Comment on Deshpande

Hwok Aun Lee

February 2013

This paper was presented as part of
a September 2011 Festschrift Conference in
honor of Thomas Weisskopf.
PREFACE

This working paper is one of a collection of papers, most of which were prepared for and presented at a fest-schrift conference to honor the life’s work of Professor Thomas Weisskopf of the University of Michigan, Ann Arbor. The conference took place on September 30 - October 1, 2011 at the Political Economy Research Institute, University of Massachusetts, Amherst. The full collection of papers will be published by Elgar Edward Publishing in February 2013 as a festschrift volume titled, *Capitalism on Trial: Explorations in the Tradition of Thomas E. Weisskopf*. The volume’s editors are Jeannette Wicks-Lim and Robert Pollin of PERI.

Since the early 1970s, Tom Weisskopf has been challenging the foundations of mainstream economics and, still more fundamentally, the nature and logic of capitalism. That is, Weisskopf began putting capitalism on trial over 40 years ago. He rapidly established himself as a major contributor within the newly emerging field of radical economics and has remained a giant in the field ever since. The hallmarks of his work are his powerful commitments to both egalitarianism as a moral imperative and rigorous research standards as a means.

We chose the themes and contributors for this working paper series, and the upcoming festschrift, to reflect the main areas of work on which Tom Weisskopf has focused, with the aim of extending research in these areas in productive new directions. The series is divided into eight sections, including closing reflections by our honoree himself, Professor Weisskopf. Each section except for the last includes comments by discussants as well as the papers themselves.

The eight sections are as follows:

1. Reflections on Thomas Weisskopf’s Contributions to Political Economy
2. Issues in Developing Economies
3. Power Dynamics in Capitalism
4. Trends in U.S. Labor Markets
5. Discrimination and the Role of Affirmative Action Policies
6. Macroeconomic Issues in the United States
7. Applications of Marxist Economic Theory
8. Reflections by Thomas Weisskopf

This working paper is 6 of 6 included in Section 5.

- Jeannette Wicks-Lim and Robert Pollin
Comment on Deshpande

Hwok Aun Lee

Aswini Deshpande’s paper provides a highly informative overview and robust defense of affirmative action in India. She lucidly surveys and discusses the contexts, objectives, mechanisms and outcomes of the policy.

Having drawn on her collaboration with Tom Weisskopf, we can see his erudition on the subject weaved through the paper. My reflections will focus on his original, profound and important contributions, which are cogently researched and presented in his seminal 2004 book, and which have helped form my perspectives on affirmative action.

First, affirmative action emerges out of particular historical conditions and current circumstances that perpetuate group discrimination or disadvantage. These basic premises are often muffled in discourses on affirmative action, especially where there is predilection or haste to pronounce discrimination as a problem of the past. Dominant strains of mainstream theory hold that expansion of labor markets, assuming competitive conditions, will dissipate discrimination and consolidate merit as a determinant of employment outcomes. The empirical record, however, demonstrates the resilience of social and economic discrimination in contemporary India. Deshpande (2012) exhorts us to “take stock of affirmative action dispassionately through an evidence-based approach” and refers to recent studies finding evidence of significant, perhaps less blatant but ever pernicious, forms of discrimination in India. Job applicants with upper caste type names are more likely to be called for interview, compared to those with lower caste or Muslim names. The results are not surprising; numerous field experiments around the world have obtained similar results. However, not all such studies within India have found significant evidence of discrimination (e.g. Banerjee et al 2008); a fuller range of research could be surveyed and critiqued. On balance, the literature corroborating the existence of discrimination will probably continue to heavily outweigh that which reports opposing or inconclusive findings, but in view of the breadth of such research on India, we would gain a greater appreciation of the importance of empirical work in this field.

The Indian case offers another outstanding implication, from an international perspective. Caste discrimination persists despite the lack of distinctiveness in physical appearance between caste groups, specifically in cities, where diversity might be expected to attenuate links between physiology and opportunity and where ability presumably supersedes identity. This is unlike the situation in many societies that institute affirmative action, where color or other external traits can obviously identify persons and demarcate privilege and prejudice. The persistence of caste-based discrimination in India reinforces the case for coordinated and proactive redress measures.

Of course, the persistence of group discrimination or disadvantage alone, even if empirically corroborated and constitutionally mandated, does not legitimate affirmative action as a necessary and appropriate policy response. The answer to this question rests partly on one’s perspective of the key problem that affirmative action aims to solve.
The second major contribution of this paper stems from conception of the chief objective of affirmative action. We can find an array of approaches to framing the purpose and scope of affirmative action. There is no definitive canon, of course, but variations in perspective and emphasis impact on one's understanding of the policy's purpose and its appropriate design. Among notable works, Fryer and Loury (2005) denote education, employment and business contracting as the areas where affirmative action objectives are warranted, while ILO (2007) more generally locates affirmative action in areas where a group's participation is limited by disadvantage.

Affirmative action, as articulated in Weisskopf (2004), purports to increase representation of under-represented groups to “widely esteemed positions”, while Deshpande (2012) applies an analogous phrase, “preferred positions.” These categories generally encompass education, employment and business; in other words, socio-economic strata where barriers to entry prevail and where under-representation of a disadvantaged or discriminated group is especially acute. These designated areas of intervention do not vary substantially from most definitions of affirmative action. However, their focus on the effect of under-representation on the group captures a profound insight missed in much of the literature.

A group that persistently remains under-represented in positions that confer esteem or that are generally preferred may suffer stigma, exclusion, and discouragement, which moreover can self-perpetuate in the absence of coordinated, corrective action. This reality reverberates in India, with the humiliating and debilitating legacies of the caste system. In addition, the severity of these problems augments the need for the solution to be coherent, practical and effective.

Thus, the third important contribution of Weisskopf that is apparent in Deshpande is a candid and critical awareness that affirmative action invariably involves preferential selection. To begin with, they recognize the limitations and biases of conventional, “merit”-based measurements of personal achievement, which can serve to perpetuate privilege. This recognition, together with a diagnosis that systemic disadvantage or discrimination lie at the root of the beneficiary group's under-representation, reinforce the argument that efforts to increase the group's participation must depart from narrow merit-based selection.

Undoubtedly, explicit stipulation of preference may contravene constitutional prohibitions or ideological positions. However, one does not need to scratch deeply to realize that affirmative action invariably entails according preference. The beneficiary group will not attain the targeted positions at a sufficient pace if evaluated on the strict basis of conventional merit or socioeconomic need. Therefore, some degree of preference must in practice be accorded, to facilitate and accelerate the process.

It is worth noting as well that the notion of preferential treatment is much less problematic when applied to other spheres, indicating that some of the reaction is exceptionally strong when the category involves race or caste. Preferential entry to university based on family income or residency, for instance, is generally not objectionable, even though it similarly sets a lower bar for those from the beneficiary group – poor, rural households.

At this juncture, questions often arise: why not target beneficiaries solely based on need? Since most of the beneficiary group constitutes of, or belongs to, the designated group, the argument goes, targeting based on income level will disproportionally benefit persons in the beneficiary group, since they are over-represented
in the low income categories. Furthermore, persons from middle or upper strata do not need special treatment to enter university or the job market, whereas those from the lower strata do. Deshpande (2012) reports studies finding those from higher socioeconomic backgrounds benefiting disproportionately more from affirmative action. We can expect that questions based on this logic will grow in volume.

Weisskopf (2004) addresses the issue more directly, perhaps because it resonates more in societies with more stratified beneficiary groups, such as the United States. He makes a simple and sensible, yet rarely found acknowledgment, which is that students from low income households are less able to cope with the challenges of upward educational or occupational advancement, especially if accelerated through preferential selection. For affirmative action to be effective, it should select members of the disadvantage group who are best equipped to perform at university level or in managerial positions – who may come from middle-class or wealthy backgrounds.

This is an uncomfortable position for some, yet it maintains consistency with the primary goal of increasing representation of a disadvantaged group, and avoids conflating it with other distinct policy objectives, such as poverty alleviation and income redistribution. Of course, these developmental goals interact with affirmative action, and are integral to effective and sustained progress, but do not function as substitutes. Indeed, while Deshpande (2012) emphasizes the need to improve schooling, training, and human development programs, she clearly regards these as supplementary measures that can reinforce, but not replace, affirmative action.

The outcomes of affirmative action are complex and messy. This is not surprising; the problems it seeks to address are equally complex and decidedly messier. Evaluation of affirmative action, of which there are no standard measures or frameworks, demands clarity and coherence.

A fourth important contribution to understanding affirmative action concerns policy outcomes. Weisskopf (2004) performs a multi-dimensional benefit-cost analysis, producing exceptional breadth and depth of insight. Deshpande (2012) refers to studies that have examined the consequences of affirmative action, on productivity, higher education and political reservations. The range of empirical literature warrants discussion beyond this space. I will take up one salient issue: the time frame of affirmative action.

Even if affirmative action programs achieve modest gains or even endure allocative efficiency costs in the short term, it may yield productive benefits over the long term. The policy ideally empowers the disadvantaged group toward broader participation and self-dependence, rendering preferential selection redundant. The need for expiry dates or sunset clauses pose massive dilemmas to affirmative action. Deshpande (2012) adopts a timeline that sets ten years as the minimum period of intensive affirmative action and supplementary measures before quotas can be scaled down.

The experience of Malaysia is perhaps instructive here, in view of the sluggish continuation of affirmative action with no clear exit plan in sight, in spite of – and in some ways, because of – forty years of extensive and intensive implementation (Lee 2012). The Malaysian experience raises a cautionary note on the difficulties of phasing out affirmative action, as must be done eventually, as well as the imperative of making affirmative action effective, broad-based, and transitory. A victim of its own success, as it should be.
REFERENCES


