Promoting Dalit Entrepreneurship as a Tool of Affirmative Action

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Abstract
The global trends in Affirmative Action indicate that now the shift is from employment to entrepreneurship. The same is bound to happen in India too. Of course, the reservation helps Dalit development, but unfortunately the reservation concept or reservation quota can’t be a complete solution. So, promoting Dalit Entrepreneurship as an Affirmative Action should be considered as a strategic action in the sense that Dalit Entrepreneurship is inevitable for nation building. In fact, Dalit Entrepreneurship will bring more benefits to the nation than to the Dalits themselves. In another sense, Dalit Entrepreneurship is an opportunity for the Dalits to participate in national building in larger way. This will give a challenge to unlock the largely unutilized entrepreneurial potential of the Dalits. This article tries to explain how Affirmative Actions as a strategic programme by government and the genuine desire of Dalits to become entrepreneurs will boost Dalit Entrepreneurship in India.

Introduction
After independence, India has been bringing some major changes in favour of the SCs and STs through reservation quotas. Nowadays, we are listening to the concept of Affirmative Action (AA) from other countries like USA, UK, etc. Affirmative Action is the inclusive approach towards the minorities for achieving equal opportunities amid majorities. So, for further development of Dalits we recommend the Affirmative Action more than the reservation system.

Industrialization and entrepreneurship development have broken the social immobility. The villages, nowadays, are no longer isolated from the rest of the country. Social mobility has increased and the people are migrating to long distance from their homes in search of jobs. In this process people, are also moving away from their transactional caste- prescribed occupations (Sureshdhas ,2013)¹.

The importance of entrepreneurship in a country, in a society, in a person, are can’t explained verbally. The entrepreneurship is helping not only a particular person but also the whole society by giving employment, generating revenue, improving productivity, standard of living of the people, etc. Approximately 80 % of Dalits are having low living standard. Of course, the reservation helps Dalit development, but unfortunately the reservation concept or
reservation quota can’t be a complete solution. Dalit entrepreneurship as an Affirmative Action can help to reinvigorate their standard of living along with social development in general. So, promoting Dalit Entrepreneurship as an Affirmative Action should be considered as a strategic action in the sense that Dalit Entrepreneurship is inevitable for nation building. In fact Dalit Entrepreneurship will bring more benefits to the nation than to the Dalit themselves. In another sense Dalit Entrepreneurship is an opportunity for the Dalits to participate in national building in larger way. This will give a challenge to unlock the largely unutilized entrepreneurial potential of the Dalits. Today, the millennial generation prefers entrepreneurship over the traditional job concept, particularly the government jobs. The same can be extrapolated to Dalit youths also.

**Definition of Affirmative Action**

In 1961, President John F. Kennedy signed Executive Order 10925, ordering that federally funded projects "take affirmative action to ensure that applicants are employed, and employees are treated during employment, without regard to their race, creed, color, or national origin." President Richard B. Nixon created goals and time frames around the legislation. "We would not impose quotas, but would require federal contractors to show affirmative action to meet the goals of increasing minority employment".

Affirmative Action simply means the positive action intended to promote the opportunities of defined minority groups within a society to give them equal access to that of the majority population.

**Importance of Affirmative Action**

Followings are the Major Aspects of Importance of Affirmative Action:

a) Affirmative Action is the policy of favoring members of a disadvantaged group who suffer from discrimination within a culture. So, with affirmative action, the country started to redress past and present discriminations.

b) Affirmative Action focused on combating structural casteism and caste-based inequality, hoping to maximize diversity in all levels of society and sectors. Achieving this would elevate the status of the perpetual underclass and to restore equal access to the benefits of society.

c) It is the stated objective and endeavor of private industry to supplement efforts of government and civil society to ameliorate this through concrete steps for giving better opportunities to socially and economically underprivileged Scheduled Castes and Scheduled Tribes in all levels of employment, including self-employment.

d) The main goal of Affirmative Action is for a country to reach its full potential. This occurrence would result in a completely diverse workforce in economic and social sectors. Thus broadening the economic base and therefore stimulating economic growth.

e) The difference between reservation and affirmative action lies in preserving meritocracy, strengthening capabilities and providing opportunity, access, education, training and technology to SCs and STs.
Global Scenario in Affirmative Action

Affirmative Action policies initially focused on improving opportunities for Afro-Americans in employment and education. The Supreme Court's Brown v. Board of Education Decision in 1954 outlawing school segregation and the Civil Rights Act of 1964 improved life prospects for Afro-Americans. Affirmative Action policies are necessary in order to compensate for centuries of racial, social, and economic oppression. Generally, individuals with higher socio-economic status have more opportunities than those from lower socio-economic backgrounds. Supporters believe that certain racial or ethnic groups are disadvantaged because they are frequently in lower income brackets and consequently are not exposed to the same resources as students from higher socio-economic classes. Advocates support the notion of competition between students based on merit, but argue that affirmative action compensates for economic disparities. Affirmative action is a way of making the workplace more representative and fair. It makes sure that qualified people from designated groups have equal opportunities in the workplace. In South Africa, these groups are black people (including black, coloured and Indian people), women and people with disabilities. Historically, these groups have been under-represented in many key work areas (and over-represented in others).

In the U.S., the political majority and its identity as a nation were not fundamentally under question. For the same reason, while the success or failure of affirmative action can and has to be evaluated statistically, the same cannot be said for reservation whose function is primarily political-constitutive and social-symbolic. In terms of sheer numbers too, Affirmative action in the U.S. is meant for a numerical minority whereas in India the sections contending for the provision of reservation were and are a numerical majority. Affirmative action refers to policies under which minorities historically subject to discrimination are given certain preferences in order to enhance the racial diversity of a university's student population. The case is closely followed, with an array of business and education interests backing affirmative action.

UK’s The Equality Act 2010 prohibits discrimination in employment and in the provision of public services, whether direct or indirect. It also prohibits any harassment or victimization arising from perceived differences. The Act also permits positive discrimination, also known as affirmative action, in making decisions relating to employment. We can define affirmative action as policies that take factors, such as race, gender, age and sexual orientation into consideration in order to benefit an under-represented group, usually as a means to counter the effects of a history of discrimination. This means that employers are permitted to take a protected characteristic like age into account when deciding who to recruit or promote, providing all else, such as the candidates’ experience and suitability for the job is close to equal.

Supporters of affirmative action point out the benefits women gained from the policy as evidence of its ability to assist historically marginalized groups. In the fifty years that disenfranchised groups have been the subject of affirmative action laws, their representation has risen exponentially in the workforce: Thanks in large measure to affirmative action and civil rights protections that opened up previously restricted opportunities to women of all colors, from 1972-1993 (U.S. Department of Commerce, Bureau of the Census 1995, Table 649). According
to a 1995 study, there are at least six million women — the overwhelming majority of them white — who simply wouldn't have the jobs they have today, but for the inroads made by affirmative action.

Affirmative action affects small businesses in two main ways. First, it prevents businesses with 15 or more employees from discriminating on the basis of race, color, sex, religion, national origin, and physical capability in practices relating to hiring, compensating, promoting, training, and firing employees. Second, it allows the state and federal governments to favor women-owned and minority-owned businesses when awarding contracts, and to reject bids from businesses that do not make good faith efforts to include minority-owned businesses among their subcontractors.

The global trends in Affirmative Action indicate that now the shift is from employment to entrepreneurship. The same is bound to happen in India too. It will have a lot of implications for promoting Dalit Entrepreneurship as a tool of Affirmative Actions.

**Affirmative Action Scenario in India**

Reservation was a constitutive necessity for the Indian Republic. Affirmative action was an altogether different political gesture. The Supreme Court's recent ruling in the case of M. Nagaraj & Others vs. Union of India & Others marks another significant moment in the long and stormy debate on reservation. The elaboration provided by the Constitution Bench on questions of discrimination, backwardness, affirmative action, and "creamy layer" is of critical importance. Among the many reasons why this is so, three are worth mentioning here. One, the ruling explicitly recognizes and addresses itself to the polarization of caste interests within our society rather than reiterating the worn-out slogan of a homogenous society. Two, it draws upon a terminology that currently dominates discussions not only in the courts but also among policy-makers, academics, and media persons. Three, it more clearly than ever before legitimizes the grievances of the "upper castes" even as it seeks to checkmate the pro-backward caste moves of Parliament.

Stand-Up initiative is projected to benefit 2.5 lakh entrepreneurs, most of whom are in UP. The scheme will fund ventures set up and run by SC/ST entrepreneurs, particularly first-generation entrepreneurs." Dalit thinker Chandra Bhan Prasad, said, "With UP going to polls next year, schemes like Stand-Up India and SC/ST hub are a well-intended move by the government to impress Dalit. But, I see the initiative as a one-wheeled bicycle. It is easier for a Dalit to become a Railway Minister than to become a rail vendor. A Dalit can easily become a Defense Minister but not possible for him to be a supplier of indirect materials required by them. With these examples, I mean that only money and no market makes it impossible for Dalit to become entrepreneur." In 2015, the Dalit SME fund was launched by former Congress Finance Minister P. Chidambaram. UP, according to figures released by DICCI, is Number 3 state in terms of Dalit enterprises, while Tamil Nadu tops the list with 18.12% Dalit ventures, Karnataka is second with 16.58%. UP has 14.14% enterprises helmed by Dalit.
The Tata Affirmative Action Programme (TAAP), adopted in April 2007, attempts to address the prevailing social inequities in India by encouraging positive discrimination for the Scheduled Castes and Scheduled Tribes (SC/ST) communities. Towards the ultimate goal of enhancing their employability and entrepreneurship abilities, Tata companies are committed to creating and promoting access to quality education and technical skills and competencies for members of the SC/ST communities. Many Tata companies have development programs to encourage vendor-entrepreneurs from the marginalized communities, the most proactive among these being Tata Motors, Tata Chemicals, Tata Housing, Tata Projects, Tata Consultancy Services, Tata Power, Indian Hotels, Tata Chemicals, TRL Krosaki, Tata International and Tata Sponge Iron. More than 100 members of the Dalit Indian Chamber of Commerce and Industry are registered vendors of 10 Tata companies. The value of business outsourced to vendors under TAAP has grown from about Rs400 million in 2010-11 to about Rs900 million in 2011-12. (Figures for 2012-13 are being computed.) Tata companies are engaged in generating indirect employment through training and in directly recruiting to create employment for scheduled caste and tribe youth under TAAP; direct employment is generated mainly in the services segment.

Affirmative Action and Dalit Entrepreneurship

Affirmative Action for Dalits is a voluntary commitment by Indian companies to help the Government and civil society in the National endeavor to ensure equal opportunity to members of the Dalits. CII (Confederation of Indian Industry) has been leading Indian Industry's efforts on Affirmative Action Agenda since 2006. Attempts have contributed in building positive and favourable ecosystem for Affirmative Action in the country. CII continuously interacts with stakeholders through the National committee/ Subcommittee/ Panel meetings and report back on the initiatives to the government on the quarterly basis. CII has formulated the Code of Conduct on Affirmative Action. Four focus areas, the 4E's have been identified for concrete steps - Education, Employability, Entrepreneurship and Employment.

Entrepreneurship development entails the efforts by any third party interested in encouraging entrepreneurship. At CII, an Entrepreneur is seen as a person who is in a position to create employment for at least three other persons apart from himself/herself. CII has undertaken entrepreneurship development for creating self-reliant individuals and families, through identification and selection of persons with adequate skills and risk-taking capacity; capability for business plan development and the ability to link financial institutions for credit facilities. Affirmative Action promotes encouragement of budding entrepreneurs through mentoring programs to help him/her develop a sustainable system.

Need for and Importance of Dalit Entrepreneurship

1) Standard of Living of the People: Development of entrepreneurship is very vital for economic activities to uplift the poor masses. Developing country like India’s main aim of economic activities is to raise the standard of living of the people, particularly the Dalit population.
2) Modernization of Dalit Society: The development of entrepreneurship is urgently needed of modernization of Dalit society because the life styles of the present Dalit society have not changed. Therefore, the higher economic needs of this people can be met only by bringing them under the entrepreneurship ambit.

3) Employment Provider: Instead of looking for jobs now the Dalit can become job providers if they get entrepreneurial opportunities.

4) Impact of Globalization: The globalization has reduced job opportunities in Government departments and public sectors in India. Many PSUs were either closed or privatized resulting in loss of job opportunities for reserved communities in India. At the same time globalization brings a lot of democratized entrepreneurial opportunities.

5) Financial Inclusion: The revolution in financial inclusion in India will lead to its next natural progression i.e. entrepreneurship. The people who enjoyed the financial inclusion now are looking for getting into entrepreneurship. A good number of people who have been brought into financial inclusion are Dalits. So it is obvious that the financially included Dalits will be graduating into entrepreneurs.

6) Advanced Technologies: Modern IT technologies like internet, mobile, cloud computing, apps, etc. are throwing unlimited entrepreneurial opportunities to all the youth, particularly the Dalit youths. The IT enabled businesses like e-commerce, e-trading, online trading of stocks, etc. are giving innumerable opportunities for Dalit entrepreneurship.

7) Sharing Economy: Today the most happening trend is sharing economy. Ola, Uber, etc. are the examples for sharing economy. Under sharing economy one can become an entrepreneur without much investment and infrastructure. One needs to have only professional skills or expertise to become an entrepreneur. This trend is more favourable for Dalit entrepreneurs.

8) The Emerging Concept Interest-freeFinance: Today, the interest-free finance concept gaining popularity. Interest-free financing are available for entrepreneurial activities. Interest-free finance concept discourages interest-based lending. This reduces the financial burden of the potential entrepreneurs. Interest-free finance emphasizes the sharing of both profit and loss. Indirectly the interest-free finance supports the equity model of business capital in small and micro enterprises. The interest-free finance is alternatively called as “Islamic Banking”. Today, Islamic Banking is more popular in both Islamic and Non-Islamic countries. In London, all the traditional banks have Islamic Banking windows. So, the interest-free financing and Islamic Banking will be a boost for Dalit entrepreneurship.

9) SHGs: SHGs are making strides in the entrepreneurial front, especially in South India. For example, in Kerala, Kudumbashree, an SHG, has entered into many previously unexplored areas for entrepreneurial opportunities from running hotels to buses to up keeping railway stations. Many of the successful women members in Kudumbashree are Dalit women. So, more the SHGs, more the Dalit entrepreneurship.

10) Educated Dalit Youths: Easy access to Engineering colleges and Business Schools produced a good number of Dalit engineers and potential managers. These engineers and managers are mostly from the second or third generation families. They are less interested in jobs and
more interested in entrepreneurship. They feel that they have technical, financial and 
managerial capacities to run businesses. They maintain untouchability towards the job. 
The above points suggest that Dalit Entrepreneurship is not only a social and economic necessity 
but also a technological and strategic necessity.

Suggestions for Dalit Entrepreneurship through Affirmative Action

1) Value Adding the Traditional Goods:
Development of the entrepreneurship can be accelerated by value adding the traditional goods. 
For making new products the entrepreneur has to be innovative in thinking. For example, one 
category of Dalits in middle Kerala are depending on the bamboo for livelihood, traditionally 
they make bamboo baskets only, but attempts of value adding were failed due to scarcity of raw 
materials, management problems, marketing problems, etc. The Affirmative Action may help to 
this category of people for improving their standard of living by resolving their problems through 
access to the place of bamboo cultivation find proper management, search the production area, 
etc. Affirmative Action here will convert their traditional product into a value added product.

2) New Process Innovation or New Methods of Production:
Due to advancing technologies, the existing processes and business models are disrupted paving 
the way for new processes, new innovations and new products. Dalit entrepreneurs must utilize 
the disruptive technologies to launch their new businesses. Many Dalit drivers could not own 
taxies in the traditional setup. But the disruptive business models like Ola and Uber gave Dalit 
drivers to become business owners.

3) Market Innovation or the Opening of New Markets:
Concepts like farmers market, door delivery, delivery against order e-commerce, sharing 
economy, etc. are the market innovations opening new entrepreneurial avenues for Dalit 
entrepreneurs. So, the Government has to promote these concepts for Dalit entrepreneurship.

4) Input or Resources Innovation:
Global issues like climate change, poverty and energy and food crises need innovative solutions. 
The best category to provide solutions to these issues is the people who are affected by it, i.e. the 
poor people. For example, there are a lot of opportunities for Dalit entrepreneurs in areas like 
renewable energy sources, micro financing, organic farming, etc. By this, the Dalit entrepreneurs 
can become successful ones as well as they can give input innovation to some of the Global 
issues.

5) The American Model:
The America presents many contrasting approaches to affirmative action. In the United States, 
the Supreme Court reaffirmed its constitutionality. In fact, Latin America has in some ways gone 
much further in broadly embracing affirmative action as a human right—a key, perhaps, to the 
growing support for the concept. In some respects the racial justice movement in the U.S. is now 
under siege because of past success. While formal mechanisms for addressing racial inequality 
have long been in place, there is a growing societal belief that it is no longer necessary for the 
government to proactively engage in ensuring racial equality. However, in Indian context, it
may be more appropriate to go for Affirmative Action in Dalit Entrepreneurship as a social justice.

6) Women Entrepreneurship Model:
More women and minorities than ever before are turning to entrepreneurship as a way to take charge of their destinies-and more area succeeding at small-business ownership. Similarly, successful Dalit Entrepreneurship is possible through Affirmative Action.

7) Minority Entrepreneurship Model:
According to a report in 2016 minority businesses in US produce more than $400 billion in annual revenue and actively employ, either directly or indirectly, more than 2.2 million people. Additionally, minority-owned businesses contribute close to $49 billion in local, state and federal tax revenues. This translates to the contribution of over $1 billion per day in revenue to the U.S. These business owners have the potential to create more jobs and revitalize distressed communities. These minority entrepreneurs will be economic drivers to the economy in order to preserve the U.S. standing as a market leader and producer. It is felt that a dramatic increase in investment in minority entrepreneurs is vital to the survival of the U.S. economy. These minority business owners see entrepreneurship as an independent revenue generation opportunity as a primary means of income. The same approach can be replicated in India too.

8) Dalit Start-Up:
According to Milind Kamble, Chairman, Dicci, his organization is planning to establish four startup incubators across the country. Many Dalits have become beneficiaries under the Startup India Programme launched by Prime Minister Narendra Modi in August 2015. In his Independence Day address, Prime Minister Narendra Modi had underlined the need to encourage startups in rural areas. Tribal people, Dalits, and women have a special role in taking the nation forward and the need of the hour is to provide financial assistance to enable them to turn into entrepreneurs, he had said. Hindustan Petroleum Corporation (HPCL) is mentoring budding entrepreneurs from the marginalised sections of the society. These initiatives can be intensified further for a hyper growth in Dalit entrepreneurship.

Conclusion
The real benefit of Dalit Entrepreneurship is the possible change in the way in which Dalits are looked at, by themselves and others. Dalit Entrepreneurs need to believe and this could be the gentle push they need. The Confederation of Indian Industry (CII) has set a target of training 50,000 youngsters from among the Scheduled Castes and Scheduled Tribes (SCs and STs). Milind Kamble, head of the Dalit Indian Chamber of Commerce and Industry (DICCI), says the CII would be using its own training centers, in places like Pune and Ahmedabad, for this purpose. In the Era of Robotic work place, the Dalits want to shift from job seekers to business owners. This shows that Affirmative Actions by government and the genuine desire of Dalits to become entrepreneurs will boost Dalit Entrepreneurship in India. Instead of CSR, angel investors should buy stake in Dalit-owned companies because the idea is to bring them into the mainstream and help them generate wealth. India Inc cannot gain respectability without bringing
Dalits into its fold," said Chandra Bhan Prasad, advisor to the Dalit India Chamber of Commerce and Industry.

References
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