

ISAS Working Paper

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CONCEPTUALISING THE TYPOLOGIES OF INDIAN DIASPORA IN INTERNATIONAL ECONOMIC RELATIONS: ‘TINKER, TAILOR, SOLDIER, SPY’, OR A ‘GREAT OFF-WHITE HOPE’ OF THE NEW CENTURY?

Binod Khadria*

Note: One of the purposes of this Working Paper is to invite comments and suggestions that could be incorporated in the final study. Some of the ideas and arguments presented in the Working Paper are tentative, not yet fully developed, and therefore may or may not be retained in the final study. Subject to availability, some data would be updated; but it is assumed that the assertions would not be substantially altered by this.

1. Introduction: A Matrix of Models and Actors

Prior to situating the issues of international economic relations, mobility of the highly skilled, and human capital formation in the broader context of “India in the Global Labour Market”, I have, in this working paper, attempted to conceptualize some typologies for the Indian ‘diaspora’ as players or actors, and international relations as their playground or the field – an attempt that would help clearly defining and delimiting the universe of discourse .

One does not often come across any definite discourse that has dealt with clearly perceived categories that could be called ‘models’ of Indian diaspora in international relations, economic or general. On the other hand, ‘actors’ would perhaps be a more obvious category in the Indian diaspora as a holistic entity. The two alternative sets of adjectives in the sub-title that I have chosen for this working paper to describe the Indian diaspora from an international relations perspective reflect my impression that some models could be based on how the actors in the Indian diaspora are going to be viewed in the arena of international economic relations in the twenty-first century – with suspicion, or with awe.¹ Secondly, they also reflect a transition from the first to the second that might have taken place over time or, in fact, is in the process.

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Let me begin by constructing a framework of an underlying matrix, which would comprise a limited number of typologies of models and a few typologies of actors. The first I would call Model I, Model II, etc. - a set on the side of the rows, and the second, I would call Actors A, B, etc. - another set on the side of the columns. This kind of an underlying matrix, I believe, would pave the way for addressing each of the binaries of models and actors that one could allocate to the cells created in the sub-matrixes, still keeping the issues together under a holistic umbrella.

The next step would be to name the models and actors in each typology of the matrix for placing the issues in one cell or the other.

The Matrix of Typologies of Actors and Models in Indian Diaspora

Typology of of Actors		A						B	C	D
		i	ii	iii	iv	v	vi			
I	PIO	√	√	√	√	√	?			
	NRI	√	√	√	√	√	√			
II										
III										
IV										

In the prototype matrix, as drawn, I have named the models as the PIOs (short for ‘persons of Indian origin’, the foreign citizens) and the NRIs (non-resident Indian citizens, residing abroad) in Typology I; and in Typology A of actors, I have named them as the (i) unskilled labourer, (ii) the semi-skilled workers, (iii) the traders, (iv) the entrepreneurs, (v) the professionals, and (vi) the students under a typology of actors. The tick mark signifies the appropriateness of the binary, whereas the question mark makes it a doubtful combination.

In an extension of these typologies, in Model II, the ‘twice banished’, and the returnees may form another typology of models; in Model III, the temporary migrants, the circulatory migrants, and the sojourners could appear as a third typology; in Model IV, the indentured workers and their earlier variants – the slaves, soldiers, policemen, the lascars, the maids etc., the present-day refugees/asylees, the voluntary migrants could make still another typology where the degree of coercion could be the index. One can also have a typology of models based on plain geographical location, or complex geo-political occupation of the global space by the Indian diaspora. There could still be one more typology comprising the ‘brawn drain’, brain drain, brain bank, brain gain, etc. as categories of models.

Similarly, in the extended typology of actors, one could have: Typology B, with the principal ‘seed migrants’, the dependant spouses, the pre-generation parents, the second-generation progeny, other relatives, and even sponsored friends as a second typology. Typology C could be the diasporic associations based on provincial, linguistic, art and culture, religious, and professional groupings. Another important one, Typology D, could comprise men, and women as separate actors. Finally, one could also have *occupational actors* like doctors, nurses, engineers, information technologists, architects, lawyers, masons, drivers and so on; or the *generic actors* like the writers, teachers, scientists, inventors, innovators, the information technologists, managers, white-collar workers, blue-collar workers and so on in various fields, as two separate actor typologies.

Irrespective of how one finds slots in the matrix - whether *implicitly* in a fuzzy manner, or *explicitly* by creating well-defined typologies - as a next step, one would still need to probe further in terms of *contextualizing* a myriad of models and actors with international relations *per se* before positioning India in the global labour market. However, it must also be recognized that international relation in itself is a mystical category as it covers a whole lot of space with distinctly different, although not disjointed, aspects of civil society: the political, the economic, the cultural (which may include the religious), and the security-related - to name some of the most important ones only.

One way or the other, implicit or explicit, it seems the field is poised for the challenge of addressing a new perspective in the study of *international labour markets*, which is gradually taking the shape of a more holistic *global labour market*.² One novelty in this perspective could lie in the *deconstruction* of the interface between what is now holistically called ‘the Indian diaspora’, and international relations, and playing with the interpretation of phrasing that interface - in terms of identifying each of them as the dependent variable under one construct and the independent variables under a different construct. In other words, we have a choice here to say that the TID (short for The Indian Diaspora) is the dependent (or determined) variable, and IER (short for International Economic Relations) the independent (or determining) variable; or *vice versa*. For example,

(i) We may wish to know how international relations - through the immigration policies - have been and will be instrumental in determining *the actors* as, for example, by setting or controlling the quantitative and qualitative immigration quotas for ‘seed migrants’ in the labour market, the family-reunification clauses in the family preferences, and so on. Similarly for *the models*, as, for instance, through temporary entry and stay rights of Indians as exchange visitors or as intra-company transferees, transition categories like the H-1B visa holders, or permanent residents with the ‘green cards’ and the like, and as citizens by naturalization or birth abroad, determining the roles they had assumed or been assigned to play in the past and would be called upon in future in the host societies.

(ii) *Alternatively*, one may say that we want to learn how the actors and models of the Indian diaspora, as pressure groups of ‘immigrant labour’ in host societies, and now increasingly in India too as their country of origin and/or dual-citizenship, affect international relations: (a) bilaterally between India and the destination countries, and (b) multilaterally with and amongst nations globally. This too

could be examined historically through the past, contemporarily through the state of affairs that are current, or futuristically in the times to come.

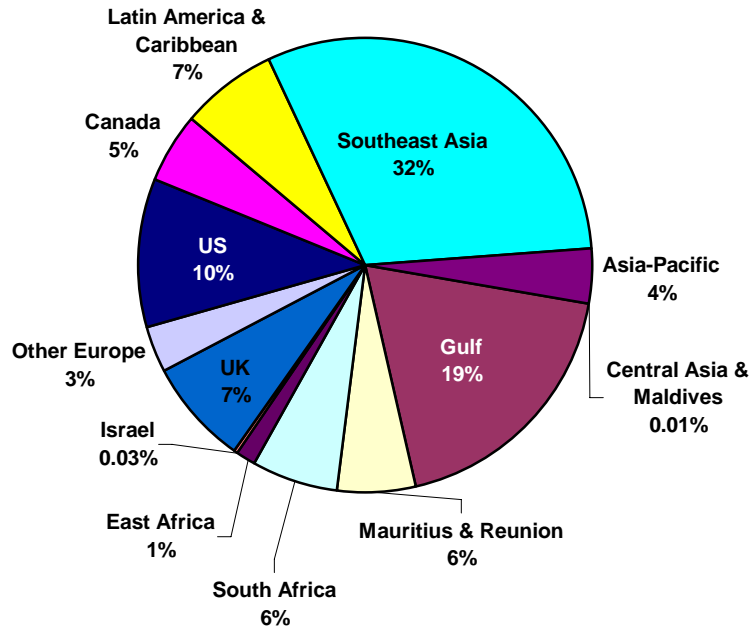
One may choose to address it either way, (i) or (ii), although it is my impression that if one were to assess it in a more-or-less sense, the policy stance in India has lately been more to do with the second perspective of how the Indian diaspora could influence, to the advantage of India, the bilateral and multilateral economic relations from across the borders. The policy concerns in the host countries have, on the other hand, dealt with, at least on the face of it, the first perspective in terms of looking at questions of assimilation of Indians (as well as all other foreigners) into the local society more than in their economy. The novelty of the conceptualization attempted in this working paper would be the outcome of a fusion between the two approaches, with focused attention on the actors either as,

- (a) ‘traitors’ for the home country, and ‘spies’ for the host country; or
- (b) ‘traitors’ for the home country, but a ‘silver-lining of hope’ for the host country; or
- (c) ‘prodigal children’ for the home country, but ‘spies’ for the host country; or
- (d) ‘prodigal children’ for the home, and a ‘silver-lining of hope’ for the host country.

Of these four exhaustive outcomes, only one alternative – the last one – in principle delivers a win-win situation for the host (country of settlement) and the home (country of origin) both. Outcome (b) or (c) is the second-best in the sense that it is desirable only in one of the two countries involved - either the host or the home, outcome (a) being the least desirable, zero-sum game.

There is good amount of literature on how international relations have shaped the actors and the models or vice versa historically in the past. What I have attempted here, however, is more to contemplate the links between the actors and models of Indian diaspora with international relations in a contemporary as well as a prospective way, using the example, in this working paper, of the highly skilled Indian diaspora in countries like the United States or the United Kingdom, two countries for which required data (on the so-called ‘foreign-born’ population, by country of birth) have become readily available.

Figure 1: Percentage Distribution of NRIs and PIOs by Region



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

Figure 1 presents an approximate estimate of the regional distribution of an approximate 20 million-strong *stock* of the Indian diaspora at the close of the twentieth century (ICWA 2001). It is common knowledge that the earlier migrants who formed the basis of an Indian diaspora mainly involved ‘cheap’ manual (unskilled) workers, who had left India in large numbers to meet the global demand for indentured labour that arose in the plantations, mainly in south-east Asia and the Pacific, immediately after the British abolished slavery in 1834 – leading to what is sometimes also called the 'brawn drain'. The 'brain drain' - a quality exodus of India’s cream of highly skilled professionals - comprising doctors, engineers, scientists, teachers, architects, entrepreneurs, and more recently the IT workers, and nurses on the other hand, appeared a century-and-a-quarter later. From the post-mid-1960s, the trend has continued in the twenty-first century, flowing westward and contributing *inter alia* to the concentration of Indian diaspora’s ten per cent share in the USA, and seven per cent in the UK.

From the perception of a highly-educated or talented worker supposedly ‘draining’ India of its knowledge wealth and human resources, professional Indian immigrants have come to be seen as ‘angels’ with a perfected image of transnational “global citizen” of the twenty-first century within the short span of the closing decade of the twentieth century. This paradigm shift in the perception about professional migrants leaving India, has taken place in phases though - 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. This complete turnaround of perception in moving from one model of the Indian diaspora to the other in the

global labour market gets reflected in the current official and public euphoria in India over the rising immigration quotas of the developed host countries, mainly the US and the UK, the EU, Canada, Australia and New Zealand, Japan, Malaysia, Singapore, and so on; the establishment of a full-fledged union Ministry of Overseas Indian Affairs; and the proactive engagement of India with its diaspora.

Table 1 presents a picture of the transition period – the *flow* profile of the occupational shift of the NRIs entering the United States between 1999 and 2001. It shows a substantial increase in the proportion of those holding the highest-rung ‘professional and technical’ occupations over the three transition years into the new century (from 12 per cent to 21 per cent to 28 per cent respectively), conveying that the position of the highly skilled and knowledgeable amongst the Indian diaspora workforce in the US labour market has undergone significant enhancement. In addition, their share amongst immigrants of all foreign nationalities entering and settling in the US has also been increasing over this period (from 9 per cent to 15 per cent to 24 per cent). This is true for the second tier of occupations too, viz., the ‘executive, administrative and managerial’ occupations, on both counts, though at a smaller scale.

Table 1: The Millennium Shift: Occupational profile of the NRIs entering the United States, 1999-2001

	1999			2000			2001		
	Number	Share of all Indian immigrants (%)	Share of all Immigrants (%)	Number	Share of all Indian immigrants (%)	Share of all Immigrants (%)	Number	Share of all Indian immigrants (%)	Share of all Immigrants (%)
Professional and technical	3 492	11.6	9.4	8 632	20.6	14.7	19 935	28.4	23.8
Executive, admnstr. and managerial	1 112	3.7	7.1	1 644	3.9	7.9	3 062	4.3	11.1
Clerical and administrative support	576	1.9	4.2	573	1.4	3.9	643	0.9	3.9
Sales	648	2.1	6.1	689	1.6	5.3	842	1.2	5.4
Service	559	1.9	3.2	798	1.9	2.6	1 041	1.4	2.7
Farming, forestry and fishing	1 328	4.4	11.7	1 080	2.6	9.5	1 161	1.7	12.8
Skilled workers	301	0.9	0.9	308	0.7	0.8	389	0.6	0.8
Total with occupation	8 016	26.5	5.7	13 724	32.7	7.2	27 073	38.5	11.3
Occupation not specified	22 221	73.5	4.4	28 322	67.3	4.3	43 217	61.5	5.2
Total immigrants	30 237	100	4.7	42 046	100	4.9	70 290	100	6.6

Source: Author, using data from the US Immigration and Naturalization Service Yearbooks, the latest being from the Yearbook 2001, published in 2003.

At a generic level in the knowledge sector, Table 2 presents a very comprehensive overview of the so-called ‘brain bank’ presence of Indian diaspora in the science, engineering and social science (SES) faculties of the US higher education system, by teaching field and gender, in a comparative perspective with the total faculty, as well as all other, and all Asian diasporas. It shows that amongst the American faculties in 1997, almost 7,000 teaching staff were of Indian origin, constituting 3 per cent of the total faculty strength, 15 per cent of all foreigners, and 23 per cent of all Asians, with the share of Indian women being more than a quarter of all female faculty, and over one-eighth amongst the Asian female diaspora. The picture leaves enough scope for one to contemplate on the potential for bilateral as well as multilateral advocacy and linkages the Indian academic diaspora would likely command in the U.S. and the rest of the world.

Table 2:
Indian Diaspora amongst the US Faculties, by teaching field and gender, 1997

	Total SES faculties	Indian Diaspora (ID) as SES faculties	ID as % of Total SES faculties	ID as % of All diasporas	ID as % of All Asian diasporas	Female % in Indian Diaspora	Indian Female diaspora (IFD) as % of Total female	IFD as % of Asian female diaspora
Total SES	224 707	6 876	3.1	15.3	23.2	12.1	26.8	12.9
Physical sciences	37 020	688	1.9	9.3	19.4	16.7	18.8	9.9
Life sciences	53 055	1 014	1.9	13.4	31.2	31.6	38.7	15.7
Math. & computer	44 375	2 086	4.7	18.3	33.0	13.9	39.6	24.5
Social sciences	65 509	1 491	2.3	15.5	32.2	6.3	10.7	5.1
Engineering	24 748	1 597	6.5	17.8	27.4	0.9	23.3	6.3

Note: Data include first jobs of post-secondary teaching at four-year colleges and universities in the United States, but exclude faculties in two-year or community colleges, or those who teach as a secondary job.

Source: Author. Computed and compiled from National Science Foundation, United States, *Science and Engineering Indicators 2000*.

Initially, beginning in the early 1960s, the brain drain from India was associated with the public recognition that the Nobel Prize had brought to the gifted PIO scientists like Har Gobind Khorana (Medicine 1968) who had naturalized into American citizenship at that time, or Subramanyan Chandrasekhar (Physics 1983), who having naturalized in 1953, had made the United States his home. Gradually, following the landmark 1965 amendments to the U.S. Immigration and Nationality Act, the migration of professionals became a mass phenomenon through the 1970s and onwards, with the Indian professionals enjoying the distinction of being one of the best-educated, highly employable, and high-income earning ethnic groups, yet disdained as ‘deserters’ of the ‘motherland India’, either openly or subtly.³ But it was only towards the end of 1990s that the success and achievements of the Indian diaspora in the US drew real attention of the developed countries in the West and the East alike, followed by a change of attitude in India too towards its diaspora.⁴

It in this context, I would now look at the geo-economic presence (and dominance) of the Indian diaspora (within an emerging Asian diaspora), which is instrumental in the change of perception from their being looked at as ‘spies’, to ‘anchors of hope’ in the US and the UK, and then briefly refer to India ‘coming full circle’ in treating them as its ‘prodigal children’ rather than ‘traitors’.

2. Indices of Indian diaspora as the anchor of hope in the US economy

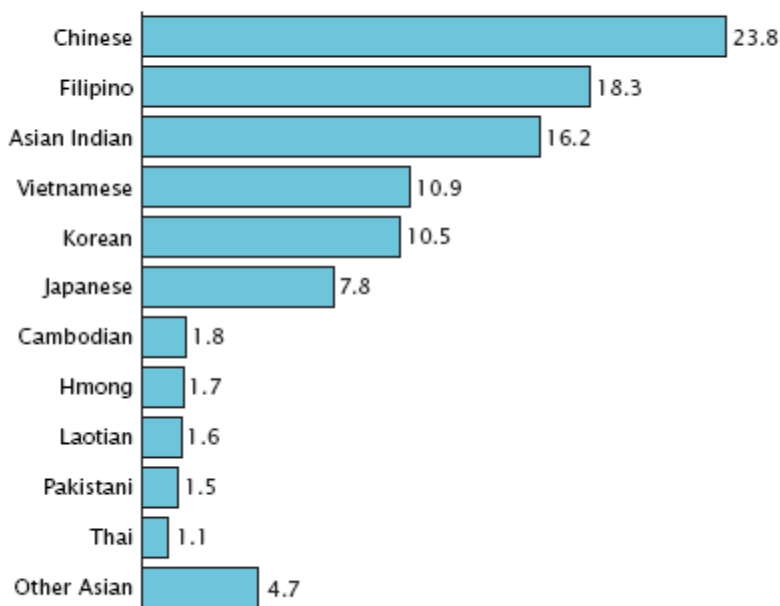
The radical transformation in the image and identity of the Indian diaspora in the US is linked to their empowerment as measured by a number of socio-economic variables like, for example, the size of the diaspora, length of stay, age profile, educational profile, language proficiency, labour force participation rate, occupational profile, income profile, and also the incidence of poverty (i.e., the lack or it), and so on. These are indeed indices of their empowerment in terms of the geo-economic space that the Indian diaspora commands in the host society. Data on a selection of such indices for Indians are presented below in relation to all other and other Asian diaspora populations, by country of origin, in the United States, as per a sample survey of the U.S. Population Census 2000.

a. Relative Size of Indian Population in the US as index of Indian diaspora capabilities:

Figure 2:

Asian Population by Detailed Group: 2000

(Percent distribution. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



Source: U.S. Census Bureau, Census 2000 special tabulation.

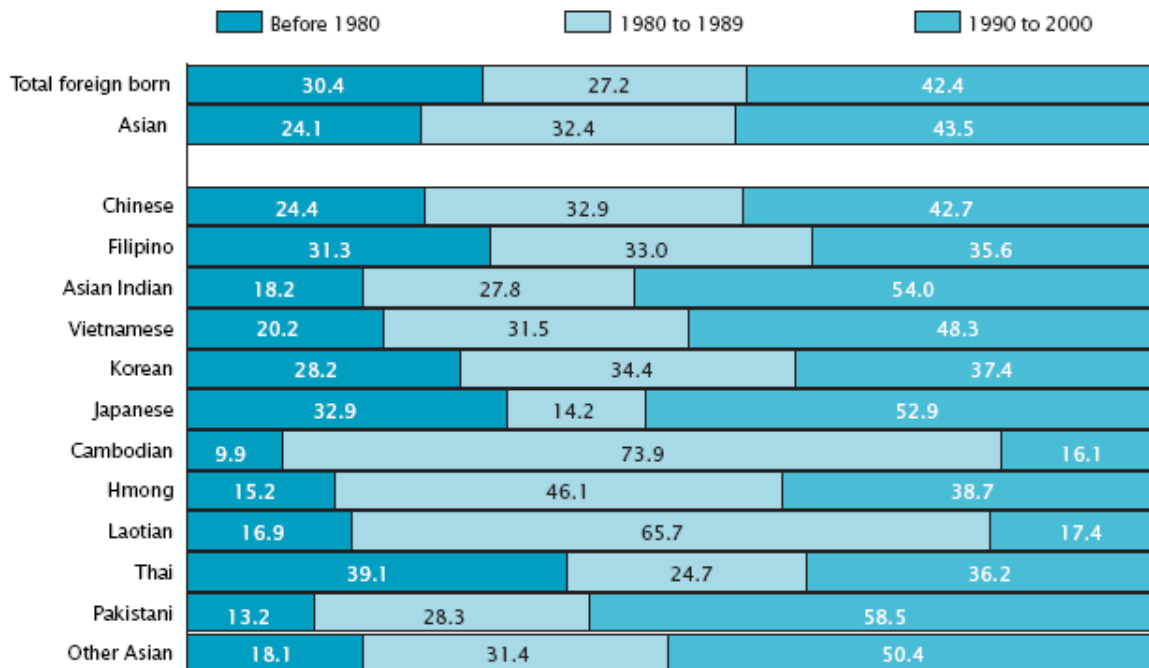
Size often does matter, and this is equally true in the case of diaspora presence in a host country. Figure 2 presents the wide range of the size of the Asian diaspora population in the U.S., as of 2000, which does get reflected in the actual or potential role that the Indian diaspora,

with 16 per cent share in the Asian population and ranking third, is supposedly capable of playing in the global labour market, incorporating the host as well as in the home economy.

b. Length of Stay as an index of Indian diaspora capabilities in the US:

Figure 3:
Foreign Born by Year of Entry: 2000

(Percent distribution. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



Source: U.S. Census Bureau, Census 2000 special tabulation.

In 2000, the majority of the foreign-born Asian population (76 percent) comprised those who had entered the United States in the closing two decades of the twentieth century, a share which was higher than that of the total foreign-born population (70 percent) that had entered the United States over the same period (Figure 3). Forty-three percent of the foreign-born Asian population of 2000 had entered the US in the final decade. Among the detailed Asian groups, over 50 percent of foreign-born Indians, next only to Pakistanis, were those who had entered the United States between 1990 and 2000.⁵

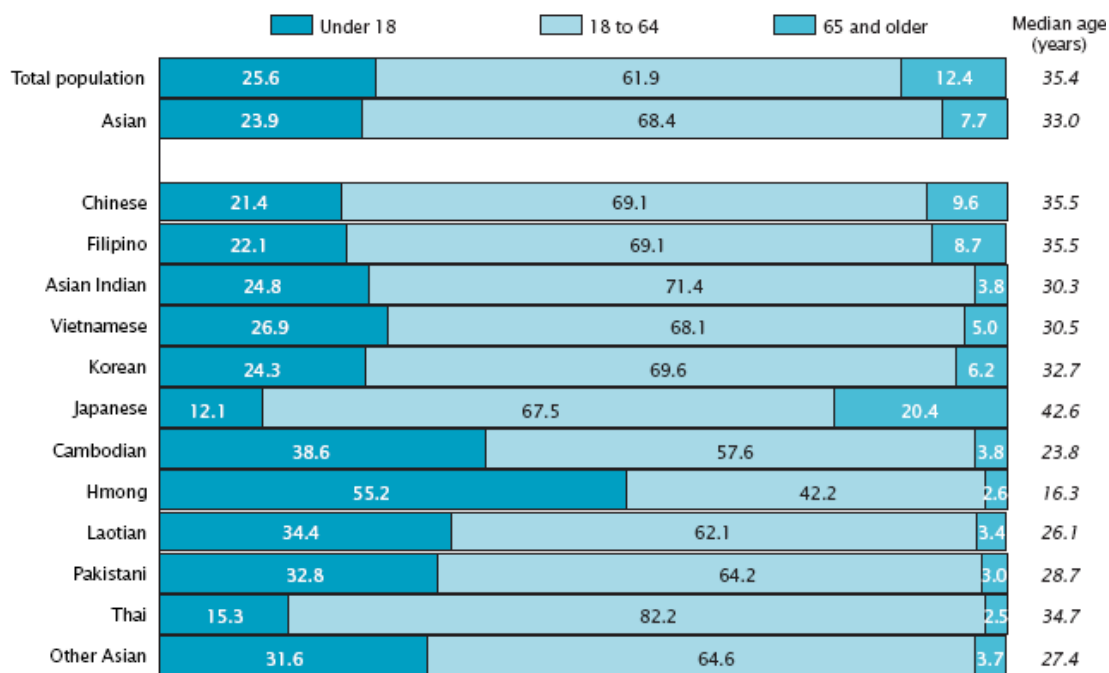
c. Average Age as an index of Indian diaspora capabilities:

Perhaps it would not be counter-intuitive to say that the younger a diaspora is, the more capable it would be to undertake rigorous, involved, and sustainable participation in the global labour market, incorporating the home as well the host economy. Asians had a median age of 33 years in 2000, i.e., two years younger than the national median of 35 years, and Indians had a median age of 30 years, which was lower than the Asian median. Figure 4 presents the origin country wise distribution of average age and the share of working age population (18-64 years) of the Asian diaspora in the U.S. Putting the two together, the Indian diaspora shows an edge over others.

Figure 4:

Selected Age Groups and Median Age: 2000

(Percent distribution. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



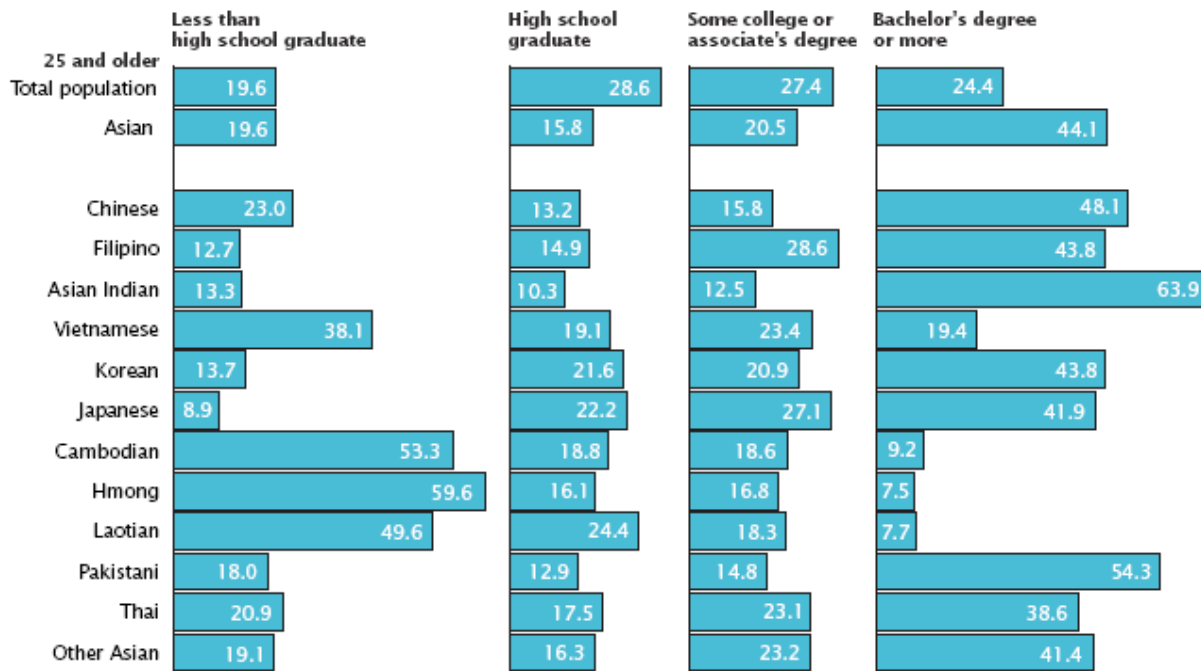
Source: U.S. Census Bureau, Census 2000 special tabulation.

d. Educational Profile and Language Proficiency as indices of Indian diaspora capabilities:

In 2000, roughly 80 percent of both all Asians and all people in the United States 25 years and older had at least a high school education (Figure 5). However, a higher proportion of Asians (44 percent) of the total population (24 percent) had earned at least a bachelor’s degree. Indians had the highest percentage with a bachelor’s degree, about 64 percent; Pakistanis were also relatively better off than others. A slightly lower rank for the Chinese has perhaps been more than compensated by their much larger size of the diaspora, and therefore the absolute number of the highly educated. Command over the English language has been highest amongst the Indian and the Filipino diaspora (Figure 6). However, Indians had the highest command over both the native language and English, a trait very important to liaise between the host and the home countries, and thereby facilitate bilateral and multilateral relations.

Figure 5:
Educational Attainment: 2000

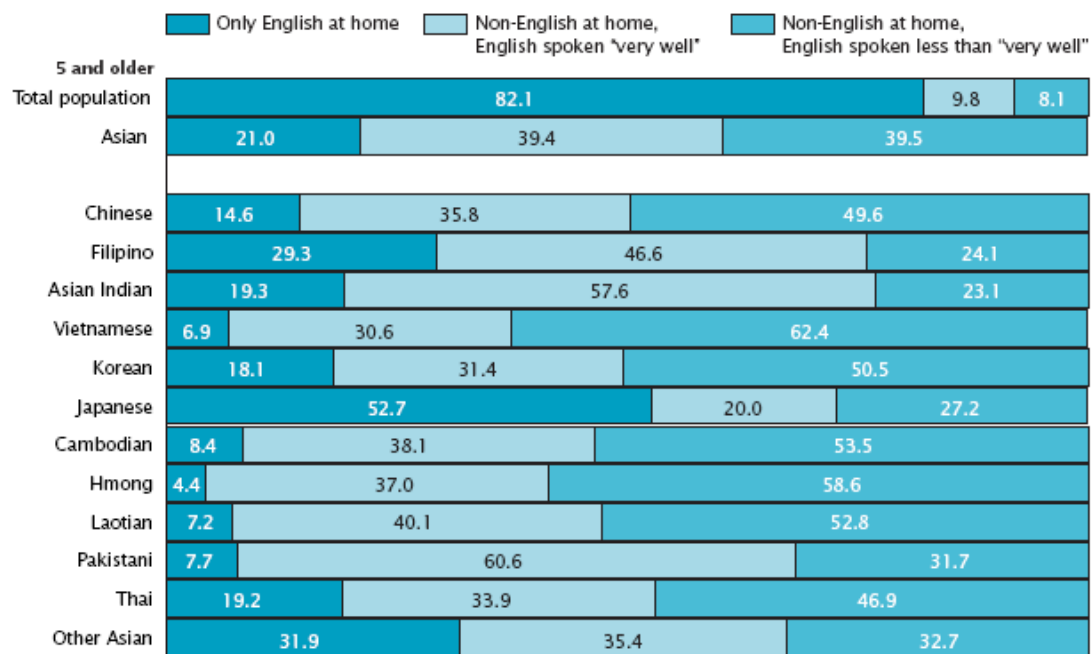
(Percent distribution of population 25 and older. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



Source: U.S. Census Bureau, Census 2000 special tabulation.

Figure 6:
Language Spoken at Home and English-Speaking Ability: 2000

(Percent distribution of population 5 and older. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



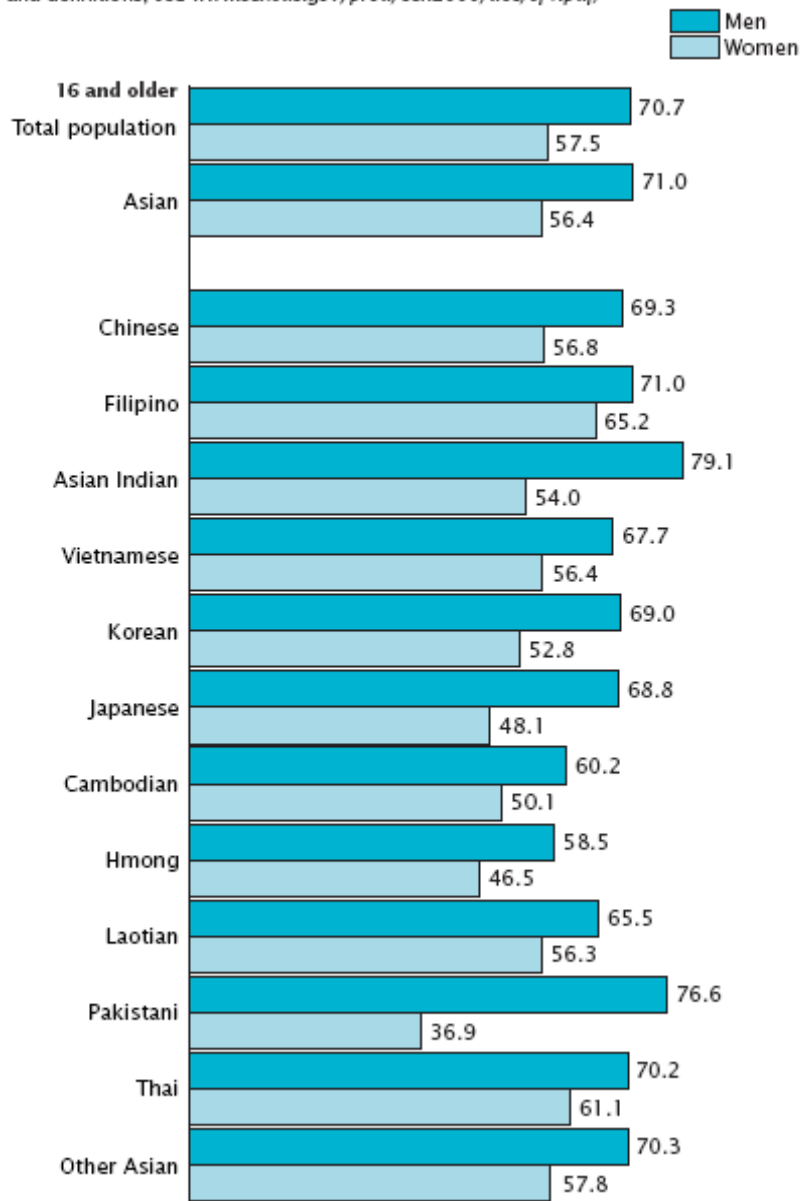
Source: U.S. Census Bureau, Census 2000 special tabulation.

e. Labour Force Participation Rate and Occupational Profile as the Indian diaspora capabilities:

Labour force participation rate is an important indicator of diaspora empowerment and capability. Figure 7 shows Indian and Pakistani male participation rates to be above the average for all Asian average. Filipino, Thai, and Chinese have also done well, including Filipino women followed by the Chinese and the Vietnamese. However, the highest proportion of people employed in high-end jobs like management, professional, and related occupations was at 60 percent for Asian Indians (Figure 8), with less than 10 per cent of them employed in production, transportation, and material moving jobs.

Figure 7:
Labor Force Participation Rate by Sex: 2000

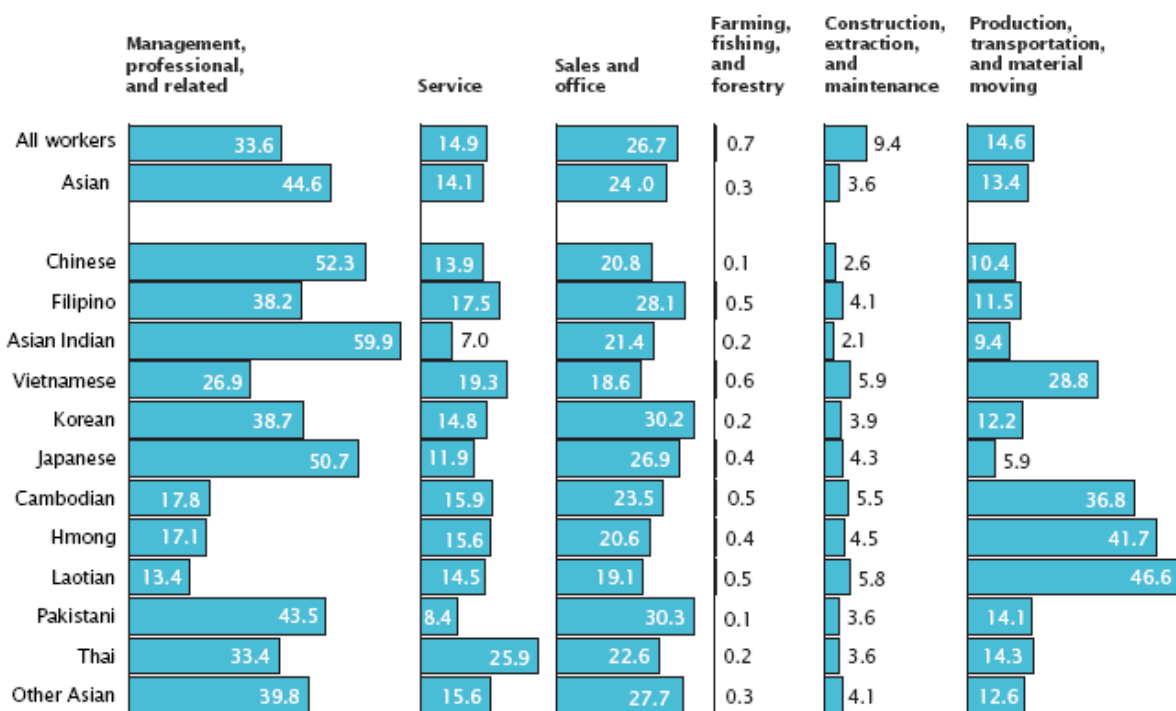
(Percent of population 16 and older in the labor force. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



Source: U.S. Census Bureau, Census 2000 special tabulation.

Figure 8:
Occupation: 2000

(Percent distribution of employed civilian population 16 and older. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



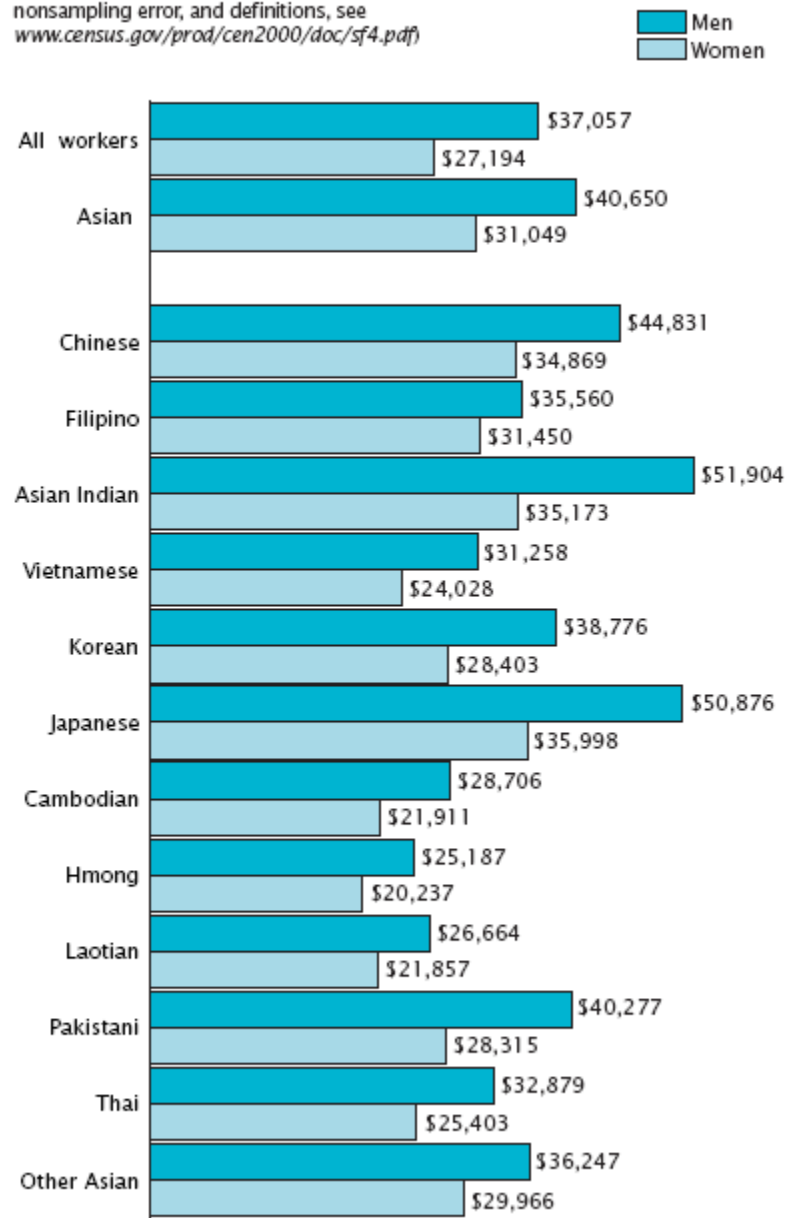
Source: U.S. Census Bureau, Census 2000 special tabulation.

f. Income Profile of the Indian diaspora as an index of capabilities.

Earnings and income are important indicators of purchasing power and investible capacities of individuals and families. Full-time Asian men and women had higher median earnings than all men and women (Figure 9). Indian, Japanese, and Chinese men had higher median earnings than Asian men and all men. Indian men had the highest year-round, full-time median earnings (\$51,900), followed by Japanese, with earnings of \$50,900. Indian women too earned higher median earnings than all Asian women did, and slightly below the Japanese.

Figure A-8:
Median Earnings by Sex: 1999

(For employed, full-time, year-round workers 16 and older. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)

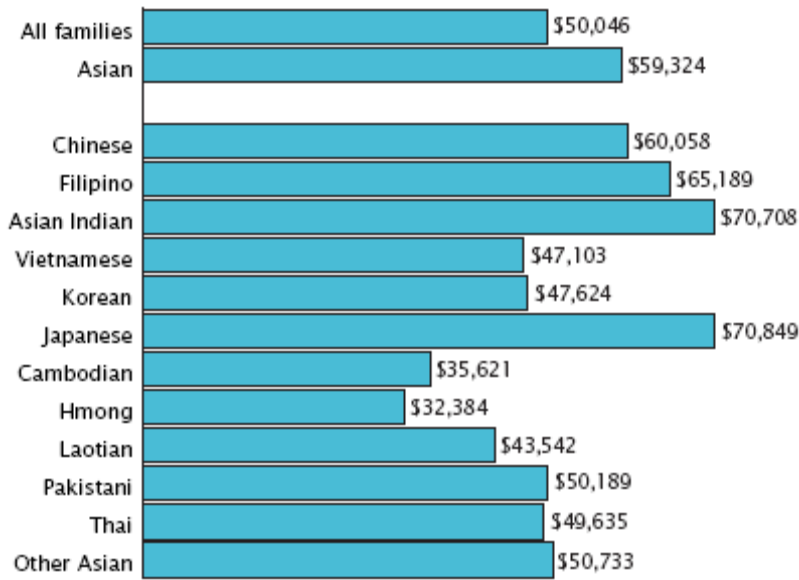


Source: U.S. Census Bureau, Census 2000 special tabulation.

The median annual income of Indian families, like of the Japanese, was more than \$10,000 higher than that of all Asian families (Figure 10).

Figure 10:
Median Family Income: 1999

(Families classified by race of householder. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



Source: U.S. Census Bureau, Census 2000 special tabulation.

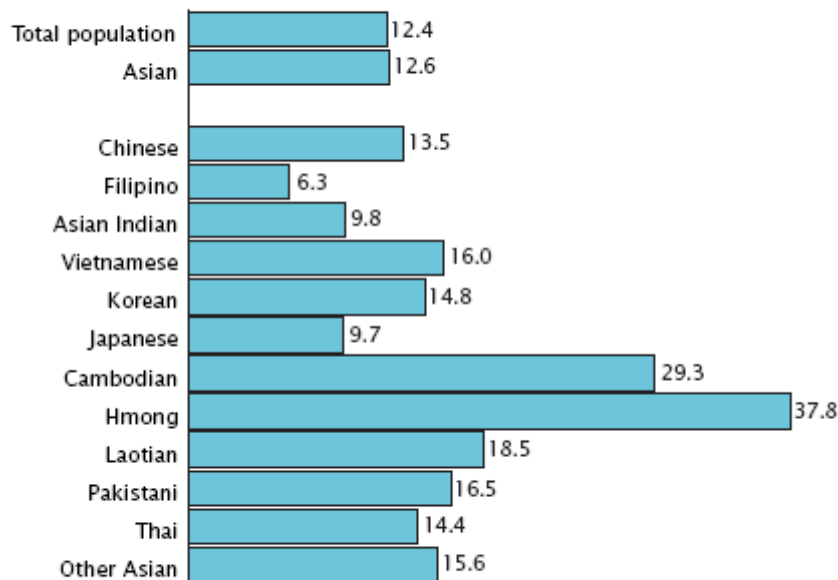
g. Absence of the Incidence of Poverty as indicator of well-being and capability:

Diasporas can be incapacitated by poverty. Poverty rates for the Asian population and the total population were similar, even though median earnings for Asians were higher (Figure 11). In 1999, the poverty threshold for a family of four in the U.S. was \$17,029, but more than 90 percent members of the Indian diaspora, as of the Filipino, and Japanese were above this mark.

Figure 11:

Poverty Rate: 1999

(Percent in poverty. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf4.pdf)



Note: Poverty status was determined for everyone except those in institutions, military group quarters, or college dormitories, and unrelated individuals under 15 years old.
Source: U.S. Census Bureau, Census 2000 special tabulation.

3. Predominant Presence of the Indian Diaspora in the UK

Within the European Union (EU) – one of the largest economic entities and integrating labour markets in the world today - two-thirds of the entire Indian diasporic community still resides in the UK. Like the US, here too the Indian community is one of the highest-earning and best-educated groups, achieving eminence in business, information technology, the health sector, the media, and entertainment industries. Table 3 and Figures 12 and 13 testify to the growing significance of people of foreign origin in the twenty-first century United Kingdom, particularly from Asia, and within South Asia, the low-income countries of India, Pakistan and Bangladesh.

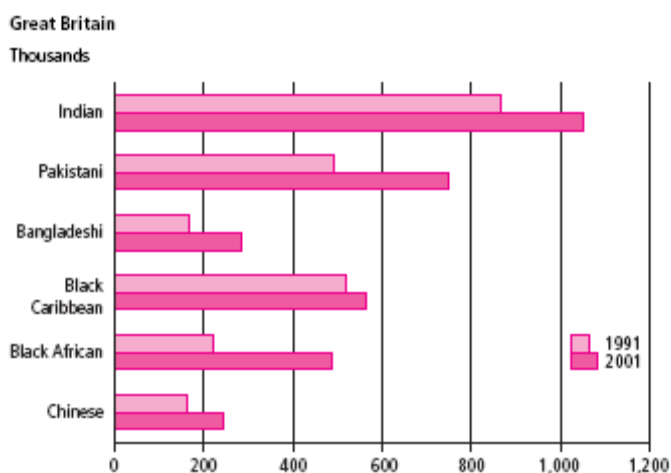
Table 3:
Population in the UK, Stocks by Ethnicity of Origin: Census 2001

United Kingdom	Numbers and percentages		
	Total population		Non-White population (percentages)
	Numbers	Percentages	
White	54,153,898	92.1	.
Mixed	677,117	1.2	14.6
Asian or Asian British			
Indian	1,053,411	1.8	22.7
Pakistani	747,285	1.3	16.1
Bangladeshi	283,063	0.5	6.1
Other Asian	247,664	0.4	5.3
All Asian or Asian British	2,331,423	4.0	50.3
Black or Black British			
Black Caribbean	565,876	1.0	12.2
Black African	485,277	0.8	10.5
Other Black	97,585	0.2	2.1
All Black or Black British	1,148,738	2.0	24.8
Chinese	247,403	0.4	5.3
Other ethnic groups	230,615	0.4	5.0
All minority ethnic population	4,635,296	7.9	100.0
All ethnic groups	58,789,194	100.0	.

Source: Census 2001, Office for National Statistics; Census 2001, General Register Office for Scotland; Census 2001, Northern Ireland Statistics and Research Agency

Figure 12:

Growth of the main ethnic minority groups, 1991¹ and 2001

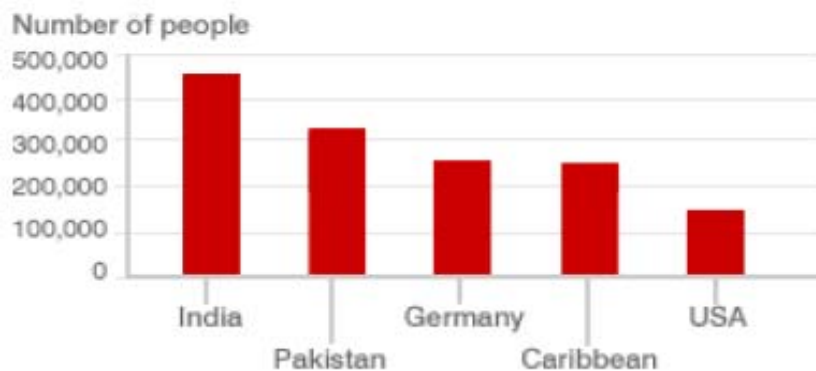


¹ Data for 1991 have been adjusted for census under enumeration.

Source: Census 2001, Office for National Statistics; Census 2001, General Register Office for Scotland; Ethnicity in the 1991 Census: Volume One, Office for National Statistics

Figure 13: Census 2001 Population Stock: by major countries of birth

Most common countries of birth outside British Isles, 2001



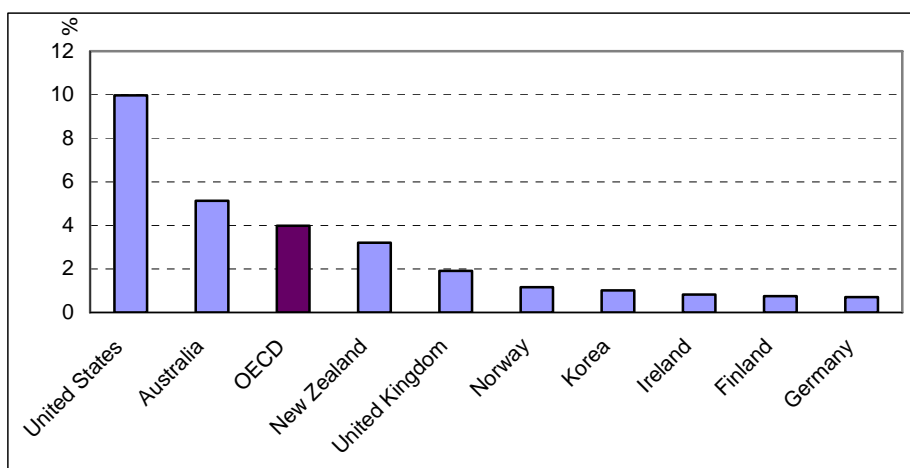
Source: BBC (2006).

Amongst other host-country labour markets, 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 have 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 trying to attract Indian talent. However, data on these countries need to be explored further and analysed in-depth.

4. The Academic Gate for entering the Global labour Market:

The highly skilled Indians enter the global labour market not only through the 'employment gate' but also through the 'academic gate' as tertiary level students who form a distinct set of actor in the Indian diaspora - the 'semi-finished' Indian professionals abroad. Data collated by the US Institute of International Education's *Open Doors 2004* survey reveal that in 2003-04 India retained its No. 1 position in the US university enrolments (followed by China, Korea, Japan, Canada, and Taiwan) for the third year in a row (IIE 2005). Indians now account for 14 per cent of all foreign students stock in the US. 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). In addition, the destination countries gain political mileage in the form of a bonus: The foreign students become their long-term ambassadors not only in the international political arena, but in the growing global trade and business as well.⁶ 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 international education diplomacy 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 14 shows that Indian students accounted for 4 per cent of all foreign students enrolled in tertiary education in OECD countries in 2001. A far larger share was registered for the United States, where 10 per cent of enrolled foreign students were Indian. In 2004, this share of Indian students amongst all foreign students in the US had gone up to 14 per cent.

Figure 14:
Indian Student Diaspora amongst All Student Diasporas in Receiving 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 also non-English speaking countries like France, Germany, and the

Netherlands, is bringing 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).

5. A Paradigm Shift in India: Is it adequate?

The perceptions of the destination countries, in which the Indian professional migrants have settled to form a diaspora, have thus undergone a significant reversal, from treating them as potential 'spies' to 'saviours', despite the element of suspicion coming back into the arena because of the security concerns in the wake of growing international terrorism. Britain has come a long way since the days of Enoch Powell and his prophecy about 'rivers of blood' flowing if economic immigrants were allowed to settle in. The change in values could be primarily attributed to the Indian diaspora itself that has defied the anticipated doom by rising to unforeseeable economic success.⁷ The reason why the paradigm shift in the societies and regions where Indians have settled is important for the hosts lies in their realization that, given the appropriate help, resources, and local support, one type of diasporic actors - the suspected 'tinker, tailor, soldier', or 'spy', if not outright '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)

The relationship of the Indian government with its diaspora was, however, not an issue to be thought of as a possible ingredient in India's quest for nation building at the time of independence in 1947, nor when India became a republic in 1950 and adopted its Constitution, not even subsequently when it launched the first Five-Year plan in 1951 with a clear choice of socialistic path to development. The Indian official attitude towards the diaspora (i.e., the PIOs, or the people/person of Indian origin with a foreign citizenship) continued to be one of indifference, and non-interference with their countries of abode for forty years. As a result, the involvement of the non-resident Indians (the NRIs, or the expatriate Indian citizens) too in India's post-reform development in the 1990s was particularly tardy. Following the Government of India's reformed Foreign Exchange Regulation Act (FERA) and Monopolies and Restricted Trade Policies (MRTP) allowing foreign investors to invest up to 51 percent in industries and other sectors without any prior approval from any Indian financial institution, NRI contribution as a share of total investment barely rose to 7 percent in 1994 and then to 8 percent in 1995 (Lall 2001, p. 176). Only as the interest rates were hiked for foreign portfolio investors, there was high NRI investment, but given the political instability in the country, like 'hot money', these too remained highly volatile.

Although FDI flows to India increased with reforms, compared with other countries, India has been lagging behind, in particular China, when it came to the share of 'diaspora capital', and one reason was India's indifferent attitude towards its diaspora. The Chinese diaspora has spread in countries both far and nearby vicinity. Apart from Taiwan and Hong Kong in east Asia, there are Chinese expatriates in Southeast Asia, the US, Canada, Australia, and Europe. All of them are still considered Chinese by the government in Beijing with inherent rights to return to the country of their ancestors. Including Hong Kong and Taiwan, they total around 55 million, compared to India's 20 million, or at present 25 million. The Chinese diasporas retain links with their ancestral country through a network of associations prominent in the cities of their residence. Historically, Beijing's policies towards its people abroad have been one of inclusion: China's 1949 Common Programme pledged to protect 'the legitimate rights and interest of Chinese residing abroad'. In 1954, the Draft Constitution even provided for Overseas Chinese representation in the National People's Congress, and later China pledged to resolve problems of

‘Overseas Chinese’ through negotiations with the governments with which it had diplomatic relations (Lall 2001, p.199).

Besides China’s attitude towards its diaspora, there was and still is, among the Chinese diaspora, a deep-rooted bonding with the Chinese culture, which has been consolidated by the existence of commonly practiced norms. Thus the perception of one-country, one-culture and one-government gave the Chinese a coherent whole to which they all could belong and from which draw an unambiguous identity. It created a kind of ‘ethnic solidarity. In contrast, India’s multi-cultural, multi-lingual, multi-religious diversity of civil society created subtle chasms amongst the diaspora. In general, the NRIs identify with the province of origin more closely than with the country as a whole. For example, for interaction with India, 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. It would not be possible to elaborate on the activities of these associations here.⁸ These associations 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. In short, the Indian diaspora networks are largely fragmented. The problem with most of their associations is that they are divided by a multitude of sub-nationalities, and there is lot of in-fighting even within given sub-national diaspora associations.⁹ Those few associations that cut across sub-national divides can be grouped by a typology of Indian diaspora associations in the U.S., dedicated to various kinds of cultural, professional or development activities in the home country India and the host country United States, as presented in Table 4. In comparison to the Chinese diaspora’s, the Indian diaspora’s engagement with the development of India has thus been a late arrival.

Table 4: 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); website of Indian Embassy in the US; www.garmchai.com; www.nriol.com; www.google.com; www.indiandiaspora.org; www.Indiaday.org.

6. Conclusion

Presently thus, India has emerged as the most sought-after source country for the supply of highly skilled labour force in the developed host economies. This has led to a major paradigm shift in India too - away from ‘brain drain’ being looked at as an outright loss, and therefore *painful* for the country, to ‘diaspora’ as a potential option for turning the phenomenon of migration into an opportunity, and therefore *gainful*.

Realizing that it has lagged far behind the other, emerging, Asian giant China, in wooing its diaspora into financial and manufacturing sectors, India has lately been pro-active in creating an enabling legal structure to leverage the diaspora resources into them. Even if a late realization, by the close of the twentieth century the Indian government understood that to woo the Indian diaspora, it would have to work more on the bureaucracy to actually provide the long-promised “single window clearance” to FDI, joint ventures, and technical collaborations. It realized that, unlike China, it did not court its expatriates and offered only limited special incentives for the section of the diaspora who had the willingness, the ability, and an interest to

invest in India. With all the skills of the NRI community, India could have tapped into the diaspora resources of a rich and successful community settled abroad who had good reason to 'help' India develop. Perhaps, it was the failure with the NRIs that made India turn towards the PIOs with the offer of a dual citizenship, the Overseas Citizenship of India (OCI), to make them participate in the development of their motherland.

This initiative is partly also a recognition of the fact that the PIOs have become a strong voting force in host countries like the United States as well as Canada, and therefore could act as catalysts of international economic relations too. To form a formidable voting force in the U.S., for example, to the number of the U.S.-born second-generation Indian-Americans, who are already U.S. citizens, is added the number of India-born naturalized American citizens that compare no less than one-thirds of all Indian immigrants who enter the United States every year now. This has led Indian-Americans to become increasingly 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. It has been the same 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.¹⁰ Certainly, apart from the PIOs, who would be wooed to acquire OCI (the Overseas Citizenship of India), the dual citizenship of India, the proportion of naturalization amongst the NRI immigrants in North America would increase in the twenty-first century now that the dual citizenship (truncated as it might be) granted by India has arrived on the scene to become fully operational. More and more NRIs amongst the diaspora would choose to take up citizenship of the country they live in because they do not have to fully give up their Indian citizenship any more, thus acquiring increasing voting power for the Indian diaspora community as a whole in the destination countries they live in, and more active participation in their development too. They would perhaps require the bonding of the dual citizenship whereas the Chinese diaspora could thrive without it.

What remain for India as well as the host countries of the Indian diaspora in the emerging international economic relations paradigm is thus to judge where the loyalty of the alleged tinker, tailor, soldier, spy that comprise the Indian diaspora would lie? Whether it would prove to be a real great 'off-white hope' - not only of Europe, or Australia, or America, but for others too? Alternatively, whether it will depend on which way the wind of international economic relations would blow in the new century, rather than be blown by the diaspora?

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Notes:

- ¹ The first description in the subtitle is an allegory of doubtful loyalties adapted from the title of Le Carre's best-seller of the 1970s – itself borrowed from a well-known nursery rhyme; the second is an expression used by Alibinia (2001) for the brown-skinned Asian Indians.
- ² Here, for this study, I make a distinction between the international labour market and the global labour market. I define the global labour market to be inclusive of the Indian market, as different from the international labour market, which, under normal connotation, would exclude the domestic labour market within India. For related discourses in the subject and on paradigm shifts in the field of international migration, see some of my other writing as listed in the references. See also, Drucker (1991), GCIM (2005), and Martin (2001).
- ³ 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. For a discussion of the disengagement of the Indian government from the diaspora, see Kudaisya, G. (2006).
- ⁴ There is enough evidence of diaspora-India interaction that has been documented in the media lately. See also (GOI, MOIA 2006)
- ⁵ From the point of view of diaspora's participation in homeland development, however, the interpretation of length of stay could be counterintuitive. The longer it is, it may be assumed, the more assimilated into the local society has the diaspora begot, and therefore, more likely it is to participate in the development of the host land. As a dual, they may be more detached from their homeland. The homeland-development participation curve of the diaspora could therefore be an-inverted U-shape function of the length of stay abroad – initially being low, then increasing at an increasing rate, and subsequently tapering off with time.
- ⁶They 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! (Jensen 1988, as cited in Khadria 1999).
- ⁷ 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, who has , however, now 'circulated' to the United States.
- ⁸ These could be accessed through their websites from which further information could be gathered.
- ⁹ See, Weiner (1978), for this being rooted in Indian provincialism.
- ¹⁰ There are about forty mayors of Indian origin in Britain where Indians have a longer experience of active politics (*Overseas Indian* 2006, pp.10-11).