Don't Touch My Road. Evidence from India on Affirmative Action and Everyday Discrimination.

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Abstract

The nature of interactions between different groups may have tremendous economic consequences. In the Hindi-belt, the heartland of India, 44.5% households members of the marginalized castes labeled Scheduled Castes (SCs) declared that some streets were off-limits due to their caste in the 2006 survey used in the article. The exclusion rate was 20 percentage points higher 10 years before.

This article investigates whether affirmative action in the form of mandated political representation has played a part to decrease exclusions. The identification strategy takes advantage of the Indian system of seat reservation for SC members in local assemblies, which changes SC's local power.

The effect of political reservations for SC's access to streets appears to be large and significant, both statistically and economically. However, the effect does not last after the end of the reserved term. This evidence underlines important consequences of political reservation in the short run. However, it also questions legislators' goals when using positive action as a transitory tool, to be abandoned once practices and beliefs have been altered.

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