



Social Inclusion: Role of the private sector



Private sector - role

- Yes, the private sector has a role
- Mahindra – scholarships to lower income families for higher education/skills
- Private sector can contribute in training
- If qualifications are met, what is the problem with reservation?

- Prejudice!



Criterion - poverty

Social Vs economic issues

What is the evidence?

SC/ST in college – 80%

Non SC/ST – 30%

Why not just poverty as a criterion?

UPSC – Interviews Vs written exams



Criterion – social grouping

Disparities definitely decided by social grouping

Cannot be explained by educational levels

Therefore job and wage discrimination in urban labour markets

Private sector role – wealth production, employment, exports, revenue generation....

Do we want to tax them further?

Has public sector reservation worked?



Private sector focus

What is CSR – parks, scholarships!!!

Basic issues:

Land reforms

Banned items being produced

Government has a reservation policy – but does not recruit

Therefore looking at the private sector

Which is making huge profits and should contribute...



Employable??

Enrolment and drop outs

ITI products – the quality of education

Let us look at these serious problems...

North east discrimination – the cell phone industry example

Private sector should give back what they have obtained through tax breaks...



Commitment

180 million drop outs in the next ten years

Need for skilling

The value chain

Need for a debate on this issue

Private sector does not have social
commitment

No Ford Foundation and Carnegies in India



Rules!

Closed society Vs open economy

Private sector should appoint disadvantaged distributors/vendors – makes business sense

What rules to make?

What should the size of the company be?

Should the government incentivise this?



Legislate or negotiate

We should now legislate and have reservation in the private sector – so what if the size of the sector is miniscule

The private sector has exploited sops

Do they have any responsibility towards the poor? Or the country?

Should do this through negotiation and discussion..
Failing which the law



Pressure on private sector

Voluntary codes on inclusion.. Led by business associations like CII

Will Dalits reduce efficiency and profitability of the private sector?

Let us have affirmative action and equal opportunity act



Mainstreaming

Let industry grow big and they will be forced to employ the outsider

Corporate sector should invest in health, education, sport, art and culture.

Percentage of profits on social expenditure.



Conclusion??

- Private sector and training (ITI, local skills, local markets..)
- Poverty Vs social grouping as the basis
- The value chain
- Disadvantaged distributors/vendors
- Negotiate/discuss
- Voluntary codes
- Reservations and Affirmative action
- Percentage of profits dedicated