Book Review

***Poverty and Exclusion of Minorities in China and India,* by A. S. Bhalla and Dan Luo, Palgrave Macmillan, 2013, ISBN 9780230361010, 308 pages**

China and India are the two largest and fastest growing economies in the developing world today. However, their rapid growth has been accompanied by rising economic inequality, especially that between regions, and between religious, ethnic and social groups. The book examines the problems of poverty, inequality and social exclusion of minorities in China and India from a global perspective. The process of globalisation and the war on terror have internationalised the socio-economic and political conditions of Muslim and Tibetan minorities in Kashmir in India, and Xinjiang and Tibet in China. There is little economic literature on the subject at present, much less a comparative study of the Chinese and Indian minorities.

Both China and India have diverse and significant number of minorities. In India, besides religious minorities a much larger population consists of caste-based social groups which have suffered from social exclusion and discrimination for centuries. The governments of both countries have introduced similar preferential policies (affirmative action, for example) for their economic and social well-being. But it remains unclear how far these policies have achieved their goals. The authors have examined how the poverty situation of minorities has evolved and whether special measures in their favour have led to any appreciable positive impact on their standard of living.

Attempts have been made in this book to answer three main questions: (i) Have the minorities shared the fruits of economic growth in China and India? (ii) Does ethnicity or extreme poverty explain their disadvantaged position? and (iii) How significant is their political representation and popular participation, and what impact does this have on their economic and social welfare?

The book not only compares income poverty of religious minorities (mainly Muslims) in China and India, but it also discusses non-income poverty in terms of a lack of access to education, health and other services. It presents case studies of the state of Jammu and Kashmir in India and the

Xinjiang and Tibet autonomous regions of China. It has been maintained that in both cases, economic factors (for example, poverty, exclusion and social alienation) explain social discontent, violence and militancy as much, if not more, than such political factors as lack of religious freedom, suppression of cultural identity and violation of basic human rights.

The above hypothesis is empirically tested drawing data from Jammu and Kashmir (India) which show that Kashmiri Muslims are poorer than Hindus in the state. Poverty and unemployment are more acute in districts with a preponderance of Muslim inhabitants, which suggests poor targeting and a lack of effectiveness of massive central government transfers. In Xinjiang also, the Uygur Muslims are much poorer than the Han. Their access to jobs, education and health services is limited. The authors, therefore, conclude that economic factors are very important and that a new strategy combining anti-poverty action with prevention of extremists' infiltration from across the borders is the only way forward in the two countries.

The global war on terror and globalisation in general have blurred the domestic agenda of self-determination of Muslim minorities in China and India (in Xinjiang and Kashmir, for example). The legitimate grievances of these minorities have become confused with issues of Islamic militancy and secessionist movements. It is quite possible that failures of the Chinese and Indian governments to address their grievances have, in fact, reinforced separatist tendencies.

The Chinese and Indian authorities have always maintained that social conflict and unrest in minority-dominated regions in the two countries is inspired by external forces. The authors in the book have argued that such domestic factors as poverty, unemployment and social exclusion are just as important. The external factors may have reinforced social conflict arising out of domestic problems. The authors conclude and rightly so, that it is up to China and India to meet the just demands of minorities in the interests of economic and social stability and national as well as regional security.

Framework of Arguments

The book is organised in eight chapters. Chapter one, while introducing the contents of the book, discusses the interrelationship between ethnicity, caste and social exclusion. The main concern of authors in the book is a comparison between minorities and the majority population. But wherever possible, the authors also examine within-minority poverty and inequality among different ethnic groups. In India, there is more interest in comparisons between the Hindu majority and Muslim minority than in comparisons between different social groups or between religions groups. In China, also, there are hardly any studies

comparing different ethnic groups, with the exception of a few on the Uygur and Hui Muslims. Mackerras (2011) observes that "relations between minorities have not attracted much research or attention, because most ethnic tensions come to notice only when they flare into violence and the most serious cases have involved the Han majority and an ethnic minority." This is also true of India where Hindu-Muslim riots which flare up from time to time; however, rarely does one find studies comparing religious minorities such as Buddhists, Christians and Sikhs.

In the book, the following four types of interrelationship between economic marginalisation and exclusion, and social and political marginalisation have been discussed. In particular, it has been shown that ethnic minorities may be nominally included in society but effectively excluded from having a voice in decision-making.

(i) Economic marginalisation: poverty, economic and non-economic inequalities, insecure and low-paid jobs, and long-term unemployment (chapters 3 to 5).

(ii) Social marginalisation: lack or absence of social networking, and lack of opportunities for social participation (chapters 6 and 7).

(iii) Political marginalisation: political under-representation and loss of effective influence, even within a democratic environment (chapter 7).

(iv) Political polarisation: lack of social cohesion (chapters 6 and 7).

Finally, chapter 8 considers the situation of Indian and Chinese minorities in a global context. The problems facing Muslim minorities in China and India are discussed using case studies of Tibet and Xinjiang in China and Kashmir in India. The two main issues examined are: (i) the role of global factors in explaining/reinforcing the social discontent of minorities and their conflict with the majority populations, and (ii) the relevance of globalisation in influencing the consumption patterns and cultural identities of minority groups.

Affirmative Actions among Minorities in China and India: A Comparative Perspective

Both China and India introduced affirmative action policies to alleviate the social exclusion and marginalisation of disadvantaged groups and minorities, and to redress imbalances in access to education. However, affirmative action policies in India are restricted mainly to disadvantaged social groups, whereas in China ethnic minorities are also protected.

Affirmative action in China is much more wide-ranging, encompassing economic, social, legal and political representation of ethnic minorities. Measures in support of minorities and ethnic minority regions range from economic development policies to maintaining the ethnic, cultural and religious identity of minorities. Preferential policies for ethnic minorities in China include favourable treatment in family planning, education, tax benefits and so on. However, in India religious minorities such as Muslims, Sikhs and Christians are not covered by quotas and reservations. It is the scheduled castes and untouchables (dalits) belonging to the Hindu majority who benefit from reservations.

The authors argue that the preferential policies have been criticized in both India and China for several reasons. First, those who do not benefit from them (for example, the Han Chinese in China and the Muslim minority and upper-caste Hindus in India) find these policies discriminatory, especially those giving preferential access to education to minorities. The majority populations argue that such policies should be based more on socio-economic criteria than on ethnic identity. Moreover, the policies sacrifice economic efficiency and quality of education, and breed complacency among minority groups. As reservations do not address the economic condition of the minorities, they may be no more than an appeasement policy which merely perpetuates their backwardness.

In both India and China, the effects of affirmative action and preferential policies are not clear-cut. There are indications that the results are at best mixed. In India, the benefits of reservations have accrued mainly to the better-off among the scheduled castes. In China also, assessment of preferential policies suggests that they have not really narrowed the minority-majority gaps; for example, in educational attainment. But these gaps would be worse in the absence of preferential policies.

Inequalities and Access to Education and Health Care

The authors have argued that inequalities in both India and China need to be examined from their economic, social and cultural perspectives. Narrowly defined income inequalities do not provide a meaningful analysis of minority-majority differences. They show that income inequalities are also influenced by non-income issues such as educational attainment, health status and access to health care.

An abundant literature exists to show that China has been far more successful than India in promoting social and human development (e, g, Dev 2008, Dreze and Sen 1995, Rao 2011). Empirical evidence provided in chapter 4 confirms China's superiority in terms of social and human indicators. However, both

countries suffer from growing rural-urban and inter-regional inequalities. These inequalities persist and have been widening due, partly, to rapid economic growth in both countries.

Growing income and non-income inequalities are slowing down the process and speed of poverty reduction. They are also contributing to the social exclusion and marginalisation of the poor. A more rapid rate of poverty reduction in both India and China would have been achieved had income growth been more equitably distributed. Income growth in both countries has been quite rapid but the benefits of this growth have not trickled down to the poor as quickly as expected. Rising income inequality is not an inevitable outcome of rapid economic growth. Growth can go hand-in-hand with equity if appropriate redistributive measures are adopted.

The main concern of the book is to examine rural-urban, inter-regional and gender inequalities between minority and majority populations, as well as among different religious and ethnic minorities, and disadvantaged social groups excluded from the mainstream of society. Here, an aggregative picture hides similarities between China and India. In both countries, the economic and social situation of minorities is generally much worse than that of the upper-caste Hindu majority in India and the Han majority in China.

The existence of bias against minorities (for example, Muslims) has been observed in the public provision of health facilities. Is such a bias symptomatic of a more general economic and social discrimination? Many observers believe that it is. For example, Hasan (2009, p. 231) argues that "a vast majority of Muslims suffer double discrimination by virtue of being Muslim and poor." She claims that "their under-representation in the political, administrative and security structures of the state" is caused by these factors (discussed in chapter 7).

In China also, some observers have found evidence of economic and social discrimination (chapter 6). Such minorities as the Uygur and Tibetans feel that they are discriminated against by the Chinese government and the Han majority.

The socio-economic situation of the Chinese ethnic minorities, at least in rural areas, is somewhat better than that of the minorities in India. There are no landless workers in China (thanks to land reforms after the Revolution), whereas many Indian minorities and disadvantaged social groups consist of a large number of landless workers with no assets except their labour. However, growing social discontent and protests in both countries suggest that rapid economic growth is not participatory or inclusive, and that it is bypassing the poor and marginalised minorities.

Both China and India are aware of the unfavourable social and political consequences of rising income and other inequalities in terms of discontent, civil strife and violence. In 2000, China introduced the Western Region Development Strategy to reduce regional inequalities by raising the living standards of the poor in the Western region. While the Chinese government has taken a step in the right direction, it is unclear whether the Strategy has succeeded in reducing rural-urban and minority-majority income and social gaps.

Any similar regional strategy is absent in India focusing particularly on minorities (except affirmative action for the scheduled castes, scheduled tribes and other backward classes, which does not extend to the Muslim minority). The anti-poverty programmes that do exist (programmes for employees and the self-employed, and the public distribution system, for example) are targeted at the poor generally, rather than at minorities. The effectiveness of these programmes has also been questioned (see Dev 2008, Radhakrishna and Ray 2005). A comprehensive, targeted and effective development strategy is needed to check inequalities between minorities and the majority populations.

Poverty and Inequality of Minorities in China and India at Disaggregated Level

Chapters 1 to 5 have discussed poverty and inequality of minorities largely at an aggregate level, concentrating mainly on socio-economic issues. Chapters 6 to 8 extend this discussion to such socio-political issues as social discontent, religious and ethnic identity, political representation and human rights. Chapter 6 in particular attempts an analysis of these subjects in respect of minorities at the state/provincial and district levels, choosing Xinjiang (China) and Jammu and Kashmir (India) for a comparative study.

The authors tested a hypothesis that social and political discontent might have economic rather than political roots, in two selected areas suffering from discontent and violence: Jammu and Kashmir (India) and Xinjiang (China). Jammu and Kashmir is a state in India with a parliamentary democracy where elections have been held periodically. Xinjiang is one of the five autonomous regions of China under one-party Communist rule. However, despite differences in the political regimes, the socio-economic situation of minorities is quite similar. In both cases, ethnic conflicts and riots have occurred from time to time.

A popular belief is that autocratic regimes suffer a greater risk of conflict due to inequalities than do democracies. On the basis of a cross-section quantitative analysis, Ostby (2008) concludes that "it is the democratic regimes that suffer from the most serious effects of horizontal inequalities." However,

the analysis of Kashmir and Xinjiang by Bhalla and Luo in the book shows that inequalities can cause conflict regardless of the nature and type of political regime. The authors conclude that the socio-economic conditions of the Uygur in Xinjiang are bad: they are poorer than the Han and enjoy limited access to jobs, education and health services. This suggests that violence, civil strife and discontent in the province (this is true also of Jammu and Kashmir) may have economic roots.

The situation is similar in the Kashmir Valley, which is inhabited mostly by Muslims. Despite the massive central government investments, the socio-economic plight of Muslims in the Valley remains precarious. This suggests that the investments were cost-ineffective and poorly targeted. Ethnic violence has its roots in lack of incomes and limited job opportunities for Muslims, who have much lower rates of literacy than the Hindus in Jammu and the Buddhists in Ladakh. Lower skills and lack of education limit their access to employment and well-paid jobs. Lack of security and political stability, and persistent violent activities are economically and socially disruptive. Political instability also disrupts tourism, which is the mainstay of the Kashmir economy. Thus, adverse economic and political factors reinforce each other.

Without a massive attack on poverty and unemployment, ethnic violence is likely to continue unabated in both India and China. The causal factors are largely *internal,* requiring domestic strategies in both countries. This is not to suggest that *external* factors have no role to play. But the external forces (filtering of extremists and terrorists from across the border in Pakistan in the case of Kashmir and support for the Turkic Uygur in Xinjiang from the neighbouring Asian Republics) and environment are only aggravating factors which cannot explain the root causes of violence and extremism. While these external factors are beyond the full control of India and China, the internal ones are clearly their own responsibility. The strategy of military action and heavy-handedness of security forces in both regions has not succeeded in winning the hearts and minds of the Muslims. A new strategy combining anti-poverty action with prevention of extremists' infiltration from across the borders is the only way forward.

The authors, therefore, maintain that in both Kashmir and Xinjiang, the reasons for violence and terrorism are more economic than political. However, this is not to suggest that political factors are not relevant. It is not an either/or situation. Politics adds to the adverse economic forces that drive the marginalised poor and youth to riots and violence out of desperation. This situation is common to many other developing as well as developed countries.

Minority Inclusion and Economic Welfare

The authors have shown in Chapter 7 that political and non-political inclusion of minorities can, in principle, help improve their welfare in both China and India. In practice, while some improvement is discernible, widespread benefits to minorities and the poor are rare, especially in rural areas. Their adequate representation at the central, state and local levels is a necessary but not a sufficient condition for wider sharing of the benefits of inclusion. This is because rapid economic growth in both countries has not changed the existing social and political power structures. In China, changes in economic structures resulting from rapid economic growth have left the political structure unchanged. In India, too, despite decades of rapid economic growth, the social structure plagued by the caste hierarchy, especially at the local and regional levels, has not changed (Rao 2011). These institutional arrangements militate against the wider sharing of the fruits of growth, despite greater inclusion of the poor and minority groups.

The authors have provided, in chapters 3 and 4, empirical evidence of persistent poverty, and widening income and social inequalities between minority groups and the majority populations despite rapid economic growth. What accounts for this apparently paradoxical situation? Why is there a lack of participatory or inclusive growth? An answer to this question has to be sought in rigid political and social structures and the lack of political commitment on the part of leaders in both China and India to address the problems of poor minorities.

For China, Lai (2010) has shown empirically that rapid growth has not ensured greater social stability in the country. Protests by disadvantaged farmers and other citizens have increased despite rapid economic growth. This situation also prevails in India. Indeed, social and political protests have grown since the introduction of economic reforms in the early 1990s. Have coalition politics at the central and state levels and different parties in power at the centre and in several states contributed to this phenomenon? A high degree of corruption of political parties and civil servants in both countries at all levels of governance may be another contributory factor.

An increase in social instability accompanying rapid economic growth is not surprising. Leaders in both countries seem to be obsessed with rapid growth as a panacea for all economic and social ills. It is by now well-known that the benefits of rapid economic growth do not always trickle down to deprived groups in either democratic or authoritarian regimes. It is remarkable that China and India, with very different political systems——one a single-party authoritarian state; the other a multi-party democracy——show similar outcomes

in terms of corruption, social discontent and protests. This is not surprising, considering that what matters is not growth per se (which should be seen as a means rather than an end) but the pattern of growth and how government authorities and policymakers channel resources and distribute the fruits of growth.

Minorities in a Global Perspective

The rights of ethnic minorities have become a global issue. Racial discrimination against minorities is on the agenda of such global bodies as the United Nations Human Rights Commission and its expert committees. Globalisation has narrowed the distance between nations, religions and ethnic groups, as is evidenced by sympathies for Islam across national boundaries. Speedier exchange of information through the internet and other channels has created greater awareness among ethnic/religious minorities of their identities and rights, as well as their social and economic disadvantage and exclusion.

The legitimate grievances of minorities (for example, discrimination and the heavy-handedness of central and local authorities) and those of minority separatist and secessionist movements often tend to be regarded as one and the same thing. In fact, the two are quite distinct. In the book, the authors have discussed both these aspects of the problems of minorities in China and India. Past failures of politicians and policymakers in the two countries to address their legitimate grievances may have reinforced minority separatist movements in Tibet and Xinjiang in China and in Kashmir in India.

In Chapter 7, the authors discuss the fact that political inclusion at different levels and public engagement between civil society and the political class can help redress legitimate grievances. However, inclusion *per se* does not ensure *effective* political or social participation. The efforts of the Chinese and Indian governments to raise the living standards of minorities and disadvantaged social groups have failed to mitigate their grievances. These efforts have not always been specifically targeted at minorities, which may explain their ineffectiveness in tackling poverty and exclusion.

As long as the war against terror is fought in different parts of the world, the role of the state is likely to become stronger, not only in fighting terrorism, but also in protecting the economic, social, religious and political rights of minorities. In principle, global exposure to the plight of minorities in Xinjiang, Tibet and Kashmir would be a good thing. It should encourage the Chinese and Indian authorities to do more to improve their economic, social and political rights. But in all three areas/regions discussed here, the authorities are caught up in fighting what they see as a war on terror, diverting their resources away

from developmental work and towards fire-fighting and controlling insurgencies.

In India, China and the West, Islamic militancy is increasingly being blamed for terrorist activities across the globe. Some observers have gone to the extent of supporting Huntington's thesis of the "clash of civilizations," which Bhalla and Luo (2013) reject. They believe that Islamophobia in the West is misplaced. The fact that terrorist activities have been undertaken in the name of Islam by a small group of terrorists does not make every one practising that faith a terrorist.

One unfortunate consequence of terrorism around the globe, and the West's war against it, is growing suspicion of multiculturalism and multi-ethnic societies. This is particularly worrying in Europe where several countries (notably France, Germany, Italy and the Netherlands) are increasingly exhorting their immigrant minority groups (for example, Turks in Germany and North Africans in France) to assimilate and integrate by adopting the host-country culture. A ban on the Muslim veil *(burqa)* for women in France, Italy and the Netherlands, and on building new minarets in Switzerland is just a few examples of a growing trend away from multiculturalism (Balakrishnan 2011). In this new global context, the "bashing" of China by the West for threatening Tibetan and Xinjiang cultures and traditions through assimilation sounds rather hypocritical.

All the three trouble spots discussed in chapter 8 have several things in common. First, they are border areas inhabited by religious and ethnic minorities. Second, in all three cases minorities suffer from poverty, exclusion and unemployment, which are the root causes of social discontent and violence. Third, external factors have reinforced discontent, separatism and terrorism. Since the September 2001 attacks in the US, the genuine economic, social and political grievances of minorities in both China and India have become inextricably mixed up with a global war on terror. It is for both China and India to meet the just demands and grievances of minorities in the interest of social stability, national and regional security and social justice.

Concluding Remarks

Muslim minorities in China and India form only a small fraction of their respective populations. Yet, as these minorities tend to be grouped in troubled border states, they are of key strategic importance in the context of global war on terror. In this global context, the book compares the regions of Jammu and Kashmir in India and Xinjiang in China, examining the incidence of poverty in terms of low and unequal incomes and lack of access to education, health and

other public services. The book argues that economic and social factors (poverty, unemployment, inequalities, discrimination and social alienation) are far more important in explaining social discontent, unrest and violence than political and religious factors such as suppression of religious freedom and cultural identity and the violation of human rights.

The global war on terror has diluted the domestic drive for self determination for minorities in both China and India; their legitimate grievances are often confused with those of Islamic militants. The failure of the Chinese and Indian governments, the authors argue, to address these grievances in the past may well have reinforced separatist tendencies. This book calls for a strategy to combine vigorous anti-poverty programmes with the prevention of extremist infiltration from abroad as the only way to promote peaceful development.

This is a well-researched book which will no doubt have a wide readership among both academics and policymakers alike especially those from China and India. This book is a highly recommended reading and will undoubtedly become a frequently cited work in future research on the subject.

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