the world, at 1.3 million- most of them children from Scheduled Caste and Scheduled Tribe families. Again among these populations, more than 50% of the people have a body mass index below 18.5, which is regarded as chronic sub-nutrition- placing them by World Health Organization standards - in a permanent state of famine.

Today, on top of all this, without functional literacy, technological skills or access to basic infrastructure, these communities are being subjected to a test in digital dexterity impossible for them to get through any time soon. Think about it like this. If someone denied Albert Einstein his daily meal because he could not prove his mettle by playing cricket or made Sachin Tendulkar homeless for failing a quiz on quantum physics they would immediately be denounced as being either mad or extremely evil.

And yet that is exactly what the Narendra Modi dispensation has done through its demonetisation decree, imposed on the already disadvantaged, a test designed to not just make them fail but also put the blame for their misery on their own 'ignorance'.

If there is to be a fightback against such injustice there are three cardinal lessons to be learnt from the history of the Indian caste system and clever myth making.

One is that blatant lies from those in power cannot be fought with the weightiest of facts because the former are backed by force while the latter is not. In other words, remember when the rulers invite you for a 'dialogue', they are in fact deploying an iron fist in a velvet glove.

Second - always look behind the *Maya* of religion, nationalism, culture to find out who controls things that can be touched and felt i.e. who benefits and gets to own tangible wealth. Everything else is poppycock.

The third and most critical lesson to pay attention to is - STOP ARGUING, START ORGANIZING!

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