UNTOUCHABLE
NO MORE

India's economic boom is breaking down 3,500-year-old caste barriers

BY LYDIA POLGREEN IN PED, INDIA

On his barefoot trudge to school decades ago, a young Ashok Khade (KAH-day) saw daily reminders of his lowly lot—the well from which he was not allowed to drink; the temple where he was not permitted to worship. At school, he sat on the floor in a part of the classroom that was built a step lower than the rest. Because he was born an untouchable—a member of a social class considered spiritually and physically unclean—he was forbidden to "pollute" his upper-caste neighbors and classmates.

But on a recent afternoon, Khade's chauffeur guided his silver BMW sedan onto that same street in his home village of Ped (see map, pp. 14-15). This time, village leaders rushed to greet him. He paid his respects at the temple, which he had paid to rebuild. The untouchable boy had become golden, thanks to something unthinkable when he was a boy: He has money—and lots of it.

As the founder of an offshore oil-rig company, Khade is an example of a tiny but growing group: wealthy Dalits—the people once known as untouchables.

"I've gone from village to palace," he says, describing his remarkable journey from the son of an illiterate shoemaker to a successful business partner of Arab sheiks.

The remarkable turnaround in Khade's prospects was made possible by a monumental shift in economics and attitudes that has changed India forever.

Out of the Shadows

India's caste system began more than 3,500 years ago among Hindus, but other Indians—including Muslims, Sikhs, and Christians—adopted its practices. At least 3,000 castes existed, originally defined by the work people did.

The castes fell into four main groups. At the top were the Brahmans, a priestly class who studied holy texts and observed various rituals. Below them was a warrior class dedicated to protecting Brah-
mans and the country's rulers. Next came merchants, artisans, and farmers. The lowest of the four main caste groups were the laborers who served the three higher groups.

At the very bottom of the social scale were the "outcasts"—people so low that they weren't even considered a caste. Untouchables did the filthiest jobs, like cleaning up animal and human waste.

India's 1949 constitution pledged equal opportunity for all Indians. It banned the caste system and outlawed the practice of physical untouchability. But laws are one thing; 3,500 years of tradition are another. For true change to come to Dalits' lives, something else had to give.

"A Golden Period"

In the 1990s, it did. Determined to shed India's "poor nation" status, the government began to relax the tight control it had over the nation's economy. When it opened the gates to foreign businesses and investors, they came flooding in. Since 1991, hundreds of thousands of new businesses have been created in India.

As the saying goes, "a rising tide lifts all boats"—and Dalits were among the millions of Indians whose economic and social status improved.

For nearly a century before its independence in 1947, India was a British colony. As a result, it has a large number of English speakers. That and a poor nation's lower wages helped turn India into an ideal location for many U.S. businesses.

For instance, many American companies started moving their customer-service call centers to India. Today, if your computer doesn't work and you call a toll-free number, the person on the other end of the line may well be in India rather than the United States.

The boom in call centers, banking, and tech companies led to the rapid expansion of a new middle class, and India's 200 million untouchables benefited from all the new jobs that were created.

Some Dalits have turned their traditional untouchable jobs into big businesses. Leatherworkers, once looked down on for dealing with the skins of dead animals, now make top-quality briefcases, cell phone cases, and other leather products.

One Mumbai leatherworker has a shop where a team of 22 laborers turns out thousands of custom-made briefcases for big companies.

For the first time ever, Dalits are able to earn good livings—and win social respect as well.

"This is a golden period for Dalits," says Chandra Bhan Prasad, a Dalit activist and researcher. "India is moving from a caste-based to a class-based society, where if you have all the goodies in life and your bank account is booming, you are acceptable."
Elephants are a common sight in India's cities, where they're often used to transport goods and people.

In Mumbai, shanties sit in the shadows of skyscrapers.

From Hunger, Ambition
Khade's rags-to-riches story stands out because of how completely he transformed himself. He was born in a mud hut in Ped in 1955, one of six children. His family was at the very bottom of the Hindu social scale. Their traditional job was to skin dead animals.

The Khades were poor and always hungry. One day, Ashok's mother sent him to fetch a small bag of flour on credit from a nearby flour mill so that she could cook flatbread for dinner. But it was the monsoon season, and Ashok slipped in the mud. The precious flour landed in a puddle.

"I came home weeping. My mother was weeping. My brothers and sisters were hungry." But that hunger gave him drive. "That," he says, "was my starting day."

Khade got his first break that year, when he was admitted to a school in a nearby town run by a charity. Upper-caste teachers encouraged him, and he graduated near the top of his class.

Khade got a job at a ship-building company, where his skills won him promotions. One day, he saw the pay slip of one of his European co-workers. That person earned more in one month than Khade earned in a year. The experience opened Khade's eyes. "I knew I could do better [running my own company] than working for someone else," he says.

Khade's company, which builds offshore oil rigs, has grown rapidly. He recently signed a deal with a member of the royal family in the United Arab Emirates to work on oil wells there. He has 4,500 employees, and his company is valued at more than $100 million. "An untouchable boy the business partner of a prince?" he says. "Who would believe that is possible?"

In the End: A Dalit
Despite the success of men like Khade, a Dalit entrepreneur is still much more likely to be a poor woman who starts a small business because few other options are open to her. Most female Dalit entrepreneurs make less than $100 a month from their businesses. Still, that's a big improvement over what was possible for them in the past.

But for Dalits, economic success doesn't guarantee social acceptance. Wealth protects them somewhat from lingering caste prejudice, but barriers remain. Because names often reveal an Indian's caste, some Dalits change theirs. Recently, one Dalit businessman who installs solar water heaters changed his last name. He worried that upper-caste people wouldn't want a Dalit installing an appliance associated with personal hygiene in their homes.

Even Khade, with all his wealth and newfound status, doesn't want to offend potential upper-caste clients. His business card reads Ashok K, leaving off the last name that reveals what he is: a Dalit.

THINK ABOUT IT: Do you think "untouchables" like Ashok Khade still carry emotional scars? Explain.