



## India: Skilled Migration To Developed Countries, Labour Migration To The Gulf

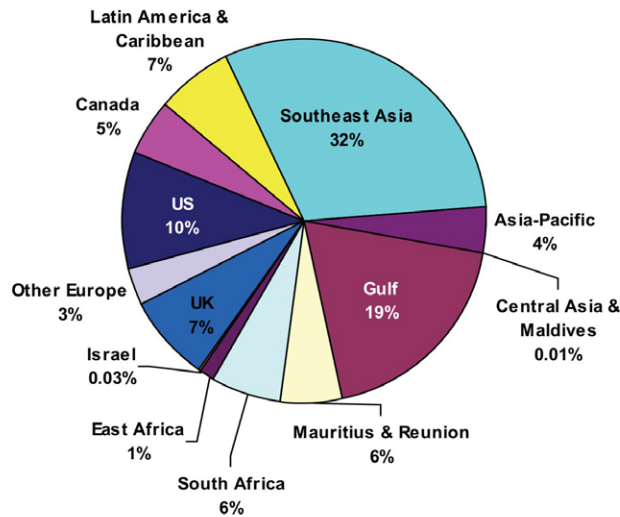
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I. INTRODUCTION:  
GLOBAL OVERVIEW ON INDIAN MIGRATION

FIGURE I  
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.

Figure 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” in official as well as general parlance in India (since the Report of the High-Level Committee on Indian Diaspora of 2001) were recorded at the close of the twentieth century.<sup>a</sup> This stock has been a function of the flows of migration of unskilled, semi-skilled and skilled workers and their families from India as an important source-country of the South over time.<sup>b</sup> 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 in the plantations and mines in the colonies, immediately after the British abolished slavery in 1834 - in far away places in the Caribbean (Guyana, Jamaica, Trinidad), the Pacific (Fiji) and the Indian Ocean (Mauritius, South Africa, and East Africa), and south-east Asia (Malaysia, Singapore), as well as in neighbouring South Asian countries (Sri Lanka and Burma) – leading to what is sometimes also called the ‘brawn drain’.<sup>c</sup> The ‘brain drain’ – an 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 that picked up in the post-mid-1960s, became more prominent with the more recent migration of the IT workers, and nurses that has continued in the twenty-first century, contributing *inter alia* to the concentration of skilled Indian migrants in the US and Canada, the UK, and other European countries in the west, and Australia-New Zealand in the Antipodes in east. 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 and now encompassing small but growing numbers of skilled and professional migrants as well<sup>d</sup>.

The emotive concern about the highly-educated or skilled knowledge workers supposedly 'deserting' India, as well as the indifference to the large scale labour migration to the Gulf (with the genesis of indifference going back to the Indian diaspora in other destinations like the Caribbean, and South- and East- Africa) have 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 come to India and contributed to the swelling of its foreign exchange reserve. Both these perceptions need moderation as there are positive as well as negative implications arising from these migrations for the countries of origin and destination to tackle together. There is a novel international context here setting a "double challenge" for public policy in a sending south-country like India to face: First, to recognize and convince its diaspora, of the strategic importance of migration as both a challenge and an opportunity for participating in India's development, and secondly, to rethink the development process with a transnational perspective that incorporates the cooperation and collaboration of the destination countries of its migrants.

In this paper, Section 2 is on the general contextual background of India, highlighting those aspects of the demographic, economic and internal dynamics of migration that have had a bearing on the evolution of trends and policy of international migration from India. Section 3 is devoted to India's transnational connectivity through skilled migration to the developed countries, including an analysis of how these connectivities have empowered the migrants to create capabilities to participate in India's development. Section 4 is on socio-economic empowerment of Indian migrants in the developed countries, mainly the United States. Section 5 is devoted to labour migration to the Gulf, mainly unskilled and semi-skilled, including some discussion on the remittances sent by them to India. Section 6 is on the socio-economic impacts of Gulf migration on the Indian states of origin, with particular focus on the state of Kerala. Section 7 is on the evolution of, and changes in the perceptions of migration in India and the policy debates and public discourse connected with them. Section 8 includes a list of measures undertaken by the Government of India in the context of the developed destination countries but more so for the Gulf migrants. The concluding section is a commentary on whether and how migration has changed the society in India; contributed to its economic and social development, and empowered or could empower the country to face the "double challenge".

## 2. 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. The region experienced largest flows in connection with the major political upheavals which produced substantial changes in the political map of the subcontinent. 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 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.<sup>6</sup>

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 too became such destination later on.

Whereas the first flow has been mainly a legacy of the British colonial links, the later two flows, the subject matter of this paper, could be situated in the context of the development path adopted by the Indian policy makers in Independent India. Being directly related to the issue of employment, the chosen path of development was in turn also linked to India's demographic development and internal migration across the states of India:

The population census has remained the most important source of demographic and internal migration data in India. Analysis of inter-district and inter-state migration streams has been made on the basis of birthplace statistics collected in all the censuses from 1881 onwards. It was not until 1961, however, that birthplace was classified as *rural or urban* and migration from there as (1) within the district of enumeration – *intra-district*, (2) outside the district but within the state of enumeration – *inter-district*, (3) outside the state of enumeration but within India – *inter-state*, (4) or from outside India. Information on duration of residence at the place of enumeration was also collected for the first time in the 1961 census. The 1971 census refined these statistics by including a question on “place of last residence” and the 1981 census included yet another question on “reasons for migration”. However, the “normal place of residence” of a person was defined in relation to the period (18-21 days) of census enumeration. If they were in a different place, they were enumerated there as migrants, even if it was purely a temporary move. In contrast, the large-scale sample surveys, like those of the National Sample Survey Organisation (NSSO) have excluded such persons from being counted as migrants (Premi 1990, 189-90). To this extent, the Census of India overestimates migration, and need to be interpreted with caution.

In the 1961 census, 145 million persons (33% of total population) were enumerated at places other than their birthplaces and hence counted as lifetime migrants. In 1971 census, 167 million (or 30.4 percent) were so counted, which further rose to 204 million (30.7%) in 1981, and to 230 million (27.8% of 838 million total population) in 1991, and eventually to 307 million (30% of 1,029 million population) in 2001 census. By “place of last residence” the number in 2001 census was higher at 315 million. The component of inter-state lifetime migration has been approximately one-tenth of these dimensions: about 3.5 % of the total population of the country between 1961 and 1981, and then falling to 3.2% (27 million) in 1991 before rising again to 4.1% (42 million) in 2001 (Premi 1990, 191-92; GOI, *Census 1991*; *Census 2001*). India is now divided into 28 states and seven union territories, comprising 602 districts. As per 2001 Census data on inter-state migration, Maharashtra received the largest number of migrants (8 million) from other states and other countries *by place of birth*, followed by Delhi (6 million), and West Bengal (5.5 million). In 1991 Census, the corresponding numbers of migrants into Maharashtra were 4.3 million, Delhi 3.7 million and West

Bengal 5.1 million, indicating a sharp rise in migration to the first two over the decade. During the decade, the number of migrants in India (excluding the state Jammu & Kashmir) rose by 33% - relatively very high in comparison to India's population, which recorded a growth only of 22%. On the basis of net migration during the decade, i.e., the difference between in-migration and out-migration in each state, Maharashtra stood at the top of the list with 2.3 million net migrants, followed by Delhi (1.7 million), Gujarat (0.68 million) and Haryana (0.67 million). Uttar Pradesh (minus 2.6 million) and Bihar (minus 1.7 million) were the two states with the largest number of net out-migration from the state (GOI *Census 2001*).

This pattern of net internal migration has continued from the past, to be one of radiation out from the north central states of Uttar Pradesh and Bihar towards West Bengal and Assam in the east, Delhi and Haryana in the west, and Madhya Pradesh and Maharashtra towards the south and south-west (Skeldon, 1985, 39-41). Uttar Pradesh and Bihar are the two most populous states in India and both have had higher than average proportions of rural population, 86% and 90% respectively, compared with the all India average of 80% rural. The net migration away from these states has been eastwards to the long established heavy industrial regions in West Bengal, and westwards towards the administrative-bureaucratic hub New Delhi, the capital of the country with recent industrial development in and around it. Towards the south, there has been pronounced net movement from Uttar Pradesh towards Madhya Pradesh with its heavy industries around the state capital Bhopal, and towards Bombay (now Mumbai), another state capital and the great industrial and port city in Maharashtra. In the south of the country, the state of Karnataka, with its recent industrial and IT-related development around Bangalore, again a state capital, is an important target for movement from the densely populated rural areas of three neighbouring states of Kerala, Tamil Nadu, and Andhra Pradesh. However, the state of Karnataka has itself been an important source too, for migration northwards to Maharashtra. The Punjab, in the north-west of the country, with its large number of industrial towns, and high density of agriculturally prosperous rural population experienced both large-scale out-migration and in-migration to and from neighbouring states of Haryana and Uttar Pradesh and therefore did not figure in the net population flows. Thus, there have been three clear foci of net in-migration which correspond to the states in which the three principal metropolitan cities are located, viz., Calcutta (now Kolkata) in West Bengal in the east, Mumbai in Maharashtra in the west, and Delhi as the central capital in the north. Very generally, in the northern states the dominant trend of movement has thus been west to east while in the south it has been east to west and there has been a definite north to south link between the northern and southern patterns of movement (Skeldon 1985, p. 39-41).

Total inter-censal migrants *by place of last residence* (of 0-9 years of stay) were enumerated by Census 2001 at 98 million. Reasons for this migration during the last decade have been: Marriage 43.1 million (43.8%); 'Moved with household' 20.6 million (21.0%); Work/Employment 14.4 million (14.7%); 'Moved after birth' 6.5 million (6.7%); Education 2.9 million (3.0%); Business 1.1 million (1.2%); and Other 9.5 million (9.7%). Marriage was cited as the predominant reason for migration among females. About 42 million migrants out of total 65 million female migrants cited this reason for migration. Among males, the most important reason for migration was 'Work/ Employment', 12 million out of 33 million total male migrants returning this as the primary reason for migration (GOI *Census 2001*).

Although the perception of internal migration has been mostly in terms of rural-to-urban migration, and especially migration to the big cities, (i.e., internal migration being viewed almost wholly as a concomitant of urbanization), the decade of the 1970s had witnessed new patterns of internal migration in India, and the significant issues arising out of such migration has been not the volume, but its political, social and economic impacts, which in several cases have been profound. In different regions of India, there has been a growing conflict between the "sons of the soil" – the locals, and the "outsiders" – migrants from other states of India (Weiner 1978, p.3).<sup>f</sup> The roots of the conflict between the "sons of the soil" and "outsiders" lay in economic factors. Religion, caste, and language have been mere issues used for conflict in a situation where employment opportunities were not expanding and there was slow and even stagnating economic growth, with increasing disparities between different communities and regions.

These have been mainly due to the failures of many policies that were introduced to achieve a more desirable and balanced regional development in the country. Dispersal of industries, establishment of heavy industries in the new townships, land development schemes and the opening up of new agricultural areas, urban development programmes, especially those concerning slum dwellers and squatters etc. were some of the measures adopted. All these have had implications for migration patterns within India, but they failed mainly because at the time of independence, India, being a British colony, continued with the political and administrative structure inherited from the latter. While this had advantages for industrialisation and economic growth, there were also negative aspects, the most significant being the 'denial of self-esteem' inherent in the 'divide and rule' policy the British had followed (Kelegana and Parikh 2003, 84-85). Directly or indirectly, this influenced the repudiation of the British policies in adopting the objective of national integration by re-establishing India's own identity and culture. As such, India adopted an import-substitution strategy of industrialisation with widespread state intervention in financial and labour markets, promoted state-owned 'public-sector' enterprises in all sectors, and resorted to all-pervasive regulation and planning that it had not prepared itself for. India's slow economic growth was the result of all this. Initially, import substitution looked to be a rational policy, providing many opportunities for a newly independent country to manufacture the goods it needed and used to import. Soon however, import substitution turned into the slogan of 'self-reliance' for which technology imports were restricted to those 'appropriate technologies' that could be assimilated rather than the state-of-the-art cutting-edge ones. Curtailment of import content rather than domestic resource cost of production became the guiding parameter. Even when world trade grew at an unprecedented rate in the 1950s and 1960s, export pessimism was not given up by India's policy makers, and tariffs and quotas continued to restrict imports.

In addition, the strategy of industrialisation was based on a heavy-industry-first principle. The result was a preference for capital-intensive technique than a labour-intensive technique that would have been more appropriate for a highly-populated labour-abundant country. Simultaneously, the policy of protecting the organised labour led to a kind of "labour aristocracy", wherein the real cost of organised labour has been way above the costs of unorganised labour. Labour laws made it extremely difficult to retrench any worker, and even economically unviable units were not permitted to close down; rather they were taken over by the government. Bonus to the workers was considered as deferred pay not linked to productivity or even profitability of the enterprise. This had its toll on employment growth in India as entrepreneurs found it strategically wise to restrict regular employment, and promote subcontracting leading to spread of ancillaries.

The pervasive controls over the economy provided enough scope for creating what economists call a 'rent-seeking society' where industrialists and traders, bureaucrats, and politicians found it much more profitable to thrive on 'directly unproductive profit-seeking' (DUP) activities than those increasing the efficiency of domestic production and improvement in the functioning of the domestic economy (Krueger 1974, Bhagwati 1982). Domestic industry, which was already protected from foreign competition through import restrictions against any domestically available product, and from domestic competition through industrial licensing, thus had no incentive to be efficient. The only groups that suffered were the consumers who got poor quality products at high prices, and the skilled and unskilled job-seekers facing vacancy shortage and low wages. The educated and highly skilled classes were co-opted into developing a vested interest in the system through open recruitment of graduates for the high social-status administrative services that absorbed many of the brightest and idealist youths into vocations other than what they were trained for.<sup>8</sup> The socialist slogans and the public sector which ostensibly protected them against the private capitalists, and a state that promised to eliminate poverty in fifteen years were able to win the loyalty of many educated Indians, some to be disillusioned later.

The public sector was developed for a variety of reasons – to reduce concentration of economic power, to control the 'commanding heights' of the economy and to provide a means to balance industrial development across regions. One of the ways in which the 'commanding heights' were considered conquered was when more than two-thirds of employment in the organized sector was registered in the public sector, though generating only fifty-five per cent of the value-added in the organised sector. Despite miserably failing in generating

surpluses, one objective that the public sector fulfilled was that of being a 'model' employer. This has been true at least from the viewpoint of those who got employed by it but not from the viewpoint of economic efficiency or those seeking jobs.<sup>h</sup> In 1980-81, public sector employees accounted for only 6.8 per cent of the labour force but earning as much as 39.8 per cent of the wages and salaries in the entire economy. The situation became even more skewed after the Fifth Pay Commission revisions in the government pay scales of more than 70 per cent of the employees in the organised sector were effected in the late 1980s and the 1990s. *This had further constrained the growth of employment of the educated and the highly skilled white-collar workers within the country and many left in search of 'greener pastures' abroad.*

On the other hand, the trade union movement brought similar employment benefits to the semi-skilled and unskilled blue-collar workers in the unorganised sector. They were able to extract job security with wages which were sticky downwards. In 2000, it was yet not possible even for privately owned organised sector industries to retrench a worker without a written permission from the state industries ministry, permission that is almost never given. The public sector also grew in two other ways - when the government nationalised insurance, banking, and coal industries, and when the government took over sick private industries that could not retrench workers. There were no groups that opposed this growth of the public sector. In the process of its growth, it created a large vested-interest group of employees as well as bureaucrats and politicians who enjoyed the power and privileges of running large enterprises, and giving employment to only a few favoured ones.

The development of village and small-scale industries (VSIs), which was an important element of India's development strategy basically meant to slow down rural-urban migration, and promote regionally balanced industrialization and thereby equity, could have provided broad-based employment to millions of unskilled and semi-skilled workers in a dispersed manner across states and rural areas,. There was widespread political support for such a strategy. It seemed to restore the setback suffered by craftsmen and rural artisans during the British colonial rule and from the new tastes and products flooding the markets (Kelegana and Parikh 2003, 108). It also satisfied the large number of those who were not persuaded by the heavy-industry-first central-planning-based development pushed by Prime Minister Nehru and his supporters. It constituted a middle path between the Gandhian and Nehruvian approaches. However, the concessions to VSIs that led to their growth also created problems, like fake smallness and other corrupt practices on the one hand, and vested interest in remaining small even where there were economies of scale on the other. Even the reforms of the 1990s did not touch small scale industries (SSIs). Production for more than 800 products is still reserved for SSI, as against 47 when first reserved in 1967. SSI reservation of low-tech items with large export potential such as garments, toys, shoes, and leather products has cost India enormously in terms of lost exports. India and China exported comparable amounts in 1975. Had India shared the global market with China, India today should have been exporting \$55 billion worth of these products, instead of \$15 billion (Kelegana and Parikh 2003, 118; See also Sen & Dreze 1996, 39). *The critical casualty was growth of employment of the unskilled and semi-skilled labour, leading to migration, first from rural to urban areas, and eventually to the Gulf in large numbers.*

Even the "new" urbanisation policy favouring small and medium-sized towns was not really new. Almost every Five Year Plan discussed urban development policies more or less in the same terms, but nothing concrete emerging ever (Bose 1983, 180). The persistent decline in the importance of small towns has been an indication of the deterioration of economic conditions in these towns and the consequent movement of population towards the big cities in search of better economic opportunities. The gap between the professed policies and the actual implementation of those policies has been worsening the state of affairs in the big cities. The Urban Land and Ceiling Act (1976), for example, was to restrict migration to urban areas, but its effective implementation did not happen because of a lack of political commitment and because of frequent changes in government (Bose 1983, 181). Same was the fate of the new industrial policy designed to promote small-scale and cottage industries away from the larger cities. Much depended on the ability of the government to outwit the industrialists and entrepreneurs, who invariably took advantage of the loopholes in any such policy at the stage of implementation.

Rural industrialisation programmes designed to increase non-agricultural activity in the rural areas certainly helped to raise the incomes of the people in these rural areas, but there is very little evidence that the employment structure was affected significantly. Moreover, most of these programmes, by improving the skills of the rural artisans, made them more acceptable in the urban labour market, and not in the rural areas they came from. As such, the training content of rural industrialisation programmes led to increase in rural-to-urban migration, or migration to the Gulf. The crucial factor about rural industrialisation was the location of industries. Industries located in small villages, with small population, faced the disadvantage of limited markets and did not survive for long. Overall, in the implementation of urban policies, the failures have been far greater than the successes. In spite of the efforts made in all the Five Year Plans to formulate policies and programmes to curb migration to the big cities, there is no evidence that such migration was in fact contained. The role of cities with a population of over a million continues to be increasingly dominant. There was thus a need to consider the process of urbanisation not merely as a concomitant of industrialisation but in the wider context of agricultural development and rural transformation, which alone could provide an effective deterrent to unending rural-to-urban migration and the virtual breakdown of the urban infrastructure too. There was also a need for an imaginative and innovative approach to the problem of unemployment in both rural and urban areas, based on generating mobility of labour in a planned manner so as to ensure the maximum utilisation of human resources not in local areas alone but in the country as a whole. (Bose 1983, 182). As this was missing, urban educated youth found their greener pastures in the developed countries, and the rural labourers in the Gulf. Reforms of 1990s only institutionalised these flows, and made India's external migration to countries abroad relatively more important than internal migration across the states - in terms of their socio-economic impacts in India, although the dimension of the former has been half of the former at 2 percent of the population involved in it as compared to the latter being 4 percent.

### 3. 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, in press (a), (b); both forthcoming 2006). 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. While some of the several thousand soldiers and seamen decided to stay back in Britain after the war, others returned from India to meet the post-war labour shortages there. 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 that were becoming available more and more 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, Indo-Canadians were granted the right to vote too. The explicitly racist provisions in the Immigration Act were changed, lest Canada's image abroad as a humane and peace-loving country be tarnished. In 1962, new regulations to the Act were introduced, prohibiting the use of race, colour, and national origin as criteria for the selection of immigrants, and the points system that followed facilitated increasing immigration of the skilled, educated and qualified Indians.



In the United States, until the Second World War, Indian immigration was mainly restricted to the presence of illiterate labourers – those working on the Pacific coast lumber mills, docks etc, and a few educated Indians, who were political refugees or students.<sup>i</sup> Roosevelt himself, as President of the US, had written to the chairman of the House Committee on Immigration and Naturalization in support of the withdrawal of barriers before a bill was moved in the House, saying, ‘Statutory discrimination against Indians now serve no useful purpose and [is] incongruous and inconsistent with the dignity of both our peoples’ (Jensen 1988, 279). The bill resulted in the 1946 amendments to the US Immigration Act, which ended almost 30 years of exclusion of Indians by setting an annual number of 100 as their national quota. All this was partly a sequel to the lifting of barriers against the Chinese immigrants in 1943, but a more immediate objective was also to ameliorate the growing antagonism of Indians towards American troops that were still stationed in India after the Second World War had ended. The small beginning was consolidated further by the visit of the Prime Minister Jawaharlal Nehru to the US in October 1949, hastening change from the earlier phase of Indian immigration to the US, which comprised mainly the unskilled workers, culminating with the 1965 amendments to the Act which finally opened the gates for absorbing the highly skilled and the professional Indians over the decades to come.

In the developed countries today, the focus on the Indian skilled migration remains in the United States, the country with the largest stock as well as flow (up to 80 per cent of Indian migration the developed countries) of educated and professionally qualified personnel from India today. This would sound ironical historically because the American ‘exclusionist’ Congressmen of the early twentieth century were a strong lobby to have successfully introduced, even in the face of vehement opposition and two defeated vetoes from President Woodrow Wilson, a ‘literacy test’ for immigrants so as to specifically restrict them from non-English speaking countries, in particular those of Asiatic origin like India and China.<sup>j</sup> Designed not to selectively attract the literate and educated Indians *per se* but to keep out all ‘Asian Indians’, as the Indian are classified in the U.S. Census, as the ‘least desirable’ of all immigrants, this only proves that Indian immigrants to the U.S. then - those working on the Pacific Coast lumber mills, docks etc. - were largely not the highly qualified *knowledge workers* but illiterate labourers at the lowest rung of the *service workers*.<sup>k</sup> These early immigrants to the U.S. went mostly from the Punjab state and, to a lesser extent, from Bengal, Gujarat and Uttar Pradesh and they settled in the West Coast of the United States, primarily California, the state which is even now in the forefront of resistance to immigration of foreign labour - by denying the illegal immigrants’ from Mexico to begin with, the access to social security benefits, schools and health services. After 1917, when the ‘barred zone’ included India, it was the Act of 1921 which generally shifted restrictions from the qualitative to the quantitative domain, i.e., from barring certain ‘undesirable kind of persons’ to enforcing a ‘national origins quota system’ formally introduced in 1924. The new system had introduced a numerical restriction based on the national origins of those nationalities that comprised the population of the U.S. in 1920, but because, unlike in the case of Canada, the population of Indians in the U.S. had stopped growing at any natural rate ever since the literacy test had come into force in 1917, the new immigration Act did not provide for any quota for Indians. Subsequently, the system was rationalized on the basis of cultural and historical ties by the Immigration Act of 1952, and the ‘national origins’ quota system was finally done away with in the landmark 1965 Amendments to this Act, thereby bringing Indian immigrants’ right to enter the United States at par with that of the citizens of other countries. This was in fact the beginning of the end of the first phase of Indian immigration to the U.S. that had incorporated mainly the ‘service workers’, with the 1965 Amendments opening the floodgates for the ‘knowledge workers’ of India.

It was in the 1970s that the US overtook both the UK and Canada as the prime developed country of destination for Indian skilled migrants. 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, registered rapid increase during the 1970s, reaching a peak of 3.8 percent in the decade that tapered off in the 1980s till about 1991 but went on the upswing in 1992, touching almost 5 per cent in 1999 and 2000 (rounded from 4.7 % and

4.9% respectively in Table 1), and crossing 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 the U.S., 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). Even in the post 9/11 regime of tight immigration 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).<sup>1</sup>

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 (INS data regime)			2001 (INS data regime)		
	A	B	C	A	B	C	A	B	C
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 (DHS data regime)			2003(DHS data regime)			2004(DHS data regime)		
	A	B	C	A	B	C	A	B	C
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 number: 79370			Global number: 46495			Global number: 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 increase in the 1970s is generally attributed to the US Immigration and Nationality Act Amendments of 1965, fully brought into force in 1968. Within the overall kinship-emphasis in family-reunification clause of the 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, this modern phase of Indian immigration to the United States was distinctly different from the earlier phase that had comprised mainly the unskilled workers and labourers. Urban, educated, and *ironically* ‘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’.<sup>m</sup> However, since the mid-1970s till 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 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. The 1965 amendments to the 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.<sup>n</sup>

After 1992, it was the relatively less noticeable route of temporary migration that started to become pre-

dominant. 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.

TABLE 2  
Number of Indian Citizens admitted as non-immigrant 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 (O1)
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.

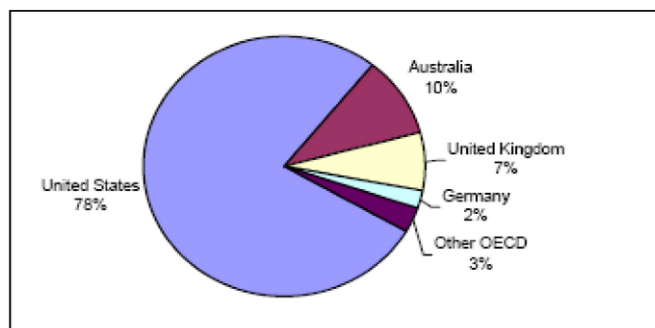
Thus, of the three major issues of the US immigration policy viz., (a) ethnic balance in the population, (b) illegal immigration and (c) labour force needs, Indian immigration has mainly catered to the last one. The Indian knowledge workers entered the American geo-political territory not only through increases in the share of 'occupational preference' visas issued to 'numerically limited' category of "green card" immigrants. In addition, they also entered through 'limited' 'family preference' visas, as well as the two other unlimited 'exempted' categories, viz., 'immediate relatives' of the (India-born naturalized) US citizens, and the 'nonimmigrant' 'temporary workers and trainees' (under the H1-B category), but with the provision of adjusting to the status of permanent residents, viz., the 'green card' holders subsequently.

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 'semi-finished human capital' of Indian professionals abroad (Abella 2006, Majumdar 1994). 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 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 long-term ambassadors in the international political arena.<sup>o</sup> India has thus become a ‘must destination for internationally renowned educational institutions shopping 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. Most diplomatic missions project these as ways ‘to facilitate the search of a foreign education to Indian citizens,’ but the countries also compete against each other for the generic Indian ‘semi-finished human capital’ - the student. 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.

FIGURE 2

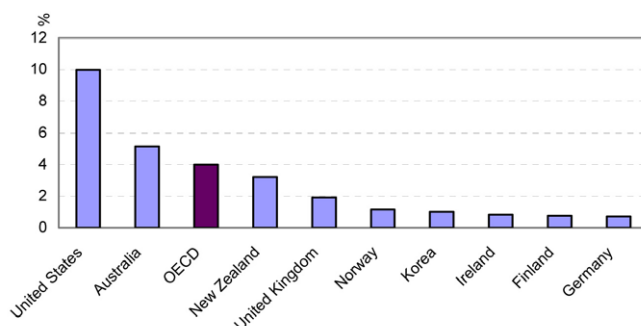
Distribution of Indian tertiary students in receiving OECD countries, 2001



Source: OECD Database.

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, and Ireland, and Singapore and also 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 too, to look for the cream of students (*The Economic Times*, Nov 24, 2004).

#### 4. 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 highest-earning 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 too are higher. 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.

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. These top rankings for Indians in the US hold good not only within the Asian nationalities, but also when compared against the averages of all other regional or continental nationalities of the world as well as that of the US nationals.

The above profiles of the Indian diaspora show that Indian immigrants occupied high economic positions in the twentieth-century US economy from 1970s onwards. Perhaps this was largely because the initial Indian immigrant batches of the late 1960s had by then crossed the 'Chiswick-threshold' of a 13 to 15 years of stay in the host-country US to get 'economically assimilated' into the local society and overtake the native population's averages in terms of labour market participation rates and income levels (Chiswick 1978). There are over 1000 US-based organizations of Indians in North America, with branches in Canada, though perhaps only a quarter of them are active. 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, and cleavages occur along these lines. 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.

In addition to becoming a great professional force through the diaspora associations, Indians have also become a strong voting force in the United States as well as Canada. To form a formidable voting force in the U.S., for example, to the number of U.S. born second-generation Indian-Americans, who are already U.S. citizens, is added the number of India-born naturalized American citizens that comprise no less than one-thirds of all Indian immigrants as referred to earlier. This has led Indian-Americans to become increas-

ingly involved in the political system of the United States. Indian-Americans have traditionally exercised the most political influence through their campaign contributions, and are actively involved in fundraising efforts for political candidates on the federal, state and local level elections. In recent years, they have begun taking a more direct role in politics, as well as continuing to help through their financial contributions. Same is the trend in Canada, though in a smaller and obscure manner. The Association of Parliamentarians of Indian origin has several hundred members from developed countries like Canada, Germany, France, Britain and United States, apart from those belonging to developing countries like Malaysia, Trinidad, South Africa, Fiji, Surinam and Guyana where Indian communities have existed for more than a hundred years. It is the second-generation of overseas Indians who have started taking an interest in local politics in the developed countries they live in. There are about forty mayors of Indian origin in Britain where Indians have a longer experience of active politics (*Overseas Indian*, April 2006, 10-11). Certainly, the proportion of naturalization amongst the immigrants in North America would increase in the twenty-first century now that the dual citizenship (OCI or the Overseas Citizen of India) granted by India has become fully operational, and more and more NRIs amongst the diaspora would choose to take up citizenship of the country they live in without having to give up their Indian passports, thus acquiring increasing voting power for the Indian diaspora community as a whole in the destination countries they live in.

TABLE 3  
Indian Diaspora Associations of North America

Category	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](http://www.moia.gov.in)); website of Indian Embassy in the US; [www.garmchai.com](http://www.garmchai.com); [www.nriol.com](http://www.nriol.com); [www.google.com](http://www.google.com); [www.indiandiaspora.org](http://www.indiandiaspora.org); [www.Indiaday.org](http://www.Indiaday.org).

## 5. 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, an upsurge in the flow of workers and labourers began from India to the Gulf. In the initial years of the 1970s, large scale human resource requirements in development activities in agriculture, industry, transport, communication and infrastructure in the six Gulf Cooperation Council (GCC) countries of Saudi Arabia, Bahrain, Kuwait, Oman, Qatar, and the UAE were primarily

met by immigrant labour from neighbouring Arab states like Egypt, Jordan, Palestine and Yemen. Gradually, however, 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 have 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.

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).

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).

Indian migrant workers in the GCC countries cater to all the three categories of labour. Indian white-collar workers and professionals comprise approximately 30 percent of the total Indian workers in these countries. The highly skilled and technically trained professionals remain in great demand in the government departments and the public sector enterprises, and they also earn high salaries and attractive emoluments. They are also allowed to bring in their families, and children are allowed to stay with parents till their school education is completed. Like all other expatriates, Indians are not allowed to naturalize into citizenship; there are some exceptions in some countries but they are limited to ethnic Arabs coming from other Gulf countries. In all Gulf countries, Islam is the state religion which also dictates the law, and Arabic is the only official language. The whole region is sparsely populated, with Saudi Arabia having the largest population of 23 million, and other countries in the range of 0.5 million to 3 million as of 2003.

Life in general is comfortable for the professionals and white-collar workers in the Gulf. They are able to keep contacts with compatriots and nationals, form associations and participate in socio-cultural activities. These associations of Indians are formed along the lines of place/state of origin in India, religion, language and the profession of the workers. Hundreds of such associations exist in various GCC countries, but they are

concentrated in the UAE and Kuwait, and are less common in Oman and Saudi Arabia. The professionals and the white-collar Indians have also established a large number of schools in the region which follow the Indian curriculum and are affiliated to Indian examination and certification bodies like the Central Board of Secondary Education. In total there are about 59 such school run by the Indian expatriate communities: 31 in the UAE, 10 in Oman, 9 in Kuwait, and 3 each in Bahrain, Qatar and Saudi Arabia.

However, a large majority of 70 per cent of the Indian migrants in the Gulf has comprised the semi-skilled and unskilled workers. 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 to become typical of pre-Gulf War period soon after, although some changes might have taken place due to the demand in receiving countries tilting more towards skilled professionals as infrastructure development has 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.

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	1,580	4,199	4,121	3,818	147
Carpenter	6,361	12,900	6,939	5,132	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 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.<sup>p</sup> 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).

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 proliferation of recruitment and placement agencies, sometimes colluding with the prospective employers and the dubious ones rampantly duping illiterate job seekers. The employee is required to deposit the travel documents and passports with the prospective employer, who is thus empowered to exercise all kinds of control over the employee, including violation of the terms of contract of employment. Even, there are cases of some fraudulent employers based in Gulf countries who import labour for hawking or “body-shopping” them to others at attractive margins of commission.<sup>q</sup>

The various forms of exploitation of uneducated and unskilled Indian expatriate workers in the Gulf at the hands of the recruiting agents and prospective employers range from refusal to give promised employment, non-payment of promised wages, non-payment of over-time wages, undue deduction of permit fee and other fees from wages, unsuitable transport arrangements, 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, whether professionals and skilled, or semi-skilled and unskilled, maintain close contacts with their kith and kin in India, involving frequent home visits. They also keep track of the political developments and socio-economic changes taking place in India through communication channels of newspapers, radio and the television. At times of natural disasters like earthquake in India, the Indian community in the Gulf has 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.

## 6. 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 the twenty-first century till 2005.<sup>r</sup> 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 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.

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.

Most of these overseas Indian workers (OIWs) come 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, Kerala is one state of India from which most of the semi-skilled and unskilled migrants to the Gulf have originated. This had led to the establishment and existence of a separate ministry for non-resident Keralites, and an international airport at Thiruvananthapuram. There has been a continuous decline in the emigration of workers in almost all states of origin until the 1999, followed by a slow increase thereafter. Some of the other states having sizeable number of total labour emigrants to Gulf are Karnataka, Maharashtra, Punjab and Rajasthan. However, 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.<sup>s</sup>

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

State	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Kerala	155,208	154,407	165,629	167,325	156,102	91,720	60,445	69,630	61,548	81,950	92,044	63,512	125,075
Tamil Nadu	70,313	70,525	65,737	64,991	63,672	69,793	47,402	63,878	61,649	79,165	89,464	108,964	117,050
A. Pradesh	35,578	34,508	30,284	29,995	38,278	30,599	18,983	29,999	37,331	38,417	65,971	72,580	48,498
Maharashtra	35,248	32,178	26,312	25,214	25,146	24,657	9,871	13,346	22,713	25,477	29,350	28,670	29,289
Karnataka	34,380	32,266	33,496	33,761	40,396	11,535	5,287	10,927	10,095	14,061	22,641	19,237	75,384
Rajasthan	25,243	27,418	28,374	18,221	28,242	19,824	9,809	10,170	14,993	23,254	37,693	35,108	21,899
Punjab	14,212	12,445	11,852	11,751	12,414	26,876	15,167	10,025	12,422	19,638	24,963	25,302	24,088
Others	68,156	61,638	53,650	62,956	52,174	80,160	32,588	35,207	57,913	85,701	104,330	121,587	107,570
Total	438,338	425,385	415,334	414,214	416,424	355,164	199,552	243,182	278,664	367,663	466,456	474,960	548,853

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.

According to one study conducted by the Centre for Development Studies, 1.36 million Keralites were working abroad and among them 95 per cent lived in the Gulf countries (Zachariah et al 2003). Comparing the migration to Gulf from Kerala against all India, Kerala contributed an average of 25 per cent of emigrants in 21<sup>st</sup> 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 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). 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.

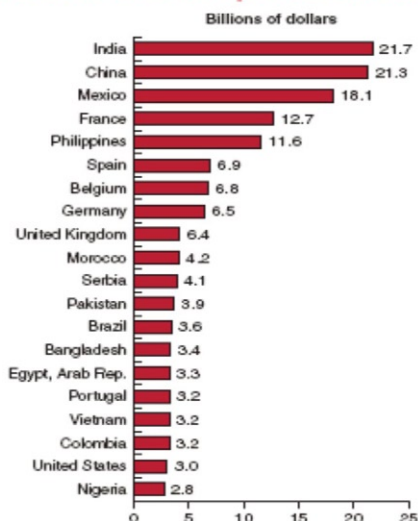
An important aspect of Indian labour migration to the Gulf has been its lion's share in the remittances sent home to India by the workers. One of the major positive impacts of skill migration has been the remittance of foreign exchange to India. Beginning in the mid-1970s, there was rapid increase in remittances' coming from the US, Canada, the UK, present EU countries in Western Europe, Australia, but as migrants to these countries were gradually joined by their kith and kin to whom remittances were sent, these were gradually overtaken by larger proportions coming from West Asia where the unskilled and the semi-skilled Indian labour migrated. From all countries of the world, remittances reached a level of US \$2,083 million in 1990-91, further rising to US \$8,112 million in 1994-95, and US \$11,875 million in 1997-98, and finally 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, 2.5 per cent in 1994-95, 3.1 per cent in 1996-97, and 3.0 per cent in 1999-2000.<sup>u</sup>

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 want of critical imports (Kelegana and Parikh 2003, 111). It was the slowly but steadily growing remittances from the Indian workers in 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<sup>v</sup> (Figure 4).

Kerala's share in attracting remittances from overseas Indian workers has not been insignificant. Zachariah et al (2003, p.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 Rs25,000 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.

FIGURE 4

## Top 20 remittance-recipient countries, 2004



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

### 7. 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 programmes planned under the Nehruvian leadership of the early decades. In the domain of higher technical education, the first Indian Institute of Technology was established nine years after India's independence, at Kharagpur in 1956.<sup>w</sup> 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 and initiated a policy of training them abroad as well. 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 and this contributed substantially to the introduction and implementation of several academic innovations. The exchange put Indian scientists in touch with the cutting-edge of technological research and advanced training to be transposed in the Indian conditions (Indiresan and Nigam 1993).

The historical growth of other S&T institutions and the expansion of the university sector, legitimated by various committees set up by the government during the 1940s and 1950s, indicate that the problem of brain drain was not a major concern during this period. The same was true of the period ending the 1960s. The problem of brain drain did not come into sharp focus either in the literature on science and society or in the official discourse on science policy matters till the late 1960s. Rather various institutional and individual measures were initiated and adopted by S&T institutions to attract the best Indian talent from abroad rather than worrying about their emigration.<sup>x</sup> 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.<sup>y</sup>

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. This also coincided with the landmark 1965 amendments to the U.S. Immigration and Nationality Act - brought into effect in 1968 – that made migration of Indian professionals a mass phenomenon. The onus, however, was put on the migrants as ‘deserters’ of the ‘motherland India’, either openly or subtly.<sup>z</sup> From time to time various restrictive 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 make the control at all effective.

The most striking feature of the period has still been the relative lack of policy attention and adequate space given to the problem of brain drain in the policy statements relating to science and technology in India. Even education policy documents of the time did not provide for effectively devising any kind of 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”, although with the caution that the problem was “of sufficient importance to merit a close and systematic study” (Chapter 16). The government, in taking perhaps only the first half of the Commission’s observations on brain drain seriously, entirely overlooked the necessity of understanding the problem for any time bound policy intervention. As a result, the National Policy of Education (NPE) 1968 (based on this Commission’s report) that was to guide the contours of higher education system in India for at least two decades to come did not put any emphasis on the problem of brain drain. It missed the point that 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 (Blaug et al 1969).

The policy discourse during this period thus did not pay attention to the problem it deserved in the face of stark realities of oversupply of the highly skilled personnel, unemployment and the exodus of trained human resources to foreign countries.<sup>aa</sup> In fact, a cursory examination of the policy documents reveals that brain drain did not at all figure as a policy problem despite public discourses in the media making a hue and cry about it (Krishna and Khadria 1997). For instance, the 1983 Technology Policy Statement – which underlined the importance of attaining self-reliance in science and technology and gave a serious call to strengthen indigenous technological base – completely overlooked the problem of brain drain in the face of dismal figures of graduate unemployment, and brain drain of the IIT engineering graduates or medical graduates from the AIIMS (See Table 8). 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 (80 percent of them to the US as pointed out earlier). 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. Engineers from the Regional Engineering Colleges, Banaras Hindu University and so on - all institutions of excellence had also followed suit. Similarly, scientists with M.Sc/M.Tech degrees from universities like the Jawaharlal Nehru University, or the University of Delhi; and engineer-managers with a degree in engineering followed by a Post-Graduate Diploma in Business Management from the Indian Institutes of Management (IIMs) had emigrated to pursue higher studies abroad, and then enter the world labour market in the US. The relative underdevelopment of specialized research communities and intellectual climate coupled with the limited opportunities to pursue highly advanced scientific research, increasing bureaucratic and hierarchical climate of laboratories, the relative absence of government policies to restrict the outflow of the skilled in a situation of soaring unemployment, motivated their growing emigration, largely as tertiary students.

Traditionally branded as the ‘brain drain’, the costs of such emigration involving the exodus of the

highly skilled were known as the ‘investment loss’ of subsidies in higher education financially, and as the ‘skill loss’ of trained personnel economically (Sen 1973). In Indian polity, however, as illustrated earlier, these costs of brain drain did not seem to be much of a worrying cause of concern for the politicians or the bureaucracy. Similarly, emigration of unskilled and semi-skilled to the Gulf too did not cause concern but a welcome relief from population pressure with the added bonus of remittances coming in. Thus, when the government agencies were asked by the United Nations (1982), questions included in the periodic surveys of 1981 - relating to the patterns of population distribution and the levels and direction of internal and international migration, and requested to identify their main concerns and policies, the response for internal migration was like “spatial distribution requires adjustment” leading to policy that “attempts to restrict growth of large metropolitan areas and increases the rates of growth of small and medium towns through investment policy”; and for international migration it was like “levels of international migration (are) not significant and (therefore) satisfactory” for skilled emigration, and “remittances from workers in the Persian Gulf are appreciated” for labour emigration (Kosinski and Elahi 1985, 9-12).

TABLE 8  
The 20th Century Brain Drain of Graduates of Top Institutions of S&E Education in India

	2000-01	2001-02	2002-03	2003-04	2004-05
Existing stock (excluding ITES professionals)		360	429	542	675
India: New IT labour		133	158	173	192
No. of IT professionals leaving India		64	64	64	21
No. of IT professionals returning to India		-	20	24	29
No. of IT professionals	360	429	542	675	875

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

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. The increase in petroleum prices, associated with fall in remittances of Indian workers in Kuwait and Iraq and the added expenditure of airlifting Indian citizens from the Gulf<sup>ab</sup> all stressed the Indian economy enough to precipitate the reforms that started in early 1990s. 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 in 1984 when 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 2006, 279). What followed was a change of attitude in India too, towards its migrants abroad, now being given a singular identity called the “Indian diaspora” or even “Indiaspora” as was once proposed.<sup>ac</sup> 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 more sustainable destination for the Indian professionals, and East/South East Asia looked at as an emerging destination for the ‘brain bank’ for India to shift its ‘branches’ from the United States. However, these countries themselves were facing their own problems of brain drain to the United States, and theirs was only a derived demand dependent on the demand in the US, and therefore short-lived. For example, 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 on August 1, 2000 was met with street protests and the wave of xenophobia of “*kinder stat inder*” sweeping Germany.<sup>ad</sup> As a result, Indian industry’s perception about emigration of skilled professionals from India first dithered, but eventually took a new turn when 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.<sup>ae</sup>

Table 9 shows the number of IT professionals leaving India (for on-site work) at 64,000 in 2001-02, projected to decline to 21,000 in the year 2004-05. This declining trend was anticipated due to growth of software development within India, particularly in cities like Bangalore, Hyderabad, Gurgaon and Noida (the last two near New Delhi). Software professionals were getting infrastructure and remuneration packages comparable to what they would get abroad. The number of IT professionals returning to India was projected to increase from 20,000 in 2002-03 to 29,000 in 2004-05. The projected stocks and flows were based on enrolment trends in IT-related courses of two-to-three years’ duration offered by the degree and diploma colleges in India in 2002.

TABLE 9  
Cumulative Stock, Net migration, and Annual Flow Estimates of IT (software)  
Labour Supply in India (thousands)

	2000-01	2001-02	2002-03	2003-04	2004-05
Existing stock (excluding ITES professionals)		360	429	542	675
India: New IT labour		133	158	173	192
No. of IT professionals leaving India		64	64	64	21
No. of IT professionals returning to India		-	20	24	29
No. of IT professionals	360	429	542	675	875

Note: The stock figures exclude ITES (IT enabled services) professionals.

Source: Khadria (2004b) using data from NASSCOM (2002).

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. Migration of skills has come to be looked at as globalisation through circulation of the Indian talent and skills – out of India and back to India. 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.<sup>af</sup>

While political pride has dwelt on the geo-politic presence of Indian skills abroad, Indian media perceived the real problem in brain drain to be that of quality of the residual manpower left behind in the process of circulation of skills abroad.<sup>ag</sup> The latest NASSCOM Strategic Review (2005a) and the NASSCOM-McKinsey Report (2005b) in fact testified the media’s apprehensions not only in terms of India facing huge

shortage of IT-related as well as BPO-related skills in India, but also in terms of *independent India's age-old concern with urbanization mentioned earlier*. While 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 including New Delhi, Bangalore, Hyderabad, Chennai and Mumbai and about 600,000 workers across other towns in India, it also added, "Cities are at a breaking point and further growth will have to come from entirely new business districts outside Tier-I and Tier-II cities." (*Economic Times* 17 Dec, 2005). "As countries from around the world enter the market and competition for off-shoring contracts intensify, India must improve the quality and skills of its workforce," the report released at Nasscom's 'India Strategy Summit 2005' in Bangalore said. 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.<sup>ah</sup> 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. With respect to emigration of the unskilled and semi-skilled to the Gulf, or to south-east Asia or for that matter to anywhere else, 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.

## 8. GOVERNMENT MEASURES AND PROGRAMMES FOR BETTER MIGRATION MANAGEMENT

Despite the debates, discourses, and perspective, the Government 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.<sup>ai</sup> 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. The Act provides for a regulatory and legal framework in respect of emigration of Indian workers for overseas employment on a contractual basis. Under the Act, it is mandatory for registration of all 'Recruiting Agents' with the ministry before conducting the business of recruitment for overseas employment. A Registration Certificate is granted by the Protectorate of Emigrants after taking into account the recruiting agent's financial soundness, trustworthiness, adequacy of premises, experience in the field of handling manpower, etc., and after obtaining a security deposit of a bank guarantee. The registration commenced from 1984, and up to the end of 2005, Registration Certificates were issued to 4,589 recruiting agents (GOI, MOIA, *Annual Report 2005-6*). This includes nine State Manpower Export Corporations established by the governments of Uttar Pradesh, Andhra Pradesh, Kerala, Punjab, Tamil Nadu, Karnataka, Himachal Pradesh, Haryana and Delhi. At present 2,100 recruiting agents are active and they are mainly located in Mumbai, Delhi, Chennai and in the state of Kerala. Registered agents are held responsible for complaints of recruited workers regarding non-payment or delayed payment of wages, unilateral changes in the contract, arbitrary change of jobs, denial of employment, and inhuman working and living conditions, etc. There have been illegal recruiting agents also operating in the field in a clandestine manner.

The newly formed Ministry of Overseas Indian Affairs, constituted in 2004, has taken the initiative to amend the Emigration Act, 1983, and introduce other measures that can be listed and elaborated as follows:



- An annual meet of the expatriate Indians at Pravasi Bhartiya Divas (PBD or the Expatriate Indians Day) “to deepen the engagement between India and its Diaspora through focus activities across sectors” (GOI, MOIA, *Annual Report 2004-5*).
- Introduction of *Pravasi Bhartiya Samman* awards to 15 overseas Indians each year “to recognize achievements of the Indian Diaspora and their contribution to strengthening of India’s relations with other countries, promoting the honour and prestige of India and fostering interests of overseas Indians” (GOI, MOIA, *Annual Report 2004-5*).
- Admitting, from 2006, the dual citizenship by granting Overseas Citizenship of India (OCI) to Persons of Indian Origin (PIOs) in all countries (except Pakistan and Bangladesh) and who were citizens of India or eligible for it as on 26 January, 1950, having accordingly amended the Citizenship Act, 1955 in 2005.
- Approval for amendment to the Representation of the People Act to permit Indian citizens who are away from their normal area of residence on account of employment, education or otherwise to be registered as voters in that area.
- An e-governance project to modernise the offices of the Protectorate of Emigrants, which administers the Emigration Act, 1983, and make emigration of uneducated workers simple, transparent and orderly.
- Because a substantial part of the remittances continue to come through informal channels primarily because of prohibitive costs and lack of convenience, the MOIA partnered with the UTI bank to develop and launch a ‘Universal Integrated Electronic Remittance Gateway’. Mainly intended to benefit Indians working in the Gulf, the ‘Insta-Remit’ gateway will also serve as a valuable service for overseas Indians across the globe. The facility is already operation between India and Doha from January 2006, and the knowledge portal to extend advisory services on investing in India, taxation issues and real estate investment opportunities in India are on the cards.
- To minimise failed marriages and stop the fraudulent ones between overseas Indians grooms and brides from India, measures include compulsory registration of marriages involving an Indian spouse, parallel registration of the spouses in Indian Missions abroad, and establishment of additional family courts for amicable settlement of disputes. Working along with the National Commission for Women and the National Human Rights Commission, the MOIA would open gender cells in various states from where fraudulent marriages by NRIs and PIOs are reported and create awareness about right to information.
- Compulsory insurance policy called Pravasi Bhartiya Bima Yojana (PBBY) 2003 for all worker migrants recruited by agents, with an enhanced cover of Rs. 500,000 from 2006. At reasonable premium, increasing numbers of insurance companies are to provide cover for contingencies like death, physical disability while in employment abroad, transportation of the body in case of death, maternity benefits for women migrants, medical benefits for families of migrants in India, etc.
- Setting up of an Overseas Indian Workers’ Welfare Fund.
- Signing of a Memorandum of Understanding between MOIA and the American Association of Physicians of Indian Origin (AAPI) to commence the launch pilot projects in basic health cares in two states of India to begin with, viz., Andhra Pradesh and Bihar.
- Fifteen percent of all higher and technical education seats (except in medicine) in the country to be filled by Indians overseas on supernumerary basis over and above the approved intake, and of these one-third by the NRIs in the Gulf and South-east Asia. This apart, a PIO University has been announced to be set up soon.
- Scholarships Scheme for Diaspora Children (SSDC) starting from 2006-7 with the objective of making higher education in India accessible to the children of overseas Indians and publicise India as an education hub.

- Three or four three-weekly Internship Programme for Diaspora Youth (IPDY) per year aimed at associating closely the second and younger generations of the Indian Diaspora with India
- Establishment of a centre called Pravasi Bhartiya Kendra (PBK) in Delhi as a focal point for interaction with overseas Indians and world, eventually “to become a hub of various activities aimed at creating pride in the achievements of India and its Diaspora”.
- Institutionalisation of a Diaspora Knowledge Network (DKN) “to bridge the capacities and opportunities arising from the Indian Diaspora and the home country without any geographical barrier” (*Overseas Indian*, 1, 2, February, 2006, p.13). It would build an expertise corridor through an interactive ICT database of overseas Indians and their institutions, their knowledge profiles and their areas of interest on the one hand and relevant data on the development opportunities and challenges in various sectors of Indian agriculture, industry and services. For building Communities of Interest (CoIs) towards this end, collaborations with UNDP and UNESCO are already underway.

As for the illegal agents, the proposed amendment to the Emigration Act of 1983 would, it is expected, make the operations of India’s “fly-by-night” overseas recruitment agents more difficult, even if it may not ground them fully (*Hindustan Times*, May 22, 2006). Number of illegal recruitment agencies against whom cases have been filed was 25 in 2003, 39 in 2004, and 59 in 2005, and the prosecutions sanctioned were 11 in 2003 and 9 in 2004 (GOI, MOIA, *Annual Report 2004-5*, *Hindustan Times*, May 22, 2006). In 2004, as a follow up of complaints against registered against legal agents, 24 Registration Certificates were suspended and 2 Registration Certificates were cancelled. In the last two years, 451 workers affected by “harassment” in the Gulf have been repatriated to India through the intervention of the Protectorate of Emigrants and the Indian consulates in the Gulf countries (HT, May 22, 2006). A conference of India’s Heads of Mission in GCC countries held in Doha, Qatar in March 2006, and inaugurated by the Union Minister for Overseas Indian Affairs, was a first effort in the direction of coordinating the Indian consulates in the Gulf to work together in addressing and resolving the problems of Indian workers in the region (*Overseas Indian*, 1, 4, April, 2006). The draft amendment to the Emigration Act has proposed tightening of the law and increasing penalties for violations like shady deals and over-charging workers, from existing one-year jail term to 7-8 years, and penalty of Rs.25,000 to Rs.30,000 in place of Rs.1,000 to Rs.2000 respectively. Collusion between the Protectorate of Emigrants staff and the illegal agents has also been under the scanner (*Hindustan Times*, May 22, 2006).

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 e-version also being made accessible.

Of 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 - not merely for India but for a transnationally ‘interconnected’ world that is perceived to be emerging. This measure seems to be relevant mainly to the highly skilled migrants to the developed countries. The 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. The Indian government announced this step at the fourth Pravasi Bhartiya Divas at Hyderabad in January 2006 and the modalities of operationalising this measure are being worked out. These are two major landmark policy measures directly aimed at benefiting the Indian migrants, by empowering them to participate in India’s socio-economic and political development. However, it is still too early to gauge the impact of these two measures as they are in their infancy.

## 9. CONCLUSION: A CRITICAL ASSESSMENT OF THE SOCIO-ECONOMIC IMPACT IN INDIA

How does one assess whether migration has changed society in India as a south-country of origin, 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 migration? These questions have traditionally been raised in suggesting cost-benefit analysis at the micro-level for the individual migrant and the household, and at macro level for society and the economy as a whole. But to what extent have those studies been undertaken, or the data been generated and made available for pursuing them?

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).<sup>aj</sup> 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.<sup>ak</sup>

In terms of the impact on migrant workers themselves in the destination countries (and therefore on their families back in India), there are commonalities and similarities of exploitation which have emerged between unskilled migration to the Gulf and skilled migration to South-east Asia (Khadria and Leclerc 2006). 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 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<sup>al</sup> (Khadria 2004b; NCAER 2005)

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 (what I have elsewhere termed as the three ‘M’s, respectively, for “Money, Machines and Man-hours” flowing back to the countries

of origin) (Khadria 1999, 2002). Even in the case of macro-economic assessment of much talked about remittances, there has been a “silent backwash flow” that has been pointed out to have begun 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 that the students and their parents in the former pay in the latter (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)<sup>am</sup>. Consumerism and house building activities have drained the state of the development potential of its remittance receipts. It has led many families to financial bankruptcy leading 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 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, according to me, would be a useful policy tool is an “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 and vice versa. To do this in a multilateral international-relations framework at fora like the GATS under WTO, the benefits of three ‘M’s (Money, Machines and Man-hours) to south countries of origin can be weighed and even pitted against the advantages of the three ‘A’s (embedded in “Age, wAge, and vintage”) arising to the destination countries of the north. The three ‘A’s are the advantages derived by the developed countries of the north, primarily through higher migrant turnover in-built in temporary and circulatory immigration, and operationalised by (a) bringing in younger migrants to correct the age-composition bias in their 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 to the origin countries like India, and the destination countries like those in the Gulf and those in the developed north.

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 paradigm shift in the societies and regions where Indians have settled.<sup>an</sup> The reason lies in the 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).

Presently, India has emerged as the most sought-after country of origin for the supply of knowledge workers in the developed countries of the north, and service workers in the Gulf countries of west Asia. Other countries like Singapore and Malaysia in south-east Asia have also emerged as recipients for increasing number of Indian workers, both skilled and unskilled (Khadria and Leclerc 2006). 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 *gainful*<sup>90</sup>. What remains 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’, and as ‘social parasites’ by the host countries? In other words, whether the Indian Diaspora would be really considered a great ‘off-white hope’ - not only of the developed countries of the north but of the world as whole?

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 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 like those listed in the preceding section of this paper are being introduced. The developments following the institution of the “Pravasi Bhartiya Divas” and constitution of a separate ministry of the government of India thus 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 is automatically fulfilled. 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 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 the country of origin by contributing to its economic and social development. Large masses of the illiterate/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, makes up 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 as well) as to where lies the distinction 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 Mode 4 negotiations of the GATS 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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#### NOTES

- a 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, p. 32, cited in Kosinski and Elahi, 1985, p. 4). 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 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, which are of limited available from select destination country sources of the US, UK, Australia etc. Even European data re gross population data only.
- b 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. There is hardly any evidence of India becoming a country of transit migration although there may be some transit migration taking place in the Himalayan region countries via India. See also fn. 5.
- c See Tinker (1974, 1976, 1977) for these colonial migrations from India.
- d The focus of this paper being on skilled migration to the developed countries of the North and labour migration to the Gulf, migration of skilled workers to the Gulf and unskilled or skilled migration to South-east Asia are not discussed further than what is presented
- e As indicated by the sponsored return of former economic migrants (from Sri Lanka to India) or refugees (Bangladeshis in India). Infiltration of migrants, either legal or otherwise, met with negative reaction, sometimes extremely violent (as in Assam). 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, pp.17-18).
- f Cited in Bose (1983, 137).
- g This has continued in contemporary times as a study by Khadria (2001b) estimated.
- h Refer to Blaug et al (1969).
- i Amongst the students, who were organizing Indians against the British rule in India, were the son of the Maharaja of Baroda at Harvard, and the son of Rabindranath Tagore at Illinois. In fact, Tagore had himself visited the U.S. and praised America for its international leadership. But he later denounced the Asian exclusions and refused to return to the US because of 'utter lack of freedom' there (Jensen 1988). After the war, things changed.

- j This is particularly important as regulation of foreign immigration has remained a highly sensitive issue of public policy in the United States for long (Harwood 1986; Moore 1986; Martin and Widgren 1996; Tietelbaum and Weiner 1995). Careful reading of political history reveals that this was an issue over which President Woodrow Wilson had “found himself wholly out of agreement with his Congress” (Baker 1937, 104). In 1914, the House had passed the Burnett Immigration bill, providing a ‘literacy test’, which was to exclude all foreigners who could not read some language, but mainly every Chinese and Indian immigrant settler in the US. Wilson in fact vetoed the bill twice before it was finally passed over his veto in February 1917. Ironically, and as if to rebuff this infamous law of exclusions, more and more educated and skilled Indians (and Chinese, of course) gradually replaced the uneducated and the illiterates, almost wholly by the end of the twentieth century. It is perhaps due to wisdom of history that the recent suggestion of the UK Home Office Minister in-charge of Immigration and Asylum Lord Rooker about making a working knowledge of English compulsory for people applying for British citizenship led to the British Government’s unease rather than outright support (see “Britain says it prefers English-speaking migrants”, by Vijay Dutt, *The Hindustan Times*, August 19, 2001).
- k As per the classification given by Peter Drucker (1993).
- l 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.
- m ‘Ironically’, because in 1917 the US Congress had, against the opposition of two unsuccessful vetoes from President Woodrow Wilson (as mentioned in note 8) had introduced the ‘literacy test’ in English effectively to stop Indian immigrants from entering the territory of the United States.
- n 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.
- o 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! See fn. 9.
- p For this paper, I carried out a search for latest data beyond 1991-92, but the data are not easily available. For aggregate state-wise date, see Table 7.
- q 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*.
- r No documentation of international migration data exists in India, not to talk of its various sub-categories. 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.
- s 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.

- t Remittances are officially known as Private Transfer Payments in India's Balance of Payments Accounts.
- u Reserve Bank of India, *Report on Currency and Finance*, various years.
- v *Population Headlines*, No.310, March April 2005, ESCAP, Bangkok.
- w As a follow up of the Sarkar Committee recommendations, the IIT Act 1956 was passed by the parliament.
- x 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.
- y 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'.
- z 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.
- aa Among the policy discourses and documents related to science and technology during this phase, viz., the Third S&T Conference; the first ever Science and Technology Plan of 1974; the Technology Policy Statement of 1983; and the annual session of the Indian Science Congress were important sources which directed the S&T policy at the macro level. The annual Indian Science Congress sessions, which have played an historic role in the professionalisation of science in India since the early decades of the twentieth century, only paid 'lip sympathy' to the problem of brain drain in the 1970s and 1980s.
- ab A feat that had got Air India into the Guinness Book of Records!
- ac There is enough evidence of diaspora-India interaction that has been documented in the media lately. It was around this time that the Indian government appointed the High-Level Committee on Indian Diaspora.
- ad "Children instead of Indians" was the slogan given by the leading opposition politician Juergen 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.
- ae 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.
- af The following statements from the former Prime Minister Atal Bihari Vajpayee's address to the Global Organization of Persons of Indian Origin (GOPIO) at New Delhi in January 2001 (*World Focus* 2001) is reflective of the perception of the Indian polity towards the highly qualified and experienced emigrants of India settled abroad. Expressing the pride of the Indian nation on the legendary success stories of Indian entrepreneurs abroad, he is reported to have said, "From high-tech chip laboratories to curry restaurants, from renowned hospitals to famous educational institutions, from well-known research centres to leading think-tanks - everywhere you find an Indian who has overcome all odds to establish himself through skilled education and hard work." He also said, "Many of you owe your current success to the quality education which you have received in Government-run institutions, be they Indian Institutions of Technology or medical colleges. You now owe it to your motherland to associate yourselves with India's search for rapid and enduring social change and economic progress", and again, "I would like to emphasize that we do not merely

seek investments and asset transfer. What we seek is a broader relationship - in fact a partnership among all children of mother India, so that our country can emerge as a major global player." Finally, he said, "My government's policy is to assist the overseas Indian community in maintaining its cultural identity and strengthening the emotional, cultural and spiritual bonds that bind them to the country of their origin."

ag For example, the media would caution, "We may end up with a huge army of people doing second class, labour intensive software-development work and operations like managing call-centres and customer-services for foreign companies", churning out what is being called the 'techno-coolies'. On the great demand for Indian software professionals in the developed countries, the media would say, "Good for them but what about India's own requirements?" (*The Hindustan Times*, 17 Sept. 2000) Whenever a foreign delegation came calling, and one heard a plethora of statements from the IT lobby in the Indian Government and outside exulting, "India may well be on way of becoming software *superpower* of the world", the media would retort, "... the reality is that it may end up becoming the IT professionals' *super bazaar* of the world." India shall be reduced to rolling out graduates and specialists for multinational corporations of the world, burning scarce resources that go into India's higher education system.

ah 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 labeled "adventure workers": Americans and Europeans joining the Indian workforce. Although there are no exact 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](http://www.atimes.com)).

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

aj 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.

ak 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 (2006, 283).

al The present agitation over reservation of seats in higher education is a case in point.

am 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 state also accept low wages and poor living conditions to work in Kerala, adding to unemployment of the local generations of youth.

an 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.

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