Shooting an Elephant: A Public Choice Explanation of Caste

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Abstract: The following paper proposes the furtherance of a rational choice explanation for the caste system. Using ethnographic and qualitative evidence on the history of institutional changes in the caste structure of India, I show that caste has been used in India by invaders and power-vying local rulers as a way to systematically exert administrative, political, and economic control over a populace. I also use instances of caste in other parts of the world throughout time as well as how caste has changed since a ban on discrimination based on caste three years after the end of British occupation over India to provide further evidence. While I do not make claims that my theory is mono-causal, I make the much milder claim that it has worked in tandem with other theories of the origins, continuance, and structure of caste systems.

Keywords: Public Choice, Rational Choice, India, Caste, Colonization, Religion, Hinduism, British Raj

At last, after what seemed a long time—it might have been five seconds, I dare say—he sagged flabbily to his knees. His mouth slobbered. An enormous senility seemed to have settled upon him. One could have imaged him thousands of years old. I fired again into the same spot. At the second shot he did not collapse but climbed with desperate slowness to his feet and stood weakly upright, with legs sagging and head drooping. I fired a third time. That was the shot that did for him. You could see the agony of it jolt his whole body and knock the last remnant of strength from his legs. But in falling he seemed for a moment to rise, for as his hind legs collapsed beneath him he seemed to tower upwards like a huge rock toppling, his trunk reaching skyward like a tree. He trumpeted, for the first and only time. And then down he came, his belly towards me, with a crash that seemed to shake the ground even where I lay.

—George Orwell (1970, pp. 1950-1953)

If there were ever a human-devised institution that earned the description of "irrational," the Indian caste system, most notably its elements of endogamy and inherited social status, is it. Accordingly, pushes to abolish the caste system not only by law, but also by practice, are testament to this view. It is the purpose of this paper to explore the origins behind

these more nefarious components of India's caste system, namely the features of endogamy and inherited social status.

Viewed as one of the most morally reprehensible institutions in human history, Gandhi spoke of the caste system, "I think we are committing a great sin in treating a whole class of people as untouchables and it is owing to the existence of this class that we still have some revolting practices among us" (Gandhi 1958, p. 120), and although the institution still continues to be informally, and systematically, practiced throughout India (Thorat and Neuman 2012), reform efforts aimed at ending the practice of systematic discrimination based on caste culminated in 1950 when a ban on discrimination based on caste was added to the Indian Constitution (Galanter 1963).

Indeed, in an effort to correct what is viewed by many as the injustices of the caste system, the government of India has developed one of the most extensive affirmative action programs in the world, a controversial program designed to aid those from low caste backgrounds with scholarships, subsidies, reserved government jobs, and special political representation (Kumar 1992). It has been widely accepted, at least on the superficial surface, the old practices of forced endogamy, hereditary transmission of occupation, and social exclusion based on notions of purity and pollution (Scott and Gordon 2005) practiced not only in India, but elsewhere, are not to be tolerated, and this widespread view is best summarized with a quote in a TIME interview from the current Prime Minister of India, Narendra Modi: "All religions and all communities have the same rights, and it is my responsibility to ensure their complete and total protection. My government will not tolerate or accept any discrimination based on caste, creed, or religion" (Nancy et al 2015, May 7).

Not only is the Indian caste system denounced on a moral basis, but also on economic grounds. Rao (2010) documents a linkage between poverty and caste systems in India, Nepal, and Sri Lanka, citing occupational barriers to entry as an important mechanism. The author goes further to note correlations between degrees of how restrictive caste classifications are in each area and percent of people living below the poverty line. Das and Dutta (2007) find caste to still be a determining factor in how individuals in the Indian labor market are compensated, with those of lower castes compensated substantially less than their higher caste counterparts, and Banerjee and Knight second this notion by pointing out significant gaps between the gross wages of "scheduled" (untouchable) and "non-scheduled" castes, identifying assignment to "dead-end jobs" as a causal mechanism (1985). Additionally, Anderson points to caste as an impediment to trade, using the finding that agricultural yields among lower caste water buyers are 45% higher if these buyers reside in a village alongside water sellers of a similar caste (2011).

With all of these moral and economic arguments against a caste system, why has it been able to develop and prosper for so long on the Indian subcontinent? Explanations range from religious (Dumont 1980), to economic (Freitas 2006), to historic (Dirks 2001). The purpose of this paper is to expand on one of these theories, particularly the theory of caste as an historically malleable institution, to explain why the caste system has remained such a staple of Indian culture. Specifically, this paper seeks to provide a Public Choice explanation with rational choice foundations for the origins and continuance of a caste system characterized by endogamy, hereditary transmission of occupation, and notions of ritual purity and pollution. In particular, I theorize the caste system, particularly the aforementioned features of caste systems, as a tool used by invaders to consolidate power over a hostile populace by providing a mechanism by which the invaders are not only able to engage in a strategy of "divide and conquer" by winning over portions of the population with the prospect of special favors, promotions, and monopoly opportunities, but also by which invaders are able to create clear, visible distinctions between themselves, their allies, and their enemies by promoting and institutionalizing endogamy within a rigid, hierarchical caste system. Like George Orwell's shooting of the elephant in his tragic but famous story, the caste system has been used in India by multiple invaders to slowly but methodically exert administrative and military control over the Indian subcontinent's populations.

The first part of this essay will provide a literature review of the various explanations for the reasons behind the caste system in India, at the same time detailing this paper's proposed, broadened theory. The

second section will provide evidence for this theory using India's unique historic experience with caste. The third section will broaden the Public Choice theory of caste by using historic evidence to consider alternate theories of the reasons behind caste systems not only by taking a look at caste across societies outside the Indian subcontinent, but also by examining how caste has changed in India since its legal demise in 1950.

1.   LITERATURE REVIEW AND THEORY

There are several theories as to the origins of and reasons behind the caste system in India. The first of these theories can be summarized as a religious theory, and French anthropologist Louis Dumont is one of the leading proponents of this theory. In one of his most famous works, *Homo Hierarchicus*, Dumont begins his theory by contrasting traditional societies as emphasizing society as a whole against their western, modern counterparts' emphasis on the individual. He goes on to differentiate between Western concepts of hierarchy and Indian theories of hierarchy. Further, Dumont explains Western notions of hierarchy are based on linear relationships of power and authority between subordinate and superior, while Indian notions of hierarchy are based on religious ideals of the four *varnas*, or castes, and their relationships to the whole, or society. Indeed, Dumont characterizes his description and role of the caste system not as economic or historic, but as inherently religious, stating the institution of caste is "founded on an implicit reference to the whole, which, in its nature, is religious, or if one prefers, a matter of ultimate values" (1980, pp. 105-106).

However a-economic Dumont's depiction of the role of the caste system in India may be, others have posited more economic rationales for the role of the caste system in Indian society. Freitas (2006) hypothesizes the caste system as a means of contract enforcement by facilitating trade in an environment where the consumer has an opportunity to default. By providing recourse to collective punishments coupled with unique, hereditary specialization in occupation, the caste system in India aids in facilitating trade, which Freitas models as a version of a one-sided prisoner's dilemma game. One of the central mechanisms by which caste is hypothesized to coordinate collective punishment is through its usefulness as an information sharing device, and Freitas goes on to provide evidence that as the population of a village increases and coordination of collective punishments becomes more costly (Olsen 1971), the number of castes increases. Indeed, a role for the caste system in Indian society as a means of collective punishment is similar to Peter Leeson's description of gypsy law as a means to enforce social cooperation amongst individuals absent government (2013). Interestingly enough, both gypsy law and India's caste system contain notions of purity and impurity as central tenets, though unlike gypsy law, impurity and its associated "untouchability" in the Indian caste system are inherited (Shah 2007).

Finally, Dirks (2001) provides an historic explanation of the reasons behind and continuance of the modern Indian caste system. In direct contrast to Louis Dumont's view of caste as an inherently Indian institution based on religious values (1980), Dirks contends the caste system in India is neither a static survivor of ancient Indian religious doctrine nor a single, all-encompassing system reflecting core social values. Instead, the caste system has been a malleable institution that was drastically reshaped during Britain's colonial rule over the Indian subcontinent. According to Dirks (1992), the institution of caste took on a different kind of importance in the 19th century, particularly after the Indian Rebellion of 1857, a major but unsuccessful revolt against rule by the British East India Company (David 2003). Not only did the suppression of this revolt result in transfer of rule to the British Crown, but according to Dirks, the consolidation of British rule in India also resulted in the continued expansion of the institutional importance of caste, increasingly affecting the recruitment of soldiers, the implementation of legal codes applicable along caste lines, the criminalization of certain castes for policing purposes, the curtailment of private property rights to land, and assessments of the political implications of various local colonial policies. Rather than claiming the modern caste system of India an invention of British colonialism, Dirks makes the much milder assertion that caste was redefined and used as a tool by the British to consolidate colonial power.

This analysis broadens Dirk's theory of the Indian caste system under British rule to develop a more generalized theory of the caste system. According to this theory, the caste system has undergone various pe-

riods of relative intensity because of different periods of colonization, invasion, and foreign rule of Indian soil. In essence, the caste system helped enable colonizing/invading powers to consolidate control over the Indian subcontinent through a strategy of "divide and conquer," in which caste was used to curry special favors, differentiate between friend and foe, and provide a structure for administrative legislation and policing. Under this theory, colonizers and other rulers, particularly those politicians maintaining administrative control over particular geographic areas, represent rent-extracting politicians, as explained by McChesney (1987). In essence, political actors are able to extract economic rents from private actors with the threat of imposing costs that could destroy private profits. Indeed, McChesney highlights how the simple threat of rent extraction and regulation may be enough to ensure payments. Within this theory, caste represents a way to provide a much more credible threat of rent extraction by employing the cooperation of local populations through offers of special favors, particularly high caste status.

I further broaden and expound upon Dirk's theory by providing examples of caste outside the Indian context and by emphasizing a Public Choice explanation of caste. Because of the mechanisms driving my theory of caste, throughout this paper, my definition of caste will be more specific and narrower than standard notions of caste systems—my definition of caste is a system of social stratification based on endogamy and characterized by inherited social status in the form of occupation. The reader will also notice notions of purity to be a recurring theme among caste systems, though I do not consider these notions essential to my definition of caste systems.

2. THE INDIAN EXPERIENCE WITH CASTE

Origins and Early Development of the Caste System in India

To test my theory, I first consider it in the context of Indian's history with the caste system, as India has been home to arguably the most developed and paradigmatic example of caste in ethnographic history, and the history of the caste system in India exhibits different episodes of waxing and waning that provide valuable variation to help provide evidence for my above theory of the caste system as a means of colonial, foreign, or internal rule.

The *varnas* originated in Vedic society (1500—500 BCE), and during the time of the *Rigveda*, the first volume of an ancient Indian collection of hymns, there were but two *varnas*: the *arya* (the nobles ones) *varna* and the *dasa varna* consisting mainly of individuals in a servile role, giving rise to the eventual interpretation of *dasa* as servant or slave (Sharma 1990). Scholars also note the time of the foundation of these original two *varnas* (1500 BCD) coincides with the Aryan migration into modern-day northwest India (Witzel 2005).

However, these original two *varnas* were expanded during the time of the *Atharvaveda*, the third volume of the ancient Indian collection of hymns containing the aforementioned *Rigveda*. Those previously known as *dasas* were rebranded as *Shudras*, partially to distinguish them from slaves and servants who came to be known as *dasas*. The *aryas* were renamed *vis* or *Vaishya* ("members of the tribe"), and two additional, elite *varnas* were added: the *Brahmins* (priests) and the *Kshatriyas* (warriors), bringing the total number of *varnas* to four. Further evidence of the caste system as a tool used by invaders to consolidate power over invaded territories in these early times can be seen by the fact that the *Shudra* caste included not only those previously known as *dasas*, but also those belonging to aboriginal tribes that assimilated into Aryan society as the Aryans expanded into settlements along the Ganges River. Further, though Shudras were referred to early as *Pusans*, or "nourishers," they were later excluded from other tax-payers and given away along with sold or gifted land. In this context, the Aryans may have represented ancient rent-extracting agents, with the aboriginal tribes representing the private actors from whom rents were extracted. Indeed, the rents associated with the ancient caste system appear quite high, as Shudras were not simply taxed, but out-right bought and sold. In this context, it is entirely possible early Aryan invaders used caste to transfer property rights from aboriginal tribes to themselves in the form of unpaid human labor. How-

ever, it is important to note in these early stages of the caste system in India that although the foundations of what modern scholars refer to as the Indian caste system arose during this time, the caste system before the common era was fairly undeveloped during this time, evidenced by the lack of caste restrictions regarding food and marriage during the Vedic period (Sharma 1990).

Knowledge of the caste system during the period 500—200 BCE is supplemented by Buddhist texts, and these texts tell us that Indian society was stratified along the lines of *jati* or *kula*, a concept that can be likened to *varnas*, but at a different level of analysis: while there are four *varnas*, there are thousands of *jatis* (Chakravarti 1985); however, *jatis* are differentiated mainly along occupation. Indeed, according to anthropologist Dipankar Gupta, guilds developed during the Mauryan period (322—185 BCE), crystalizing later into *jatis* (2000). However, while there was a correlation between *jati* and occupation at the high and low ends, with "high" *jatis* performing jobs of high rank (trade, agriculture, cattle-keeping, computing, accounting, writing) and "low" *jatis* performing jobs of low rank (basket-weaving, sweeping), there were no strict ties between caste and occupation (Chakravarti 2003), and anyone could perform most professions, especially amongst the "middle" *jatis*. Further, the *Nikaya* texts also imply endogamy was not mandated (Masefield 1986).

The *Mahabharata*, one of the two ancient Indian epics, also discusses caste, and the implications of this discussion are important in understanding the caste system before later invasions of India by the Mughals and the British. In this discussion of caste, a character named Bhrigu characterizes the caste system as a system of colors, with *Brahmins* taking the color white and *Shudras* taking the color black. However, this characterization is questioned by the character Bharadvaja, who claims all colors are seen among all the *varnas*. The *Mahabharata* goes on to claim, "There is no distinction of *varnas*. This whole universe is *Brahman*. It was created formerly by *Brahma*, came to be classified by acts," implying the *varnas* are not meant to be based on genealogy at all (Hiltebeitel 2011, pp. 529-531). The preceding evidence as a whole indicates the use of caste as a form of rent extraction in these ancient times was limited in large part to the original invasions of the Indian subcontinent by the Aryans. Once these Aryans established themselves as the primary residents of the Indian subcontinent, the importance of caste seems to have declined.

Early Medieval Period: What Happened to the Caste System?

Evidence of the importance of *varnas* and *jatis* in medieval India has been hard to come by, leading many scholars to question the importance of caste during this time. For instance, professor of history Richard Eaton cites evidence *Shudras*, the lowest caste, were part of the nobility and many fathers and sons had different occupations, suggesting social status in this period was earned, not inherited, at least in the Kakatiya population of the Deccan region (2008). Similar evidence cited by historian Cynthia Talbot comes from medieval records from Andhra Pradesh, where one of the few mentions of *Shudras* come from temple donor records that state *Shudras* are the bravest and purest (2001).

Evidence from other areas of India also supports the consensus caste was not an organizing institution in Indian society during the medieval period: in Tamil Nadu, Leslie Orr finds caste did not provide the sharp demarcations among members of society that were present during later periods of invasion and occupation by Mughal and British forces (2000), and in northern India, Susan Bayly finds caste was of limited importance for the local population (2001). Finally, for western India, professor of humanities Dirk Kolff claims medieval Rajput history was characterized more by open status social groups than by a hereditary caste system characterized by endogamy (2002). Again, it seems as the Aryans established themselves as the primary residents of the Indian subcontinent over centuries, the importance of caste as a means of political rent extraction declined significantly.

Islamic Sultanates and Mughal Rule

The late medieval period in India is marked by a series of Islamic invasions. While a few historians have claimed lower-caste Hindus converted *en masse* to Islam to avoid harsh conditions under the caste system, these assertions have been found to be false (Maclean 1997). Rather than lower caste Hindus converting to Islam, the few Hindus that did convert were high caste *Brahmin* Hindus. Further, Eaton (1993) and Irfan Habib (2002) both find social stratification and caste lineage were utilized as tools for tax collection from and rule over non-Muslims. These were the beginnings of the modern caste system as it has come to be known and condemned. In line with theory presented above, although the importance of caste declined as Aryans established themselves as the primary residents of the Indian subcontinent, caste made a seemingly immediate comeback as soon as Muslims invaded the continent. Further, we see clear beneficiaries of the caste system at multiple levels. In this context, Muslim invaders represented rent extracting politicians, and these rents were extracted from high caste Hindus. At the same time, these high caste Hindus converted to Islam and began utilizing caste to extract their own rents from the private profits of lower caste Hindus. Indeed, the use of caste as a tool for tax collection highlights quite well how caste fits in McChesney's theory of rent extraction (1987).

During the 18th century, the Mughal Empire began its decline, and various local ruling elites began to stake their claims, using symbols of kings and priests already utilized in the caste system to divide populations and consolidate power. Further, in this volatile period resulting from a stateless environment, previously casteless groups were incentivized to group themselves into "new" castes, though many merchants and armed ascetics ignored the rules of caste, and those that did adopt a caste did so only when it suited them. For example, some adopted a caste in order to maximize assets and provide insurance against loss in a society where there was no state to provide contract enforcement. However, even when adopted, caste was catered to individual or group circumstance (Bayly 2001). Indeed, this description of the role of caste is quite similar to Freitas' (2006) description of the caste system as a means of contract enforcement, showing the compatibility of my theory of caste as a means to control an invaded population with Freitas' description of the caste system and how the two worked in tandem during the post-Mughal period of power grabbing and relative statelessness. Not only did individuals use caste as a method of contract enforcement, but local politicians also attempted to utilize caste as a means of maintaining political control and the ability to extract rents through taxation. Though local Islamic rulers were not controlling an invaded population in that these rulers were born in India, they were nonetheless emerging powers actively seeking control over local populations. The similarity between foreign invaders' and local power-grabbers' use of caste to control local populations and extract rents is a topic to be revisited later in this paper.

It was in this environment of chaotic power-grabbing statelessness that the British East India Company landed, and this group began its ascent to power by aligning with local rulers, one by one, and in order to align different religious and caste interests, especially different Hindu and Muslim interests, British East India Company officials created constitutional laws segregated by caste and religion (Peers 2012). Instead of local Muslim rulers using caste as a means of political control and rent extraction, British officials began doing the same thing.

The British Raj and Centralization of the Caste System: Shooting an Elephant

On May 10, 1857, a mutiny formed amongst a group of *sepoys*, Indian infantrymen, under the command of the British East India Company. This rebellion created a ripple effect, and mutinies occurred throughout the nation, creating a serious threat to British power in the area, until the revolt was finally squashed on November 1 of that same year. This would mark not only a change of command from the British East India Company to the British Crown, but also an increase in British use of the caste system as a centralized means of controlling India's vast population. This expansion in the importance of the caste system would affect the recruitment of soldiers, the implementation of legal codes applicable along caste lines, the crimi-

nalization of certain castes for policing purposes, the curtailment of private property rights to land, and assessments of the political implications of various local colonial policies (Dirks 1992). Instead of using caste to collect taxes and garner the support of local rulers, the British began using caste to prevent another widescale rebellion, particularly by privileging certain local populations. This created an incentive to maintain the status quo of British occupation as well as a further disincentive to engage in another rebellion—those groups the British chose to privilege now had more to lose if they decided to form a mutiny.

Jatis were used as the demographic basis in British colonial India, known as the British Raj, and starting in 1881, the census would use *jatis* to classify Indians (Bayly 2001). By the time of the 1891 census, there were 60 subgroups divided into six occupational and racial categories (Dirks 2001). The British then used census-determined *jatis* to determine who was qualified for certain government positions, formulate land tax rates, and target "criminal" classes more susceptible to rebellion (Raheja 2000). One of the earlier acts using caste to determine criminality was the Criminal Tribes Act of 1871, a law declaring all individuals belonging to certain castes as having criminal or rebellious tendencies (Cole 2001). The British government would further use the caste system to alienate certain groups with the Land Alienation Act of 1900 and the Punjab Pre-Emption Act of 1913, laws classifying which castes could and could not own land (Ballantyne 2007).

It is this centralized, rigid British Raj caste system, according to Dirks, that most people think of when they think of caste. In contrast, pre-colonial caste was quite fluid (2001). Corbridge and Harriss second this notion by asserting Britain's policies of divide and rule by targeting India's multitude of princely states one by one along with the rigid categorization of individuals along caste lines led to the hardening of caste identities (2000). The caste system as it is known today was meant as a tool to bring India to its knees little by little, much like George Orwell's elephant was killed shot by shot (1936), and the caste system accomplished this job exceedingly well for the time it was implemented, evidenced by the caste system's continued impact in Indian society today (Thorat and Newman 2009).

Eventually, calls to abolish harsh caste system laws, along with nonviolent protests of British occupation (Gandhi 1993), were raised, and social unrest led to a reversal in British caste policies, favoring positive discrimination in favor of lower castes. Three years after India achieved independence in 1947, a ban on discrimination based on caste was enshrined in the Indian Constitution (Galanter 1963), representing an almost immediate, formal abolition of the caste system right as India finally achieved independence.

3. ALTERNATIVE THEORIES OF CASTE AND FURTHER EVIDENCE

Clearly the history of India's caste system lends credence to a theory of caste as an administrative tool for invading or rule-vying powers to control local populations. However, there are alternative theories that are worth considering, as well as pressing questions that deserve answer. First, what does the above analysis imply regarding religious theories of caste? Second, what does the evidence on caste imply regarding theories of caste as an inherently Indian institution? Third, how can we square our theory with the fact that, although caste was legally abolished soon after India achieved independence in 1950, it still remains an important *de facto* institution in India today? Finally, why did the British utilize caste in India, but not elsewhere? Similarly, why was caste, as I have defined it, in particular the weapon of choice of invaders? In other words, why were other variables not used to divide and conquer, like geography, language, or culture?

Debunking the Religious Theory of Caste

According to Louis Dumont (1980, pp. 105-106) and a number of other scholars, the caste system is "founded on an implicit reference to the whole, which, in its nature, is religious, or if one prefers, a matter of ultimate values." Is this true? According to the above evidence, as well as other evidence to be presented, the answer is no.

First, we must keep in mind the caste system in India, though thought by many to be an ancient, enshrined institution, has actually been quite fluid and adaptive throughout most of its precolonial history. Recall, even before the medieval era, a period in India where caste seems to have held relatively little importance, there were no strict ties between caste and occupation (Chakravarti 2003), and the *Mahabharata*, one of two ancient Indian epics, classified *varnas* as closer to personality types than hereditary traits (Hiltelbeitel 2011). Further, endogamy was not even mandated, implied by *Nikaya* texts (Masefield 1986).

Indeed, caste seems to lose importance as we move through Indian history from the Aryan migration into the medieval period, a period in which some scholars are hard pressed to find even mention of *varnas* and *jatis* in primary texts, and the few mentions that do occur characterize *Shudras,* the lowest caste, in a relatively positive light (Talbot 2001). It is not until India begins being invaded again that caste begins to gain its significance, and it is not until widespread rebellions of foreign rule in 1857 that this significance is magnified and codified into centralized census data affecting legislation.

However, there is another, more serious, blow to the religious theory of the caste system and the idea that caste is inherently Hindu. Caste has been practiced by *every major religious group* in India, and a few examples will provide ample evidence of this fact. One particularly interesting example is that of the Saint Thomas Christians of Kerala, a group regarded by Hindus as occupying a high caste (Amaladass 1989).

Muslims have and do also practice a form of caste characterized by inherited occupation and endogamy as well. Although their form of caste is slightly different than the Hindu form, both contain essential characteristics of caste systems mentioned above. Indeed, in the early days of Islamic arrival into India, Muslims were part of the upper castes, and, as mentioned above, many upper caste Hindus converted to Islam and became part of the governing class, freeing themselves from non-Muslim taxes (Chaudhary et al 2013).

Even among Sikh communities, a religion that expressly criticizes discrimination based on caste, a caste system exists, and often *Dalits*, or untouchables, (a designation reserved for those even lower than a *Shudra*) have not been allowed to serve *langar* (the communal meal) at *gurudwara* (Sikh holy temple) service (Jodhka 2002). So, although Sikh holy books and literature do not recognize caste hierarchy *de jure*, it has still been practiced among Sikhs *de facto*. In fact, *Gurus*, the spiritual leaders of early Sikhism, married within their own *zat*, the Punjabi word for *jati* (Nesbitt 2005).

Jains have also been known to observe a caste system, and while some claim caste does not play a significant role in Jain life in modern times (Dunda 2002), others contradict this assertion by providing evidence of caste rankings among Jains in the Indian state of Rajasthan (Carrithers and Humphrey 1991).

Clearly, the religious theory of caste cannot account for the above facts; however, this evidence supports a theory of caste as a means of administrative and political control—if my theory is true, we would expect *everyone*; Christians, Muslims, Sikhs, Jains, and Hindus; to be subject to the caste system, not just Hindus.

Debunking the Theory of Caste as an Indian Institution

Another argument that could be presented against my above evidence could be that caste is simply an inherently Indian institution. After all, the whole of the above qualitative evidence comes from Indian history. However, besides relying on the above evidence on the waxing and waning of the rigidity of the caste system throughout Indian history, a theory of caste as an Indian institution can be debunked by looking at caste-like institutions across the world. Moreover, these various examples also provide further evidence for my theory of caste as a means of exerting political and administrative control over a given population.

Before taking a look at caste systems around the world, it helps to reiterate my definition of caste—my definition of caste is a system of social stratification based on endogamy and characterized by inherited social status in the form of occupation. Part of the reason I focus on these two characteristics of what is commonly known as a caste system is because of the mechanism I cite in my theory. I theorize caste as a way for invading or power vying groups to gain administrative, social, and economic control over a populace. In-

stitutionalized endogamy and inherited or quasi-inherited social status in the form of occupation are two of the more obvious mechanisms by which caste systems act as a means of control over local populations. All the following examples contain aspects of these two over-arching mechanisms. Moreover, although I do not consider notions of purity and pollution essential in my definition of caste, these notions show up in each of the following cases.

Perhaps one of the closest parallels to the Indian caste system is the Japanese caste system of the Edo Period, and the history of the caste system in Japan can also be understood in the context of a theory of caste as a means of military, administrative, and social control. Social stratification began in Japan with the Taika Reform in 645 A.D. (Batten 1986), based off Confucian ideals and following a coup attempt that exterminated entire clans. However, the Taika Reforms did not prevent further warfare and conflict, and during this time of political instability, even low caste individuals were able to rise through the ranks, evidenced by the rise of Toyotomi Hideyoshi, a man of low birth who eventually became ruler of Japan for a short period before dying of natural causes and leaving a vacuum for Tokugawa Ieyasu to finally consolidate power long-term in 1603 (Berry 1982). This is partly why Tokugawa instituted a more rigid caste system when he finally did take power: he was afraid of another man of low birth vying for control. Like the Indian caste system, there were four castes, and Edo Period Japan even had a parallel to untouchables in Indian society: *Eta*. Like Indian untouchables, *Eta* were also ostracized and considered impure (Newell 1961).

While it may seem a blow to my theory that the Tokugawa did not represent foreign invaders, recall post-Mughal local Islamic rulers also did not represent foreign invaders. Indeed, it is not the idea of being foreign that matters; a variant of the caste system can be used by any group attempting to consolidate political power and extract rents.

Further qualitative evidence from Korea lends credence to my above theory. The *baekjeong* were the untouchables of Korea, and this class originated with the Khitan Invasion in the 11th century (Twitchett and Tietze 1994). The meaning today of *baekjeon* is butcher, because these individuals were known for their skills in butchering, and this group formed the bottom layer of society. Further, in 1392 at the beginning of the Joseon Dynasty, Korea created its own systematic caste system, including four castes above the *baekjeong*, like the four Indian *varnas* above the untouchables (Rodriguez 1997). This caste system lasted officially until 1896 with the Gabo Reform (Hwang 2004).

However, instead of considering caste as an Indian institution, one may be tempted to simply consider caste an *east Asian* institution, as all the above examples; India, Korea, and Japan; can be said to be in east Asia. However, there have been traces of a caste system closer to home in the form of Jim Crow laws in southern U.S. states in the mid-20th century. Gerald D. Berreman compares caste in India to race relations in the United States in the 20th century and notes in both systems, certain groups had an incentive to systematically subjugate another group in order to retain political and economic control. Further, both systems contain elements of purity, pollution, and contamination (Berreman 1960). Indeed, legal separation of basic amenities like drinking fountains, restrooms, and waiting rooms on the basis of color eerily resembles caste-like notions of pollution and contamination (Blight 2002), notions also found in gypsy law (Leeson 2013). Old Jim Crow era signs reading phrases like "Waiting Room for Colored Only," "Public Swimming Pool: White Only," and "Dade County Parks, Virginia Beach: Colored Only" attest to these notions. Further, there were traces of hereditary social status in the form of occupation, evidenced by southern Democrat Woodrow Wilson's initiation of the segregation of federal workplaces in 1913 (Gardner 2002). This mechanism was illustrated with signs like, "Help Wanted: White Only."

Caste: Alive and Well?

Another fact to square away is that although the caste system has been outlawed, it still remains intact throughout the subcontinent *de facto*. How do we explain this? One easy explanation is those benefiting from a system that systematically provides special favors to those in a privileged position have an incentive to continue such a system. In other words, if invaders set up beneficiaries to their new implementation of

the caste system, who the invaders can extract rents from, but then the invaders disappear, it seems the beneficiaries of the caste system would still have an incentive to maintain it. However, as we have seen in many of our examples, these types of systems generally break down with the dissolution of power. Yet, many Indians continue to adhere to caste principles more than half a century after legal reforms. We can turn to a theory provided by Boettke et al (2015) on institutional stickiness to explain these facts. According to this theory, the likelihood of institutions to continue in the future depends on that institution's relationship to indigenous agents in prior periods. The issue of some benefiting from continuance of a caste system provides an explanation in this case, but one may also want to turn to the deeply ingrained nature of the Indian caste system. An institution like that of the caste system in India is deeply set, and a system started in 1500 BCE and revitalized multiple times, especially in the 18th and 19th centuries, may take time to die out, partially because of the incentives described above. Further, my theory is not diametrically opposed to Freitas' (2006) theory of caste as a means of contract enforcement. Many parts of India remain underdeveloped, and caste can act as a means of contract enforcement in an area with a relatively weak state or relatively little access to the enforcement mechanisms of that state. Indeed, we have already seen in my above qualitative evidence how my theory and the theory of caste as a means of contract enforcement can work in tandem. During the post-Mughal power grab, not only did local Islamic rulers utilize the caste system to exert control, but local, previously casteless groups also created "new" castes in order to deal with an institutionally insecure, virtually stateless environment where contract enforcement was a looming issue (Bayly 2001).

To further back the above point, there does seem to be a "loosening" of the caste system, and this loosening began almost immediately after British occupation. Leonard and Weller (1980) report a rise in exogamous, inter-caste marriages, particularly since the 1970s. This timing further backs my above theory, as those who were children, as well as those just about to be born, in the 1947-1950 period when India gained independence would be old enough in the 1970s to begin to marry. Possible other reasons for these exogamous marriages cited by the authors include youth, economic development, mobility, and education—all of which would also be correlated with lower instances of caste-related behavior under a theory of caste as a means of contract enforcement. Again, there seems to be no mono-causal theory of the caste system, but multiple theories working in tandem.

Moreover, *The Telegraph* touts the commonality of inter-caste marriage and dating in urban India, citing rising literacy and education rates, particularly among women, and mass media as having a "loosening" effect on caste (Rao 2003).

Finally, the persistence of caste can also be explained by pointing out low caste individuals now have an incentive to continue caste distinctions because of reverse discrimination and affirmative action laws.

Why Didn't Britain Employ Caste Elsewhere?

One final question is: why didn't the British employ caste in other colonies, and why did the British use religion to demarcate caste. To answer the first, one can turn to research by Acemoglu et al (2001). According to Acemoglu et al, colonization strategies differed depending on local conditions.

In areas where settler mortality was high, like India, colonizing agents had a disincentive to populate the area heavily and an incentive to set up extractive institutions. On the other hand, in areas where settler mortality was relatively low, like the modern-day United States, colonizing agents had an incentive to populate the area heavily and an incentive to set up wealth-generating institutions. Indeed, colonization strategies in the United States and India provide a wonderful comparison, because both areas were colonized by the British. However, the British suffered relatively high settler mortality rates in India and enjoyed relatively low settler mortality rates in the United States. As a result, wealth-enhancing, inclusive institutions were set up in the U.S., like property rights. On the other hand, extractive, redistributive institutions were set up in India, particularly a caste system with an increased focus on endogamy and inherited occupation.

Why did the British use religion and caste as a strategy of divide and conquer? Different geographies, cultures, languages, and dialects could also be used. The most obvious reason is the history of the caste sys-

tem in India; because it was used by prior rulers and represented such a deeply ingrained aspect of Indian culture, despite its malleability, it represented a way for British officials to alter Indian institutions in a way that stuck (Boettke et al 2015) or in a way that would provide less resistance, especially considering many Indians represented clear beneficiaries to Britain's hardening of the caste system. Another reason may be the ubiquity of caste in India compared to other variables like culture and language. While India contains a great deal of heterogeneity in terms of culture and language, this heterogeneity is geographically based. For example, while India is heterogenous in terms of religion, culture and language, the Indian area known as Punjab is homogenous in terms of the following traits: most Punjabis speak Punjabi and share the Sikh faith, meaning culture is relatively homogenous in this area. However, caste is not homogenous in any area of India. Thus, if British officials chose to divide and conquer India based on religion, culture, or language, they would be able to divide India into course regions, but that would be the extent of it. Once the British reached Punjab, for example, their demarcations based on language, culture, or religion would no longer work. However, by using the caste system as a means of demarcation, the British were able to divide and conquer India on a much finer scale. Further, British officials were primarily worried about insurrection when designing the caste system in India, and propensities for insurrection may not have been correlated with geography, culture, or language. If this was the case, it would make perfect sense to use a more arbitrary form of designation, like caste, to differentiate between individuals more likely to rebel and individuals less likely to rebel.

4. CONCLUSIONS/IMPLICATIONS

What are the implications of the above analysis? First, it moves us towards a fuller rational-choice explanation of the caste system. However horrendous the caste system was and still is, its continuance and degree of rigidity is based on the incentives individuals working together, and against each other, face. By better understanding any general origins of or influences over caste systems around the world, we are better able to address them by focusing on the root causes. In the case of caste, it seems the root causes have been invasion, poverty, and a weak or new state in the midst or aftermath of widescale power grabs over particular areas. The root causes of invasion and political instability due to a virtually stateless environment have been addressed in India, at least in large part; India no longer faces constant invasions and colonization. However, there are still some that benefit from the caste system, high and low caste alike, especially those in rural areas. Luckily, institutions are slowly changing in India, making a rigid caste system as a means of contract enforcement largely unnecessary and irrelevant. It will be an interesting topic of study to see how concepts of caste change as India modernizes and develops further.

Second, it is important to note my above theory is not meant to be a mono-causal theory of the caste system. As I have shown, my theory can and has worked in tandem with the theory of caste as a means of contract enforcement (Freitas 2006), and my theory of caste represents a broadening of Dirks' description of caste as a somewhat malleable institution utilized by colonial powers for their advantage (2001). I have simply taken Dirks' historic observations and analysis and generalized them to show how caste can and has been used in difference contexts in instances of invasion or political instability. The caste system is a complex and ancient order, and it is only fitting no single theory can explain such a complicated and malleable institution.

Finally, my theory of the caste system is relevant for discussions on Public Choice and the economics of autocracy (Tullock 2012). In his work on autocracy, Tullock explains the various, rational ways in which autocrats maintain political control. One particular method is to maintain a military presence that is strong enough to be effective but weak enough domestically that it does not present the possibility of mutiny. The caste system, especially as practiced by the British Raj, and colonialism generally, performed this function with tragic efficiency. By creating a colony and managing it through military control, the British were able to behave like democrats in Britain, with relatively low military presence, and like autocrats in India, with relatively high military presence. The caste system further allowed the British to perform this job more eas-

ily in India by creating two, very broad, classes of Indians: those whose caste allowed them special privilege and favor from the British in the form of positions of authority and those whose caste did not afford such privileges. British government officials were then able to maintain a strong military presence in India, with the help of high caste Indians, while at the same time avoiding another nation-wide mutiny by giving those same high caste Indians disincentives to join another uprising and incentives to help squash any future uprisings.

This analysis and explanation for the Public Choice reasons behind the historic waxing and waning of the rigidity of India's caste system is an important first step in a deeper understand of such a confusing institution. However, there is room for more analysis. There are a variety of instances of endogamy and inherited occupation in societies throughout the world and over time, and there is particular variety among tribes in Africa, with caste-like practices in some, but not all, societies in Africa. A more comprehensive cross-cultural analysis of the different instances in which caste-like structures have been used throughout history and geographic space would shed more light on the mechanisms behind and reasons for the adherence to rigid caste structures. For example: was religion used to demarcate caste in places in Africa, or were other mechanisms used, and why? Caste may be a horrid, confusing, sobering institution, but it is not inexplicable using the tools of economics and Public Choice; it is also not inexplicable assuming rational human action. Indeed, when we use these tools, caste becomes less confusing, though possibly more heinous.

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