

Chapter 2

The Dichotomy of the Skilled and Unskilled Among Non-resident Indians and Persons of Indian Origin: Bane or Boon for Development in India?

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Abstract The public perception of highly educated and skilled knowledge workers supposedly ‘deserting’ India seems to have undergone a radical transformation in the twenty-first century. Indifference towards large-scale labour migration to the Gulf region has also waned. Professional skilled Indian emigrants are now seen as agents of development, offering a perfected image of transnational ‘global Indian citizens’, capable not only of bringing investment and technology to India but also of returning themselves to the country in a circulatory mode of migration. On the other hand, the large numbers of low-, semi- and un-skilled labour migrants to the Gulf are also optimistically viewed as India’s main source of remittances. However, notwithstanding this positive commonality, the two groups have remained clearly different and separate from each other. A new international context now poses a ‘double challenge’ for public policy in India as a sending country: firstly, in terms of redefining the national development strategy with a two-way transnational participation that includes both the skilled and the unskilled diasporas; and secondly, with regard to inventing and convincing the two different sub-diasporas of the strategic importance that inter-diasporic complementarities and cooperation have for the development of India. A number of dichotomies underlie the differences between skilled and unskilled migration, and the predictions are that these differences will crystallise over the course of the twenty-first century.

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1 Introduction

There were approximately 20 million Indian migrants at the turn of the century—divided almost equally between nonresident Indian (NRI) citizens and foreign citizens or ‘persons’ of Indian origin (PIO). In 1979, the Indian Ministry of External Affairs estimated that 10.7 million people of Indian extraction were residing abroad (Weiner 1982, 32, cited in Kosinski and Elahi 1985: 4). This figure appears impressive but it represented a mere 1.6 % of the national population at the time (rising to 2 % of an estimated population of 1 billion in the 2001 Census). Referred to as the ‘Indian diaspora’ today, these people have formed the migration *flows* of unskilled, semi-skilled and highly skilled workers and their respective families from India for at least one and three quarters of a century. In 2006, it was estimated that the Indian diaspora had increased to 25 million. By and large, a separation prevails among two subgroups in the Indian diaspora—the skilled diaspora in the West, wooed for their skills and knowledge, and the unskilled diaspora in the Middle East who are allowed entry for their labour. This has given rise to what may be called a dichotomy in relation to their potential or actual contribution to the development of India.

The early migrants who laid the foundations of the so-called Indian diaspora in the nineteenth century were mostly ‘cheap’ manual workers. After the British abolished slavery in 1834, they migrated to the colonies, mainly as contract labourers to meet the massive unmet demand in the plantations and mines of the Caribbean (Guyana, Jamaica, Trinidad), the Pacific (Fiji), the Indian Ocean (Mauritius, South Africa, and East Africa) and South-East Asia (Malaysia, Singapore) as well as neighbouring South Asian countries (Sri Lanka and Burma), resulting in what has sometimes been referred to as the ‘brawn drain’. ‘Brain drain’, on the other hand—the exodus of India’s highly skilled professionals and knowledge workers to developed countries—involving doctors, engineers, scientists, teachers, architects and entrepreneurs—appeared a century-and-a-quarter later in the twentieth century independent India (Khadria 1999: 62–64). This migration of highly skilled persons to developed countries gathered momentum as ‘brain drain’ in the mid-1960s and became prominent with the more recent migration of IT workers and nurses that has continued into the twenty-first century. This has led to a concentration of highly skilled Indian migrants in the US, Canada, the UK and other European countries, Australia and New Zealand. In addition to skilled migration to developed countries, the twentieth century also witnessed the large-scale migration of unskilled and semi-skilled Indian labour to the Gulf countries in West Asia, which began in the wake of the oil boom of the 1970s.

By the beginning of the twenty-first century, public perception of highly educated and skilled knowledge workers supposedly ‘deserting’ India seemed to have undergone a radical transformation. Similarly, public indifference to the large-scale labour migration to the Gulf region (the origins of the indifference lay in the

formative periods of the Indian diaspora in other destinations such as the Caribbean, and South Africa and East Africa) has also waned. Skilled professional emigrants from India are now looked upon as ‘angels’ and offer a perfected image of transnational ‘global Indian citizens’, and they are seen as being capable not only of bringing investment and technology to India but also of returning themselves in a circulatory mode of migration, whereas the large number of low-, semi- and un-skilled labour migrants in the Gulf are viewed as the main source of remittances to India, contributing to the increase in the country’s foreign exchange reserves.

However, and notwithstanding this positive commonality, the two groups have remained distinctly different and separate from each other. A new international context poses a ‘double challenge’ for public policy in India as a sending country: the first challenge involves the need to redefine the national development strategy with a two-way transnational participation of the diaspora that includes both the skilled and the unskilled; and the second refers to the need to invent and convince the two distinctly different sub-diasporas of the strategic importance of inter-diasporic complementarities and cooperation for the development of India and Indians (Khadria 2012). The genesis of this novel context lies in a new roadmap for action, drawn up by the Global Commission on International Migration Report entitled *Migration in an Interconnected World: New Directions for Action* (GCIM 2005), although the report also concludes that ‘*the international community has failed to capitalise on the opportunities and meet the challenges associated with international migration, and therefore new approaches are required to correct the situation*’ (emphasis added). It stated that ‘*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*’.

Underlying the divisions between the skilled ‘knowledge workers’ and unskilled ‘service workers’, we find the dichotomies between skilled and unskilled migration that can be deconstructed into a number of differences expected to crystallise in the twenty-first century. For instance, while the migration of unskilled/semi-skilled service workers for employment abroad is still largely supply driven, the mobility of highly skilled knowledge workers is now largely demand-driven. Within the international labour market, this has led to a dichotomy between a ‘work-seeking mode’ for unskilled migrants and a ‘worker-seeking mode’ for prospective employers in search of available skilled migrants.

2 The Migration of Highly Skilled Indians to the Developed Countries

The fact that the ‘worker-seeking’ demand for skilled Indians has become a determining factor in migration is reflected in the socioeconomic profile of the skilled Indian diaspora in developed countries. Within the European Union

(EU)—the largest economic entity in the world today—two-thirds of the entire Indian migrant community is still 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 the entertainment industries. It is estimated that immigration alone contributed to half of the British population growth during 1991–2001. The new immigrants were, on average, younger and had higher fertility rates. A British government report released in January 2001 stressed that ‘migrants were not a drag on welfare, but contribute to its economy and culture’ (*The Economist*, March 31—6 April 2001). The UK 2001 Census estimated the population of South Asian nationality in Britain at 2.5 million, including 1 million Indians, with almost half of these (466,416) registered as India-born. This constituted 0.82 % of the British population, the highest share of a single ‘born-abroad’ ethnic category, except for the Irish. In the UK 2011 Census, India-born residents in England and Wales even overtook the Irish-born. India-born people accounted for 694,000 or 1.2 % of the resident population in 2011, followed by 579,000 Polish-born or 1.0 %, 482,000 (0.9 %) Pakistanis, and then 407,000 (0.7 %) Irish (ONS 2011 Census).

Since the end of the twentieth century, a number of shifts in political positions have reflected the growth in the demand for developing country skills in the UK. For example, in 2000, the British Home Office Minister Barbara Roche gave the ‘green light’ to immigrants. By positing a ‘market-led’ loosening up of immigrant legislation, Roche wanted to attract skilled professionals: nurses, doctors, IT experts, customer service and financial personnel (*The Hindustan Times*, Sept/Oct 2000). In 2006, the Home Office website (UK Home Office 2006) included a statement by Home Office Minister Tony McNulty saying that the government was committed to ensuring that persons entering the UK would benefit the UK economy. He pointed out that the government planned a points-based immigration system that would ‘allow only those people with the skills the UK needs to come to this country’. This system was subsequently introduced in February 2008 and high-skilled migrant Indians seemed to fit the profile squarely. In the top-ten rankings of the 2011 census, almost 50 % of Indian nationals held top-tiered ‘professional, managerial and technical’ occupations—a proportion which was only bettered by the nationals of four developed countries—Americans, Germans, French and Irish; education-wise, more than 50 % of Indians holding qualifications at Level 4 and above was matched only by Americans and Nigerians (ONS, Census 2011 figure).

To understand the path to the ranking of Indians in the 2011 Census, it is interesting to look at the British Home Office publication *Control of Immigration: Statistics United Kingdom* 2005, presented in Parliament in August 2006. It provides selected immigration data for Indians (with a regional category for the ‘Indian subcontinent’ covering two other countries—Pakistan and Bangladesh—as well) for the year 2005 (UK Home Office 2006). Some information and data

extracts are provided below to substantiate the proposition that there was a paradigm shift in Indian immigration to the UK over the decade:

Out of a total of 11,800,000 non-EEA nationals entering the UK in 2005, India with 687,000 persons had the fourth largest number of admissions after the US, Canada and Australia, representing a 12 % increase over 2004. A total of 137,000 migrants were admitted as non-EEA work permit holders together with their dependents (EEA nationals require no such work permit), and 38,200 or 28 % of these were Indian nationals; 19,500 Indians with work permits were granted stay extensions. Indians, with 8,255 extensions granted, were the largest group receiving extensions for 'permit-free employment', followed by Filipinos at 2,155. Stay extensions were granted to 6,005 Indian trainees while 11,315 Indian students were granted extensions to stay in the UK in 2005, second only to the Chinese (25,555). Among the persons granted settlement after completing 4 years' employment (with a work permit for 4,540), Indians (18 %) were the second highest group after Filipinos with 6,300 (25 %); they were followed by 2,635 (10 %) South Africans. In contrast, the number of applications for asylum in the UK submitted in 2005 by Indian nationals, excluding dependents, was only 940 (out of 25,710 applications received from all nationalities), *but no single Indian was granted asylum; of the 935 cases handled for 'initial decision', 915 were refused and the remaining 20 were given discretionary leave without recognition as 'refugee'*; 16,720 Indian nationals were issued a grant of settlement in 2005 compared to an average number of 9,345 per year over the four preceding years, an increase of almost 80 %.

As part of such a paradigm shift, which saw high-skilled free economic migrants overtaking low-skilled refugees and asylum seekers not only in the UK but also in other developed countries as well, including Germany, France and Japan, closely followed by Australia, New Zealand and Singapore, the governments opened up their labour markets to India's highly skilled human capital. In North America, they had a 3 % share in a population of 30 million. In Canada, Indo-Canadians have recorded high achievements in the fields of medicine, academia, management and engineering. The average annual income of Indian immigrants in Canada is almost 20 % higher than the national average, and their educational levels are also higher. In the East, there are 30,000 Indian citizens in Australia, and New Zealand has also witnessed an increase in the number of Indian professional immigrants engaged in the domestic retail trade and in the medical, hospitality, engineering and information technology sectors. Countries such as Japan, Korea and Singapore are also trying to attract Indian talent.

The strong profile of Indian immigrants in the USA supports the proposition that the human capital content of Indian immigrants has been a major determinant in the formation of the highly skilled Indian diaspora there. This is borne out by the geo-economic significance of Indians in the U.S. economy, indexed by their age profile, education, occupation and income rankings, for all of which they have

been at the top from the 1970s up to the present day. These high rankings for Indians in the US hold well not only among Asian nationals but also when compared to the U.S. population in the Censuses of 2000 and 2010.

In addition to becoming a great professional force through diaspora associations, Indians have also become a strong voting force in the United States and Canada. The US-born second generation of Indian-Americans, who are already U.S. citizens, and the number of India-born naturalised American citizens, that comprise no less than one-third of all Indian immigrants, form a formidable voting force in the US. This has resulted in Indian-Americans becoming increasingly involved in the political system of the United States. Indian-Americans have traditionally exercised great political influence through their campaign contributions and they are actively involved in fund-raising for political candidates in federal, state and local elections. In recent years, they have begun to assume a more direct role in politics, while continuing to help with their financial contributions. The trend is the same in Canada, albeit to a lesser extent and in a more obscure manner. The Association of Parliamentarians of Indian origin has several hundred members from developed countries such as Canada, Germany, France, Britain and the United States as well as developing countries such as Malaysia, Trinidad, South Africa, Fiji, Suriname and Guyana, where Indian communities have existed for more than a 100 years. The second generation of overseas Indians have started to take a keen interest in local politics in the developed countries they live in. There are about 40 mayors of Indian origin in Britain where Indians have a longer experience of involvement in politics (*Overseas Indian*, April 2006: 10–11). The proportion of naturalised citizens amongst immigrants in North America will certainly increase in the twenty-first century now that the quasi-dual citizenship (OCI or overseas citizen of India) granted by India has become fully operational, and more and more NRIs amongst the diaspora could choose to become citizens of the country where they live, without having to give up their Indian passports. This had led to an increase in the voting power of the Indian diaspora as a whole in the destination countries, leading to the formation of lobbies that could push for policies that are strategically favourable for India.

3 Unskilled and Low-Skilled Indians in the Gulf Countries

The overall number of Indians remained small in the Gulf countries after oil was discovered in the region during the 1930s, although they occupied clerical and technical positions in the oil companies. An upsurge in the flow of workers began when large-scale development activities started in the Gulf following the surge in oil prices in 1973. During the early 1970s, the large-scale human resource requirements for 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 met primarily by immigrant labour from neighbouring Arab states like Egypt, Jordan, Palestine and Yemen. Gradually, India (and Pakistan) started to supply most of the unskilled labour, registering growth of almost 200 % between 1970 and 1975. In 1975, Indian expatriates constituted 39.1 % of all non-Arab expatriates in the Gulf region (after Pakistanis with 58.1 %), while other Asians accounted for only 2.8 %. Since then, Indian migration has overtaken that of Pakistan, and since the Kuwait war of 1990–1991, Indians have even replaced non-national Arabs in the Gulf (Jordanians, Yemenis, Palestinians and Egyptians). From fewer than 258,000 people in 1975, the work-seeking voluntary migrant Indian population in the Gulf had risen to 3.318 million by 2001 and is now estimated that it exceeds 3.5 million, spread across the entire range of activities from professionals such as doctors and nurses, engineers, architects, accountants and managers to semi-skilled workers including craftsmen, drivers, artisans and other technical workers, taking in unskilled labourers on construction sites, farmlands, livestock ranches, shops and stores and households. Indian migrant workers in the GCC countries are to be found in all three labour categories.

Highly skilled and technically trained professionals remain in great demand in government departments and public sector enterprises, and they also command high salaries. They only account for about 30 % of all Indian workers in these countries. They are also allowed to bring their families, and children are allowed to stay with parents until they complete their school education. Life in general is comfortable for professionals and white-collar workers in the Gulf countries. They are able to keep in contact with compatriots and nationals, form associations and participate in sociocultural activities. Professionals and white-collar Indians have also established a large number of schools in the region and these follow Indian curricula and are affiliated to Indian examination and certification bodies such as the Central Board of Secondary Education. Despite all this, the majority of Indian migrants to the Gulf region are unskilled or semi-skilled workers, and the majority of skilled professionals and managers are in the developed Western countries.

Unskilled and semi-skilled Indians account for about 70 % of Indian migrants in the Gulf region and they are mostly employed people or else they are looking for jobs and therefore supply determined. On the supply side, the monitoring and controlling of the Indian government has been the prime determinant behind the increase in unskilled and semi-skilled labour migration to the Gulf region, and this has increased over the past few years. The demand in the GCC countries for lower skilled workers such as housemaids, cooks, bearers, gardeners, etc. has been significant, and this has spurred the supply even further.

However, local labour laws provide no protection for unskilled and semi-skilled Indian migrant workers. This is particularly true for women working as housemaids or governesses, who face ill-treatment in some Gulf countries and they are

even subjected to sexual abuse at times (GOI 2006). Unskilled and semiskilled workers employed in infrastructural and development projects generally live in miserable conditions and are accommodated in small cramped rooms in labour camps. Toilet and kitchen facilities are often inadequate and working conditions are harsh. The adverse working conditions, unfriendly weather, inability to participate in social and cultural activities and long periods of separation from families and relatives, have led to emotional deprivation, and these factors have been known to have wrecked the lives of low-skilled Indian workers in the Gulf (GOI 2005–2006: 17; GOI 2006).

There is a high turnover rate for unskilled and semi-skilled workers as their contracts are for short periods of employment and work, usually no more than 2 years at a time. They are only accepted for temporary stays and circulatory immigration. Those completing their contracts must return home although a large proportion manages to return with new contracts, which are not made available to them until 1 year has passed. This policy has facilitated the proliferation of recruitment and placement agencies, which sometimes collude with prospective employers, or fake employers in many cases, thus duping the illiterate and vulnerable job seekers. Employees are required to deposit their travel documents and passports with the prospective employer, who is thereby empowered to exercise all kinds of control over the employees, or even violate the contract terms of employment.

There are even cases of fraudulent employers based in the Gulf countries importing workers to hawk or ‘body-shop’ them to others, in exchange for an attractive commission. The forms of exploiting uneducated and unskilled Indian expatriate workers in the Gulf used by the recruiting agents and prospective employers include refusal to give promised employment, non-payment of promised wages, non-payment of overtime wages, undue deduction of permit fees and other fees from wages, unsuitable transport arrangements, inadequate medical facilities, denial of legal rights to redress complaints, use of migrants as carriers of smuggled goods, victimisation and harassment of women recruits in household jobs such as maids, cooks, governesses. (Overseas Indian 2006, various issues).

In general, Indian migrant communities in the Gulf region maintain close contacts with their kith and kin in India, and they make frequent visits home whenever they have enough savings to do so, or are between contracts in the Gulf. This is because families are not allowed to accompany the unskilled contract workers to the countries they emigrate to. They also keep track of political developments and socioeconomic changes taking place in India through the communication channels of newspapers, radio and television. In times of natural disasters in India, such as earthquakes, the Indian community in the Gulf region responds with donations and deposits in India Development Bonds. Most remittances have come from unskilled workers whose consumption expenses in the Gulf are kept to a minimum as their families are not living with them and are heavily dependent on them for sustenance.

4 The Paradoxes of the Dichotomies

Many medical doctors who have triumphed in their respective fields in the USA emigrated with their first MBBS degree from the All India Institute of Medical Sciences. Similarly, many of the Indian immigrants who sustained the success of Silicon Valley were persons who received their postgraduate education in the USA after obtaining their first engineering degrees from the Indian Institutes of Technology. Engineers from the regional engineering colleges, Banaras Hindu University and other institutions of excellence also followed suit. Likewise, scientists with M.Sc./M.Tech degrees obtained from prestigious universities such as Jawaharlal Nehru University or the University of Delhi, and engineer-managers with degrees in engineering, followed by post-graduate diplomas in business management from the Indian Institutes of Management (IIMs), emigrated to pursue higher studies abroad, and they then entered the world labour market for professionals in the USA. This has often been regarded as brain drain for India.

India faced a serious balance of payments crisis in the middle of 1991. Foreign exchange reserves fell to a level that could barely pay for essential imports that would only cover a few weeks. Indian migrants in developed countries abruptly withdrew their dollar deposits from Indian banks. These problems required immediate action to prevent India from defaulting on its international obligations and to avoid a collapse of its economy for want of critical imports (Kelegana and Parikh 2003: 111). It was the slowly but steadily growing remittances from Indian unskilled workers in the Gulf region that saved the situation for India. Today, India is at the top of the list of countries receiving remittances from its migrants abroad. Almost 10 % of all worldwide remittances sent home by millions of migrants go to India. Kerala's share of remittances from overseas Indian workers has been significant.

The two aforementioned examples of loss and gain or bane and boon, respectively, conceal a number of paradoxes or dichotomies between skilled and unskilled migration.

4.1 The Dichotomy of Gain and Loss

While the volume of remittances from Indian labour migrants in the Gulf has attracted much more attention than those from the West in the form of a boon, in two other areas—technology transfer and return migration—the positive outcome of skilled migration to the developed countries has also been talked about as a boon. However, most studies have not gone beyond the need to assess the quantitative outcomes in terms of volumes of technology collaboration flows. In sharp contrast, return migration has become topical in the context of 'outsourcing'

business processes to India, a process that picked up after the burst of the IT bubble in the USA, although in this case, there is no systematic assessment of the numbers and quality of the returnees, despite the fact that some studies have emphasised that the return to India has been unsustainable because the returnees tend to go back after a short stay in India (Saxenian 2005).

The dichotomy has kept remittances and return as two separate domains—unskilled and highly skilled Indian migrants—completely isolated from one another. What has been overlooked as a result of this dichotomy is that highly skilled migrants to developed countries have made, what I have called ‘a silent backwash flow’ of remittances from India to countries of destination such as the UK, Australia and the USA, in the form of ‘overseas student’ fees that the students and their parents pay (Khadria 2009; Khadria and Meyer 2013). The amounts involved have not been estimated or analysed so far and neither has adequate attention been paid to the return migration of the unskilled and the semi-skilled and their impact on development.

4.2 The Dichotomy of Permanent and Temporary Migration

High-skilled migration is largely associated with permanent migration and the reality reflects this too; the primacy of temporary and circulatory migration policies has resulted in families being split. Similarly, whereas low-skilled migrants go on temporary migration, they also re-migrate, thereby maintaining the process of permanent circulation. With respect to the emigration of the unskilled and semi-skilled to the Gulf region, South-East Asia or elsewhere, the government’s role has been perceived as that of a facilitator to find gainful employment for a maximum number of persons, now increasingly under the General Agreement on Trade in Services (GATS) of the WTO negotiations.

4.3 The Dichotomy of Civil Rights of Dual Citizenship and Voting

In 2006, the purview of overseas citizenship of India (OCI) was expanded and the privilege was offered in all countries except Bangladesh and Pakistan. Prior to that, India’s dual citizenship policy had been driven by a dichotomy of civil rights, as only PIOs in 16 select developed countries were eligible to apply. Of the government measures and programmes in India, the OCI on dual citizenship represents an important landmark for redefining the contours of a migration policy in the new millennium, not just for India but for a transnationally ‘interconnected’ world that is perceived to be emerging. However, this measure seems to mainly

benefit highly skilled migrants in developed countries as migrants in developing countries suffer a backlash from local regimes that are suspicious of their loyalties. In contrast, under the second measure, Indian citizens abroad would have the right to exercise their votes from abroad; this is primarily aimed at Indian unskilled workers in the Gulf region, those who have no hope of becoming naturalised citizens of those countries because of the restrictive regimes there. However, this dichotomy of dual citizenship for PIOs and voting rights in India for NRIs overlooks the question concerning what will happen if NRIs start to become PIOs *en masse* and are eventually granted voting rights?

5 Conclusion: Bridging the Dichotomies for Development in India

Concern and diplomatic action follows the plight of migrant workers of Indian origin employed abroad whenever a crisis erupts, be it the Gulf war, the Iraq war, the random abductions of Indian truck drivers, the beheading of an Indian engineer by terrorists in Afghanistan or the sudden arrests of Indian IT professionals in Malaysia or the Netherlands (*Hindustan Times*, *The Times of India*, *The Straits Times*, April–May, 2006). In terms of the impact on migrant workers themselves in the destination countries (and therefore on their families back in India), commonalities and similarities of exploitation have emerged between unskilled migration to the Gulf and skilled migration to South-East Asia (Khadria and Leclerc 2006). Of course, the dichotomies are such that, while India exerts virtually no control over the migration flows of highly skilled categories, it controls unskilled migration flows only insofar as they fall under the purview of the emigration clearance required (ECR) category of passports. As a result, the possibility that migration itself creates a sense of desperation amongst the low-income Indians who emigrate in pursuit of upward socioeconomic mobility for their families back in India, even braving the risks that accompany migration overseas, has not been looked into. Likewise, in the case of high-skilled migration, there have been no studies of the impact on career and educational choices in India, a country which has seen a lot of choice distortion and inter-generational or even inter-community conflicts over educational choices but which remain un-analysed if not unnoticed (Khadria 2004b; NCAER 2005).

Indian policymakers only became aware of the vulnerability of the workers in the Gulf region and the importance of their remittances to the economy as a result of the warning bell of the Gulf War of 1990–1991. The increase in petrol prices coupled with the fall in remittances from Indian workers in Kuwait and Iraq, and the cost of airlifting Indian citizens from the Gulf region (a feat that saw Air India enter the Guinness Book of Records) put the Indian economy under so much stress that they precipitated a reforms process in the early 1990s. However, with the

shifts in the migration paradigm, the perception of highly skilled emigration to developed countries changed much more dramatically than that of labour migration to the Gulf countries. Accordingly, in the mid-1980s, the political perception of ‘brain drain’ suddenly gave way to the perception of a ‘brain bank’ abroad. Throughout the 1990s, the gradual success and achievements of Indian migrants in the USA—particularly those led by the ‘body shopping’ of software professionals to the USA from India’s Silicon Valley in Bangalore and who worked on averting the looming Y2K global crisis—drew real attention in the developed countries in the West and East alike (Van der Veer 2005: 279). What also followed was a change of attitude in India towards its migrants abroad, who were now given a singular identity called the ‘Indian diaspora’, or even ‘Indiaspora’ as was once proposed. Accordingly, the paradigm shift in the perception of highly skilled migrants leaving India took place in phases: from the ‘brain drain’ of the 1960s and the 1970s to the ‘brain bank’ of the 1980s and 1990s, and subsequently to ‘brain gain’ in the twenty-first century (Khadria 2006a, b, c, d, e).

What will bridge the dichotomies is the design of an exhaustive generic classification for occupations—ranging from ‘manual/unskilled’ to ‘semi-skilled’ and ‘skilled’ and professional talents (by levels of education and occupation/experience), which would have international recognition as tradable ‘services’ under Mode 4 of the GATS (Khadria 2004b). Secondly, the various stakeholders need to be distinctly identified: the migrant workers themselves, their spouses and their families, the training/certifying institutions, accrediting agencies, manufacturers using the talent, service consumers and the state itself. Thirdly, the interests inherent in the receiving-country stakes for streamlining the migrant flows needed to be spelt out specifically and explicitly for overseas employment of various types—temporary, circular, and permanent. Fourthly, there is a need to explore schemes and processes for job search, job certification, hedging against uncertainties, compensation mechanisms, return passage—of a preventive as well as a curative nature (such as overseas job insurance schemes)—education/training of children left behind; their health guarantees, channelisation of designated minimum amounts and maximum proportions of remittances to be spent on human capital building activities, with matching grants from the state etc. Finally, there is a need to take into account the apparent tension concerning international migration from India that has intensified in recent years between the various public-service interests of the state and the profit-making interests of the corporate sector. Private multinational enterprises that wish to boost their global competitiveness and expand their markets feel that they must be able to recruit their employees and import them much more freely from India. They moved part or all of their enterprises to India when they were unable to recruit because of the restrictive immigration policies of their own countries. This is because they were able to find the workers they needed in India, and not just the highly skilled but the unskilled as well. This produced a good outcome for India for the most part, as the jobs came to where the workers were or else they came back with those retrenched in the

destination countries. Therefore, the spillover effects of these investments were mostly positive, as what used to be decent jobs in the North were by and large replaced by decent jobs in the South, paving the way for future North–South cooperation.

If the ‘average productivity’ of unskilled migrant-to-be workers in India can be raised from its present low level in this emerging scenario, then the poorly skilled Indian migrants from the poorer regions of the country would also have a chance to migrate unhindered to the rest of the world or to attract enterprises from abroad, or else to choose an optimum mix of both. The problem would lie in the divisive policies of the developed receiving countries who find the dichotomies between skilled and the unskilled migration very handy in terms of meeting their short-term and long-term objectives. What appears to 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 the countries of destination and vice versa (Khadria 2009). In order to do this in a multilateral international relations framework at forums such as the GATS of the WTO, the dichotomies would have to be deconstructed first. The advantages derived by the developed countries of the North—primarily through higher migrant turnover, at least among the newer short-term migrants, if not by replacing existing long-term migrants with short-term migrants—and which are built into the dichotomies are inherent in their objectives to (a) bring in younger migrants to correct the age-composition bias in their ageing population and counterbalance the age structural transformation (AST) that has been taking place in most developed countries because of falling birth rates and rising longevity, (b) keep wages low and pension commitments non-existent by replacing retiring or deceased older cohorts of long-term permanent migrants with younger, short-term temporary migrants, thereby saving on the overall wages-bill, without compromising average worker-productivity, and (c) stockpile the latest vintage of knowledge embodied in younger cohorts of skilled workers respectively, what I stylistically call the ‘trinity’ of age, wage and vintage (Khadria 2006a: 194).

The counter costs of these to countries of origin like India remain to be explored and judged. The destination countries, in which Indian professional migrants have settled to form a diaspora, are expected to play the role of catalyst in bridging the dichotomies. The opportunity lies partly in the host countries realising that one type of migrants—the suspected ‘social parasite’—if given the appropriate help, resources, and local support would transform itself into the other, the social boon, or as someone phrased it, the white West’s ‘great *off-white* hope’! (Alibinia 2000). The change of values could be brought about by the Indian diaspora itself, which has defied the doomsday predictions with their spectacular economic success in the destination countries, leading to a paradigm shift in the societies and regions where Indians have settled.

However, what is required after the dichotomies have been bridged is a long-term holistic policy (rather than one fragmented into dichotomies), aimed at establishing India's links with the Indian diaspora as a constituency that could be tapped into for the sustainable socioeconomic development of the country. To arrive at a 'win-win' situation in international relations for the trinity of stakeholders—India as a country of origin, the Indian migrants as part of its diaspora and the destination countries of the skilled and unskilled migrants—a set of two specific conditions must be met: a 'necessary condition' of a significant global geo-economic presence of 'Indian workers', whether skilled or unskilled, and a 'sufficient condition' of India deriving *sustainable* developmental benefits from that global geo-economic presence. In terms of the large stocks and flows of Indian skilled and unskilled workers abroad, and migrants establishing excellent records of accomplishment in the labour markets of the destination countries, the first condition is automatically fulfilled. To satisfy the second—the condition of India deriving significant gains from the global geo-economic presence of the Indian migrants—their 'participation' must be directed, not primarily 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 in which migration has so far failed to change society. Large masses of the illiterate/uneducated population, incapacitated by their poor health, are the root causes of India having one of the lowest levels of average labour productivity, and therefore, the lowest average wages in the world—a paradoxical dichotomy when Indian diaspora members form, on average, one of the largest contributing ethnic communities in their countries of destination. For example, it is indeed paradoxical to see the average per-hour contribution of each employed worker within India to the production of India's gross domestic product (GDP) amongst the lowest in the world (at a mere 37 cents compared to \$37 or 100 times that in the United States). This is naturally ironical, because as mentioned earlier the same average Indian employed abroad contributes a very high average share to the GDP of the country where he/she has settled and works (Khadria 2002).

We encounter a 'double challenge' for development policy in a sending country like India: first of all, it needs to convince its own diaspora community to rethink the development process in India as a 'bottom-up' creation and enhance sustainable productivities of labour through the development of education and health rather than as a 'top-down' development through participation in business and industry—one comprehensive, the other dispersed; one long-term and visionary about creating an expanding and self-sustaining market by enhancing the average productivity of workers and hence the purchasing power in their pockets, the other immediate and myopic about selling goods and services to an existing, but limited, market of high-income buyers. It is not just a matter of willingness; in many instances, it would entail long periods of struggling to create the decision-making and priority-setting discerning abilities, or *capabilities*, amongst the leaders of the

migrant communities. Secondly, India must be able to convince the countries of destination (and the other countries of origin as well) as to where the dichotomy of distinction between the most ‘painful’ and the most ‘gainful’ socioeconomic impacts of the migration of its workers—both skilled and unskilled and both NRIs and PIOs—lies. At multilateral forums the ‘adversary analysis’ would help a country like India to press for international norms in the Mode 4 negotiations of the GATS, on the issue of the movement of natural persons as service providers under trade, which is just another description for promoting the temporary entry of migrants without GATS defining it as such, but explicitly remaining inapplicable to permanent migration (Martin 2010: 197). At multilateral dialogues, the so-called ‘vulnerability of unskilled migrants’ and the ‘instability of ‘skill-points’ in immigrant quotas’ underlying the ‘open-and-shut policy’ of the destination countries creates another dichotomy that must be bridged before any impact of migration or return on development is assessed for India.

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