



## Addressing Caste Discrimination in Businesses

With the considerable trade, investments and outsourcing to caste-affected countries, especially India, involving transnational and other companies, it is necessary to consider how companies can avoid caste discrimination as part of their corporate social responsibility (CSR) and in respect of the global discourse on business and human rights.

A company which is dedicated to eliminating discrimination can attract not only new talent, but also ethically minded consumers and investors which will lead to long term business sustainability.

The Danish Institute for Human Rights, the Danish Ministry of Foreign Affairs and the International Dalit Solidarity Network, would like to present the Dalit Discrimination Check, which is a tool to help companies identify and eliminate discrimination based on caste in their operations in India. The Check is developed by the Institute, the Ministry and IDSN, and is based on the Human Rights Compliance Assessment tool developed by the Danish Institute for Human Rights.

### **Caste discrimination – one of the biggest human rights issues in the world**

Caste-based discrimination is a serious human rights violation, which affects 260 million people globally. The majority of the victims live in South Asia, but also Japan, Yemen and a number of African countries have communities affected by this extreme form of discrimination.

*Dalits* – the self designation for the group of people of South Asian descent who are traditionally regarded as untouchables or low caste – and other affected communities suffer human rights violations such as segregation in schools and living areas, restrictions in access to public places and resources, as well as in choice of work. Caste discrimination is closely related to the hierarchical and hereditary allocation of jobs, by which Dalits are assigned the most menial and dirty jobs with the lowest status, and are often forced into bonded labour and hazardous industries. A large number of Dalits, including Dalit children, work as forced labourers under slave-like conditions.

### **Discrimination in the private sector**

In modern economies such as India's IT and industry sectors, discrimination continues to affect the possibilities of Dalits to engage on an equal footing with other groups. It is well documented that discrimination on the basis of caste is extensive in the hiring process, promotion, equal remuneration and in terms of intolerance and prejudices at the work place.

In the private sector Dalits have a low employment record in proportion to their share of the total population – both in the rural areas and in the more middle class occupations in the cities. The perception that Dalits should be restricted to their traditional low status occupation is widespread, and those who have obtained educational qualifications find it difficult to get work. If recruited, they often serve in low-level positions, and both open and hidden practices of caste discrimination are commonplace and practiced by employers as well as co-workers.

### **Caste and Corporate Social Responsibility**

Caste discrimination is "bad for business" as it deprives companies of potential talent through excluding a large section of people from the workforce and poses a challenge to the effective organization of work. Moreover consumers and the general public pay more and more attention to CSR policies when they purchase goods, and companies could risk losing business if identified as being complicit in discriminatory practices.

Moreover, companies may unintentionally exacerbate the underlying causes of caste discrimination if affirmative action and preventive measures are not taken to address this form of discrimination.

The good news is that companies can benefit from addressing caste discrimination in their business operations. By adapting a CSR policy with an inclusive approach to diversity in the workforce, companies can extend the range of skilled applicants, opening up for the opportunity of employing the best qualified talents.

### **Why a tool for caste discrimination?**

To assist companies the Dalit Discrimination Check has been developed as the first practical tool to address caste discrimination in employment.

The tool is a specialised caste-based discrimination check for companies, using as a basis the Human Rights Compliance Assessment (HRCA). The purpose is to provide a practical tool that will help companies operating in India, or sourcing from India, to avoid discriminating on the basis of caste. The specialised check is accompanied by a set of explanatory guidelines for how to confront caste discrimination and how to use the tool.

**The Dalit Discrimination check is available for free and exists in a web-based version and in a booklet version.**

[The web-based version is available here >](#)

[A written version of the booklet can be downloaded here >](#)

Alternatively a copy of the booklet can be acquired by sending your name and address to [info@idsn.org](mailto:info@idsn.org).

[A short introductory brochure is available here >](#)

The Dalit Discrimination Check builds on the Human Rights Compliance Assessment (HRCA): a diagnostic tool designed to help companies detect potential human rights violations caused by the effect of their operations on employees, local residents and all other stakeholders. The tool is developed by the Human Rights & Business Project, which is a joint venture between the Danish Institute for Human Rights, the Confederation of Danish Industries (DI), and the Danish Industrialization Fund for Developing Countries (IFU), with the support of the Danish government (DANIDA). The aim of this cooperation has been to develop a widely accessible resource tool to help companies deal with human rights issues relevant for their particular operations.

### **Using the Dalit Discrimination Check tool**

The HRCA is designed as a self-assessment tool that companies can use to audit their practices, to identify areas where violations are likely, so that these areas can be monitored, as well as to facilitate action to mitigate existing breaches and prevent future ones. The HRCA is designed as a web-based interactive computer programme and running the HRCA produces a computerised report which identifies the company's areas of compliance and non-compliance with human rights. In addition, the overall performance is quantified, so that continued improvements can be measured and tracked on a regular basis. The Dalit Discrimination Check constitutes a specialized check of the HRCA that specifically addresses the issue of caste-based discrimination. It provides simple descriptions of what components of Dalit discrimination look like in the business context. It allows managers to check their company's policies, procedures and performance. In total the Dalit Check comprises 22 questions, each with a number of indicators.

## **What more can companies do?**

Several guidelines and principles exist to address corporate social responsibility and discriminatory practices. Below is a list of regional and global voluntary principles and conventions which IDSN recommends that companies apply in their business operations:

[\*\*The Ambedkar Principles\*\*](#) include a set of employment principles as well as a set of additional principles addressing economic and social exclusion of Dalits and are formulated to assist all foreign investors in South Asia in addressing caste discrimination

[\*\*The draft UN Principles and Guidelines for the effective elimination of discrimination based on work and descent\*\*](#) is a comprehensive legal framework, developed by two special rapporteurs of the former UN Sub-Commission on the Promotion and Protection of Human Rights, which recommends companies to take special measures to address caste discrimination

[\*\*The Global Sullivan Principles\*\*](#) are intended to be a catalyst and compass for corporate responsibility and accountability. The Global Sullivan Principles advance a development framework that enables businesses of all sizes and in all sectors to pursue their business objectives, while being mindful and respectful of employees and the communities in which they operate.

[\*\*United Nations Global Compact\*\*](#) is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption. By doing so, business, as a primary agent driving globalization, can help ensure that markets, commerce, technology and finance advance in ways that benefit economies and societies everywhere.

[\*\*United Nations Norms on the Responsibilities of Transnational Corporations and Other Business Enterprises with Regard to Human Rights\*\*](#) affirm that transnational corporations and other business enterprises, their officers - including managers, members of corporate boards or directors and other executives - and persons working for them have, inter alia, human rights obligations and responsibilities.

[\*\*The Ethical Trading Initiative Base Code\*\*](#) contains nine clauses which reflect the most relevant conventions of the International Labour Organisation with respect to labour practices.

[\*\*International Labour Organisation Convention 111\*\*](#) is a convention for the elimination of discrimination in employment and occupation.