REPORT OF THE EXPERT GROUP ON

DIVERSITY INDEX

REPORT OF THE EXPERT GROUP
TO PROPOSE "DIVERSITY INDEX" AND
TO WORK OUT THE MODALITIES FOR IMPLEMENTATION

SUBMITTED TO
MINISTRY OF MINORITY AFFAIRS
GOVERNMENT OF INDIA
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Report of the Expert Group to Propose a Diversity Index and workout the Modalities of Implementation

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Ministry of Minority Affairs

Government of India

2008

Jawaharlal Nehru University
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The 24ᵗʰ June, 2008

Honourable Minister:

The Expert Group on Diversity Index has pleasure in submitting herewith its Report prepared in the context of the Terms of Reference as indicated in the Notification No 14-12/2006 (DI) - PP - I of the Ministry dated the 28th August, 2007.

The submission of the report has been delayed. We sincerely apologise for this and thank the Ministry for extending the period. The delay was partly due to factors beyond the control of the members who had been working sincerely to meet the deadline, despite their obligations at their own institutions as also their commitments at national and international levels. The work was progressing as per schedule when an emergency situation cropped up. We were informed of an accident involving Mr. Haseeb Drabu, one of the very active members in the Group who was making significant contributions to the deliberations. Subsequently, despite his sincere attempts to complete the shared responsibilities and tasks assigned to him, he could not participate. To expedite completion of the work, another member was inducted into the Group. I am to inform you that all the members contributed their bit to make up for this loss and are happy that their collective efforts would be brought to public domain now.

The objective of attaining "Unity in Diversity" requires first an understanding of the nature of diversity, the processes that generate it and if and to what extent the lack of diversity reflects disparity and inequity. One can then attempt to identify the factors, institutions and vested interests responsible for that and design a system of redressal.

Understanding diversity in the Indian social milieu is a complex task. The Group indeed had a challenging responsibility in sorting out difficult conceptual and methodological issues before they could proceed to work out an operational formula which is transparent, acceptable in term of data requirement and capable of providing a base for an incentive system. The Group, however, feels that implementing this new approach at national,

state and local/institutional levels would be far more challenging as it means a paradigm shift in dealing with the problem of unequal access to socio-political space in the country. Nonetheless, it believes that a beginning has been made by putting forward an operational index that can be used for ranking institutions of similar kind within a framework and designing an incentive system for them.

Importantly, the idea of a consensus across political parties is built into the recommendations being placed here. Also, gradualism would be the best approach wherein the central and state governments should begin by designing an incentive system linked to the index. Existing system of devolution can incorporate it as an additional criterion and even allocation of special funds can be based on this. The scope of coverage of the index should be increased gradually over time and all private institutions, that have some interaction with public organizations, can be brought within the realm of intervention. Furthermore, simple construction of this index for companies and agencies in private sector and building public awareness on this, even without a formal incentive system, would help in building a social ethos resulting in appropriate decision making at all levels. We are convinced that this would go a long way in taking the country to a scenario when the manifestation of diversity becomes a matter of celebration rather than a cause for deprivation and discrimination.

We place on record our thanks and gratitude to the Ministry for the opportunity of participation in the preparation of what promises to be a significant document towards formulation of a policy for social equity.

Amitabh Kundu

Ashwini Deshpande

Md. Abdul Kalam
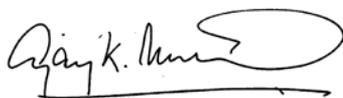
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CHAPTER SCHEME

Areas of concern regarding unequal access of different communities to public spaces and institutions. The need and relevance of measuring diversity for planned interventions in education, employment, health and residential sectors. The perspective of the Sachar Committee Report. Role of positive interventions for promoting diversity in public spaces.

Framework for Affirmative Action and overview of experiences: conceptual issues linked with affirmative action. Global experiences and their relevance for India. Overview of policies and programmatic interventions in India and lessons learnt.

Overview of the areas of concern and structure of incentives and disincentives in education, employment and residential spaces, with a focus on factors that directly or indirectly impact diversity. Government Programmes. The key issues.

PREFACE

The Expert Group has been formed to identify the areas of concern in the context of unequal access of different segments of population to public space and institutions, to propose an appropriate Diversity Index and work out the modalities for implementation, of policies and programmes based on the index. Although the task of the Sachar Committee was to evaluate and enumerate the conditions of a specific minority group, the idea of a diversity index is floated to operationalize a broader notion of diversity, countering the tendencies of discrimination and deprivation in production, distribution and social sectors in India. The need for such index stems from the fact that there is definite evidence of community based discrimination and deprivation in all social spheres. Understandably, the government in direct or indirect command over some of these spheres should assume a proactive role in containing these undesirable outcomes. The Sachar committee amply demonstrates the case for the minorities, but in the process also reflects on the conditions of somewhat more disadvantaged groups such as the SCs and STs. However, there are spheres and regions where the minorities lag behind the SCs and STs in terms of basic attainments.

A significant point made in the World Development Report 2006 (Equity and Development) that disparities arise among different sections of a society due to various factors such as caste, gender, schooling, work/occupation and sources of income generation. As regards schooling, various forms of discrimination that are practised are highlighted. A matter of serious concern is that teachers from upper caste often look down upon students from lower castes goading them incipiently to absent themselves. Also, "The perceived value of female education is quite different from that of boys, because girls are expected to spend most of their adult life in domestic work" (p.27). While over the years, the importance of education has been understood, access to schooling is still uneven and unfairly tilted against the Muslims, lower castes and women.

"Inequality traps" prevent the marginalised and work in favour of the dominant group in a society. Political system does not assign equal preference to all of them. Furthermore, policies and institutions are the outcomes of the process of political economy in which different groups endeavour to make an impact through political mobilisation and seek to protect their own interests. In all this, those that have more power tend to corner a disproportionate share of the benefits.

Understandably, the political, economic and sociocultural inequalities move in coherence to shape the outcomes for a specific institution. Also, the way these institutions function would affect people's opportunities and their ability to invest and prosper. Unequal economic opportunities lead to

unequal outcomes which in turn lead to unequal access to political power. This creates a vicious circle since unequal power structure determines the nature and functioning of the institutions and their policies. All these result in persistence of initial conditions.

The Sachar Committee had recommended that "the idea of providing certain incentives linked to a 'diversity index' should be explored" in an attempt to make a departure from the business as usual scenario in a significant manner. Admittedly, this is a complex proposition. However, if a transparent and acceptable method to measure diversity can be developed, a wide variety of incentives can be linked to this so as to ensure equal opportunity to all social groups in the areas of education, government and private employment and housing. The diversity principle which entails equity is to be applied not only between the majority and minorities but also in between minorities so that the truly disadvantaged can stand to benefit.

Given an acceptable diversity index, policies can provide for:

• *Incentives in the form of larger grants to those educational institutions that have higher diversity and are able to sustain it over time.* These incentives can apply to both colleges and universities, both in public and private sector.

• *Incentives to provide the public and private sector enterprises and institutions to encourage diversity in their work force.* While such initiatives should be part of the corporate social responsibility, some affirmative action may help initiate this process.

• *Incentives to builders for housing complexes that have more 'diverse' resident populations to promote 'composite living spaces' for 'socioreligious communities'.*

The Expert Group holds the view that all these would help in initiating a new process and trend in the country. Ultimately, the idea of diversity must take root in the minds of the decision makers at all levels. That alone can erase out the deeply entrenched prejudices and result in elimination of all discriminatory practices.

This new approach must gradually take the shape of a social movement and transform the society. It should go beyond creating socially well represented opportunity spaces in various forms of public and private life and make India's enormous diversity and its social manifestations a matter of pride rather than a source of problem and turmoil.

Amitabh Kundu
Chairperson,
Expert Group on the Diversity Index.

CONSTITUTION OF THE EXPERT GROUP ON DIVERSITY INDEX AND ITS TERMS OF REFERENCE

The Expert Group constituted to recommend an appropriate 'Diversity Index' to promote diversity in living, educational and work spaces has the following members:

Professor Amitabh Kundu	**Chairperson**
Professor Ashwini Deshpande	**Member**
Dr. Haseeb Drabu	**Member**
Professor Md. Abdul Kalam	**Member**
Professor Sugata Marjit	**Member**

Based on the provision that the Expert Group could co-opt up to two additional members, one member was co-opted:

Professor Ajay K. Mehra	**Member**

The terms of reference of the Expert Group are as follows:

1. To develop and devise a transparent and acceptable index to measure diversity in the areas of education, government and private employment and housing.

2. To suggest an appropriate structure of incentives and disincentives.

3. To suggest a suitable mechanism for operationalising the diversity index and monitoring its implementation.

4. To make any other recommendation relevant to the above.

ACKNOWLEDGEMENTS

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Chapter I: Introduction

Areas of concern regarding unequal access of different communities to public spaces and institutions. The need and relevance of measuring diversity for planned interventions in education, employment, health and residential sectors. The perspective of the Sachar Committee Report. Role of positive interventions for promoting diversity in public spaces.

Chapter

1

INTRODUCTION

Concentration or clustering of populations with similar socio-economic, religious and ethnic characteristics in geographical, social, political and institutional spaces has emerged as an area of concern in recent years.

1.1 Concentration or clustering of populations with similar socio-economic, religious and ethnic characteristics in geographical, social, political and institutional spaces has emerged as an area of concern in recent years. It can be argued that such a concentration in, say, a housing complex, an educational institution or a production distribution unit, reflects the preferences of the concerned decision makers or administrators for people belonging to certain groups and an implicit or explicit prejudice against certain other groups. While a certain degree of concentration can be attributed to the desire for togetherness of people of different communities, in many spheres this is due to discrimination and the denial of opportunities to groups that are different, not on grounds of merit, but on grounds of their ethnic characteristics or group affiliations. The macro concerns for development as reflected in strategies to accelerate the rate of economic growth in the country, improvement in standard of living for the poor in particular, improvements in educational standards or health care can not tackle issues of such deprivation and discrimination. In fact, several of the dimensions of discrimination are not even captured by the available information or data. There is no national, regional or micro level index which can help us gauge the extent of diversity. Thus, the construction of such an index is the first step in assessing the current state of diversity, a step that is essential if one is serious about preserving social balance in various spheres of society. Once this role of the index is appreciated, it is easy to propose an administrative and institutional system for policy making and then designing and implementing a strategy which can address the problems emanating from lack of diversity.

1.2 It is clear that the poverty rates computed at national or state levels have only limited utility. These do very little by way of targeting policy towards the poor, or targeting those who need special assistance. In order to fine-tune targeting, we would need poverty figures at district or even lower levels. This is precisely the reason why the Diversity Index becomes an essential device for policy targeting, especially when there is plenty of field evidence suggesting discrimination. The need is to devise a quantitative

measure that will provide a working estimate of exclusion in specific areas, a measure that can be used for inter institutional comparisons as well as to assess patterns over time. With this objective, the terms of reference of the Expert Group specify three areas where diversity should be measured, namely, work, education and living spaces.

1.3　The existing literature on the subject (see the references at the end of the report) provides ample evidence that devising anti-discriminatory practices or identification of the domains of discrimination require a much deeper understanding of social, historical and political environments. Yet, in the end, one requires statistical measures for policy targeting. Use of statistical measures in social policies has been a contentious issue, but experiences in UK, France, US and Canada amply demonstrate the efficacy of using a properly developed indicator.

1.4　The Sachar Committee has looked into the share of different communities in various institutions in order to assess their level of exclusion and discrimination in the access to various services. It has observed that the shares of several of the religious minorities are far below the average figures of other communities. More importantly, the gaps seem to be widening over time. There is, thus, an urgent need to understand where the gaps are and to promote a more equitable representation. Implicit in this exercise is the idea that the diversity of the country or region must be reflected in micro level institutions and social spaces. An incentive structure can, and should be, built into the system so that those making efforts to meet the goal of increasing diversity are rewarded. Similarly, a system of disincentives should be devised such that institutions that do not make adequate effort to increase diversity are penalised. We believe that this approach has greater flexibility than the system of reservations. The diversity-based incentive system, first and foremost, creates awareness. It sets the goal towards which the institutions would work, and while these goals may not be achievable immediately, institutions must try and achieve them gradually, within a reasonable period of time. It might be easier for certain institutions, say, a university, to implement the index at the overall institutional level, rather than make it mandatory for each department, since the efforts to increase diversity might be hampered by small numbers. Also, the reference point must be the average of five years, rather than yearly intake of individuals belonging to different categories, since collection and monitoring of yearly data might be very difficult.

The need is to devise a quantitative measure that will provide a working estimate of exclusion in specific areas, a measure that can be used for inter institutional comparisons as well as to assess patterns over time.

4

There is a case for reservations in specific situations but as a long term solution for a systemic change, a system of incentives and disincentives based on a Diversity Index appears to be more effective and has greater acceptability.

1.5   It is possible to make a case for reservations in certain specific situations but as a long term solution for a systemic change, a system of incentives and disincentives based on a Diversity Index appears to be a more effective and, we hope, a more acceptable solution. The incentive system provides the flexibility in specific situations, or in the short run, to be guided by considerations other than diversity. While providing for this flexibility, the message of promoting diversity on a systematic basis, we hope, should be loud and clear: every institution has a responsibility to develop a non-discriminatory and non-exclusionary framework and must constantly evolve norms and practices that ensure greater diversity over time.

1.6   The Expert Group felt that affirmative action in India through the quota policy has produced uneven results. The Diversity Index will provide a clear quantification of where affirmative action policies have made a difference and where they have not. Organization-specific reward and punishment schemes could be designed if there is information about the performance of institutions in terms of diversity.

1.7   There are several other key issues in the Sachar Committee Report, that the Expert Group has drawn upon in its deliberations, for instance, those that point towards under-representation of religious minorities in education and workspaces. There are certain trends, such as pronounced exclusion and evidence of discrimination at higher levels of education or employment, which mask the fact that exclusion and discriminatory processes get initialized at much lower levels. Thus the objective of the Group has been to look at various catchment areas that would need to be targeted in order to increase diversity, and to appropriately define their locale and size.

1.8   Under representation of women is also incorporated in the report as it constitutes yet another, very important, facet of discrimination and exclusion. Gender participation at various levels in organizations and public spaces constitutes an essential element of diversity that can not be overlooked. By incorporating gender into its discussion, this report has gone beyond the brief of the original Sachar committee report. However, the Expert Group strongly felt that its deliberations should transcend the uni-dimensional division between religious majority and minorities and capture other dimensions of exclusion as well. An overall, balanced Diversity Index can enable administrators at various

levels, for example, to counter tendencies towards gender based discrimination. Thus, the Diversity Index needs to be able to bring together different kinds of exclusion into a common index, and should be able to respond to the requirements of specific policies. In this context, one big challenge that the Expert Group faced, and discussed intensively, was how to integrate different group specific indices into a common index of diversity. Also, the Group wanted to specify the social categories which could be the components of a Diversity Index.

1.9 The most difficult part of constructing an index that can be effectively used for policy targeting is to look for the information set or data on the basis of which the index can be calculated. Simply devising a theoretically appealing index is not sufficient. It will lose all its meaning and relevance for want of sufficient and clear data. Since India does not have an "equal opportunity employment office or organization" or a requirement to provide data on the diversity at the workplace, there is currently no organization that has the required data base needed for appropriately calculating the index. The Expert Group has thus suggested that it would utilize all the publicly available data sources and secondary sources of information. The Expert Group is not explicitly suggesting the creation of a primary data base exclusively for this purpose. A data system tied to a specific policy measure is under greater risk of distortion and manipulation, especially when rewards and penalties are involved. However, if data are collected at the national level, linked to larger and broader policy questions, those would be welcome.

1.10 Thus, the Expert Group decided to devise a measure that can be calculated using the already available set of information, that is, various national and state level data sets. The transparency of such an index was the main aim of this exercise, if one has to put it to use immediately in the public domain.

1.11 The issue of building the data base to meet the informational requirement of the index at different levels was raised and discussed in various meetings of the Expert Group. As proposed, the index is simple and transparent. We recognise that an exercise aimed at building a huge new data set just to get the finest possible diversity measure would be

The deliberations in the Expert Group transcended the uni-dimensional division between religious majority and minorities and attempted to capture other dimensions of exclusion. An overall balanced Diversity Index can enable administrators at various levels to, for example, counter tendencies towards gender based discrimination. Thus, the Diversity Index needs to be able to bring together various kinds of exclusion into a common index, and should be able to respond to the requirements of specific policies.

meaningless since we need to start implementing policies right away based on the constructed index. So the group deliberated for a long while about how to construct an index that is detailed enough but at the same time uses the data sets in the public domain. In particular, the Population Census data or the NSS and other available data sets should be utilized as much as possible to derive critical values of the index. The index proposed by the Expert Group internalizes a variety of such concerns elaborated above.

Chapter II: Conceptual Framework for Affirmative Action and Overview of Experiences

Framework for Affirmative Action and overview of experiences: conceptual issues linked with affirmative action. Global experiences and their relevance for India. Overview of policies and programmatic interventions in India and lessons learnt.

CONCEPTUAL FRAMEWORK FOR AFFIRMATIVE ACTION AND OVERVIEW OF EXPERIENCES

2.1 CONCEPTUAL ISSUES LINKED WITH AFFIRMATIVE ACTION

2.1.1 Affirmative Action (AA) is a set of positive, anti-discriminatory policy measures designed to increase the presence of under-represented groups in various social spheres, particularly in preferred positions and levels in the society. Thomas Weisskopf (2004) makes a useful distinction between two forms of AA: preferential boosts and quotas. India has had a long history of quotas for Scheduled Caste (SC) and Scheduled Tribe (ST) populations and more recently for Other Backward Classes (OBCs). Preferential boosts would imply implicit or explicit points being given for being a member of a target group. A review of international experiences highlights evidence of both types of AA being employed in different countries. The use of the "Diversity Index" is an example of the preferential boost system. Such a system designed for increasing the presence of underrepresented and targeted groups is not very widespread in India, although it is not entirely unknown. For example, the Jawaharlal Nehru University in New Delhi has an admission policy that gives preferential boosts to the applicants for various programmes coming from backward areas, those whose parental income falls below a certain level and so forth. Similarly, several educational institutions give preferential boosts on grounds of domicile, to children of faculty and so on. What is new in the present exercise of the Expert Group is working out an explicit and numerically quantifiable index of diversity and the proposal that it should be applicable in major economic and social spheres including financial allocations and disbursement of other benefits by public agencies. An incentive/disincentives mechanism for both public and

private organizations would need to be put in place, backed by public awareness and social sanction linked to their attempts or desire to ensure diversity in their activities. Simultaneously, an attempt would be made to design and put in operation an institutional arrangement to ensure implementation and compliance.

2.1.2 The case for AA for disadvantaged groups in any society can be made both on account of historical deprivation as well as persistence of disparity and continuance of discrimination. It has been argued that, despite the differences between race and caste as institutions, the socio-economic outcomes for Blacks, Dalits and Muslims are very similar in United States and India. AA can be, and is often, viewed and implemented as a programme of compensation for historical injustices in both the countries. Very few would disagree with the contention that historically, communities such as the Dalits in India or the Blacks in the Americas have suffered deep injustices, disparity, deprivation and discrimination. However, the case for affirmative action on grounds of contemporary disparities and discrimination is highly contentious. Nevertheless, there is enough evidence to suggest that the current economic and social systems perpetuate patterns of group-based disparities in all spheres of life: education, occupation/work, income/consumption, health indicators. Indeed, the continued presence of social and economic discrimination aggravates these disparities across several countries of the world.

2.1.3 Though, over the years, manifest discrimination may have got toned down and overt biases may be construed as politically incorrect, unequal access not just to education but many other common, public or private resources have not disappeared. In a multicultural and highly stratified country like India, where discriminatory practices had societal approval derived from religious sanctions, and upper castes practiced untouchability with impunity, a commodity like education was zealously guarded by those at the helm of affairs and the social institutions that developed worked to ensure that it was denied it to the untouchables. How different is the scene today? Education is still out of reach for those at the bottom of the social hierarchy due to a myriad of reasons. None can deny the advantages that are derived from, and the empowerment that is achieved through, education. Literacy levels going up among the less privileged like the SCs, STs, minorities and women show perceptible educational gains as a result of concerted efforts to keep children in schools. To what extent and in what form our education, particularly at the higher levels, gets out of the ambit of symbolism and translates into functionality is another question.

The use of the "Diversity Index" is an example of the preferential boost system. For increasing the presence of underrepresented and targeted groups, its application is not very widespread in India, although it is not entirely unknown.

2.1.4 If education is valued so highly and its deficit is perceived and felt so acutely, how come enrolments are low, dropouts at higher levels gradually increase and in general there is an enormous degree of wastage? If there is a premium placed on education and if it is considered important in people's lives, it should get linked to economic development. However, here we would like to suggest that in a multi-cultural and plural society such as India, certain historically oppressed groups could be disproportionately denied education, a commodity that for the privileged groups has a high premium. A significant part of the Sachar Committee Report is devoted to Educational Conditions of Muslims and that is followed by a discussion of Economy and Employment: Situating Muslims. These two sections, we believe, are the backbone of the entire Report. Other chapters, undoubtedly, are rich in data and illustrate the stark realities of life of the Muslims vis-à-vis other socio-religious communities. But these two stand out in terms of the detail and in-depth analysis attempted by the Sachar Committee.

2.1.5 The Sachar Committee Report emphasises the need for reliable databases on a continuing basis for effective designing of policies. This would enable transparency and effective monitoring of various programmes. We, in the Expert Group, endorse this suggestion.

2.1.6 The existing AA programme in India is caste-based and the arguments for continuing affirmative action for SCs and STs are as follows:

1. Inter group economic disparity: A large number of livelihood and standard of living linked indicators establish persistence of disparity of a high order between SC/STs on the one hand and the rest of the population on the other. The disparities are evident in educational attainment, labour market outcomes (wages as well as occupational attainment), and other measures such as the "Caste Development Index" (CDI) based on five indicators of standard of living (land holding, occupation, education, ownership of consumer durables, and of livestock), based on the data from National Family and Health Survey (Deshpande, 2001 and 2007).

2. Dalits continue to suffer from a "stigmatized ethnic identity" due to the label of untouchability and resultant social backwardness. Human Rights Watch (1999) amply demonstrates the aspects of violence, exclusion and rejection that Dalits continue to face in contemporary India. There is evidence to suggest that this stigma can affect economic performance adversely, thus perpetuating caste based inequalities. Hoff and Pande (2004) provide experimental evidence that "a social identity – a product of history, culture and personal experience of discrimination –

creates pronounced economic disadvantage for a group through its effect on individuals' expectations". They conducted controlled experiments in rural Uttar Pradesh where caste was publicly announced and groups were segregated by their caste affiliation. In controlled settings, in which any possible difference in treatment towards castes was removed, social identity affected behaviour largely because it affected expectations. Thus, their findings provide "evidence for an additional explanation, *beyond differences* in access to various resources (emphasis in the original), for the tendency for social inequalities to reproduce themselves over time".

3.   If equality of opportunity between castes is the objective, then affirmative action is needed to provide a level playing field to members of SC/ST communities.

4.   Finally and arguably, social policy ought to compensate for the historical wrongs of a system that generated systematic disparity between caste groups and actively discriminated against the underprivileged.

5.   Caste based discrimination in labor, land, capital and consumer goods markets, preventing say the SCs from entering milk production and distribution, continues both in urban and rural areas. In labour market, this is manifest both as wage discrimination and job discrimination. Formal studies of wage and job discrimination have noted discriminatory gaps in earnings, in both the formal and informal sectors, of a very high order (for the latest all-India account, see Madheswaran and Attewell, 2007). Deshpande and Newman (2007) in a study of students from three elite universities in India, provide evidence for continuing caste based discrimination in urban, highly skilled, upper end labour markets – markets that are supposed to be meritocratic and where caste is believed not to matter.

2.1.7 Founders of modern India, who gave the policy of affirmative action decisive shape, had two approaches to social justice. One was the principle of "equality in law" whereby the State should not deny any person equality before the law. The second was the principle of "equality in fact" which gives the State an affirmative duty to remedy existing inequalities. Opponents of affirmative action see a contradiction between the two, whereas proponents of affirmative action argue that the two constitutional

Social policy ought to compensate for the historical wrongs of a system that generated systematic disparity between caste groups and actively discriminated against the underprivileged.

The criterion for the identification of minority groups is specific to each country. In the USA, Canada and South Africa, groups are based on a combination of "race" and nationality. In Malaysia, groups are based on nationality or ethnicity. In Northern Ireland, they are based on religion. In China, they are based on "nationality" which is defined, not by national boundaries, but more by ethnicity.

doctrines supplement rather than contradict each other. True equality can be achieved only if the state maintains an integrated society but adopts unequal beneficial measures to help those historically disadvantaged. AA, because it addresses the issue of group identities, is seen as undermining the notion of individual rights. However, given the persistently strong links between ethnicity and economic outcomes, remedies for inter-group disparity will have to focus on group identities.

2.2 INTERNATIONAL EXPERIENCES OF INTERVENTIONS FOR INCREASING DIVERSITY AND THEIR RELEVANCE TO INDIA

Several countries in the world have been grappling with the problem of low representation of minorities in public spaces and thus have focused attention on policies that aim to increase diversity. The criterion for the identification of minority groups is specific to each country. For instance, in the USA, Canada and South Africa, group divisions are based on a combination of "race" (or skin colour and/or phenotype: black, white, coloured etc.) and nationality (Indian, Asian etc.). In Malaysia, groups are based on nationality or ethnicity (Malay, Indian, Chinese). In Northern Ireland, they are based on religion (Protestants, Catholics). In China, they are based on "nationality" which is defined, not by national boundaries, but more by ethnicity (sharing a common culture, a common geographical area, common language and a shared cultural identity). This section reviews some of the international experiences of increasing diversity by focusing on USA, Canada, South Africa and Malaysia.

2.2.1 United States of America

Racial inequality continues to be a major problem in American society. Labor market outcomes for Blacks continue to be lower than that for Whites, although it is important to understand the changes that have come up in wage inequality in phases. After the Civil Rights Act of 1964, racial wage inequality declined for about a decade due to a variety of factors: strong economic growth and a tight labor market, improvements in quality and quantity of Black education relative to Whites and strong anti-

discrimination and affirmative action enforcement. However, this decline in wage inequality has slowed down since the mid-1970s. Importantly, the fact of the slowing down in inequality is not disputed although the explanations for this are. According to one school of thought, current wage inequality is due to the lower Black human capital characteristics and not due to discrimination (Heckman, 1998). A variant of this argument is that discrimination is a minor problem in contemporary society (Loury, 1998). In this, the role of pre-market factors, such as family structures and values, neighborhood quality, inherited ability, quality of schools attended and so on, in shaping human capital characteristics is stressed. The implicit assertion behind this is that Blacks have a relatively inferior set of these pre-market factors.

On the other hand, other analysts point to the reduction in racial differences in educational quality both prior to and during the period of increasing racial inequality. They would, therefore, attribute a part of the racial wage inequality to labor market discrimination. Darity and Mason (1998), for example, conclude that racial discrimination explains the fact that Blacks receive a fifteen percent wage penalty, and it also explains nearly half of the raw wage differential. Black (1995) shows that in a monopsonistic labor market with both prejudiced and unprejudiced firms and workers who engage in sequential job search, Blacks will have higher job-search costs than Whites. Further, Black argues that White workers systematically receive higher wage offers than African-Americans, after controlling for education, occupational experiences and age.

Darity, Dietrich and Guilkey (1997, 2001) find that in 1880, the human capital characteristics of African American men reduced their occupational status by nearly 30 percent relative to the average male. On the other hand, differential treatment in the market, that is, rate of return to African American human capital, lowered their occupational status by thirty one percent. By 1910, the reduction in occupational status due to deficient human capital was brought down to just nineteen percent. The impact of labor market discrimination, however, increased from thirty one to forty four percent during this same period.

As regards Black education there is ample evidence to suggest that the quality is improving and the quantity is expanding since the mid-1970s. Further, despite the racial wage differential beginning to grow after 1973, the rate of return to cognitive ability did not start growing until after 1979 (Mason, 2000). Understandably, a rise in skill premium could not be a cause of the increasing racial inequality. This discrimination against Blacks which is a feature of contemporary American labor markets would make a very strong case for affirmative action by the state.

Evidence on labour market discrimination comes not only from exercises that decompose the wage gap between the "explained" and "discriminatory" components, but also from interesting studies on discrimination based on the name of the applicant. Bertrand and Mullainathan (2003) conducted a field experiment by responding to job ads by sending resumes with Black and White names and find significant discrimination against Black names: White names receive fifty percent more callback for interviews. They also find that race affects the benefits of a better resume. Discrimination emerges as significant across occupations and industries. Even federal contractors and those who enlist themselves as "Equal Opportunity Employers" discriminate as much as other employers. Evidently, the inference by the employers from mere names could hardly be anything other than the race of the applicant, certainly not their intelligence or social class.

It needs to be added that most of these studies address the question of earnings inequality between Blacks and Whites, reversal of which is also the stated target of the affirmative action. However, what possibly is more important is the inter-racial wealth disparity. Unfortunately, the affirmative action programmes do not address this issue. This is important in the context of the demand for a one-time reparation that was promised at the time of abolition of slavery and is currently being raised by sections of the Black community.

Audit studies on housing discrimination bring out more startling and alarming facts. Massey and Lundi (1998), for instance, find strong and persistent discrimination by landlords and rental agents, which is further exacerbated by class and gender. Blacks in general and lower class Black women in particular, are treated with less courtesy, experience less sales efforts, pay higher fees, and are more likely to be denied access to any rental housing.

In another revealing study, DiversityInc. tracks the diversity record of top 50 companies in the US. In their latest report for the year 2007, they mention that the top 50 companies are more diverse than the average US workforce. These companies hire 42 percent people of colour, as compared to the 29 percent in the latter. Importantly, these figures are based on voluntary responses from companies to a set of questions canvassed by DiversityInc. The website also reports that the response rate from companies has gone up over the years, such that for the latest year, 314 companies have responded to the survey questionnaire.

This suggests that the presence of, and increasing debates around AA in the United States. One would argue that the need for increasing diversity is slowly but definitely changing the nature of public discourse in a way that it would be difficult for private companies not to consider increasing diversity as an integral part of their operations.

As a result of the pressures of the Civil Rights movement of the 1960s, the US Department of Labour under the Nixon administration in 1971 designed and administered a set of "goals and timetables" following an Executive Order. As a result, colleges and universities, with the aim of increasing diversity on campuses, adopted a system of preferential boosts. Equally, AA in the form of preferential boosts was applied by all employers that signed any federal contract. AA in the United States, thus, covers the whole economy, unlike in India. During the decade of 1965-1975, evidence indicates a decline in discrimination against blacks, both in terms of occupational posting as well as wages. This was the decade immediately after the passing of the Civil Rights legislations.

Contemporary evidence, summarized above, however, suggests that discrimination against blacks is strong and persistent. Given the magnitude and long history of discrimination against Blacks, reversal of exclusion needs a far greater and more sustained effort. Also, it is clear that the growth of the black middle class and even the election of one among them to the highest position in the Republic, would not automatically translate into more integrated neighborhoods in cities and suburbs, even though research has found less segregation between blacks and new immigrants, including Hispanics and Asians. Combining this with the evidence presented earlier of persistent contemporary wage gaps and occupational discrimination, it would be clear that the need for preferential boosts and AA has not diminished in the USA.

2.2.2 Canada

Multiculturalism is the official policy of the Canadian government defined by the three concepts of "respect", "equality" and "diversity". Canadian multiculturalism is based on the belief that all Canadian citizens are equal. It is designed to ensure that all citizens keep their identities and retain pride in their heritage and ancestry and yet have a sense of belonging to Canada. The idea is to encourage tolerance towards diversity and respect for diverse cultures. The Canadian government believes that this policy has reduced discrimination, hatred, violence and ghettoization, encouraging in turn racial and ethnic harmony.

Promoting and preserving cultural diversity is an important component of the Canadian multiculturalism policy. Unlike India, Canada gets an approximate 200,000 immigrants per year from all parts of the world and they add to the cultural mosaic of Canadian

Contemporary evidence suggests that discrimination against blacks is strong and persistent. Given the magnitude and long history of discrimination against Blacks, reversal of exclusion needs a far greater and more sustained effort. Growth of the black middle class and even the election of one among them to the highest position in the Republic, would not automatically translate into more integrated neighborhoods in cities and suburbs, even though research has found less segregation between blacks and new immigrants, including Hispanics and Asians.

Multiculturalism Act of 1988 in Canada mentions the obligation of the government to a) ensure that Canadians of all origins have an equal opportunity to obtain employment and advancement in all institutions; and b) collect statistical data in order to enable the development of policies, programs and practices that are sensitive to the multicultural reality of Canada. These have important lessons for the Indian situation.

society. This objective of maintaining and increasing diversity may not be that important in countries that do not experience large inflows of migrants. Nonetheless, it holds lessons for the preservation of cultural identities and respecting diverse experiences.

In 1988, the Government of Canada passed the "Multiculturalism Act", which "…….recognizes the diversity of Canadians as regards race, national or ethnic origin, colour and religion as a fundamental characteristic of Canadian society ……… while working to achieve the equality of all Canadians in the economic, social, cultural and political life of Canada". This is applicable to the whole economy, except for very specific geographical areas related to aboriginal habitation.

One of the articles of the Act specifically aims to "promote the full and equitable participation of individuals and communities of all origins in the continuing evolution and shaping of all aspects of Canadian society and assist them in the elimination of any barrier to that participation". Yet another article aims to "ensure that all individuals receive equal treatment and equal protection under the law, while respecting and valuing their diversity". It is important to note that the Act recognises the need for the Canadian government to be proactive and take specific steps in order to pursue its overall aim of promoting multiculturalism.

Importantly, the Act mentions the obligation of the government to a) ensure that Canadians of all origins have an equal opportunity to obtain employment and advancement in all institutions; and b) collect statistical data in order to enable the development of policies, programs and practices that are sensitive and responsive to the multicultural reality of Canada, among other things. All these have important lessons for the Indian situation. We would like to specifically underline the importance of the clause pertaining to data collection since the plans for increasing diversity in India can easily be stymied for the lack of adequate data.

Another lesson from the Multiculturalism Act is that it contains a detailed plan to "encourage and promote a coordinated approach to the implementation of the multiculturalism policy". The Minister in-charge of implementing the multiculturalism policy is supposed to devise programmes to "encourage and assist the business community, labour organisations, voluntary and other private organisations, as well as public institutions for ensuring full participation in Canadian society, including the social and economic aspects of individuals of all origins and their communities, and in promoting respect and

appreciation for the multicultural reality of Canada" (Source: http://www.pch.gc.ca/progs/multi/policy/act_e.cfm, accessed 1 January 2008).

2.2.3 South Africa

The South African history of constitutional segregation - the Apartheid system (1948-1994) - is without any parallel in world history. Through a series of Apartheid laws (such as the Group Areas Act, Prohibition of Mixed Marriages Act, Reservation of Separate Amenities Act, Black Homeland Citizenship Act and several others), the National Party government very systematically and almost completely segregated the various communities in all aspects of social and economic organisation and established an extensive system of domination by, and privileges for, the white community. Apartheid was a blatant assertion of the belief in white superiority. The perversity of the system is even more apparent when we note that the whites were actually a minority group. This system was severely condemned and criticised internationally, leading to the imposition of widespread international sanctions against South Africa. The pressures created by the international community finally led to negotiations between the government and African National Congress (1990-1993) for dismantling of Apartheid, after the elections in 1994 where a regime of universal franchise was voted in.

After the dismantling of Apartheid, the challenge for the Republic of South Africa has not only been to desegregate the communities (increase diversity) but more importantly, to undo the severely oppressive and discriminatory tendencies set in motion by Apartheid. In this sense, the task before the South African government goes beyond a simple increase in diversity, although the latter is certainly a part of the process that is designed to heal wounds and thus to increase trust between communities. With this view, a "Truth and Reconciliation Commission" was established that submitted a set of recommendations in order to promote trust and mutual understanding between communities.

A bit of background on the South African economy may be useful in understanding the nature and implications of AA measures. The South African economy is growing at a respectable rate of roughly five percent during the last few years. However, the problem is that the contribution of agricultural and the mining sectors in the GDP actually shrank. The bulk of the increase in GDP has come from the services sector. Given that non-whites, blacks especially, are disproportionately concentrated in agriculture and mining, this implies shrinking of employment for them. The unemployment rate in the country was as high as 22.5 per cent in 2006, wherein the Black Africans accounted for 88.7 per cent. Understandably, the number of people living on less than "dollar-a-day" increased by 122.6

The Employment Equity Act in South Africa was passed in 1998 and came into effect in 1999. This gives "preferences to people on the basis of race and ultimately would require racial quotas." It ensures that qualified people from designated groups (black people, women and people with disabilities) have equal opportunities in the workplace. This is applicable to all employers with 50 or more workers.

percent between 1996 and 2005, the brunt of the poverty deprivation falling on the Blacks. (http://www.sairr.org.za/publications/pub/ff/200707/overview.htm).

The need for AA in South Africa was clear from the labour market situation in 1998. Information from 455 South African firms reveals that 89 per cent of persons in management positions were occupied by white males. Black males held barely 5 to 6 percent of these positions while coloured males held the rest. In sharp contrast to that, whites collectively constituted only 11 percent of SA population, whereas blacks or Africans were 77 percent.

The South African AA programme primarily comprises the Employment Equity Act which was passed in 1998 and came into effect in 1999. This was designed to give "preferences to people on the basis of race and ultimately would require racial quotas." AA ensures that qualified people from designated groups (black people, women and people with disabilities) have equal opportunities in the workplace. This is applicable to all employers with 50 or more workers. The Act specifically states that employers have to ensure that designated groups must be equally represented in all job categories and levels. Employers are supposed to "find and remove things that badly affect designated groups; support diversity through equal dignity and respect to all people; make changes to ensure that designated groups have equal chances; ensure equal representation of designated groups in all job categories and levels in the workplace; and retain and develop designated groups. The unique feature of the South African AA programme is that it is legally binding for firms with 50 or more workers or with an annual turnover of four million Rands. (http://www.labour.gov.za/basic_guides/bguide_display.jsp?guide_id=5848&programme_id=2670).

2.2.4 Malaysia

Malaysian AA programme is closer to the quota system than the preferential boost system, although its provisions are rather unique, not replicated in other countries. The indigenous Malaysian population, the Bumiputras, are a numerical majority and consequently not underrepresented in parliament and the legislature. However, the economic imbalances between communities, in particular between the Malays and Chinese, are very high. Given this background and the racial riots in 1969, the Government adopted a set of AA measures via the introduction of the New Economic Policy in 1970. This policy promulgated AA in colleges and universities. More importantly, it

recommended that 30 percent of all businesses must be Malay owned, in addition to subsidies for Malay businesses. The latter measure was designed to directly target wealth inequalities, whereas in most other countries of the world, the focus is merely on jobs and education without any measure attacking the distribution of wealth. The most unique aspect of the Malaysian experience has been a scheme that apportions, via state purchase, shares of Malaysian corporations to a trust fund, on behalf of the native Malays.

This kind of democratic redistribution of wealth has been virtually unheard of anywhere in the world. In 1970, native Malays, who constitute 60 percent of the population, owned 2 percent of Malaysia's corporate wealth. By 1990, the figure had risen to twenthy per cent. However, one of the problems with this programme has been the emergence of the so-called "Ali-Baba" firms that are currently owned by Malay owners who act on behalf of Chinese businessmen who are actually running the business.

2.3 OVERVIEW OF POLICIES AND PROGRAMMATIC INTERVENTIONS IN INDIA

As pointed out earlier, the AA programme in India primarily consists of caste-based quotas in public sector employment, educational institutions that use public money. While a detailed assessment of the AA programme is outside the scope of this report, evidence on the implementation of the programme suggests that the actual representation of SC-STs has been less than the stipulated quotas in government jobs. In central government jobs, the proportion of SCs is high in group D employees (as compared to Groups A, B and C). This unfortunately is primarily due to over representation of SCs in sweeping and cleaning jobs. STs are underrepresented in Groups A and B, and mostly concentrated in Groups C and D. It is however true that the representation of SCs and STs in public sector undertakings has been rising over time. The compliance, nonetheless, is greater with quotas at the lower end jobs when compared to the higher end jobs. Similar trends are discernible in insurance and banking companies.

It is important to point out that as the economy is liberalizing and privatizing, avenues for employment in the public sector have stagnated and in some sectors, even shrunk in recent years.

The Government of Malayasia adopted a set of measures through the introduction of the New Economic Policy in 1970 which promulgated Affirmative Action in colleges and universities. More importantly, it recommended that 30 percent of all businesses must be Malay owned, in addition to subsidies for Malay businesses. The latter measure was designed to directly target wealth inequalities. In most other countries of the world, the focus is merely on jobs and education without attacking the distribution of wealth. The unique aspect of the Malaysian experience has been a scheme that apportions,

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It is important to point out that as the economy is liberalizing and privatizing, avenues for employment in the public sector have stagnated and in some sectors, even shrunk. This suggests that the case for increasing representation of SCs and STs remains strong. And, this can be attempted more effectively through an incentive system, bringing the private sector within its framework.

This suggests that the case for increasing representation of SCs and STs remains strong. And, this can be attempted more effectively through an incentive system, bringing the private sector within its framework. Studies on the implementation of AA in educational institutions reveal a similar picture. Since AA is not applicable to the private sector, a very large segment of the economy is outside the purview of any mandatory government policy to increase representation of disadvantaged groups.

The Sachar Committee Report provides a comprehensive account of the disadvantaged and stigmatized conditions of the Muslim community in India. The report notes that Muslims rank slightly above SC-STs but significantly below other Hindus in almost all indicators of development. While there are several general programmes directed at the poor, evidence suggests that Muslims have not benefited, commensurate with the needs of the community. Thus, the need for focused policy interventions in order to integrate the Muslim community into the mainstream of development remains very strong. The Sachar Committee Report minces no words when it recommends that "the policies to deal with the relative deprivation of the Muslims in the country should sharply focus on inclusive development and 'mainstreaming' of the community. With this view, the Report suggests a variety of measures, including the construction of a Diversity Index and its wide-ranging application, linking it to a broad based incentive system. This is precisely the reason for the constitution of this Expert Group and the present exercise.

Chapter III: An Overview of the Problem Areas and Incentive system focusing on Muslims as a Case Study

Overview of the areas of concern and structure of incentives and disincentives in education, employment and residential spaces, with a focus on factors that directly or indirectly impact diversity. Government Programmes. The key issues.

3 AN OVERVIEW OF THE PROBLEM AREAS AND INCENTIVE SYSTEM FOCUSING ON MUSLIMS AS A CASE STUDY

3.1 DEPRIVATION IN GENERAL EDUCATION

Dropouts from school, starting from the lowest levels and continuing up till higher levels, are a function of the perceived incentives or incentives that are aspired. Equally, disincentives shape drop-outs, as they reduce the urgency of remaining in school. One of the less talked about, and even lesser researched, aspects of the education process is the negative impact of teacher expectations that adversely affects children from lower classes and lower castes. This has been referred to above in the Preface in the reference to *World Development Report*.

The number of children who have never attended school as well as the dropout rate are the highest for Muslims among the various socio-religious categories, marginally lower than those among the SCs/STs. A recent study has shown that the rate of *enrolment is not determined merely by the economic condition of a household but depends on a gamut of other factors which at times assume greater importance than economic conditions* (emphasis added). These comprise issues like local level of development and educational status of the parents. If a household is willing to send its children to school, the non-availability of a school in the locality would defeat their willingness (Borooah and Iyer, quoted in Sachar Committee Report, p. 58).

The above study, using 1993-94 data, showed that higher the level of local development and the educational level of the parents, higher was the rate of

enrolment in schools. Similarly inter-community differences assumed less significance given the circumstance that the child was in a favourable environment (educated parents and better infrastructure facilities) (Borooah and Iyer, SCR p. 58).

At the national level, 26 percent of those of who are 17 years or older have completed matriculation, whereas among Muslims only 17 percent have done so. The greatest hurdle in the education process is in being able to complete primary education. Proportion of Muslims completing primary education is 44 percent, which is lower than that among other communities. Those completing middle school is 65 percent which is still lower than the 'All Others' (75 percent). About 50 percent of children who have finished middle school are likely to complete secondary schooling as well. All along there is an almost identical pattern for the Muslims and the SCs/STs, communties that are more or less at par in rates of completion. Beyond secondary education, however, Muslim students seem to perform better at the higher levels (26 percent) while only 23 percent of SCs/STs go in for higher education. The national average is 34 percent.

A model for the sustenance of education among Muslims in the country is suggested by Mr. U. Mohamed Khalilullah, Vice-President of OMEIAT (Organization of Muslim Educational Institutions and Associations in Tamilnadu). He argues, "of the 6.5 crore population in the state of Tamil Nadu, 9 million are Muslims. There are 1.5 lakh children in the zero to five age group. That means 1.5 lakh children are born every year or about 400 everyday throughout the state – a paltry 16 per district. 1.5 lakh children of the age group of 5/6 enter school every year. They are to study for 12 years and complete Plus 2. Not even 25 percent, that is, 37,500 complete Plus 2. The dropout in these 12 years is as much as 75 percent. Unless this grassroots malady is rightly understood and remedied, the community will continue to suffer".

Mr. Khalilullah also contended that dropouts were due to children working for daily wages. He suggested a funding scheme where every Muslim child who attended school would receive a stipend of rupees thirty per day. The estimated cost of the project was Rupees 470 crores per annum. If this was to be divided by the number of Muslims in the state, it would cost Rupees 500 per annum per person. This calculation roughly works out to a rupee and a half a day per person. He also argued that for the effective implementation of this idea a database of all the Muslims needs to be generated and every birth should be recorded. While this example is from Tamil

Studies show that higher the level of local development and educational level of the parents, higher would be the rate of enrolment in schools. Similarly inter-community differences would be less significant if the environments that the children enjoyed were favourable.

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Nadu, it provides a good illustration of the fact that huge budgetary commitments are not necessarily needed to redress the low enrolment and dropout issues.

3.2   GRADUATION ATTAINMENT RATES

The state of Muslim education is a matter of great concern. There is a rise in the level of literacy but the standard of basic education is very poor. The Graduation Attainment Rates (GARs) and Mean Years of Schooling (MYS) are very low among Muslims. These have serious repercussions going beyond education, as in the long run they affect the economic development of the community and the development of the country at large. Within the field of education, it is clear that the greatest hurdle faced by the Muslim community, is in the completion of primary and secondary education.

The gap in the Graduation Attainment Rate (GAR) between Muslim men and women, in both rural and urban areas, is significant, in that there is a difference of more than seven percent overall. The greatest disparity in the GAR can be seen between the 'All Others' and Muslims in urban areas with a difference of 15 percent. The GAR gap between Muslims and other socio-religious communities has been widening since the 1970s. At the time of independence, the Muslim community had a better GAR than the SCs/STs. But by the 1970s the trend started to reverse. In the urban areas, among males, this reversal of GAR was seen from the 1950s itself. This suggests that special government policies targeted towards the SCs/STs might have helped in increasing their GAR.

The percentage of Muslim students enrolling for higher education is lower than that for the other socio-religious communities. It is estimated that only one out of 25 students enrolled for an undergraduate programme, and only one out of fifty students enrolled for a postgraduate programme is a Muslim. The percentage of Muslim men enrolling for a degree course is lower than that of women. All women or Muslim women? In the postgraduate arts courses, Muslim women's enrolment is marginally higher than that of the men (Sachar Committee Report, p.70). The gap between Muslims and other socio-religious communities increases as the level of education goes up.

While there is an overall improvement in education levels for all the socio-religious communities, it cannot be taken for granted that the improvement is proportionate. The gap between the Muslims and the other communities has widened and this is most apparent at the

higher educational level. The SCs/STs have been able to catch up with the Muslims (they were below in all indicators at the time of Independence, and till the 1970s) but have now gone ahead of them; the pro-SCs/STs policies should be lauded for this transformation.

3.3   MADRASAS AND MAKTABS

The Sachar Committee Report also negates the misconception that a majority of the Muslim children of school going age attend *Madrasas*. Less than four percent Muslim children go to Madrasas. A reason for such misconception, among other biases and prejudices, could be that lay people can not distinguish between a *Madarasa* and a *Maktab*.

While planning to 'modernise' the *Madrasas,* the state should understand what it takes to attempt such an exercise. Also, it should be clear about what roles the *Madrasas* and *Maktabs* play in lives of the Muslims in general. The Sachar Committee Report says categorically that the government should stick to its duty to provide free and quality education in the formal educational system rather than trying to tamper with or interfere with the functioning of the *Madrasas* (p.78).

The proposal to mainstream the *Madrasas,* though an ambitious project, could misfire. Such initiatives taken earlier, like the one in the early 1990s to expand the educational spectrum of Madrasas have gone haywire. Allam and others argue that "There are two commonly prevalent explanations regarding educational backwardness among the Muslims in contemporary India. One explanation is that they resist modern (scientific and professional) education, and generally prefer sending their children to a traditional Islamic rather than to a modern educational institution. Such tendencies are gradually vanishing as enlightened Muslims or Muslim Institutions are engaged in developing awareness among Muslim parents and their children towards the acquisition of education starting from the very basic Islamic traditional schooling to the acquisition of education at college or university level…. Another important reason which is purely psychological in nature is the perception of Muslim that they are being discriminated (sic) in all spheres of competitive life". They also contend that "No specific efforts have been made to fulfill the need of education and training of the major portion of the Muslim population which belong to the lower strata of society. Modern education neither attracts nor serves them any of their functional needs…."

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The proposal to mainstream the Madrasas though an ambitious project could misfire.

Contrary to popular belief, Muslim parents are not averse to mainstream schools and education. Given the option of quality combined with affordable education over the Madrasas, mainstream schools would be preferred. It is when there is no alternative that parents opt to send their children to the Madrasas. The fact that less than 4 percent go to the Madrasas should set to rest the propaganda and rhetoric that various sections resort to while taking pot shots at the Muslims and painting them as backward, inward-looking and fundamentalists.

3.4 Non Availability of Instruction in Mother Tongue

Many a study has pointed out how lack of instruction in the mother tongue can be a dampener and disincentive. The Sachar Committee Report reiterates it; this aspect goes beyond any particular community. Put differently, it cuts across all religious, ethnic or linguistic groups. Hence the Sachar Committee Report points out that Urdu is not confined just to the Indo-Gangetic plains. There is a sizeable population of Urdu speaking people in Karnataka, Maharashtra and Andhra Pradesh. The non-availability of education in Urdu language is seen as a major hindrance for Muslims. It contends that education, especially primary education in the mother tongue makes it easier to conceptualise what is taught. Given this, the non availability of adequate Urdu Medium schools is an injustice to the substantial population of Urdu speaking people in the country and it is a denial of the constitutional right to free and fair education to all. There is a dearth of Urdu teaching/medium schools in the country and the ones which have Urdu as a medium of instruction face the crisis of drop out due to the fact that there are no higher educational institutions for Urdu medium students.

According to S.K. Zareena, there is a crisis in the making with respect to the teaching of Urdu in schools, as there are not sufficient Urdu teachers, there are not many Urdu medium schools, and Urdu is not offered as a second/third language in many schools due to various factors. In this scenario, it would be in the best interests of Urdu students if special consideration is given to the revival of Urdu in schools and colleges. The UGC and the National Council for Teacher Education (NCTE) should adopt special actions/plans for promoting Urdu in educational institutions. The NCTE can have a softer approach to teacher training institutes which have/plan to have Urdu teaching programmes. The UGC and NCERT can provide incentives/grants to institutions which have Urdu as a subject/medium. Scholarships/ fellowships can be instituted for students who opt for Urdu as a

subject at the college level. Universities or colleges which have an Urdu department should be funded for conducting language workshops, setting up of language labs and research in the language.

3.5   INCENTIVES AND DISINCENTIVE SYSTEM

The Sachar Committee suggests that there is an immediate need for paying serious attention to school education. Special efforts are to be made and concessions or perks be given by the government to educational institutions or educational trusts or educational societies which have prioritised school/primary education. There should be an in-depth analysis of the contents of school text books to present a balanced view of the different sections of our peoples, communities and of the society at large. This has deep implications in a plural and multicultural country like India. The shaping up of the personality during the formative years and the process of socialisation are crucial for the development of every individual. An Expert Committee set by the NCERT, along with organisations like National Commission for Women, reputed NGOs, and Minority Rights Groups can look into the contents to correct the distortions that come up due to religious intolerance, caste bias and insensitivity to gender issues. Furthermore, there can be state-level committees to look into the above as diversity exists at different levels that can be, and indeed are, micro level issues. These state committees should represent the diversity that a state represents. Abusaleh Shariff, at a presentation in Hyderabad observed: "Respect diversity in school textbooks and purge elements that create biases against diversity."

A strict vigil should be kept on all educational institutions with regard to the diversity represented by it. Universities and colleges can make sure that there is diversity which is reflected in the society. The grants and/or funds that have been allocated to these educational institutions can be reduced/withdrawn in proportion to the degree of diversity not attained. How diversity should be quantified and how a structure of incentives/disincentives should be built to ensure compliance with goals of increasing diversity are issues that are outlined in subsequent chapters.

3.6   LIVING CONDITIONS AND INFRASTRUCTURE

The Sachar Committee Report states the most appropriate way of assessing the quality of life is to examine the access and availability of residential options for socio-religious communities in a given region, state, or locale in general. Three major dimensions of social

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and physical infrastructure have to be taken into account: presence, access and utilisation.

"The proportion of villages with educational facilities falls from 88 percent in villages with a low Muslim share in the population to 85 percent in villages with a high Muslim share…. There is a clear and significant inverse correlation between the proportion of Muslim population and the availability of educational infrastructure in small villages. While about 82 percent of small villages with less than 10 percent Muslims have educational institutions, this proportion decreases to 69 percent in villages with a substantial Muslim population" (p. 143). The Sachar Committee feels that "villages with small populations pose a greater problem as it is not economically viable to establish infrastructure in each of them" (p. 141). Villages with concentration of Muslims do not have *pucca* roads and bus routes. This phenomenon gets acute as the size of the village increases. As most of the Muslims are artisans or daily wage workers transportation is required on a daily basis, the availability of an 'all weather' road and bus facilities would enhance the living standard of the community.

In areas where there is a high concentration of underprivileged groups, especially Muslims, improvement of infrastructure like roads or sewage can be undertaken under schemes like PURA and other National or internationally funded projects. Yoginder Sikand has argued, "Numerous surveys have highlighted that institutional discrimination operating in state investment, in Muslim-dominated localities and areas in such matters as hospitals, roads, schools, loans, grants, and development schemes."

The government should focus on more PHCs being set up, and also ensure that they function reasonably in areas that have a high concentration of Muslims and have been ignored. The Total Sanitation Campaign (TSC) should focus on blocks, wards, districts with Muslim concentration and incentives should be given if such areas are taken up for development.

Housing conditions for Muslims in many places are relatively better when compared to OBCs and SCs/STs. Toilet facilities are a very important requirement for sanitation, hygiene, and moreover, the aspect of privacy. "Almost half the Muslim households in India lack access to toilets; this proportion is higher in rural areas. Even in the urban areas about one in every seven Muslim households lacks toilet facilities. However, the position of Muslims is better than that of SCs/STs and OBCs…In urban areas, however, the proportion of Muslim households who have flush toilets is much lower than the proportion of the whole urban population…Overall, the access of Muslims to toilet facilities is low, but better than that of both SCs/STs and OBCs. " (SCR p. 146)

"The disadvantage is quite large in Muslim concentrated villages; the share of villages with no electricity increases substantially as the size of the village falls and the share of Muslim population rises." (SCR p. 147)

As regards access to infrastructure facilities, the southern states, despite Hindu-Muslim disparities, have not performed as badly as the northern states, where there is a clear demarcation in access to facilities between Hindus and Muslims. In the northern states it was evident that the lesser the number of Muslim households, better the roads, sewage and water supply. "Compared to the Muslim majority areas, the areas inhabiting fewer Muslims had better roads, sewage and drainage, and water supply... For instance, a Hindu dominated urban slum in Lucknow had better quality roads, drainage system, sanitation water supply and sewage disposal compared to another slum populated by Muslims."(SCR p.149). "About a third of small villages with high concentration of Muslims do not have any educational institutions." "…About 40 percent of the large villages with a substantial Muslim population did not have any medical facilities." (SCR p.150)

3.7   GOVERNMENT PROGRAMMES

A review of the governmental programmes shows little participation from the Muslim community. There is a need to analyse reasons for this. Funds meant for disadvantaged groups, especially the Muslims, are not utilised properly. Action should be taken against departments which do not act in the expected way.

Communalism and riots are issues of great concern not just to Muslims, but also to other minorities as has been seen recently in Orissa, Gujarat and Maharashtra. Yoginder Sikand has argued, "The state, for its part, has done precious little to rein in Hindutva forces and provide justice to Muslims, which obviously makes for a loss in the system."The selective targeting of Muslims by the state and riots, often state sponsored, reinforces the feeling among Muslims that they are being actively discriminated against."

Asgar Ali Engineer refutes the rhetoric that increasing the Muslim intake in police and para-military forces would reduce pogroms against Muslims. He says, "Let us remember that communalism and communal violence are fundamentally political phenomenon. Even if there is zero representation of Muslims in police force but political

Communalism and riots are issues of great concern not just to Muslims, but also to other minorities as has been seen recently in Orissa, Gujarat and Maharashtra.

situation is congenial to communal harmony, there will be no outbursts of communal violence. And, on the other, even if there is over-representation of Muslims in the police force, there is absolutely no guarantee that there will be no communal violence. In Andhra Pradesh Muslim presence in the police force is 13.25 per cent as against their population of 9.17 per cent and yet Hyderabad area is communally sensitive and frequent communal riots take place."

Chapter IV: The Conceptual Framework of the Diversity Index and Its Construction

Defining an Index of Diversity for macro and micro level institutions. The Axiomatic framework. Rationale of the axioms and basic assumptions. Defining the Diversity Index. Dimensions and Ranges of the Index. Explanations of the Variables used in Index Construction. A framework for Phased Implementation.

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THE CONCEPTUAL FRAMEWORK OF THE DIVERSITY INDEX AND ITS CONSTRUCTION

4.1 DEFINING AN INDEX OF DIVERSITY FOR MACRO AND MICRO LEVEL INSTITUTIONS

The concept of measurement of diversity has its roots in the literature on ecology and bio-diversity. In ecology, a Diversity Index is a statistic that measures the bio-diversity of the ecosystem by measuring the number of species in the ecosystem and their abundance (species richness and species evenness). Some examples of commonly used indices are Simpson's Index or Shannon's Diversity Index. All these indices are statistically robust and thus attractive as analytical tools.

Several of these have been adapted for the measurement of social diversity which is understandably multi-dimensional. For instance, the USA TODAY Diversity Index was created in 1991 to measure how racially and ethnically diverse a population is. It calculates the probability that two people picked at random will be of a different race and ethnicity. It takes the percentage of each race in the overall population, and calculates the chance that any two people are White, Black, Asian, American Indian or Native Hawaiian. Then, it calculates the probability of ethnicity — that any two people are Hispanic or non-Hispanic. These racial and ethnic probabilities are multiplied together. Thus, for example, in the year 2000, the Diversity Index (thus calculated) was 49. This means that the chance of two randomly chosen US residents being different is 49 out of 100, or almost 1 out of 2. Or, there was nearly one in two chance that two people selected at random would be racially or ethnically different in the year 2000.

Theil's entropy index proposed by econometrician Henri Theil is a statistic designed to measure economic inequality which has been extensively used in articulating social deprivation. The index is derived from Shannon's

measure of *information entropy,* based on the assumption that the importance of an event is inversely linked to the probability of its occurrence. This makes sense in the context of capturing social inequality since it would imply giving higher weightage to more under privileged social groups.

The formula is $T = \dfrac{1}{N} \displaystyle\sum_{i=1}^{N} \left(\dfrac{x_i}{\overline{x}} \cdot \ln \dfrac{x_i}{\overline{x}} \right)$

where x_i is the income of the *i*th person, $\overline{x} = \dfrac{1}{N} \displaystyle\sum_{i=1}^{N} x_i$

is the mean income, and N is the number of people.

The need for measuring the richness of an ecosystem seems intuitively obvious. The exercise for measuring social diversity, while analogous, might not be intuitively apparent and hence has not been used much in policy making. The case for increasing social diversity in public spaces can be built on the notion of a fair demographic representation for all groups of population. Groups that are subjected to discrimination in society tend to get under-represented (as compared to their proportion in the population) in several public spheres. This leads to inequity and alienation resulting in resentment and frustration among the excluded population. These could assume violent and secessionist expressions, leading to disruption in social and political life, with serious negative consequences for growth, development and social harmony.

Thus, while an efficient allocation of resources would dictate that individuals are distributed in all social and production institutions according to their skill or talent, persistence of high level disparities among groups of population suggests the presence of systematic discrimination. Most certainly, these are not determined by efficiency considerations. There are numerous cases when the individual characteristics have been rendered either secondary or completely redundant in determining her/his access to these institutions as group identities overwhelm or dictate the decision making process.

Attempts to quantify diversity by proposing an index is fraught with serious problems that are well documented in the literature. The most illustrious and often cited objection to any exercise of index building through aggregation of multidimensional characteristics presents itself in the form of Arrow's Impossibility Theorem within the framework of

The case for increasing social diversity in public spaces can be built on the notion of a fair demographic representation for all groups of population. Groups that are subjected to discrimination in society tend to get under-represented in several public spheres. This leads to inequity and alienation resulting in resentment and frustration among the excluded population. These could assume violent and secessionist expressions, leading to disruption in social and political life, with serious negative consequences for growth, development and social harmony.

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Welfare Economics. The theorem rules out conversion of values presented in a vector into a number as that violates certain intuitively appealing axioms or logical requirements.

Notwithstanding serious theoretical and conceptual objections to the exercise amounting to 'simplistic abstraction of a complicated reality', capturing diversity or any other multidimensional concept in terms of a single number has the advantage of easy inter-temporal and inter-regional comparability and being used in policy making. Given the alarming manifestations and implications of absence of diversity in public spheres and vociferous demands for immediate interventions, numerical representation has become an absolute necessity. The setting up of an Expert Group to work out a framework for quantifying diversity so that this can be linked to resource allocation and other incentive system can not be dismissed as an axiomatically tendentious and theoretically fragile exercise.

4.2 THE FRAMEWORK FOR MEASURING DIVERSITY AND THE INDEX

Important as the above mentioned measures like that of Shannon or Theil are, they require calculation of probabilities that need to be estimated based on repeated trials, possibly under experimental conditions and hence, not very useful for this Report. The attempt in this exercise has, therefore, been made to construct an index that is intuitively obvious, computationally simple and something that can not only be calculated with the available data or with some marginal data collection. Further, the possibility of modifying and refining the index as and when more and more reliable information became available, has also been kept in view while designing the index.

It is envisaged that this formula would be used gradually to cover all institution in the country, whether public or privately owned. The central concern has, therefore, been to propose the broad framework for the index and encourage the institutions to start constructing and using it in their decision making, based on the limited data that they may currently have at their disposal (for discussion on theoretical framework for constructing composite indices for social interventions, see Kundu, Shariff and Ghosh 2007). The basic idea is to work out the index for all institutions with the specific aim of increasing the representation of under-represented groups in them by drawing their attention to the lack of diversity that currently exists. The particular focus is on three fields or spheres of social development - employment, education and housing.

It is proposed that diversity would be measured along the following three dimensions:

Religious dimension: This will mean categorising the population in the institutions into groups such as R_1 to R_k, k being the total number of religious groups in the country considered relevant for the exercise, including the majority group. The Population Census defines 7 categories (Hindus, Muslims, Christians, Sikhs, Buddhists, Jains and Other religions) that may be taken as the starting point.

Caste and Tribal dimension: It would be useful to consider four-fold classification for castes as SC, ST, OBC and Others (everybody else): $C_1….C_4$

Gender dimension: This would have two groups to reflect this dimension - men and women: G_1 and G_2

4.3 WORKING OUT THE DIVERSITY INDEX

We may capture "**diversity gap**" in two stages, stage I being the current time period (2008-09) and Stage II intended for the medium term, say 8-10 years from now. The index may be defined as follows:

Let x_i be the actual proportion of workers/students in an institution belonging to Group *i* (say, the proportion of Muslims in the faculty or student population in a university) and y_i be the proportion of the *i*th group in the *population who are eligible to enter the institution as a faculty or a student.*

At any given point of time, entry to an institution for a job or course can only be from the eligible pool of individuals for each social group. The varying size of this pool (in relation to the population) for different groups might reflect discrimination (or its opposite) in the society, but an individual institution has limited role to play in changing that. Taking an educational institution as a case study, it is evident that it has to recruit students or faculty only from among the persons within this eligible pool, big or small, belonging to different groups. To cite an example, passing a BA/BSc/B.Com examination is essential for gaining entry into an MA/M.Sc/MCom courses at a university. Understandably, the number of graduates who could be applicants will define the eligible population for admission to the Master level courses. Thus, y_i, will be, say,

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Caste and Tribal dimension: Four-fold classification for castes as SC, ST, OBC and Others (everybody else): $C_1….C_4$ may be considered.

Gender dimension: Two groups would comprise this dimension - men and women: G_1 and G_2

the proportion of graduate Muslims to all graduates in the country who can potentially be considered for admission in a national level institution, because they qualify the minimum eligibility conditions. Then, z_i is the proportion of group i in the total population for the relevant universe (say the proportion of Muslims in the country).

Now, the *diversity gap* or absence of diversity for the ith group, DG_i, can be represented as follows:

$$DG_i = \frac{(y_i - x_i)z_i}{y_i}$$

One can see that $y_i - x_i$ would be be greater than zero for the under-represented groups indicating a 'gap' in diversity or extent of sub-optimality. This would be less than zero for the over-represented social groups. When $x_i = y_i$, there is no deprivation for the group and the gap between entitlement and realization is zero, implying ideal condition of perfect diversity. In an extreme situation, when $x_i = 0$, implying that the ith group is not represented at all, the value of DG_i would be z_i . (The idea of diversity gap has been discussed in some detail in Kundu 2003, in the context of education)

Since the aim of the index is to capture the extent of exclusion of the groups, it must capture only the aspect of under-representation adequately. So, for example, if a University has an over representation of any community or social group (defined as x greater than y), then the index should not reward the university by giving it a high value due to this over-representation.

Taking this into account, we re-define the *diversity gap* as

$$DG_i = \frac{(y_i - x_i)z_i}{y_i}$$

when y_i is greater than or equal to x_i .

However, when $x_i > y_i$, $DG_i = 0$

Thus the DG_i computed for each group for a given dimension will have a minimum value of zero and a maximum value of z_i. The DG_i should be computed for each group separately. Thus, we will have 7 values of DG for religious dimension, 4 for caste dimension and two for gender dimension.

The Diversity Index D for *m*th dimension can be stated as follows:

$$D_m = 1 - \sum_i DG_i$$

Thus, a situation of perfect diversity will mean D = 1. This hypothetical case can occur when all the groups have representation equal to their eligibility. On the other hand, complete exclusion of certain groups (zero representation) and inclusion of others at higher levels (shares being higher than eligibility) would give the value of the index as 0, when the over represented communities claim a negligible proportion of the total relevant population. In case these over represented communities claim a proportion of population equal to P, the lower value of D_m would be P. Typically, the index will lie between 1 and P, higher values implying higher diversity for a given social category. This implies that there will be lower diversity in the society if the overrepresented groups claim a smaller share in the population, in a hypothetical situation when the other groups have zero representation.

4.4 AN AXIOMATIC FRAMEWORK

Plato believed that axioms are those principles that are known to and accepted by those "who know something". Those who knew something in the Roman period understandably were the aristocrats who could claim knowledge about a variety of issues and convey the same to the populations as and when required. In contemporary times, the relevant population would be the universe, i.e. the entire population in a country. We must, therefore, build up our index based on axioms that are simple, transparent and acceptable to the population in general.

We propose the following axioms:

4.4.1 Axiom of Positive Progressivity

If the share of any underrepresented group increases without any change in the share of any other underrepresented group, the Diversity Index must register an increase.

Conversely, if the share of any underrepresented group decreases without any change in the share of any other underrepresented group, the Diversity Index must register a decrease.

An increase in the share of any underrepresented group in an institution without any decrease in the share of any other underrepresented group must be reflected in an increase in the Diversity Index of the institution.

Between two underrepresented groups, if one is more underrepresented, an increase in its share must lead to greater increase in the Diversity Index compared to a similar increase in the other.

Between two underrepresented groups, an increase in the share of a group which has lower eligibility compared to its population share in the relevant universe should make a larger impact on the Diversity Index than the other, other things being equal.

4.4.2 Axiom of Independence from Irrelevant Alternative

No change in share of any over represented group without any change in the share of any underrepresented group should affect the Diversity Index. (The rationale for the Axiom of Positive Progressivity and that of Independence from Irrelevant Alternatives have been discussed in the context of poverty measurement in Kundu and Smith 1983)

4.4.3 Axiom of Deprivational Ordering

Between two underrepresented groups, if one is more underrepresented (relative to its eligibility) compared to another group, an increase in its share should lead to greater increase in the Diversity Index compared to a similar increase in the other, if their shares in the population are the same.

4.4.4 Axiom of Long Term Equity

Between two underrepresented groups, an increase in the share of a group which has lower eligibility compared to its population share should make a larger impact on the Diversity Index than a similar increase in the other, other things remaining the same.

It can be easily be demonstrated that the proposed Diversity Index satisfies all the four axioms.

4.5 AGGREGATING VALUES OF D OVER THE THREE SELECTED DIMENSIONS

It would be desirable to construct Diversity Index for an institution by classifying the (a) workers and (b) recipient of services into a few broad grades, representing vertical hierarchy. For operational convenience, this can be restricted to two in each, at least in the initial years. The Diversity Index should be calculated separately for each of these. To take the example of a university, we may divide all jobs into two broad grades, one consisting of all Class III and IV employees and the other consisting of all Class I and II employees. Similarly, the students can be placed into two categories, undergraduates and post graduates. Now, there will be four diversity indices pertaining to each of the three dimensions, noted above (religion, caste and gender) for any institution under consideration. We suggest that these four indices be squared and added up for each social dimension. The step can be called **Vertical aggregation**. The

purpose of squaring the values is to give higher weightage to the sphere that record greater deprivation.

The second step would be **Horizontal aggregation** or aggregation across the three social categories. The final composite Diversity Index for an institution would thus be worked out by obtaining a weighted average of the three indices, reflecting the three identified dimensions, as suggested above. The question here is whether the weights for these social categories should be fixed exogenously at the national level or should be left to the judgment of the organization entrusted with this responsibility at sub-national or state levels. For instance, should an organisation assess diversity gaps for each of the social categories interact with concerned policy makers and then decide on the weights depending on the relative severity of the gaps and other socio-political considerations?

While certain amount of flexibility would be desirable to reflect the socio-political priorities at sub national level, the veneer of flexibility should not allow institutions to get away from addressing the serious problems due to under representation of minority groups.

The Expert Group, after considerable deliberation, proposed a mixed system to address these concerns. Taking W_1, W_2 and W_3 to be the weights for the three dimensions, it was decided that each will be allowed to vary within a range. It was proposed that W_1, the weight for the religious dimension must lie within the range of 0.45 and 0.55. Correspondingly, W_2 for the caste dimension should fall between 0.35 and 0.25 and W_3 the gender weight can range from 0.15 to 0.25. The suggested range values, in a way, reflect the central concerns of the Sachar committee, since the idea of increasing religious diversity, is one of the key recommendations of the Sachar Committee Report. Also, given that quotas for SC-ST are already in place, the proposal for giving a higher weightage to religious diversity can be defended. The reason for assigning relatively lower weight to the gender dimension is that the under-represented religious and caste categories would have large incidence of women members and therefore would be counted there.

4.6   RANGES FOR THE DIVERSITY INDEX

The task of specifying a minimum level of diversity that each institution must have to qualify for certain financial allocation of privilege would be extremely challenging. It would be impossible for any national level organisation to determine the cut off points for identification of categories without looking at the actual distribution

Certain amount of flexibility would be desirable to reflect the socio-political priorities at sub national level. However, the veneer of flexibility should not allow institutions to get away from addressing the serious problems due to under representation of minority groups.

The responsibility of suggesting meaningful ranges of the Diversity Index for identifying the categories must be given to concerned organisations at national and state levels.

of the Diversity Index for different types of institutions and regions. The Expert Group considers that the responsibility of suggesting meaningful ranges of the Diversity Index for identifying the categories must be given to concerned organisations at national and state levels. In the absence of any information on the distribution of the index, and since this is a first time exercise, the Expert Group proposes three ranges for the Diversity Index to facilitate designing of the index-linked interventions, for launching the measures in initial years. The ranges are proposed as follows:

If the value of the index lies between 0 and 1/3rd, the institution can be presumed to have **low** diversity

Between 1/3rd and 2/3rd: **middle** diversity

Between 2/3rd and 1: **high** diversity

4.7   EXPLANATIONS ABOUT THE VARIABLES USED IN THE INDEX

4.7.1   Determining the Eligible Population

It is difficult to determine the eligible population with complete accuracy for each job and for each course. In the absence precise information on that, proxy variables would have to be worked out in a large number of cases. For entry into an educational institution which has a mandate to serve a state or a region, the percentage of the population with the qualifying level of education in the region would constitute y, as mentioned above. The eligible population for employment can be decided in a similar manner. For example, for a lecturer's job, the share of people meeting the eligibility criteria would be taken as y. Also, to begin this strategic interventions linked to the Diversity Index, it is suggested that it is applied only at entry level jobs and not for promotions.

Indeed, it would be erroneous to believe that all the people satisfying the eligibility criteria would be aspirants for the position. Indeed, people who are already in employment or are unwilling to move to the institution which is in a different region or those not interested in the job for any other reason may not be included in it. Also, eligible population will have to be defined keeping the specific nature of the institution and its catchment area in consideration. It would nonetheless be impossible for any national level organisation to precisely determine the eligible and aspirant population. In this backdrop and also, inadequate data availability, the use of proxy indicators seems to be the only way out.

### 4.7.2 The Relevant Universe over which the Index is Defined

The relevant universe over which the index is defined (whether at district, state or all- India levels) will have to be determined by the specific organization, entrusted with the responsibility at different levels. So, for instance, when such an index is calculated by UGC for central universities, the all-India proportions will be applicable as z_i, since the catchment area would be the whole country. For a state University, it might be more appropriate to consider at the population percentages within the concerned state as z_i. The agencies entrusted with the responsibility of constructing diversity indices at different levels would be expected to regularly improve the data base and get better estimation of the eligible population.

The idea is that the Diversity Index should be computed at the micro level for production and distribution companies, social institutions, housing societies etc. For a University, as an example, one would then compute Diversity Index, separately for four very broad groups: undergraduate students, post graduate students, lower grade employees and higher grade employees. Three indices articulating religious, caste and gender diversity would have to be constructed at the first stage. The three will then be combined to obtain a single number reflecting the overall diversity for the university.

There are serious problems in working out a numerical example based on the current data from any existing institution, given the limited time that is available to the Expert Group. Also, much of the information required for this purpose are or should be available with the institution but is not in the public domain. One important issue that needs to be noted is the overlap between caste and religious categories, as this will affect the calculation of the index. The following Table gives the distribution of population in religious and caste categories at the all India level.

Table 1: Distribution of population of each religion by caste categories, All India, 2004-05					
Religion/ Caste	SCs	STs	OBCs	Others	All
Hindu	22.2	9.1	42.8	26.0	100
Muslim	0.8	0.5	39.2	59.5	100
Christians	9.0	32.8	24.8	33.3	100
Sikhs	30.7	0.9	22.4	46.1	100
Jains	0.0	2.6	3.0	94.3	100
Buddhists	89.5	7.4	0.4	2.7	100
Zoroastrians	0.0	15.9	13.7	70.4	100
Others	2.6	82.5	6.2	8.7	100
Total	19.7	8.5	41.1	30.8	100

Source: Sachar Committee 2006

HINDUS
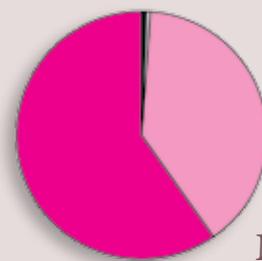
MUSLIMS
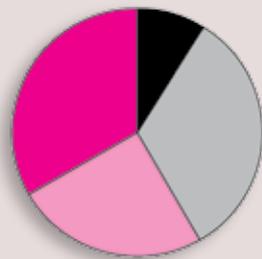
CHRISTIANS
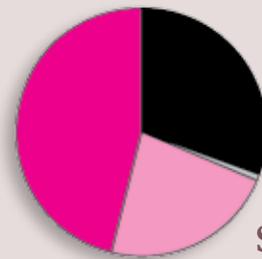
SIKHS

JAINS
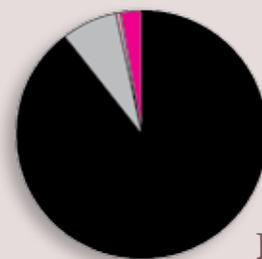
BUDDHISTS

ZOROASTRIANS

OTHERS

TOTAL

- **SCs**
- **STs**
- **OBCs**
- **OTHERS**
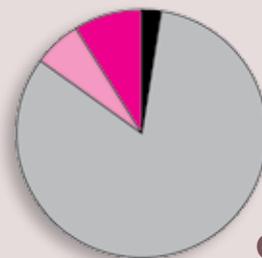
Distribution of population of each religion

This table indicates a significant overlap between the two types of categories. There would be further overlap of gender with these two categories. Also, given the current paucity of data, we could, initially, consider consolidation of religious categories into Hindu, Muslim, Christian, Sikh and Others. Given that close to 90 percent of Buddhists are SCs, they will get the appropriate weightage under the caste classification. Thus, instead of looking at all the seven religious categories, we might consider looking at only five or even four (Hindu, Muslim, Christian and others) in case of the states where Sikhs are a very small proportion of the state population.

4.8 PHASED IMPLEMENTATION

This index will have to be calculated for the current period and we will call that the first phase for the implementation of the index based programme. As the next chapters in the report make clear, the values of the index will be linked to an elaborate system of financial devolution and disbursal of incentives. It is proposed that a Diversity Commission may be established which will compile the data generated at the institutional level, so that it can monitor the progress of implementation of the programme.

Gradualism would be the best approach, wherein the central and state governments can begin by giving certain incentives to select categories of institutions. More and more institutions are likely to put forward their demand to be covered under the programme to claim the incentives and for that, they would be required to provide the required data for certain number of years. The scope and coverage of Diversity Index based interventions may thus be increased with the passage of time. Further, refinement in the index may be attempted learning from the experience and depending on the availability of data.

Continuous attempts should be made to bring more and more institutions under the programme, both in public as well as private sector. Indeed, all institutions that have any interaction with the government can be brought within its purview over time, say in the next 8 to 10 years. The first phase of the programme would then be to bring the share of the underprivileged groups equal to the group's share in the eligible population in the identified institutions and to gradually bring all the institutions in the country under the programme. The message of these Phase I interventions would be loud and clear that all institutions must endeavour to narrow the gap between the percentage already in the institution and the eligible population.

Gradualism would be the best approach, wherein the central and state governments can begin by giving certain incentives to select categories of institutions.

In the medium and long term, the country or region must move towards a situation where y tends to be equal to z, viz the two distributions converge. This implies that the shares of the underprivileged groups in the eligible population are identical to that of their shares in the total population. This would be the second phase of implementation of the programme. One must nonetheless realize that the process of encouraging or motivating individual institutions towards compliance of diversity in the Phase I, would itself tend to bridge the gap between the shares of eligible and total population. As the institutions at lower level, say primary and secondary schools, would ensure compliance in their student intake, the percentage of eligible population for the deprived social categories would be pushed up at the higher levels, closer to their shares in population.

For obvious reasons, the above approach cannot be directly used for the institutions in housing sector. It will be difficult to bring traditional properties and individual houses under the purview of the Diversity Commission as these are products of historical factors. However, attempt should be made to increase diversity in new housing societies that receive massive subsidies and concessions from different public agencies. Specifically, instances of housing society membership/ rental spaces being denied to an individual on account of his/her affiliation to a social group should call for strict penalties against the society in question. Conversely, a housing society that displays religious and caste diversity (specifically, a greater share of religious minorities and SC-ST families) should be entitled to certain financial incentives.

Chapter V: Institutional Structure for Operationalising the Diversity Index

The Objective. The Institutional Structure. Diversity Commission at the Central and State Levels. Diversity Implementation Boards. D C Council, DI Committees. Data Requirements.

5

Institutional Structure for Operationalising the Diversity Index

The objective of the institutional structure for the implementation of the DI is to transform the idea of promoting diversity into an action oriented strategy and bring it into all forms of decision making relating to employment and delivery of services such that this becomes an integral element of social ethos.

5.1   The objective

The objective of the proposed institutional structure for the implementation of the DI is to transform the idea of promoting diversity into an action oriented strategy and bring it into all forms of decision making relating to employment and delivery of services such that this becomes an integral element of social ethos. To begin with, it is proposed that interventions may be launched within the traditional framework of incentives and disincentive (or denial of incentives) and a regulatory mechanism to be imposed and exercised by a Diversity Commission to be constituted at the national level, State Diversity Implementation Boards at the state/UT levels and DI Implementation Committees at the institutional/organisationl level. This would only be for initiating the process. However, this can take roots in the minds and psyche of common person and help in easing out some of the deeply entrenched social prejudices leading to discriminatory decision making and only if it is transformed into a social movement. This eventual transformation, which is a desirable goal for our society at the earliest, though the Expert Group is not fixing a time frame for this, it is hoped, will go beyond providing a socially representative opportunity space in various fields of public life. It will, on the one hand, make sharing of public space more participative and, on the other, make the understanding and celebration of India's enormous diversity a more permeated cultural attribute in the country.

5.2   INCENTIVES AND DISINCENTIVES

The implementation of the index prepared by this Expert Group could be operationalised either on the principle of (a) incentive (reward) or disincentive (punishment) or (b) a lucrative incentive(s) (reward) and the lack of it (the denial of reward to be construed as penalty). Obviously, the former could be resented, may even lead to legal entanglements, while the latter, though slower to implement, could initially be used by enthusiastic States and institutions for incentives, while the others may just ignore it. But eventually, the Expert Group feels, it would catch up. Aside from the denial of award or incentives, concessions offered by the government on specific projects could also be withdrawn or denied to the institutions and organisations that either deliberately ignore the principles contained in the DI, or default, even evade, its adoption and implementation over a certain period. For example, private or charity institutions such as schools, hospitals, trusts or foundations, housing societies and so on, which are given public land and other facilities on concessional rates by the government could be denied such concessions in case they renege on conditions or promise. Preferences could also be built into the conditions of applications for tenders, export quota, advertisement (in case of the media houses) from the government and public institutions and so on.

One of the principles that must be built into the process is that of evaluation, grading and publicizing. An additional 'penalty', if it is construed as that, could be based on the status of organisations highlighted and publicized annually in the Diversity Report to be brought out by the Diversity Commissions/Boards/Committees, established at different levels. This in fact should become a major disincentive to the extent that the nation will be told and informed of the 'deviant institutions'. This would obviously mean creation of incentives that are lucrative enough so that these have promotional effects. Similarly, the denial of incentives, as also bringing the diversity linked characteristics of institutions into public knowledge, should be punishment of a kind and additional disincentive may not be necessary, at least in the initial stages of implementation.

The definition, creation and functional modalities of the quantum and mode of application of the proposed incentives would be tasked to the two-tier institutional structure being proposed in the following section. How the existing grants could be transformed into incentives, what would be the nature and quantum of new incentives and how the two could be linked, would also be defined by the proposed institutions.

5.3   Institutional Structure

5.3.1 The Framework

The compulsory implementation of the Diversity Index across the board in all the public and private institutions at each level in the country necessitates creation of an institutional structure with a wide range of societal participation and expertise. The former, we contend, is more important and crucial than the latter, for the expertise can be acquired and the mobilisation of the existing expertise available at different levels within the country or beyond its boundaries is a matter of administrative management. However, the creation of a widest possible acceptance, strengthening, 'deep-rooting' and participation in this novel idea which could be misconstrued or 'black-brushed' as minorityism, would be the real challenge and task. This challenge could be met with only by virtually penning this concept for implementation with a broad-based public participation in order for the people to understand and appreciate the concept and strength of 'diversity' that constitutes the Indian nation.

This proposed institutional device shall set the norms, maintain a list of all the institutions at the national, state and sub-state levels spread across the public and the private realms, specify incentives and disincentives, modify them from time to time as the experience takes roots, monitor the implementation of the DI and the incentive-disincentive schemes, grade the institutions on performance as well as innovativeness (which could lead to additional incentives) and publish an Annual DI Implementation Report giving the district, state and national level data. The proposed institutional system shall also make suggestions about fine-tuning of the monitoring and incentive-disincentive schemes based on each year's experience. Since the Expert Group does not rule out possibilities of anomalies arising and creeping into this novel programme, it is suggesting the idea of introducing correctives on a regular basis. Similarly, the institutional structure being suggested here should be tasked with a continuous corrective initiative. This would mean that the monitoring would be a three-track (running parallel) process: of the implementation, the measures and the idea.

In such a case, we are looking for and proposing an institutional structure that would have a comprehensive role. Obviously, in that case, both its organisational structure and the mandate would have to be designed to take up this challenge. Naturally, only a non-partisan and autonomous body can take up such a role. Therefore, the Expert Group is visualizing a two-tiered body of experts – at the national and the state levels – autonomous but accountable to the Executive. A sub-state level body is not visualized and suggested at this stage for two reasons. First, it is felt that a too

complicated and complex web of institutions at this stage may confuse the accountability structure leading to slowing down of the initiative. Second, most institutions at the sub-state level are in the public domain and thus, part of the structure of the state. They can be mapped by the state level institutions. However, the Expert Group concedes that as the institutions under 73rd and 74th Amendments of the Constitution take root and as the idea of the DI gets operationalised, the need for a sub-state level institutional structure could also be felt. It would be appropriate to design the sub-state level institution at that stage. The experience of the proposed institutions will indeed be useful in designing the third tier of the DI related institutional structure.

In order that the proposed body does not get entangled into a partisan whirlpool, we recommend that the proposed body is made accountable to the Cabinet and reports to the Cabinet Secretariat. It will be the responsibility and obligation of the Cabinet to regularly place its reports before the people's representatives in Parliament and the State Legislatures. Needless to say, the idea of a consensus across the political opinions in the country is built into the recommendations being made here.

The implementation of the DI is being proposed in the country at a time when the political structure has acquired considerable diversity. With the national politics having been transformed from social to political coalition and small and big states and ethnic parties having developed stakes in power at the national level, India's political diversity has acquired a rainbow character. Obviously, despite a forward movement on the developmental front in different fields, a synergetic forward march that could fuse the social spectrum's diverse colours into a single coloured light appears only a desirable professed dream. With states in the country being ruled by different parties, a decent ring of politics and governance also has taken shape. The processes of liberalization and globalization have introduced autonomy in the private realm as well. The implementation of the DI and the functioning of the institutional mechanism being proposed for implementation and monitoring, therefore, have to be in consensual mode.

Another important question is that of diversifying the implementation of the DI; that is, it has to be implemented in organisations as diverse as, say education, industry, and administration – both in public and private sectors. It is only natural to expect that the Ministry of Industry, for example, saying that its standards and guidelines

Despite a forward movement on the developmental front in different fields, a synergetic forward march that could fuse the social spectrum's diverse colours into a single coloured light appears only a desirable professed dream.

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have to be different from the ones being used, for example, by the Ministry of Human Resource Development, in educational institutions and various states and regions making similar pleas due to their specific conditions and demanding a focused and special intervention. Particularly important would be the plea for the creation of institution and region-based benchmarks and eligibility criteria, discussed in the context of working out the values of ys and zs. While it is necessary to be sensitive to the diverse requirements and pleas, institutionally, the implementation will be unwieldy, if not chaotic, if each institution and organisation is left with its own institutional structure. This will also make monitoring difficult, if not impossible.

5.3.2 The Diversity Commission

The Expert Group,recommends setting up of a **Diversity Commission** at the national level, with corresponding DI Implementation Boards (or Committees) at the state levels. It will also be mandatory for each government and semi-government department/organization – say the ministries and departments of the Union and state governments, the University Grants Commission, various urban development authorities, the HUDCO, and so on – to constitute a DI committee to set the standards at their level to devise ways and means of DI implementation as per the laid out policies of the DC and its monitoring on an annual basis. Considering that the ministries and departments of the government at different levels already have a department (or section) of statistics, they could be tasked with the responsibility of maintaining and submitting the DI data. Whether or not a committee is required at this level for the tasks related to DI, could be left for the DC to decide in consultation with the government.

The Expert Group proposes constitution of a **Diversity Commission** (*Organigram of the Diversity Commission is given on the facing page*) at the national level. To be set up under an Act of Parliament, the DC shall be a multi-member autonomous body with not more than ten members including the chairperson, constituted for five years. In order that the DC is not considered a political body and its constitution becoming coterminous with a government or a political regime, we recommend an apolitical mode of its appointment for a fixed five-year term. Administrative requirements of resignation or removal from office of a member could be built in as in any such organisation. Obviously, the Expert Group is suggesting developing

A Diversity Commission should be set up at the national level under an Act of Parliament, as a multi-member autonomous body with not more than ten members including the chairperson, constituted for five years.

PARLIAMENT

CABINET SECRETARIAT

DIVERSITY COMMISSION
{10 Members including the chair}
[Each Member has an Expert/Citizens' Committee of a manageable size]

DC COUNCIL
{DC + Chairs of SDIBs}

STATE DIVERSITY IMPLEMENTATION BOARDS
{10 Members including Chair}
[In each State and UT]
[Each Member has an Expert/Citizens' Committee of a manageable size]

ORGANISATIONAL DI COMMITTEES
{In each participating Organisation with Flexible Orgn.}

Organigram of the Diversity Commission

modalities of non-partisan and apolitical constitution of the DC. The DC shall be reporting to the Cabinet Secretariat.

The members of the DC shall be selected from various fields, such as education, industry, agriculture, police, defence, medical profession, management, the corporate sector and so on. Charged with specific responsibility, each member of the DC shall be tasked with creating a core group, seeking larger and representative societal participation, by constituting an Advisory Group consisting of experts from the designated field as well as prominent personalities cutting across cross sections of society. This will make the functioning of the DC more participative and transparent. The DC shall make a report to the Cabinet Secretariat annually (or half yearly), but will function autonomously of it. While it shall be open to policy directives from the government, no ministry or department shall interfere with the day-to-day functioning of the DC or direct an administrative diktat at it. However, they can seek clarifications on any issue the DC is dealing with, particularly concerning with them.

There shall be a **DC Council,** consisting of the Chairpersons and members of the DC and the Chairpersons of the **State Diversity Implementation Boards (SDIB)** being proposed at the state/UT level. The Council shall meet every six months to discuss the reports from the states/UTs. These meetings shall have three crucial purposes. First, they will take up the larger strategic and policy questions of the DC. Second, the DC will get reactions from the SDIBs on its policies, programmes and questions related to implementation. Third, these meetings shall act as a forum for interaction of the SDIBs. The cross-discussions and sharing of experiences shall be a crucial function of the DC and shall also make the SDIBs active partners in the overall functioning of the DC.

The DC, as proposed earlier, will devise ways and means of a more representative disbursal of opportunities through institutions in the public and private realms in accordance with the DI. It will also look into the creation, implementation and monitoring of the DI. It can either seek the help of the available expertise directly or by outsourcing a particular task to an expert professional agency. However, given the delicate task assigned to it, the idea is not to create a Commission visualized as an elite 'supra' body with a moral mission to equalize India's diversity. It would have to constantly endeavor to build an acceptance and appreciation of diversity and diversity-based opportunity disbursal in different spheres of economic and social development in the country.

5.3.3 State Diversity Implementation Boards

On the lines of the DC at the national level, each state and Union Territory shall have a **State Diversity Implementation Board (SDIB)**, which work in tandem with the DC. The SDIBs shall oversee the implementation of the DI norms and other criteria set by the DC in this connection, compile and prepare the six-monthly Implementation Report and submit it to the DC. The Chairperson and members of the SDIB shall be appointed on similar lines as the DC. It too shall be a ten-member body including the chairperson constituted for a five-year tenure, with its life coterminous with the DC. All the criteria suggested for the constitution and functioning of the DC shall apply also to the SDIBs. The SDIBs, however, shall be reporting to the DC and not to the state Cabinet Secretariat. While being autonomous of the state governments, the SDIBs would not consider themselves either superior, or supra bodies, to the state governments. Their envisaged role in no way interferes with the functioning of the governments, in assisting in implementation of the DI. They have to be aware of their task of functioning with the political executive of the states/UTs in the effective implementation of the DI, make presentation as and when required to the state governments and/or legislatures on their mission and suggested plans; making the states/UTs realize the need, requirement and modalities of operationalising the DI in employment and enrolments to the educational intuitions. If required the SDIBs shall seek suggestions from them. However, the report of the SDIBs shall not be presented to the state legislatures independent of the DC. Only a report presented and approved at the DC Council shall be presented on demand to the state legislatures.

The SDIBs shall also prepare a list of private organisations coming under the ambit of the DI, make it mandatory for them to register with the SDIBs, forward those lists to the DC. It will be mandatory for the registered private institutions under the DC norms to provide the SDIBs regularly with the data on following the DC and the SDIB guidelines. Depending on the nature of the private organisations, the SDIBs shall work out the nature of incentives and disincentives, which shall be approved by the DC council, and the incentives and disincentives shall be recommended to the Union/state governments for implementation. The SDIBs shall also prepare the list of performing and non-performing institutions, incorporate them in their reports and forward the reports to the DC for releasing the final annual list.

While following the guidelines of the DC, the SDIBs shall be given sufficient autonomy to innovate in accordance with the peculiarities and specificities of their states and regions within it. On the lines of the organisation of the DC, the SDIBs shall also be expected to create wider societal participation

in their activities. A structure similar to that of the DC shall ensure that. That is, each member of the SDIB shall create an advisory group in the areas entrusted to her/him drawing expert and prominent persons from various walks of social life in the respective state/UT. These persons shall not only be expected to contribute to the continuous fine-tuning of the DI, the idea behind it and its implementation, they shall be expected to carry the message back to the Indian public of the necessity, even inevitability, of this concept in the Indian context, gradually transforming this idea into social movement. It is, therefore, recommended that the advisory group is reconstituted each year to expand the base of social participation in the functioning of the SDIBs and the DC. It would even be fruitful that some of those who have served the SDIBs are inducted into the DC advisory group in course of time, thus creating a linkage between the national and state/UT level efforts and create a binary process of the flow of ideas and cooperation.

5.3.4 Organisational DI Committees

The Expert Group is not proposing the implementation of the DI in institutional and organisational contexts as a mechanical tool to be followed under threat and obligation. We emphasize on its more participative implementation right from the time of inception. It shall, therefore, be desirable that each organisation and institution is brought under its ambit is obligated to create a DI Committee/unit in accordance with the guidelines suggested by the DC from time to time. The DI committee shall analyse the existing employment/enrolment profile of the institution, send it to the SDIB for its record, which shall also include the applicant profile in order that the qualificatory benchmarks are clearly laid out, understood and factored in for the implementation of the DI. It shall also be expected to prepare annual plans and schemes for making the availability of the employment/enrolment opportunities as well as the eventual recruitment/enrolment more representative of the social diversity. This responsibility, however, could also be entrusted to the statistical wing of a government ministry or department, as far as the submission of the statistics or data is concerned. It would be desirable to enhance its responsibility with the representation of the departmental head and a few others into an oversight committee of sorts. But this aspect could be left to the evolution of the idea and the institutional structure.

As this process is set in motion, the Union and state governments shall be expected to lead by setting the norms and registering various ministries, departments and institutions with the DC and SDIBs. The private and corporate sectors shall also be mandated to register with the DC and the SDIBs. The registration process shall consist of furnishing of the social

profile of the organisation. Schools, colleges, universities and other educational institutions enrolling students in academic programmes shall be mandated with furnishing their staff and enrolment profile. The DI Committees will begin their work from here. They will submit a time bound action plan to begin with, and annual plans thereafter.

The SDIBs as well as the DC shall interact with these Committees on a regular basis, so that the idea of the DI and its implementation becomes more participative. While incentives and disincentives proposed shall be enforced on performance, the interactive pattern shall, it is hoped, reduce the chances of a compelled enforcement, making the process participative. While the DC and the SDIBs shall work with institutions and organisations by understanding their compulsions, they shall also impress upon them the need for the implementation of the idea of the DI without sacrificing efficiency. In fact, it may be a good idea that the participating institutions create a network and a representative of the network is inducted into the advisory group of the DC and the SDIBs. The modality of such a mechanism shall gradually evolve rather than being prescribed at this stage.

The network of the participative organisations shall also have their own ranking system. This means that the network shall be institutionalised and maintain the data on the performance of its members on the DI implementation. It shall also keep track of the government's incentive and disincentive schemes.

5.4 DATA REQUIREMENTS

It is understandable that the organizations responsible for operationalising the Diversity Index would depend on data from Population Census or National Sample Survey for getting the shares of different social groups (the z series) in the total population of the country or the region. For example, the population size for the 7 religious categories, 4 caste categories and 2 gender categories are available from the Population Census, both at the national as well as at the state level, except the OBC category. The Census for 2001 has released figures for all categories, excepting the OBCs. The 2011 census should systematically count OBCs and till those data are released, OBC figures from the NSS surveys should be used.

The distribution of eligible population across social categories would have to be built through proxy, at least in the initial years for several types of institutions. For educational institutions where eligibility is in terms of certain qualifications and percentage of marks, rough proxies can be constructed using Census or NSS data, as explained above. The proportions generated by the Census or NSS for people in different levels of education could be taken as possible proxies, even though they are far from adequate. The

advantage of using the figures generated by the NSS large samples is that we can get figures for OBCs and of course, for all other social categories.

Importantly, the information on the distribution of present student and teacher population across social groups would have to be provided by the institutions that are to be ranked and incentivised. Each institution must collect the information in a reliable and transparent manner and report to the Diversity Commissions at national and state levels. In keeping with the three dimensions along which diversity is to be measured, each institution registered with the bodies at different levels will have to make the relevant data available.

Chapter VI   Conclusions and Recommendations

CONCLUSIONS AND RECOMMENDATIONS

6.1 RELEVANCE AND IMPORTANCE OF DIVERSITY INDEX IN POLICIES AND PROGRAMMES

6.1.1 The Expert Group takes a view that for effective intervention in the domain of disparity and discrimination it would be important to have policies, programmes and system of incentives/disincentives linked to a workable measure of diversity. It would be necessary to bring the micro level institutions, both in public as well as private sector, under this system. In order such a system is operationalised in a non-partisan manner and functions being neutral to short party specific political considerations, it is necessary to construct the summary index using reliable and transparent data.

6.1.2 The dimensions of diversity are many. In order that the measure is pragmatic, the Diversity Index must cover three essential dimensions (a) religion, (b) caste and (c) gender. The experience in different parts of the world justifies the need for constructing such an index, mainstreaming it into policy and creating an incentive and social mobilisation system around it. Taking into cognizance the theoretical and empirical issues observed across countries and after overviewing the changing profile of disparity and discrimination in the context of development dynamics in India, the Export Group proposes the formulation of the Diversity Index covering these dimensions.

Defining the Index and is Axiomatic Framework

The diversity gap may be defined as

$$DG_i = \frac{(y_i - x_i)z_i}{y_i}$$

when $y_i >$ or equal to x_i.

However, when $x_i > y_i$, $DG_i = 0$

The DG$_i$ should be computed for all the groups within each dimension separately and then aggregated.

The Diversity Index D for *m*th dimension would be

$$D_m = 1 - \sum_i DG_i$$

6.2   PRINCIPLES OR AXIOMS THAT THE INDEX MUST SATISFY

It can be demonstrated that the index saties the following axioms or desirable principles.

6.2.1   An increase in the share of an underrepresented group without any change in the share of any other underrepresented group should increase the Diversity Index. On the other hand, no change in share of any over represented group without any change in the share of any underrepresented group should affect the Diversity Index.

6.2.2   Between two underrepresented groups, if one is more underrepresented (relative to its eligibility) compared to another group, an increase in its share should lead to greater increase in the Diversity Index compared to a similar increase in the latter, if their shares in the population are the same.

6.2.3   Between two underrepresented groups, an increase in the share of a group which has lower eligibility compared to its population share should make a larger impact on the diversity than the other.

6.3   OPERATIONALISATION OF THE INDEX

6.3.1   The Diversity Index for an institution may be constructed by classifying the (a) workers and (b) recipient of services into a few broad grades, representing vertical hierarchy. For operational convenience, this can be restricted to two in each, at least in the initial years.

6.3.2   The diversity indices computed for the workers and recipients of services for any institution under consideration must be squared and added up for each social dimension (religion, caste and gender). The purpose of squaring the values is to give higher weightage to the sphere that record greater deprivation.

The Diversity Index for an institution may be constructed by classifying the (a) workers and (b) recipient of services into a few broad grades, representing vertical hierarchy.

6.3.3 The final composite Diversity Index for an institution would be worked out by obtaining a weighted average of the three indices. The Expert Group proposed that the weightages W_1, W_2 and W_3 for the three dimensions, will be allowed to vary within a range. W_1, the weight for the religious dimension must lie within the range of 0.45 and 0.55. W_2 for the caste dimension should fall between 0.35 and 0.25 and W_3 the gender weight can range from 0.15 to 0.25.

6.3.4 The Expert Group considers that the responsibility of suggesting meaningful ranges of the Diversity Index for identifying diversity categories must be given to appropriate organiations at national and state levels. The ranges are proposed for the guidance of such organisations are as follows:

6.3.5 If the value of the index lies between 0 and 1/3rd, the institution can be presumed to have **low** diversity; between 1/3rd and 2/3rd can be called **middle** diversity and between 2/3rdand 1, called **high** diversity.

6.3.6 In the absence precise information on the eligible population, proxy variables would have to be worked out, at least in the initial years of implementation. It would be erroneous to believe that all the people satisfying the eligibility criteria would be aspirants for a job or becoming a client in an institution. Indeed, people who are already in employment or are unwilling to move to the institution which is in a different region or those not interested in the job for any other reason may not be included in it. Given the problems in adequate data availability, the use of proxy indicators seems to be the only way out.

6.3.7 The relevant universe over which y is defined (whether at district, state or all- India levels) will have to be determined by the specific organization, entrusted with the responsibility at different levels. So, for instance, when such an index is calculated by UGC for central universities, the all-India proportions will be applicable as the catchment area would be the whole country. For a state University, it might be more appropriate to look at the population percentages within the concerned state. The agencies entrusted with the responsibility of constructing diversity indices at different levels would be expected to regularly improve the data base and get better estimation of the eligible population.

6.4 IMPLEMENTATION OF THE PROGRAMME IN A PHASED MANNER

6.4.1 The implementation of the index based programme would have to be done in a phased manner. Initially, the values of the index will be linked to the existing systems of financial devolution and disbursal of incentives.

The Expert Group proposes setting up of a multi-tiered system for operationalising the programme immediately which will compile the data generated at the institutional level and monitor the progress of implementation of the programme. Gradualism would be the best approach, wherein the central and state governments can begin with giving certain incentive system to select categories of institutions. The scope and coverage of Diversity Index based interventions may then be increased with the passage of time. Further, refinement in the index may be attempted learning from the experience and depending on the availability of data.

6.4.2 All institutions that have interactions with the government departments/ organisations can be brought within its purview over time, say in the next 8 to 10 years. The first phase of the programme would then be to bring the share of the underprivileged groups equal to the group's share in the eligible population in the identified institutions and to gradually bring all the institutions in the country under the programme. In the medium and long term, the country or region must move towards a situation where y tends to be equal to z, viz the two distributions converge. This implies that the shares of the underprivileged groups in the eligible population are identical to that of their shares in the total population. This would be the second phase of implementation of the programme.

6.4.3 The idea is not only to have the index used for devolution of funds, tax concessions, subsidies etc. from public sources to public and private institutions at micro level but also to make the latter sensitive to the concern for diversity in all spheres of their functioning. The idea is make institutions and opportunity space available to all social groups and communities so that these tend to become more representative over time. The institutional structure visualized to implement this idea has to be evolve over time to take on the responsibility, but that should not too elaborate to become a quagmire. It has to be accountable, yet not subordinate to the political executive. It has to be participative and transparent.

6.4.4 The EG proposes a three layered institutional structure that is interlinked, representative, non-partisan and participative. The DC as the apex body at the national level is designed to and tasked with putting the mechanism of applying and implementing the diversity linked incentive system in selected sectors in public and private sector institutions. But in order that while setting the norms and putting them in place for implementation with the SDIBs they remain participative, the DC Council has been designed, wherein

The idea is not only to have the index used for devolution of funds, tax concessions, subsidies etc. from public sources to public and private institutions at micro level but also to make the latter sensitive to the concern for diversity in all spheres of their functioning.

A three layered institutional structure is proposed that is interlinked, representative, non-partisan and participative.

the SDIBs will not only report and put forth their difficulties, they will participate in drawing up policies and setting the standards and agenda for the DC. While the DC would be the policy designing forum, the formalisation of the policies of the policies of the DC will take place at the DC Council level. This will make the decision making more democratic and participative.

6.4.5 The Expert Group is not proposing the application of the DI in institutional and organisational contexts as a mechanical tool to be followed under threat and obligation. We emphasize on its more participative implementation right from the time of inception. It shall, therefore, be desirable that each organisation and institution brought under its ambit is obligated to create a DI Committee in accordance with the guidelines suggested by the DC from time to time. The DI committee shall analyse the existing employment/ enrolment profile of the institution, send it to the SDIB for its record, which shall also include the applicant profile in order that the qualificatory benchmarks are clearly laid out, understood and factored in for the implementation of the DI. It shall also be expected to prepare annual plans and schemes for making the availability of the employment/enrolment opportunities as well as the eventual recruitment/enrolment more representative of the social diversity. This responsibility, however, could also be entrusted to the statistical wing of a government ministry or department, as far as the submission of the statistics or data is concerned. It would be desirable to enhance its responsibility with the representation of the departmental head and a few others into an oversight committee of sorts. But this aspect could be left to the evolution of the idea and the institutional structure.

6.4.6 The stress on non-partisanship of the idea and its implementation is unexceptionable. The political parties and opinions across the board must give their consent to this idea and help in creation of a non-partisan institutional structure.

The application of the Index in institutional and organisational contexts should not be done as a mechanical tool to be followed under threat and obligation. Its implementation must be participative right from the time of inception.

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