

INDIA: SKILLED MIGRATION TO DEVELOPED COUNTRIES, LABOUR MIGRATION TO THE GULF



BINOD KHADRIA*

ABSTRACT. Referred to as «Indian Diaspora», an estimated 20-25 million stock of Indian migrants is recorded world-wide. This is a function of flows of unskilled, semi-skilled and skilled workers from India over last two centuries. Beginning in 1950s, and picking up as «brain drain» in 1960s, skilled migration to developed countries of the North became more prominent with the recent 21st-century exodus of the IT workers. Beginning with the oil-boom of the 1970s, large numbers of unskilled and semi-skilled Indian labour have migrated to Gulf countries in west Asia. A paradigm shift about skilled migrants leaving India took place in phases - from the «brain drain» of 1960s – 1970s to «brain bank» of 1980s – 1990s, and subsequently to «brain gain» in the 21st century. Similarly, the labour migrants to the Gulf have been viewed as the main source of remittances, swelling India's foreign exchange reserves. Both these perceptions need moderation. Section 2 presents a general contextual background of India. Sections 3 and 4 highlight India's transnational connectivity through skilled migrants in the developed countries, in particular the US. Section 5 is on labour migration to the Gulf. Section 6 is on the socioeconomic impacts of Gulf migration on Kerala, an important Indian state of origin. Section 7 is on the evolution and change in the perception of migration in India. Section 8 analyses measures initiated by the Government of India recently. The concluding section is a commentary on whether and how migration could change society in India and the rest of the South.

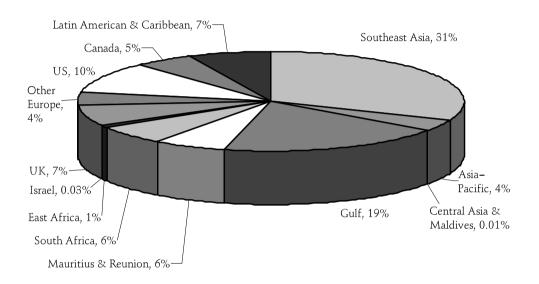
Keywords. Indian diaspora, brain drain, remittances, adversary analysis, education and health.

Jawaharlal Nehru University, New Delhi, and Asia Research Institute and the Department of Economics National University of Singapore.



INTRODUCTION: GLOBAL OVERVIEW ON INDIAN MIGRATION

FIGURE 1
Percentage Distribution
of NRIs and PIOs by Region



Source: ICWA, Report of the
High Level Committee on the Indian Diaspora,
New Delhi: Indian Council of World Affairs, 2001.

igure 1 presents the regional distribution of destinations where an approximate 20 million–strong *stock* of the Indian migrants (Non–resident Indian citizens – the NRIs, and the foreign Persons of Indian Origin – the PIOs, the two together referred to as the «Indian Diaspora» (since the Report of the High–Level Committee on Indian Diaspora of 2001) were recorded at the close of the twentieth century. This stock has been a function of the flows of unskilled, semi–skilled and skilled workers and their families from India as an

¹ According to a 1979 Indian Ministry of External Affairs estimate the number of persons of Indian extraction residing abroad was 10.7 million (Weiner, 1982, cited in Kosinski and Elahi, 1985). This number was impressive but represented merely 1.6% of the national population at that time (rising to 2% in 1999 at 20 million out of 1 billion). No qualitative group—wise classification of the



important source—country of the South over the last two centuries.² It is common knowledge that the early migrants who had formed the basis of this so-called Indian diaspora formation mainly involved «cheap» manual workers leaving India in large numbers to meet the enormous quantitative demand for indentured labour that arose in the nineteenth century plantations and mines in the colonies, immediately after the British abolished slavery in 1834 – in the Caribbean (Guyana, Jamaica, Trinidad), the Pacific (Fiji), the Indian Ocean (Mauritius, South Africa, and East Africa), and south-east Asia (Malaysia, Singapore), as well as neighbouring South Asian countries (Sri Lanka and Burma) – leading to what is sometimes also called the «brawn drain». The «brain drain» – the exodus of talent and skill, India's cream of highly skilled professionals to the developed countries - comprising doctors, engineers, scientists, teachers, architects, entrepreneurs, and so on appeared in Independent India a century-and-a-quarter later, in the twentieth century (Khadria, 1999, 62-64). Beginning as a trickle in the 1950s, the skilled migration to the developed countries picked up in the post-mid-1960s, and became more prominent with the more recent migration of the IT workers, and nurses in the twenty-first century, contributing inter alia to the concentration of skilled Indian migrants in the US and Canada, the UK, other European countries, and Australia-New Zealand. Side by side with this skilled migration to the developed countries, the twentieth century had also witnessed large-scale migration of unskilled and semi-skilled Indian labour to the Gulf countries in west Asia, beginning in the wake of the oil-boom of the seventies - a trend still ongoing.

The emotive concern about the highly—educated knowledge workers supposedly «deserting» India, as well as the indifference to the large scale labour migration to the Gulf has both undergone radical transformation of perception by the beginning of the twenty—first century. Whereas professional Indian immigrants have come to be seen as «angels» with a perfected image of transnational «global Indian citizens» capable of bringing not only investment and technology to India but themselves returning in a circulatory mode of migration, the large number of low—, semi— and un—skilled labour migrants to the Gulf have been viewed as the main source of remittances that have swelled India's foreign exchange reserves. Both these perceptions need moderation as there are positive as well as negative implications for the countries of origin and destination to tackle together.

global distribution of «Indian Diaspora» is available beyond broad country—wise quantitative distribution of numbers. These one—time stock estimates are not complemented by flow data.

² India has also been an attractive destination country for migrants from the neighbouring countries in the sub–continent, both irregular and illegal, primarily from Bangladesh and Nepal, and to some extent Bhutan. Tibet is also sometimes mentioned, but that is a disputed region.

³ See Tinker (1974, 1976, and 1977) for these colonial migrations from India.



THE CONTEXTUAL BACKGROUND IN INDIA

Studies on migration have been very few in India because, historically speaking; migration has never been considered an important demographic issue due to the small volume of internal migration relative to the total size of the population (Bose, 1983, 137). However, these small–scale internal migrations within the sub–continent were replaced by large–scale external migration when the partition in 1947 created India and Pakistan. Withdrawal of the British from India and the partition were associated with a massive transfer of population estimated at 14.5 million between the short span of 1947–51 (Kosinski and Elahi, 1985, 4–5). Immediately after the partition, about 5 million Hindus and Sikhs left Pakistan for India and about 6 million Muslims moved into Pakistan from India (Elahi and Sultana, 1985, 22). As this politically–triggered exchange created very serious and long–term problems of refugee settlement and integration, the prospects of intra–south Asian migration to and from India gradually became more and more limited after independence.⁴

In contrast, voluntary migration, attributed mainly to economic and social factors, although modest compared to that related to political cause, continues and seems to be on the rise. The principal flows have been the following:

- a) Immigration to Britain, which was a traditionally favoured destination for temporary migration and, later attracted permanent settlers representing various social strata.
- b) The three traditional settlement countries, Australia, Canada, and the USA became more attractive destinations once their highly selective immigration policies were modified. These developed countries, later joined by the UK and other EU countries attracted the highly skilled workers from India.
- c) A new destination, that rapidly gained popularity, has been the Middle East (Keely, 1980; Ecevit, 1981, Weiner 1982). The oil–rich countries mainly attracted semi–skilled and unskilled labour on a temporary circulating basis (Birks and Sinclair 1980). Some south–east countries like Malaysia became such destination later on.

SKILLED MIGRATION TO DEVELOPED COUNTRIES

The Second World War marks a crucial watershed in the history of the genesis of Indian diaspora formation through emigration to the developed world (Khadria,

⁴ As indicated by the sponsored return of former economic migrants (from Sri Lanka to India) or

2006c). It was the beginning of the transformation of Indians' presence in the developed countries – from one that was miniscule, transitory and peripheral, to one that became more substantial, permanent and central. The largest number of migrants in this period went to the UK, some because of old colonial links and others because of wartime experiences as soldiers and seamen. Subsequently, many more arrived after the 1947 partition of India that preceded its Independence. This was subsequently strengthened by the nexus of kinship and friendship, mainly originating from the state of Punjab, which enabled others to tap the economic opportunities in the broader labour markets abroad.

In Canada, anti–Asian sentiment was the characteristic of immigration policy prior to the Second World War. However, after the war, the changing composition of the Commonwealth exerted its influence on the Canadian government. After the Indian Prime Minister Jawaharlal Nehru visited Canada in 1949, Indo–Canadians were granted the right to vote, and the explicitly racist provisions in the Immigration Act were changed.

In the developed countries today, the focus on the Indian skilled migration remains in the United States, with up to 80 per cent of Indian skilled migration to all developed countries. It was in the 1970s that the US overtook both the UK and Canada as the prime developed country of their destination. Indian immigration in the US, which constituted a minuscule of less than 1 percent of global immigration from all countries during the 1950s and 1960s, crossed a mark of 7 per cent in 2004 (7.4% as in Table 1). Even in 2003, when security concerns in the post 9/11 phase had brought in a restrictive immigration regime in this country, Indian share amongst global immigrants thus continued to increase (from 6.7% in 2002 to 7.1% in 2003). In the two top categories of skilled immigrants in 2001, viz., «professional and technical», and «executive, administrative and managerial occupations», Indians occupied very high proportions of 24 per cent and 11 per cent respectively (shown 23.8% and 11.1% respectively in column **C** under 2001). In 2003 and 2004, one in every four global immigrants «with an occupation» has been an Indian (25% in column **C** for 2003, and 24.7% in column **C** for 2004). ⁵

refugees (Bangladeshis in India). In addition to the major flows related to post—war partition, there were, however, some minor migrations related to political events in the area. Increasing Chinese pressure culminating in the invasion and incorporation of Tibet and the subsequent suppression of the Tibetan uprising of 1958–59 led to substantial outflows (Elahi and Sultana, 1985). Data in column B for all years show percentage shares of Indian immigrants, taking the total number Indian immigrants as 100. Data in column C are percentage shares of Indian immigrants amongst global immigrants admitted into the US from all countries of the world. However, as no country—wise break ups of occupational groups are available from 2002 (i.e., in the post 9/11 regime) onwards, Indian shares are also not available. For this period, the publication of U.S. immigration statistics was taken over by the US Department of Homeland Security (DHS) from Immigration and Naturalization Service (INS), perhaps due to a policy of curtailment in data availability due to growing security concerns.



TABLE 1

Flow of Indian* Immigrants admitted in the US:

Numbers (A), Percentages (B), and Percentage Shares amongst Global Immigrants (C)

pre 9/11 years	1999 (ins data regime)			2000 (IN	2000 (ins data regime)			2001 (ins data regime)		
	А	В	С	А	В	С	А	В	С	
All Immigrants	30237	100.0	4.7	42046	100.0	4.9	70290	100.0	6.6	
With Occupations	8016	26.5	5.7	3724	32.7	7.2	27073	38.5	11.3	
Ecec/Adm/Mngrl	1112	3.7	7.1	1644	3.9	7.9	3062	4.3	11.1	
Profssnl/Techncl	3492	11.6	9.4	8632	20.6	14.7	19935	28.4	23.8	
Post 9/11 Years**	2002 (DF	IS data 1	regime)	2003(DHS data regime)			2004(DHS data regime)			
	А	В	С	А	В	С	А	В	С	
All Immigrants	71105	100.0	6.7	50372	100.0	7.1	70116	100.0	7.4	
With Occupations	42885	60.3	34.5	20560	40.8	25.0	38443	54.8	24.7	
Ecec/Adm/Mngrl	Global number: 29277		Global number: 22295		Global number: 31689					
Profssnl/Techncl	Global r	number:	79370	Global n	umber:	46495	Global n	umber:	73862	

Source: Author, using US INS and US DHS Statistical Yearbooks, various years.

Notes: *By country of birth. **County-wise occupational break-up of immigrant data not available in DHS regime.

The 1965 amendments to the US Immigration and Nationality Act, which formed the basis of all these, remained the principal determinant of Indian skilled immigration into the US for one quarter of a century between 1968 and 1992.⁶ Within the overall kinship–emphasis in family–reunification clause of the 1965 amendments, the new legislation gave priority to highly trained and educated professionals, at least for the first seven to ten years explicitly. As a result, urban, educated, and «English speaking» masses of Indian population became distinctly visible in the US, carrying a large share of India's human capital to the U.S., and causing «brain drain» for India because, as Jensen (1988, 280) recorded, «almost a hundred thousand engineers, physicians, scientists, professors, teachers, and their dependents had entered the U.S. by 1975». However, since the mid–1970s until 1982, the annual number of Indians entering the US had levelled off to an average annual figure of 20,000 mainly because of the per country limit of quota

⁶ Under these Amendments, immigrants subject to a «numerical limitation» of 270,000 worldwide and 20,000 per country per year were allocated to a six–category «preference» regime of the US visa system – two under the «occupational labour force needs» of the US economy and four under the «family– reunification objective» of the US population policy.



in the US immigration law. Thereafter, it was the number of those exempt from this limit which added to the total – the «immediate relatives» of the increasing number of Indian–born naturalized U.S. citizens, on an average one–third of the immigrants over time. Thus, migration of highly qualified Indians to the US actually did not come down; whatever decline registered since the mid–1970s was mainly a statistical and legalistic illusion of sorts which also proved to be temporary in retrospect. India's brain drain to the US had become less «visible» rather than really declining after the mid–1970s.

 $\label{eq:table 2} \mbox{Number of Indian Citizens admitted as non-immigrant} \\ \mbox{workers in the US, by visa type}$

COUNTRY OF CITIZENSHIP	registered nurses (h1a)	WORKERS WITH SPECIALTY OCCUPATIONS (H1B)	industrial trainees (h3)	exchange visitors (j1)	INTRA— COMPANY TRANSFEREES (L1)	WORKERS WITH EXTRAORDINARY ABILITY (01)
India (2001)	166	104,543	62	5,374	15,531	666
India (2002)	228	81,091	96	4,866	20,413	523
India (2003)	9	75,964	136	4,732	21,748	9

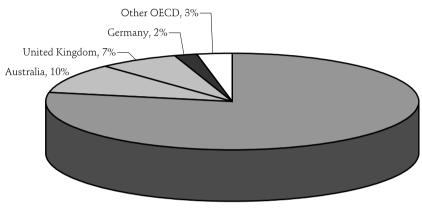
Source: U.S. DHS, Office of Immigration Statistic, 2003, 2002, 2001 Yearbooks of Immigration Statistics. No disaggregated data available for 2004 in the latest available Yearbook, 2004.

After 1992, it was the relatively less noticeable route of temporary migration that started to become predominant. The 1990 Amendments, brought into effect in 1992, explicitly favoured the building up of the human capital capabilities of America by fulfilling its current and future requirements of highly skilled knowledge workers, finally bringing to relevance the immigration of Indians to the American labour market needs. Whatever few restrictive clauses these amendments had, like the introduction of a new definition for the highly skilled temporary workers, viz., the well-known nonimmigrant H1-B visa category, with an annual cap of 65,000 visas per year worldwide, the US Senate had to clear a bill for a limited expansion of these visas to 337,500 for the three-year period from 1999 to 2001. This was because the US had faced a decline in key undergraduate science degrees, an acute shortage of staff in high technology industries like software development, and exhaustion of the worldwide annual quota of H-1B visas too quickly in 1998, with 42 per cent (or two out of every five visas) being issued to Indian IT software professionals. After 2001, when the number of H-1B visas issued to Indians went down (Table 2) because the American immigration scenario came to be determined more by the post-9/11 security concern in the U.S.



and the subsequent recession that burst the IT bubble than by its actual labour market needs, the U.S. government has been under continuous pressure of different lobby groups, including the American industry and business to increase the H1–B visa limit once again.

 $\label{eq:figure 2}$ Distribution of Indian tertiary students in receiving OECD countries, 2001



United States, 78%

Source: OECD Database.

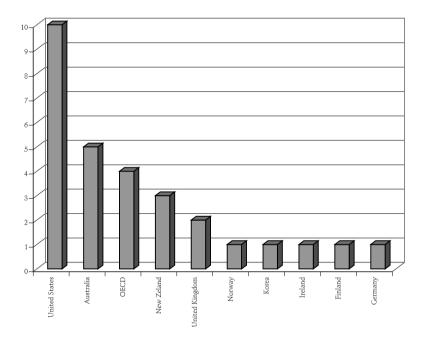
The highly skilled Indians have migrated to the developed countries not only through the «employment gate»; another stream of skilled migration has been taking place through the «academic gate» as growing pools of revolving students formed a distinct set of actor amongst the Indian migrants - the «semifinished human capital» of Indian professionals abroad (Majumdar, 1994; Abella, 2006). Data collated by the US Institute of International Education's Open Doors 2005 survey revealed that in 2004-05 India retained its No. 1 position in the US university enrolments (followed by China, Korea, Japan, Canada, and Taiwan) for the fourth year in a row. In 2005-06, the numbers of applications from Indian students have been reported to have registered a 23 per cent increase over the previous year, the highest amongst all countries (Hindustan Times, 23 March, 2006). To serve the dual purpose of sustaining an expensive higher education system, and meeting short-term labour shortages, both the UK and the US, with other developed countries following suit, have adopted a policy of allowing foreign students in their universities respectively, to stay on and work, rather than return to their countries of origin on completion of their degrees (The Hindustan Times, March 2005; Khadria 2006b). In addition, the destination countries gain political mileage in the form of a bonus: The foreign students become their longterm ambassadors in the international political arena. India has thus become a «must destination for internationally renowned educational institutions shop-



ping for knowledge capital – i.e., to woo the Indian student» (*The Hindu*, Nov 26, 2000). In October 2000, four countries had mounted education «fairs» in Delhi and other Indian cities, and since then it has become a regular feature of bilateral relations in India. Figure 4 shows that Indian students accounted for 4 per cent of all foreign students enrolled in tertiary education in OECD countries in 2001. Almost eighty percent of Indians migrating abroad for higher education went to the US in 2001 (Figure 2), occupying a 10 per cent share amongst all foreign students enrolled in the US (Figure 3). In 2004, this share of Indian students amongst all foreign students in the US went up to 14 per cent.⁷

FIGURE 3

Indian Students among All Foreign Students in Receiving OECD Countries, 2001 (%)



Note: Excluding data for Canada, Greece, Luxembourg, and Portugal.
Source: OECD Education database.

The growing competition among countries like the US, UK, Canada, Australia, New Zealand, Ireland, and Singapore, as well as non–English speaking countries like France, Germany, and the Netherlands, has brought even the Ivy League institutions to India, and to other South Asian countries, to look for the cream of students (*The Economic Times*, Nov 24, 2004).

⁷ They play important role in world politics as they have done in the past as, for example, the Indian celebrity students in the US did during India's independence struggle.



EMPOWERMENT OF SKILLED INDIAN MIGRANTS IN DEVELOPED COUNTRIES

The Socio-economic and political profile of the skilled Indian diaspora in the developed countries reflects the empowerment of the Indian migrants in the developed countries over time. Within the European Union (EU) - the largest economic entity in the world today - two-thirds of the entire Indian migrant community still resides in the UK. The Indian community is one of the highestearning and best-educated groups, achieving eminence in business, information technology, the health sector, media, cuisine, and entertainment industries. In Canada, with just 3 per cent share in a population of 30 million, Indo-Canadians have recorded high achievements in the fields of medicine, academia, management, and engineering. The Indian immigrants' average annual income in Canada is nearly 20 per cent higher than the national average, and their educational levels are higher too. In the east, there are 30,000 Indian citizens in Australia; and New Zealand has also witnessed a rise in the entry of Indian professional immigrants, those engaged in domestic retail trade, medical, hospitality, engineering, and Information Technology sectors, and countries like Japan, Korea, and Singapore are also trying to attract Indian talent.

TABLE 3
Indian Diaspora Associations of North America

CATEGORY	ASSOCIATIONS
CATEGORI	ASSOCIATIONS
1. Cultural/Religious Associations	Samband, Assam Association of North America, Telugu Association of North America, American Telugu Association (ATA), World Malayali Council, Bengali Cultural Association, Kenada Koota, Gujarati Samaj, etc.
2. Students/Alumni Association	Mayur at the Carnegie Mellon University; Sangam at MIT; Ashoka at California University; Diya at Duke University; SASA at Brown University; Boston University, India Club, Friends of India, IGSA (Houston University) and Indian Students Associations at various universities.
3. Support Association	MITHAS, Manavi, Sakhi, Asian Indian Women in America (AIWA), Maitri, Narika, IBAW (Indian Business and Professional Women), etc.
4. Professional Association	AAPI, SIPA, NetIP, TiE, EPPIC, SISAB, WIN, AIIMSONIANS, AIPNA, ASEI, IPACA, IFORI, SABHA, and IACEF,etc
5. Development Association	Association for India's Development (AID), AIA, American India Foundation
6. General/ Umbrella Network	GOPIO, NFIA, The Indian American Forum for Political Education (IAFPE), The National Association of Americans of Asian Indian Descent (NAAAID), and Federation of Indian Associations (FIA), etc.

Sources: Government of India, Ministry of NRIs Affairs (www.moia.gov.in); website of Indian Embassy in the US; www.garmchai.com; www.nriol.com; www.google.com; www.indiandiaspora.org; www.Indiaday.org.

The strong profile of Indian immigrants in general supports a proposition that the human capital content in the migration of Indians to the US has been the backbone of Indian scientific diaspora formation there. No other diaspora preceding the Indian numerical rank acquired its position predominantly because of an American demand for its labour skills, which has been the main factor for admitting the Indian skilled workers on a large scale. It is hardly surprising therefore if in terms of the place in the US economy indexed by employment, occupation, education and income of the immigrants, the Indian diaspora had continued to rank amongst the top all through the 1970s till the present. There are over 1000 US-based organizations of Indians in North America, with branches in Canada. These represent various interest groups in India, ranging from regions to states to languages, etc. Religion, caste, cultural and linguistic identities find significant space in these associations and networks. However, some professional groups are involved in grass-root development activities in India as well as in the welfare of their members abroad in the professions. A sample of associations can be categorized by the main characteristics of their members, and/or their functions as in table 3.

INDIAN LABOUR MIGRATION TO THE GULF

Although Indians manned the clerical and technical positions of the oil companies in the Gulf after oil was discovered in the region during the 1930s, the overall numbers were still small. Between 1948 and the early 1970s, these numbers gradually increased from about 1,400 to 40,000. When large scale development activities started following the 1973 spurt in oil prices in the six Gulf Cooperation Council (GCC) countries of Saudi Arabia, Bahrain, Kuwait, Oman, Qatar, and the UAE, an upsurge in the flow of workers and labourers began from India to the Gulf. India and Pakistan supplied most of such unskilled labour, registering almost 200 percent growth between 1970 and 1975. In 1975, Indian expatriates constituted 39.1 percent, Pakistanis 58.1 percent, and other Asians 2.8 percent of the total non-Arab expatriates in the Gulf. Since then, Indian migration has overtaken that of Pakistan and other Asian countries of origin. Further, since the Kuwait war of 1990–91, Indians has replaced even the non–national Arabs in the Gulf, viz., the Jordanians, Yemenis, Palestinians and Egyptians. From less than 258,000 in 1975, migrant Indian population in the Gulf went up to 3.318 million in 2001 (Table 4), which is now estimated to have crossed 3.5 million.

Admission to the GCC countries was not as difficult prior to the mid-1970s, but thereafter restrictions have been imposed by the host countries due to the fear of rapid growth of non–national population. Thus it has been difficult for families to accompany the non–nationals workers to these countries, particularly the unskilled contract workers. Foreigners are not allowed to own businesses or



immovable property in the Gulf countries; for running business enterprises they are required to have local citizens or agencies as major partners in their ventures, whether active or as «sleeping» partner. When it comes to human resources, shortage of labour has been endemic in all the countries of the Gulf, for the entire range of work - from professionals like doctors and nurses, engineers, architects, accountants and managers, to semi-skilled workers like craftsmen, drivers, artisans, and other technical workers, to unskilled labourers in construction sites, farmlands, livestock ranches, shops and stores and households (Rajan and Nair).

TABLE 4 Stocks of Indian Migrant Population in the Gulf Countries, Selected years: 1975-2001

COUNTRY	1975	1979	1983	1987	1991	2001
S Arabia	34,500	100,00	270,000	380,000	600,000	1500,000
UAE	107,500	152,000	250,000	225,000	400,00	950,000
Oman	38,5000	60,000	100,000	184,000	220,000	312,000
Kuwait	32,105	65,000	115,000	100,000	88,000	295,000
Qatar	27,800	30,000	40,000	50,000	75,000	131,000
Bahrain	17,250	26,000	30,000	77,000	100,000	130,000
Total	257,655	433,000	805,000	1,016,000	1,483,000	3,318,000

Sources: Rahman (1999), and Rajan (2004).

However, a large majority of 70 per cent of the Indian migrants in the Gulf has comprised the semi-skilled and unskilled workers, the rest being white-collar workers and professionals. Table 5 presents their occupational distribution till after the outbreak of the Gulf War in August 1990. The fall in numbers in 1991–92 is directly related to the control by Government of India in issuing emigration clearance in the year following the Gulf War in 1990–91 when large numbers of Indians were evacuated from the Gulf by the Government of India. However, the classification more or less resumed although some changes might have taken place due to the demand tilting more towards skilled professionals as infrastructure development progressed in the Gulf. On the supply side, Indian government's monitoring and control of labour migration has been to streamline the process of emigration to some extent, increasingly in the last couple of years.

The demand for low category of workers like housemaids, cooks, bearers, gardeners, etc. has been large, though systematic all-India data are not easily available, except for the state of Kerala where an exclusive state-level ministry for overseas Keralite affairs exists for many years. Some data are now in the process of being collected and compiled by the newly formed Union Ministry of Overseas Indians Affairs. The workers in these vocations however do not enjoy



the protection of any local labour laws. Women, working as housemaids or governesses face ill treatment in some Gulf countries, sometimes being subjected to even sexual abuse (GOI, MOIA 2006). Unskilled and semiskilled workers working in infrastructural and development projects generally live in miserable conditions and are accommodated in small cramped rooms in the labour camps. Often toilet and kitchen facilities are inadequate, and working conditions are harsh. Thus, adverse working condition, unfriendly weather, inability to participate in social and cultural activities, and long periods of separation from families and relatives leading to emotional deprivation are known to have wrecked the lives of low skilled Indian workers in the Gulf (Zachariah et al, 2002; GOI, MOIA *Annual Report, 2005–6, 17*; GOI, MOIA 2006).

TABLE 5
Emigration Clearances granted by Government of India till after the Gulf War of 1990–91: Unskilled and Semi–skilled Labour by Occupation, 1988–1992

CATEGORY	1987–88	1988–89	1989–90	1990–91	1991–92
Labourer/Helper	91,196	40,657	58,779	45,028	17,345
Housemaid/House–boy	891	2,965	0	1,400	1,938
Mason	8,550	8,731	8,913	6,323	246
Cook	3,550	3,051	2,070	2,386	239
Tailor	5,115	4,361	3,722	3,231	163
Salesman Carpenter	1,580 6,361	4,199 12,900	4,121 6,939	3,818 5,132	147 145
Technician	3,539	1,450	3,389	2,642	136
Driver	6,562	6,334	6,724	5,123	131
Electrician	3,494	3,689	4,496	2,832	112
Mechanic/incl Air Con.	3,562	4,476	3,263	2,467	111
Agriculturer	0	0		452	108
Painter	2,273	2,501	1,867	1,866	65
Office Staff	3,916	2,211	1,385	1,087	56
Welder	1,497	1,222	3,272	1,291	55
Operator	1,309	1,855	1,342	1,001	39
Plumber	1,971	1,624	2,047	1,831	33
Foreman	927	906	983	764	30
Fixer/Fabricator	1,904	2,008	2,827	1,052	29
Supervisor	1,021	813	1,069	444	21
Paramedical staff	1,349	736	434	437	18
Engineering overseer	354	268	248	173	13
Surveyor	461	264	218	234	12
Fitters	0	1,690	0	0	0
Others	18,284	17,778	2,565	19,302	3,074
TOTAL	169,666	126,689	120,673	110,316	24,266

Source: Various Annual Reports of the Ministry of Labour, Government of India, cited in Rajan (2003).



The unskilled and semi-skilled workers have a high rate of turnover as their contracts are for short periods of employment and work, usually not more than two years at a time. Those completing their contracts must return home, although a large proportion of them manage to come back with new contracts which are not available before a gap of one year. This has facilitated the proliferation of recruitment and placement agencies, sometimes colluding with the prospective employers and exploiting illiterate job seekers. The various forms of exploitation range from withholding of the passports; refusal of promised employment, wages, and over-time wages; undue deduction of permit fee from wages; unsuitable transport; inadequate medical facilities; denial of legal rights for redressal of complaints; use of migrants as carriers of smuggled goods; victimisation and harassment of women recruits in household jobs like maids, cooks, governesses etc (*Overseas Indian*, 2006, various issues).

Generally speaking, the Indian migrant communities in the Gulf maintain close contacts with their kith and kin in India, involving frequent home visits. They also keep track of political developments and socio—economic changes taking place in India through newspapers, radio and television. At times of natural disasters like earthquake in India, they have also come forward with donations, and deposits in India Development Bonds. Most of the remittances have accrued from the unskilled workers whose consumption expenses in the Gulf are minimal because their families are not living with them.

STATES OF ORIGIN AND SOCIO—ECONOMIC IMPLICATIONS OF LABOUR MIGRATION: THE CASE OF KERALA

Table 6 presents the labour outflow from India to the six GCC countries and Jordan in the Gulf in recent years. Barring Saudi Arabia, Kuwait, and Jordan, the remaining Gulf countries registered an increase in the flow in 2005 over 2004. The table also facilitates comparison of India labour's migration to the Gulf countries

⁸ MOIA and the Protectorate of Emigrants, Government of India has started compiling the number of complaints received on these counts, and the action taken. See GOI, MOIA, *Annual Reports*, 2004–5, 2005–6.

⁹ No documentation of international migration data exists in India, not to talk of its various subcategories. There is indirect documentation of low–skilled emigration of workers in terms of their being ECR (Emigration Clearance Required) category of passport holders and as such from the number of clearances granted by the Protectorate of Emigrants, Government of India. However, these proxies can be an overestimate due to not all of them leaving the country. On the other hand, these numbers are normally an underestimate of actual migration because many categories are not covered, for example, those above 12 years of schooling certificate holder; migrants staying abroad for over 3 years and re–migrating, income–tax payers, spouses and dependent children up to 24 years of age of ECNR categories, those going to specified countries, etc.

against an increasing flow to Malaysia in south–east Asia, a country which has overtaken at least five of the seven countries of the Gulf in recent years.

 $${\tt TABLE}\>6$$ Indian Labour Outflow to the Gulf and other countries, 2000–2005

DESTINATION COUNTRY	2000	2001	2002	2003	2004	2005
UAE	55,099	53,673	95,034	143,804	175,262	194,412
Saudi Arabia	58,722	78,048	99,453	121,431	123,522	99,879
Kuwait	31,082	39,751	4,859	54,434	52,064	39,124
Oman	15,155	30,985	41,209	36,816	33,275	40,931
Bahrain	15,909	16,382	20,807	24,778	22,980	30,060
Qatar	n.a.	13,829	12,596	14,251	16,325	50,222
Jordan	n.a.	n.a.	n.a.	n.a.	2,576	1,851
Malaysia (South–east Asia)	4,615	6,131	10,512	26,898	31,464	71,041
Other, incl. Indian Ocean Island Countries	62,600	39,865	83,193	44,044	17,492	21,333
TOTAL	243,182	278,664	367,663	466,456	474,960	548,853

Source: compiled from GOI, MOIA, Annual Reports 2004–5, 2005–6, and Overseas Indian, vol. 1, no. 4, April 2006, p.2, New Delhi.

These overseas Indian workers (OIWs) come mainly from the three states of Kerala, Tamil Nadu, and Andhra Pradesh, though Karnataka overtook Andhra Pradesh by a big margin in 2005 (Table 7). However, most of them have originated from Kerala. This had led to the establishment of a separate ministry for non-resident Keralites, and an international airport at Thiruvananthapuram. Some of the other states having sizeable number of total labour emigrants to Gulf are Karnataka, Maharashtra, Punjab and Rajasthan. The emigration clearance data gives an underestimate of Keralite worker migration to the Gulf because a person holding a graduate degree is exempt from emigration clearance, and the number of such graduates is very high among the Kerala migrants to the Gulf. 10

Compared to all India, Kerala contributed an average of 25 per cent of emigrants in $21^{\rm st}$ century, down from an average of 35 percent in the twentieth century. In other words, one out of every three or four Indians living in Gulf has

¹⁰ Southern states such as Kerala, Tamil Nadu and West Bengal have highest number of graduates in the country. There are no data on the state level exemption of emigration clearances but at an all–India level, it has shown an increasing trend during the last 10 years.



been a Keralite. A preceding study conducted in 1998–99 had concluded, «Migration has provided the single most dynamic factor in the otherwise dismal scenario of Kerala in the last quarter of the twentieth century... Kerala is approaching the end of the millennium with a little cheer in many of its homes, thanks to migration and the economic return that it brings. In Kerala, migration must have contributed more to poverty alleviation than any other factor including agrarian reforms, trade union activities and social welfare legislation» (Zachariah et al, 2000). But, another study conducted five years later says, «In the early stages of Kerala emigration, the beneficial effects over-shadowed the adverse effects. Now that Kerala emigration has come of age, secondary effects, which are not so beneficial, are beginning to appear». (Zachariah et al, 2004). One important negative effect has been the rise in unemployment rate due to education and «replacement migration» into Kerala from other Indian states. Emigration had a role in increasing the population with higher levels of education by boosting the willingness and the ability of the Keralite youth to acquire more education. Due to demonstration effect, a common aspiration is «to emigrate to the Gulf, earn a lot of money, get married, and live happily ever after». In recent years, many countries in the Gulf have made it mandatory to have secondary level education for migrants to enter. This has led to considerable increase in the demand for secondary level education in Kerala.

TABLE 7
Workers Granted Emigration Clearance of Government of India, by Major Indian States, 1993–2005

STATE	1993	1994	1995	1996	1997	1998	1999
Kerala	155,208	154,407	165,629	167,325	156,102	91,720	60,445
Tamil Nadu	70,313	70,525	65,737	64,991	63,672	69,793	47,402
A. Pradesh	35,578	34,508	30,284	29,995	38,278	30,599	18,983
Maharashtra	35,248	32,178	26,312	25,214	25,146	24,657	9,871
Karnataka	34,380	32,266	33,496	33,761	40,396	11,535	5,287
Rajasthan	25,243	27,418	28,374	18,221	28,242	19,824	9,809
Punjab	14,212	12,445	11,852	11,751	12,414	26,876	15,167
Others	68,156	61,638	53,650	62,956	52,174	80,160	32,588
TOTAL	438,338	425,385	415,334	414,214	416,424	355,164	199,552

Source: Author. Various Annual Reports of the Ministry of Labour, Government of India, as cited in Rajan (2003, ESCAP) for data till 1999; GOI, MOIA, Annual Reports 2004–5, 2005–6, for 2000–05.

TABLE 7
Workers Granted Emigration Clearance of Government of India, by Major Indian States, 1993–2005

STATE	2000	2001	2002	2003	2004	2005
Kerala	69,630	61,548	81,950	92,044	63,512	125,075
Tamil Nadu	63,878	61,649	79,165	89,464	108,964	117,050
A. Pradesh	29,999	37,331	38,417	65,971	72,580	48,498
Maharashtra	13,346	22,713	25,477	29,350	28,670	29,289
Karnataka	10,927	10,095	14,061	22,641	19,237	75,384
Rajasthan	10,170	14,993	23,254	37,693	35,108	21,899
Punjab	10,025	12,422	19,638	24,963	25,302	24,088
Others	35,207	57,913	85,701	104,330	121,587	107,570
TOTAL	243,182	278,664	367,663	466,456	474,960	548,853

An important aspect of Indian labour migration to the Gulf has been its lion's share in the remittances sent home to India by the workers. Beginning in the mid–1970s, there was rapid increase in remittances¹¹ coming from the developed countries, but as migrants to these countries were gradually joined by their kith and kin, these were gradually overtaken by larger proportions coming from the Gulf. Global remittances to India reached a level of US \$2,083 million in 1990–91, to US \$8,112 million in 1994–95, US \$11,875 million in 1997–98, to US \$12,290 million in 1999–2000, and eventually to 21,700 million in 2004 (Figure 4). In terms of share of GDP at market prices, these constituted 0.7 per cent in 1990–91, and 3.0 per cent in 1999–2000.¹²

Thus, remittances sent by expatriate Indians have supposedly contributed positively to the Indian economy. In the middle of 1991, India faced a serious balance of payments crisis. Foreign exchange reserves had fallen to a level hardly adequate to meet essential imports for just a few weeks. The Indian migrants in the developed countries withdrew their dollar deposits from Indian banks at an alarming rate. These problems warranted immediate action for India to avoid defaulting on its international obligations or a collapse of its economy for

¹¹ Remittances are officially known as Private Transfer Payments in India's Balance of Payments Accounts

¹² Reserve Bank of India, Report on Currency and Finance, various years.



want of critical imports (Kelegana and Parikh 2003, 111). It was the slowly but steadily growing remittances from the Indian workers in the Gulf which saved the situation for India. Today India is at the top of the list of countries receiving remittances from its migrants abroad, close to ten percent of the worldwide remittances sent home by 191 million migrants (Figure 4).¹³

Nigeria United States Colombia Vietnam Portugal Egypt, Arab Rep. Bangladesh Brazil Pakistan Morocco United Kingdom Germany 6.8 Belgium Spain Philippines France **T** 18.1 Mexico China India 25.0 0.0 5.0 10.0 15.0 20.0

FIGURE 4
Top 20 remittance–recipient countries, 2004

Source: World Bank, 2005, World Economic Outlook, Washington D.C.

Kerala's share in attracting remittances from overseas Indian workers has not been insignificant. Zachariah *et al.* (2003, pp. 214–22) have estimated the total remittances to Kerala households based on their survey carried out in 1998 in each of the districts. According to their estimates, total remittances to Kerala stood at Rs. 35,304 million, representing an average remittance of Rs 25,000 per emigrant, and a per capita receipt of Rs. 1,105 by the state population. As a rough proportion of Kerala's State Domestic product, this was close to 10 percent. They also constituted about 10 percent of the country's aggregate remittances of US\$12,000 million in 1998 at an exchange rate of approximately Rs. 33 to a dollar.

¹³ Population Headlines, No. 310, March April 2005, ESCAP, Bangkok.



POLICY DEBATES AND PUBLIC DISCOURSES IN INDIA: CHANGING PERCEPTIONS ABOUT EMIGRATION FROM INDIA

India had a moderate number of universities at the time of independence but it lacked highly trained scientific and technical human resources and an institutional base in science and technology (S&T) to embark upon the industrialization and modernization planned under the Nehruvian leadership of the early decades. The first Indian Institute of Technology was established nine years after India's independence, at Kharagpur in 1956.14 The five IITs, modeled on the Massachusetts Institute of Technology (MIT), were created to train the best engineers who would play an important role in assimilating technological change and revolutionizing India's industrialisation programme. The IITs not only created space for hundreds of faculty members, but also attracted a good number of them back from abroad. 15 As all the IITs in the beginning had intellectual and material support from various advanced donor countries such as the USA, USSR, Germany, and the UK, they introduced the guest faculty system from the respective countries. The exchange put Indian scientists in touch with the cutting-edge of technological research and advanced training (Indiresan and Nigamm 1993). The Council for Scientific and Industrial Research (CSIR) which instituted a National Register of Scientific and Technical Personnel in the late 1940s, created a special section – the «Indians Abroad» section of the National Register in 1957 towards this end, which of course did not succeed. 16

The migration of the highly skilled from India to the developed countries was first seen as brain drain when the Nobel Prize of 1968 in medicine brought global recognition to gifted Indian scientists Har Gobind Khorana who had migrated to the United States and naturalized as an American citizen around that time. The onus, however, was put on the migrants as «deserters» of the «motherland India», either openly or subtly.¹⁷ From time to time various restrictive

¹⁴ Leading scientists such as Homi Bhabha, S. S. Bhatnagar, and D S Kothari made relentless efforts to identify potential young Indian brains working abroad and persuade them to return for assuming responsible positions in Indian laboratories. It is well known that Homi Bhabha used to first identify a talent and then build the group or sub–area of research around that personality. The Tata Institute of Fundamental Research (TIFR) in Bombay was built by Bhabha this way.

¹⁵ From 1957, this section of the National Register maintained the database for persons holding postgraduate degrees in science, engineering, medicine, agriculture and social sciences. In an effort to create avenues for attracting Indian scientists and technologists from abroad, the CSIR in 1958 launched a scheme called the «Scientists Pool».

¹⁶ Even socially, crossing the seas was at one time considered a taboo in high-caste communities, e.g. as depicted in Munshi Premchand's novels and stories. Perhaps it was the cumulative effect of the nexus between the diaspora and the aspiring migrants that led to the crumbling of such taboos over time, resulting in swelling streams of migrants joining the Indian diaspora wherever it grew.

^{17 «}Children instead of Indians» was the slogan given by the leading opposition politician Juergen



measures to contain the problem were conceived, but there has never been a consensus except in the case of the medical sector – where some restrictions were introduced, but with too many escape clauses to be effective.

The most striking feature of the period has still been the relative lack of policy attention to the problem of brain drain. Education policy documents of the time did not provide for any mechanism to check the problem of brain drain. The Kothari Commission (GOI, 1966, section 198 on «Brain drain») had observed, «Not all who go out of India are necessarily first—rate scientists, nor are they of critical importance to the country's requirements» (Chapter 16). Gradually, the failure of India's industrialization programme to absorb the increasing numbers of highly qualified personnel from educational institutes coupled with the shrinking of employment space in the science agencies led to a serious problem of supply and demand and aggravated this (Blaug et al, 1969).

The policy discourse during this period thus did not pay attention the problem deserved in the face of stark realities of oversupply, unemployment and the exodus of trained human resources to foreign countries (Krishna and Khadria, 1997). As a result, many Indian immigrants who fuelled the Silicon Valley were those educated in the US at the post–graduate level after they had emigrated with a first engineering degree of B.Tech, from the Indian Institutes of Technology. Similarly, many doctors who earned laurels in their respective fields in the US had emigrated with the first MBBS degree from the All India Institute of Medical Sciences (See Table 8).

TABLE 8

The 20th Century Brain Drain of Graduates of
Top Institutions of S&E Education in India

	INDIAN INSTITUTE	indian institute	indian institute	all india institute
INDICATORS	OF TECHNOLOGY	OF TECHNOLOGY	OF TECHNOLOGY	OF MEDICAL SCIENCES,
	BOMBAY, MUMBAI	madras, chennai	DELHI, NEW DELHI	NEW DELHI
Batches of Graduates	1973–77	1964–87	1980–90	1956–80
Year of Survey	1987	1989	1992	1997
Magnitude of Brain Drain	31%	27%	23%	56%

Source: Author, using various institution—based surveys sponsored by Department of Science and Technology, Government of India, cited in Khadria (1999).

Ruettgers, BBC World Service News, «German Right under fire on immigration», Thursday, 6 April, 2000, 20:12GMT. See also «IT pros may get German green cards», The Hindustan Times, New Delhi, 13 April, 2000.

In fact, it was the Gulf war of 1990-91 that had woken up the Indian policy makers about the vulnerability of its workers in the Gulf, and the importance of their remittances to the economy. However, with shifts in the paradigm of migration, it was the perception of high-skill emigration to developed countries which had changed much more dramatically than that on labour migration to the Gulf. Thus, in the mid-1980s, the political perception of «brain drain» had suddenly given way to the perception of «brain bank» abroad, a concept dear to Rajiv Gandhi when he took over as the prime-minister of the country in1984, after Indira Gandhi was assassinated. Through the 1990s, the gradual success and achievements of the Indian migrants in the US - particularly led by «body shopping» of the software professionals to the US from Bangalore, India's Silicon Valley, and working towards averting the looming global crisis of Y2K – drew real attention of the developed countries in the West and the East alike (Van der Veer 2005, 279). The paradigm shift in the perception about professional migrants leaving India, thus took place in phases – from the «brain drain» of the 1960s and 1970s to the «brain bank» of the 1980s and 1990s, and subsequently to «brain gain» in the twenty-first century.

However, the IT bubble burst in the wake of the American recession and hordes of techies were sent back to India, having lost their H–1B visa contracts. Western European countries in the EU, including the UK looked as a more sustainable destination, and East/South East Asia looked at as an emerging destination. However, Germany's Chancellor Gerhard Schroeder's scheme of issuing 20,000 «Green Cards» to computer specialist from non–EU countries, mainly India (between 7,000 to 10,000) and Eastern Europe launched in August, 2000 was met with street protests and the wave of xenophobia of *«kinder stat inder»* sweeping Germany. Eventually, opportunities of employment multiplied within India under the emergence of business process outsourcing (BPO) – MNCs moving their capital to India rather than labour moving out of India – triggering return migration of Indians as a boon to the economy of India. ¹⁹

¹⁸ The trend of exporting Indian IT or software professionals was not new. Indian companies have been at it for the last two decades: The practice, of doing on–site software development (in the US) being called "body shopping", was predominant in the 1980s and early 1990s, mainly because the track record of Indian software companies was not proven, and the telecom infrastructure was not fully developed for undertaking jobs in India at that time. As Indian companies made their mark in executing large and complex projects, and telecom and satellite links improved, the trend of offshore software development (i.e., in India) began. This trend had augured well for the industry, boosting its export earnings a great deal.

¹⁹ Nearly 800 Americans are working or interning at information technology companies in India, and the number is expected to grow, according to India's National Association of Software and Services Companies, or Nasscom (Associated Press News, *The Economic Times, April 2, 2006*). Workers from abroad are also seeking lower–end jobs, such as answering phones at call centers, for a pittance compared with what they could earn in their home countries. They have been labelled «adventure workers»: Americans and Europeans joining the Indian workforce. Although there are no exact



In fact, the latest NASSCOM Strategic Review (2005a) and the NASS-COM-McKinsey Report (2005b), apprehends huge shortage of IT-related as well as BPO-related skills in India. The report said that currently only about 25 per cent of the technical graduates and 10–15 per cent of general college students were suitable for employment in the offshore IT and BPO industries respectively, and estimated that by 2010 the two industries would have to employ an additional workforce of about one million workers near five Tier–I cities, viz., New Delhi, Bangalore, Hyderabad, Chennai and Mumbai, and about 600,000 workers across other towns in India (*Economic Times*, 17 Dec, 2005). On talent supply, it said India would need a 2.3 million strong IT and BPO workforce by 2010 to maintain its current market share. The report projected a potential shortfall of nearly 0.5 million qualified employees – nearly 70 per cent of which would be concentrated in the BPO industry. In fact, the BPO industry has also started attracting foreigners to India in search of employment.²⁰

This roller–coaster of perception in moving from one model of the Indian diaspora–identity formation through migration to the other –between «work–seeking» by workers and «worker–seeking» by employers– gets reflected in the current official and public response in India over the changing immigration quotas of the developed host countries. India's pro–active stance towards its population overseas, incorporating a substantial scientific diaspora, is reflective of this paradigm shift only. Not merely economic, but political mileage that the NRIs and PIOs can command for India in their countries of abode has also become a focus of pride in recent years, particularly with liberalization, globalisation and world competitiveness becoming the agenda of the nations – whether developed or developing.

GOVERNMENT MEASURES AND PROGRAMMES FOR BETTER MIGRATION MANAGEMENT

Whereas provision regarding entry, regulation and prevention of «foreigners» into India and Indian citizenship are found in the Constitution, the Citizenship Act 1955, the Passport Act 1967, the Criminal Procedure Code and other regulations, there has been no systematic legal policy framework to deal with emigration out of the country. Despite the debates, discourses, and perspective, the Govern-

estimates of the number of foreigners answering phone calls in India, the National Association of Software and Services Companies (NASSCOM), the industry trade association, has estimated that there are more than 30,000 expatriates working in Indian IT and offshoring companies, three times the number only two years ago. The total number of foreign nationals working in India is estimated to be more than 50,000, with more than 12,000 registered at the IT hub Bangalore (*Asia Times Online*, Jan 19, 2006, www.atimes.com).

²⁰ An elaboration of these regimes is available in Khadria (2002).

ment of India does not have any comprehensive policy on labour migration or overseas employment, whether for skilled or unskilled workers. However, the paradigm of policy stance in India could be said to have moved over time from one of restrictive regime, to compensatory, to restorative, to developmental.²¹ The Emigration Act, 1983, which replaced the earlier 1922 Emigration Act, has been designed mainly to ensure protection to vulnerable categories of unskilled, and semi–skilled workers, and women going abroad to work as housemaids and domestic workers. Under the Act, it is mandatory for registration of all «Recruiting Agents» with the ministry (GOI, MOIA, *Annual Report 2005–6*). The government's role has been perceived as that of a facilitator in finding gainful employment to maximum number of persons, again a major development concern since India's independence, whether within or outside the country.

The newly formed Ministry of Overseas Indian Affairs, constituted in 2004, has taken the initiative to amend the Emigration Act, 1983, and introduce a number of measures. In addition, there are various other pro-active programmes that are in the pipeline of the MOIA, including benchmarking of the best practices of other progressive sending countries like the Philippines and Sri Lanka (See GOI, MOIA, Annual Report 2005–6). Overseas Indian, the house journal of the Ministry has been launched in five languages with an e-version also being made accessible. Of all the government measures and programmes in India, the Overseas Citizenship of India (OCI) - the dual citizenship is an important landmark in redefining the contours of a migration policy in the new millennium. This measure seems to be relevant mainly to the highly skilled migrants to the developed countries. A second measure, that Indian citizens abroad would have the right to exercise their votes from abroad, is primarily meant for the Indian workers in the Gulf - those who send large remittances back home but can never hope to become naturalized citizens of those countries because of restrictive regimes there. However, it is still too early to gauge the impact of these two measures as they are in their infancy.

CONCLUSION: A CRITICAL ASSESSMENT OF THE SOCIO—ECONOMIC IMPACT IN INDIA

How does one assess whether migration has changed society in India, and whether it has adequately contributed to social and economic development in India? In other words, what have been the socio–economic gains and losses arising from

²¹ The normal issue of forced migration in terms of Indians applying for refugee status in Europe, USA or elsewhere has not drawn much attention in India. Refugee issues are limited to asylees and asylum seekers in India rather than from India.



migration? These questions have traditionally been raised in suggesting costbenefit analysis at the micro-level for the individual migrant and the household, and at macro level for society and the economy as a whole.

Even if it is assumed that the micro-level assessment of benefits and losses to the households left behind in India can more accurately identify and measure the benefits, there has not been many satisfactory surveys of the psychic losses that separation of family member brings, except for a few studies carried out in the state of Kerala. For example, emigration of married men who left behind the responsibility of the management of the household to women in the family, transformed about one million women into efficient home managers, but eventually also created the social and psychological problems of the «Gulf Wives» and the loneliness of the «Gulf Parents», who unlike the relatives of the skilled migrants to the developed countries were not accompanying the workers to their destination countries (Zachariah et al 2003, 329-39; Zachariah and Rajan 2004, 48). Increase in temporary migration over permanent migration of even skilled migrants, to developed countries, has also led to creation of what I have elsewhere called «nomadic families» on the one hand and a new kind of «forced return» on the other for the skilled migrants, but these have not been assessed or analysed (Khadria, 2006a). 22 Another related but unattended facet of Indian migration has been the gender issue. No comprehensive data are available on women migrants as dependents or workers, not to consider in-depth analyses of the trend and impacts. Some receiving-country data are available, like the US Census, or the UK workforce data indicating the proportion of women amongst Asian Indian ethnic group population which comprises migrants, or particular professional groups like Indian nurses respectively, and Singapore data on Indian maids. Beyond this, analyses of the gender dimension of Indian migration have remained, by and large, either stereotypical or case-study based.²³

Of course, there has been concern followed by diplomatic action at the plight of the migrant workers of Indian origin employed abroad whenever a crisis has erupted, be it the Gulf war, or the Iraq war, or the random abductions of Indian truck drivers, the recent beheading of an Indian engineer by the terrorists in Afghanistan, or the sudden arrests of Indian IT professionals in Malaysia or the Netherlands and so on (*Hindustan Times, Times of India, Straight Times*, April–May, 2006). However, India virtually exerts no control over migration flows of highly

²² For example, one such neglected gender dimension of high–skill emigration has been the denial of right to work for the H–4 dependent visa holding spouses, mostly wives, accompanying the celebrated H–1B Visa holder Indian male migrants in the US, leading to financial and mobility dependency on husbands followed by discrimination, exploitation, and sometimes mistreatment. See Devi (2002) as cited in Van der Veer (2005, 283).

²³ The present agitation in India over reservation of seats in higher education institutions for the underprivileged castes is a case in point.



skilled categories. Even unskilled migration flows are controlled only to the extent they fall under the purview of the Emigration Clearance Required (ECR) category of passports, with limitations mentioned earlier. As a result, what has not been looked into is how the possibility of migration itself has created a sense of desperation amongst the low–income Indian populace to emigrate for the sake of upward socio–economic mobility of the family left behind in India, even at the risks that accompany migration overseas. Similarly, there have been no studies on the impact of skilled migration on career choices and educational choices in India, where there have been a lot of choice distortion and inter–generational or even inter–community conflict over educational choices that have taken place but remained un–analysed if not un–noticed (Khadria, 2004b; NCAER 2005).²⁴

At the macro level, the attempts have not progressed beyond identification of the indicators, viz., remittances, transfer of technology, and human capital embodied in returning migrants (Khadria 1999, 2002). Even in the case of macro-economic assessment of much talked about remittances, there has been a «silent backwash flow» from the south countries of origin like India to north countries of destination like the UK, Australia, and the US – in the form of «overseas student» fees (Khadria, 2004c, 2006a). This has remained un-estimated and unanalysed so far. The rises in disposable income of the Kerala households arising from remittances have had its effect on the consumption pattern in the state, including on enhanced family investment in education for migration (Zachariah and Rajan, 2004). 25 But, consumerism and house building activities have drained the state of the development potential of its remittance receipts, leading many families to financial bankruptcy, even to suicides. Apart from this, the increasing economic and political clout of the «new rich» in Kerala is reported to have created a climate of resentment against them among the other communities (Zachariah and Rajan, 2004).

Notwithstanding this, whereas the volume of remittances from Indian labour migrants in the Gulf have drawn a lot of attention, the other two areas, viz., transfer of technology and return migration that have been thought of as the positive outcome of skilled migration to the developed countries, even quantitative assessment have not been adequate. Most studies have not gone beyond

²⁴ At the same time, remittances have led to the opening up of a large number of new schools and colleges on the one hand, and to enabling the youth to buy a costly private education on the other hand – both contributing to unemployment amongst the current generations of Kerala youth who no longer want to work in traditional lines of occupations. Secondly, an equally important «adverse» effect has been the emergence of «replacement migration» of labour into Kerala from the other Indian states. Apart from the fact that wages have gone up in Kerala to be highest in India due to shortage of unskilled and semi–skilled workers, labourers from other states also accept low wages and poor living conditions to work in Kerala, adding to unemployment of the local generations of youth.

²⁵ Today, Britain is an endless repository of success stories of the Indian professional diaspora, ranging from Lord Swraj Paul, to steel magnate Laxmi Mittal, to icons like Nobel Laureate Amartya Sen.



talking about the need to assess the quantitative outcomes in terms of volumes of flows of technology collaborations and the numbers of returnees. Collection and availability of data have been the main constrains of researchers in going beyond this in these two areas, although sporadic information on transfer of technology has revealed not necessarily rosy pictures arising from the contribution in the field of transfer of technology; rather, the «reverse transfer of technology» – a term used by the UNCTAD studies carried out in the 1970s - from countries of the south to north still seems to be continuing in the form of brain drain of IT professionals and so on (Khadria, 1990). Return migration has become topical in the context of «outsourcing» of business processes to India picking up after the IT bubble burst in the US, but here too there have been no systematic assessment of the numbers and quality of the returnees, although some studies emphasise the return to India as unsustainable because the returnees tend to go back after a short stay in India (Saxenian, 2005). Some involvement of circulating returnees have of course been noted in NGO activities for socio-economic development at the grass-roots level in India but these have remained largely anecdotal (as cited in Khadria, 2002).

What would be useful as a policy tool is «adversary analysis» whereby the contribution to social and economic development in countries of origin would be assessed from the point of view of the stakeholders in countries of destination. To do this in a multilateral international–relations framework at fora like the GATS under WTO, the benefits of remittances, technology, and return migration to south countries of origin can be weighed and even pitted against three advantages of «Age, Wage, and Vintage» that accrue to the destination countries of the north. These are the advantages derived through higher migrant turnover in–built in temporary and circulatory immigration, and operationalised by (a) bringing in of younger migrants to balance an ageing population, (b) keeping the wage and pension commitments low by replacing older and long–term migrants with younger and short–term migrants, and (c) stockpiling latest vintage of knowledge embodied in younger cohorts of skilled workers respectively (Khadria, 2006a, 194). It remains to be judged and explored what are the cost aspects of these benefits.

The changed perceptions of the destination countries, in which the Indian professional migrants have settled to form a diaspora, might play a catalyst's role in this exercise. The changed values are now attributed to the Indian diaspora itself that has defied the anticipated doom by rising to unforeseeable economic success in the destination countries of the north, leading to a paradigm shift in the societies and regions where Indians have settled.²⁶ The reason lies in the

²⁶ See Barré et al, eds. (2003) on diaspora as a policy option.

realization of the host countries that, given the appropriate help, resources, and local support, one type of migrants – the suspected «social parasite» – can become the other, the social boon, or as someone has phrased it, the white West's «great off—white hope» (Alibinia, 2000).

This has led to a major paradigm shift in India too – to look at migration as a process leading to formation of the «Indian Diaspora», an option for turning the challenge of migration into an opportunity, and therefore *gainfull*. What remain for India as well as these host countries in the emerging international relations paradigm is to judge where the loyalty of the Indian diaspora would lie? Whether Indian migrants would no longer be treated by India as the «deserters of the motherland», or as «social parasites» by the host countries?

The diaspora option, because it is holistic in identity, would also foster the emphasis that the GCIM (2005) report has made in stating, «the traditional distinction between skilled and unskilled workers is in certain respects an unhelpful one, as it fails to do justice to the complexity of international migration... While they may have different levels of educational achievement, all of them could be legitimately described as essential workers (emphasis added)». While the dichotomy between skilled and unskilled migrant workers is unwarranted, lately India has drawn disproportionately high worldwide attention to the success stories of its highly skilled human resources doing remarkably well in the world labour markets abroad - the IT professionals, the nurses, the biotechnologists, the financial managers, the scientists, the architects, the lawyers, the teachers and so on – there being almost a fray for them amongst the developed countries - the German Green Card, the American H1-B visa, the British work permit, the Canadian investment visa, the Australian student visa, the New Zealand citizenship, all mushrooming to acquire Indian talent embodied in workers as well as students. In contrast, the Indian labour migrants in the Gulf have been considered more of a responsibility than pride for India. To neutralise this imbalance and empower the Indian labour migrants, the interest of the stakeholders in the Gulf (and South-east Asia too) are gradually being looked into, and innovative programmes are being introduced. The developments following the institution of the «Pravasi Bhartiya Divas» (Expatriate Indians Day) and constitution of a separate ministry of the government of India reflect a break from the past - a confidence emanating from a paradigm shift towards India taking pride in its diaspora, and vice-versa.

What is required, however, is a long-term policy that is aimed at establishing India's links with the Indian diaspora for sustainable socio-economic development in the country. To arrive though at a proverbial «win-win» situation in international relations for all the three stakeholders – India as a south country of origin, the Indian migrants as part of its diaspora, and the host destination countries of the north, two specific conditions must be met: A «necessary condition» of dominant or significant global geo-economic presence of the Indian workers;



and a «sufficient condition» of India deriving sustainable benefits from that global geo-economic presence. In terms of the large demand for Indian skilled as well as unskilled workers abroad, and the migrants establishing excellent records of accomplishment in the labour markets of the destination countries, the first condition has more or less been met. To satisfy the sufficient condition of India deriving significant gains from the global geo-economic presence of the Indian migrants, the flows of remittances, transfer of technology, and return migration must all be directed not «top down» but «bottom up» - not towards trade and business but towards the removal of two kinds of poverty in India – the «poverty of education» and the «poverty of health» – areas where migration has so far failed to change the society in this country of origin by contributing to its economic and social development. Large masses of the illiterate and uneducated population, incapacitated further by their poor health status are the root causes of India having one of the lowest levels of average productivity of labour, and therefore lowest average wages in the world – a paradox when Indian diaspora members, on the average, figure amongst the largest contributing ethnic communities in their countries of destination. For example, it is indeed paradoxical that the average per-hour contribution of each employed worker within India to the production of India's gross domestic product (GDP) has been amongst the lowest in the world a mere 37 cents as compared to the United States' 37 dollars, i.e., one-hundredth of the latter. This is naturally ironical, because the same average Indian employed abroad contributes very high average share to the GDP of the country where one settles and works (Khadria, 2002). The Indian diaspora networks and associations abroad could, therefore, play the catalyst's role – be it economically, politically or culturally - in raising the average productivity of mass Indian workers at home by thinking health and education in India as areas of diaspora engagement, rather than focusing on immediate «profit-making» ventures in industry and business.

This sets a «double challenge» of public policy for a sending country like India: First, to convince its own diaspora community to rethink the development process in India as a «bottom up» creation and enhancement of sustainable productivities of labour through development of education and health rather than a «top down» development through participation in business and industry - one comprehensive, the other dispersed; one long-term, the other immediate. It is not just a matter of willingness; in many instances, it would entail long periods of struggle in creating those decision-making and priority-setting discerning capabilities amongst the leaders of the migrant community. Secondly, India must be able to convince the countries of destination (and the other countries of origin in the south as well) to distinguish between most «painful» and most «gainful» socio-economic impacts of migration of its workers - both skilled and unskilled. The «adversary analysis» in multilateral fora would help a country like India press for international norms in the GATS negotiations around the issue of movement of natural persons as service providers under trade, which is just another description for promoting the temporary entry of migrants. At multilateral dialogues, the vulnerability of the migrants and the instability of trends underlying the «open—and—shut policy» of the destination countries in the north could be the two key aspects that the south countries of origin ought to negotiate out of international migration as the most hurting ones.

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