

India's Affirmative-Action Lesson for America



EAST IS EAST
By Sadanand Dhume

India's long-running debate about affirmative action has a new point of comparison: China. As Indians argue about expanding caste quotas in government jobs and public higher education, opponents of affirmative action want

their country to learn from its northern neighbor. They compare India's quota-ridden system—DEI on steroids—with China's brutal meritocracy, which has produced economic and technological results that many Indians envy.

In a public debate in New Delhi late last month, the author Gurcharan Das, former CEO of Procter & Gamble India, contrasted the two Asian giants. "The biggest challenge for 21st-century India is how to go forward with democracy and merit," Mr. Das said. He pointed out that India could learn from China's "remarkable success" in recent decades at dramatically reducing poverty and becoming "a middle-class nation." Mr. Das argued that China's embrace of the principle of merit—in both education and leadership selection—played a large role in the country's transformation.

For India, the Chinese example

creates a dilemma. Indian domestic politics is overwhelmingly dominated by champions of caste quotas. The Indian Supreme Court in 1992 ruled that no more than 50% of government and public-sector jobs and student slots in government-funded universities could be reserved for historically disadvantaged castes, but many politicians want to exceed this ceiling to woo voters.

Prime Minister Narendra Modi's government bypassed the 50% ceiling in 2019 by creating a new 10% quota for poor people not already covered by a caste quota. Last year, the government announced a census to enumerate the country's castes officially.

By some estimates, the vast majority of India's 1.5 billion people are divided into more than 3,000 castes and 25,000 subcastes. Given the ubiquity of social-justice rhetoric and identity politics—as the joke goes, Indians don't cast their vote, they vote their caste—the census is widely seen as a precursor to raising caste-based quotas beyond the court-mandated ceiling. Prominent politicians, including Rahul Gandhi of the opposition Congress Party, seek to extend quotas to the private sector as well.

According to a Pew Research Center survey, only about 30% of Indians belong to "general castes" ineligible

for caste-based quota benefits. Mapped roughly onto the traditional Indian caste hierarchy, the general castes are primarily made up of members of the top three tiers—Brahmins (priests and scholars), Kshatriyas (kings and warriors) and Vaishyas (merchants and traders). Most Indians belong to the two remaining categories—Shudras (mostly

Quotas hold the country back, even as China's meritocracy fuels its economic advancement.

classified as "Other Backward Classes" in government terminology) and Dalits (formerly known as "Untouchables"). India also has a large number of "tribals," who are outside the caste system but part of the quota system.

These numbers drive the political logic of expanding quotas. At independence, India adopted a modest 12.5% quota for the "scheduled castes," or Dalits, widely acknowledged as the most-disadvantaged victims of caste discrimination. Over the years, quotas have grown to encompass many other groups, including politically powerful landowning

castes. Almost 60% of central-government and public-sector jobs and student seats in government-funded universities, including at the country's most prestigious engineering, medicine and management schools, are closed to open competition. Several state governments seek to raise caste quotas even higher.

Contrast this with China, which in 1977 reinstated a grueling national exam known as the *gaokao* to select university students. (During Mao Zedong's Cultural Revolution, China briefly experimented with a system that privileged the children of peasants and workers.) Anthropologist Zachary Howlett wrote in 2022 that many in China regard the *gaokao* as "an island of transparency and fairness in an ocean of backroom dealing and corruption." It enables bright students from poor backgrounds to compete with students who are privileged but less talented.

How India handles affirmative action could determine whether the country emerges as a significant world power or remains a perpetual also-ran. It also matters outside India's borders. No other country has imposed such wide-ranging quotas for as long as India has. For the U.S., where liberal politicians espouse a mix of identity politics and ever-expanding racial preferences, the In-

dian experiment should be a cautionary tale.

In his 2004 book, "Affirmative Action Around the World," economist Thomas Sowell highlighted the dangers of poorly conceptualized affirmative-action policies in India and other countries. He pointed out that such policies, often sold as a temporary redress to right a historical wrong, end up becoming almost impossible to reverse. They lead to a loss of national competitiveness, breed resentment among disfavored groups, and sap the self-confidence of beneficiaries.

India's policies have also contributed to talent flight toward countries viewed as more likely to give the gifted and ambitious a chance to maximize their potential. Silicon Valley investor Deedy Das recently analyzed the career paths of 87 Indians who as students won medals at the International Physics Olympiad between 2001 and 2019. Of the 69 people whose career data Mr. Das was able to locate, 70% live in the U.S. and only 25% in India.

If India is lucky, China's success will discredit India's affirmative-action system—much like the collapse of the Soviet Union discredited state-led economic planning—and prompt a move toward meritocracy. If India is unlucky, domestic politics will continue to trump common sense.