Emigration, Immigration, and Diaspora Relations in India

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October 2009

India has one of the world's most diverse and complex migration histories. Since the 19th century, ethnic Indians have established communities on every continent as well as on islands in the Caribbean and the Pacific and Indian oceans.

The composition of flows has evolved over time from mainly indentured labor in far-flung colonies to postwar labor for British industry to high-skilled professionals in North America and low-skilled workers in the Middle East. In addition, ethnic Indians in countries like Kenya and Suriname have migrated to other countries, a movement called secondary migration.

This profile provides a broad overview of Indian migration flows and major populations worldwide, both in the past and more recently, as well as their remittances and contributions to India.

It then discusses India's policies toward its diaspora, India's own immigration policies, and immigration to India, including economic migrants from Nepal, refugees and asylum seekers from the region, and illegal immigrants from Bangladesh.

Emigration during Colonial Rule

In ancient times, Indian traders established bases around the Indian and the Pacific oceans, especially in East Africa and Western and Southeast Asia. However, those flows were not the basis for Indian migration in the 19th century or the global dispersion seen today.

Rather, flows of the last 175 years began with the era of British colonial rule. The British had strategic portions of India under their control by the end of the 18th century and gained control over more territory in the 19th century.

Following the abolition of slavery, first by the British in 1833 and subsequently by other colonial powers such as France, the Netherlands, and Portugal, the colonies urgently needed manpower, particularly on sugar and rubber plantations. To meet this demand, the British established an organized system of temporary labor migration from the Indian
The term "Indian diaspora" refers to all persons of Indian descent living outside India, as long as they preserve some major Indian ethnocultural characteristics. Only nationals of Pakistan and Bangladesh are excluded from this term since those countries were part of the larger British India before 1947 and thus constitute a special case.

A common distinction with regard to ethnic Indians outside India, often referred to as overseas Indians, is made between non-resident Indians (NRIs), who hold Indian citizenship, and persons of Indian origin (PIOs), who do not.

This system remained in place for 80 years. Despite variations in the way the indenture system operated, some common characteristics can be discerned.

Laborers, mostly from rural areas, would initially sign up for a five-year contract. Many renewed their contracts, and a significant portion chose to stay permanently, deciding to accept a piece of land or a certain payment in lieu of their right to be shipped home.

Isolated from the rest of the local population, colonial rulers housed the workers in barracks and regulated their lives in almost every regard, with severe punishments for disobedience and "insufficient work." The poor living conditions and almost unlimited employer control led historian Hugh Tinker to label the system a "new form of slavery."

In response to severe criticism, the British Imperial Legislative Council abolished the indenture system in 1916. By that time, more than 1.5 million Indians had been shipped to colonies in the Caribbean, Africa, Asia, and Oceania, according to estimates by the historian Brij V. Lal.

During roughly the same period, another form of labor migration was taking place. Tapping the labor surplus of South India, mostly in Tamil Nadu, the managers of tea, coffee, and rubber plantations in Sri Lanka, Malaya (part of present-day Malaysia), and Burma authorized Indian headmen, known as kangani or maistry, to recruit entire families and ship them to plantations.

Thus the system is commonly referred to as the kangani system for Sri Lanka and Malaya, and the maistry system for Burma. India, Malaya, and Sri Lanka played a role in this system by licensing the recruiters and partly by subsidizing transportation to the plantations. In Malaya, kangani migration took place in addition to the indentured labor system and mostly replaced it from 1900 onwards.

Indian workers in these three locations had close ties to India, partly because of the relatively short travel distance. Especially in Sri Lanka, however, the host society prevented any settling or mingling with the local Sinhalese. Compared to indentured laborers, the lives of kangani migrants were less regulated and provided the comfort of having moved with their families and village contacts.

Sociologist Chandrashekhar Bhat estimates that about 6 million people had left Indian shores when the system was abolished in 1938: about 1.5 million to Sri Lanka, 2 million to Malaya, and 2.5 million to Burma.

In addition to low-skilled workers, members of India's trading communities settled in many countries where indentured laborers had been brought or where business opportunities in the British Empire were promising. For example, Gujarati merchants became shop owners in East Africa, and traders from present-day Kerala and Tamil Nadu provided rural credits for peasants in Burma, Ceylon, and Malaya or were involved in retail trade.
Indian Partition and Migration

Upon independence from British rule in 1947, British India was divided into predominantly Hindu India and predominantly Muslim Pakistan. The border was drawn through Punjab in the west and Bengal in the east. This partition led to an enormous migration of people — estimated at between 12 and 18 million — that took place from 1947 to 1950. About half of the migrants (mainly Muslims) moved from India to Pakistan and half (mainly Hindus and Sikhs) moved in the opposite direction.

During the time of the British Raj, small-scale migration from the subcontinent to Britain consisted largely of educated Parsees and Bengalis. Between World War I and World War II, the number of Indians in Britain increased although the population remained small; estimates range from 5,000 to 8,000. Many worked in unskilled jobs for low wages.

The historian Rozina Visram states that from 1930 onwards, India restricted the issuance of passports in order to limit the migration of less-educated Indians to Britain. Unlike Indians of “good character and established position,” the less-educated were required to have a definite employment offer in Britain and to prove they would be unlikely to become destitute.

Post-Independence Migration to High-Wage Economies

Until a decision by the Indian Supreme Court in 1966, the issuance of passports was considered a discretionary instrument of the Indian government to conduct its foreign relations.

The Supreme Court established the “right to travel” as a fundamental right under the Indian constitution, following which the Indian parliament enacted the Passports Act of 1967. However, the act contains several provisions to refuse the issuance of a passport if the government thinks this would not be in "public interest."

In the first decades after independence, unskilled, skilled, and professional workers (mostly male Punjabi Sikhs) migrated from India to the United Kingdom. This is commonly attributed to Britain’s postwar demand for low-skilled labor, postcolonial ties, and the United Kingdom’s commonwealth immigration policy, which allowed any citizen of a Commonwealth country to live, work, vote, and hold public office in the United Kingdom.

Before the British Commonwealth Immigration Acts of 1962 and 1968, Indian nationals, as Commonwealth citizens, had an unrestricted right to enter the United Kingdom. Many settled in London as well as industrial cities like Leicester and Birmingham.

By the mid-1960s, most Indians coming to the United Kingdom were dependents according to government statistics; dependents made up 75 percent of all Indians entering in 1965 and 80 percent in 1966. Flows peaked in 1968, at just over 23,000. Between 1970 and 1996, an average of 5,800 Indian immigrants landed every year in the United Kingdom. Indian immigration sharply increased again between 1995 and 2005 (see Table 1).
Table 1. Immigration of Indians to Selected Countries, 1995 to 2005

Census data reveals that the India-born population in the United Kingdom tripled from 166,000 in 1961 to 470,000 in 2001. It has to be noted, however, that these numbers include white British born in India. Social geographers Ceri Peach and S.W.C. Winchester estimate the number of ethnic Indians in 1961 at 50,000. The ethnic Indian community as of 2007 stood at 1.3 million. In 2001, it counted 1 million members, with one-fifth born in South Africa or an East African country (see the section on secondary migration).

Being the only major European destination for Indians until the 1990s, the United Kingdom hosted about two-thirds of Europe's ethnic Indian population in 2001. As Table 1 shows, other countries in Western Europe, and increasingly in Eastern Europe, have also witnessed an influx of Indian migrants.

Between 1995 and 2005, half of the Europe-bound Indian immigrants headed to the United Kingdom. The other half opted for other EU countries, primarily Germany and Italy, which received 18 percent and 12 percent of the flows, respectively.

Flows into Belgium and Sweden have also slowly increased since the mid-1990s, and about 1,000 Indians come to France each year. However, the Indian community in France, about 65,000 people, is largely composed of ethnic Indians from Madagascar, the Seychelles, La Reunion, and Mauritius.

In many cases, the increased flow of Indians was triggered by European governments' attempts to tap India's highly skilled labor force. For example, Germany's temporary migration scheme, labeled "green card" and in place between 2000 and 2005, deliberately targeted Indian IT professionals. On the other hand, the Indian community in Italy consists largely of formerly illegal migrants, now being regularized. Most of the Indians in Italy are from Punjab and tend to work on dairy farms and in agriculture.

Substantial Indian migration to Northern America started only in the late 1960s. Both in the United States and Canada, major changes in immigration policy affected immigration flows generally, and Indian immigration specifically.

In the United States, the 1965 Immigration Act, which came fully into force in 1968, abolished national-origins quotas and made it possible for high-skilled immigrants, including Indians, to gain permanent residence and bring their family members.

The Immigration Act of 1990, effective from 1995, facilitated this process further by introducing the H-1B temporary worker category. This visa category allows US businesses to hire foreigners with at least a bachelor's degree in "specialty occupations" including scientists, engineers, and IT specialists. Indian citizens are by far the top recipients of H-1B visas each year.

H-1B visas, which are tied to a specific employer, are valid for three years and may be renewed for another three years. At that point the employer can decide to apply for lawful permanent residence for the H-1B visa holder.

According to the US Department of Homeland Security, from 1986 to 2005, the annual total influx of Indian immigrants more than tripled from 27,000 to 85,000, while the share in total immigration flows rose from 4.4 to 7.4 percent. Indian citizens accounted for 5.7 percent of all persons obtaining lawful permanent resident status in 2008.

Overall, the Indian foreign born are highly skilled: The US Census Bureau's 2008 American Community Survey found that 74.1 percent held at least a bachelor's degree, and 68.9 percent reported working in management, professional, and related occupations.

The total size of the Indian community — meaning those born in India, the foreign born of Indian ethnicity (e.g., those born in Fiji or Trinidad), and the US-born children of Indian immigrants — surpassed 2.5 million in 2007 (see Figure 1).
Temporary workers from India have received much attention, both from mainstream politics as well as research. Economist B. Lindsay Lowell observed that the number of Indian H-1B visa holders grew fivefold between 1989 and 1999 and peaked in 2001 with 160,000 issuances. In that year, 82 percent of all computer-related H-1B visas were given to Indians and 85 percent of all Indian H-1B beneficiaries were counted as computer related.

In 2007, India received one-third or 158,000 of all H-1B visas (including new visas and renewals). The second largest number went to Canadian citizens, accounting for 26,000 visas only.

India's domination of computer-trained temporary workers is mainly attributed to the large supply pool in India and to the fact that prior waves of Indian IT workers had successfully established a significant presence in that industry.

As in the United States, significant immigration flows of Indians to Canada were triggered by new immigration legislation that opened the door to high-skilled immigrants. In 1968, Canada introduced its points system, which assigns value to qualifications rather than a person's ethnic or national background.

By the 2006 census, Canada was home to 443,690 Indian foreign born, or 7.2 percent of all immigrants. The ethnic Indian community of 963,000 includes those born in Canada, as well as in East Africa, Guyana, Fiji, and Trinidad.

According to Statistics Canada, one-quarter of adult ethnic Indians were university graduates in 2001, better than the overall population. Also, 8 percent of all workers of Indian origin were employed in the natural and applied sciences compared with 6 percent of the total workforce.

However, 13 percent of the Indian labor force held manufacturing jobs, and the average income of Canadians of Indian origin was about 10 percent less than the corresponding national figure.

Since the 1990s, Australia and New Zealand have become important destination countries for Indians. Australia had 147,101 foreign born from India according to the 2006 census, 3.3 percent of all immigrants and the third-largest group from Asia, after the foreign born from China and Vietnam. From 1999 to 2007, the number of admitted immigrants from India grew 25 percent each year.

In New Zealand, the Indian-born population nearly doubled from 6,500 in 1986 to 12,800 in 1996, more than tripling by the 2006 census to 43,300 (4.9 percent of all immigrants).

Three factors can account for the increase in Indian immigration to Australia and New Zealand. First, both countries aim to attract English-speaking, highly qualified professionals, often to supply their IT industries.

Second, Australia and New Zealand have become important destinations for Indian students who, upon graduation, increasingly decide to stay on. This has been facilitated by Australian policies since 1998; these policies allow them to change their status without having to leave the country.

And third, a growing ethnic Indian community in both countries has led to increased family-sponsored immigration.

**The Indian Diaspora in Malaysia, Singapore, and Fiji**

Malaysia's population consists largely of ethnic Malays, ethnic Chinese, and ethnic Indians, who numbered 1.8 million according to a report issued by Malaysia's prime minister. Most of the ethnic Indians in Malaysia are descendants of kangani labor migrants.

The report also states that Indians have slightly higher household incomes than Malays but lower than Chinese. Although a quarter of Malaysia's lawyers and doctors are ethnic Indians, the majority of Indians are engaged in lower-skill occupations.

Despite their numbers and some political representation, the community faces severe discrimination, fueled also by religious tensions between the predominantly Muslim Malays and the predominantly Hindu Indians. In addition, Malaysia consistently favors
"bumiputeras," the so-called sons of the soil, in its economic policies, its distribution of government funds, and in its hiring for government positions.

In 2004, 8.4 percent (293,000) of Singapore's population reported Indian ethnicity. Many Indians settled there over the last 150 years; they are mainly laborers and domestic workers. As a result of Singapore's immigration policy, low tax rates, and economic growth, the country has witnessed a large influx of Indian professionals since the 1990s.

Fiji had been a major destination of indentured laborers in the 19th century. After its independence from the United Kingdom in 1970, more than 98 percent of the 300,000 Fiji-born ethnic Indians accepted Fijian citizenship but were still referred to as "Indians," a term that several Fijian constitutions uses.

The ethnic Indian population in Fiji has decreased over two decades: in 2007 there were 313,800 Indian Fijians, or 37.5 percent of the population. Apart from a small group of prosperous Gujarati merchants, the majority of Indian Fijians are less well-to-do cane farmers.

Several military coups, significant racial tensions between ethnic "Fijians" and Indian Fijians, and a long tradition of discriminatory legal provisions for land ownership, political representation, and public funding led to many challenges for the community and a significant level of emigration, especially to Australia and New Zealand.

In contrast to other destination countries, ethnic Indians have had some political representation in Malaysia and Fiji and have held high-level government positions in Singapore. These include two presidents of Singapore, including Sellapan Ramanathan, the current president, and numerous cabinet ministers and members of parliament.

**Indian Student Migration**

The absolute number of Indian students abroad tripled from about 51,000 in 1999 to over 153,000 in 2007, according to the UNESCO Institute for Statistics (see Table 2). Thus, India ranks second among the world's largest sending countries for tertiary students, after China.

Five countries accounted for 90 percent of all Indian tertiary students abroad. The United States is by far the most important destination country, receiving more than half of the worldwide expatriate Indian student force in 2006-2007, followed by Australia (16 percent) and the United Kingdom (15 percent).

**Table 2. Indian Students Abroad, 1999 to 2007**

The Institute of International Education reports that India has been the leading source of foreign students in the United States since 2000-2001. In the 2007-2008 academic year, 15 percent of all foreign students admitted were from India, corresponding to almost 95,000 people. The majority of these Indian students pursue graduate studies, as did three out of four Indian students in 2006-2007.

However, the number of Indians submitting applications to US graduate schools shrunk 12 percent for the 2008-2009 school year compared with 2007-2008, according to a report from the Council of Graduate Schools.

Studying in the United Kingdom has been a tradition for many Indian middle-class families. After a temporary slow down, this movement gained momentum again in the last decade when British universities started to hold student fairs in India and recruit students directly. For this purpose, at least 14 British universities have opened full-time offices in India.

In 2007, Indians made up 6.4 percent of the country's 374,000 foreign student enrollments, as reported by the Atlas Project — up from 4 percent in 2003. The UK Higher Education Statistics Agency reports that the majority of them are enrolled in graduate programs, the biggest number in business studies, followed by engineering and technology, and computer science.

Student migration is often the gateway for permanent stay in the country. This is eased by policies in many destination countries that allow students to convert their student status into a residence permit if they find a job within a certain time after graduation.

**Secondary Migration of the Indian Diaspora**
Due to racial pressures and economic instability in some of the countries where Indians settled in the colonial era, many of them and their descendants went to India or to other countries. These types of flows, known as secondary migration, took place from East Africa, Fiji, and some Caribbean countries.

Particularly significant was the exodus of ethnic Indians from Uganda after Idi Amin came to power in a military coup in 1972. Black Ugandans had long resented Asians' economic dominance. Amin, seeking to give economic power back to Africans, set a deadline of 90 days for all persons of Asian origin to leave the country for good, including the 80,000-strong ethnic Indian community.

Although many Ugandan Indians were British passport holders, they did not have the right to settle in the United Kingdom because the UK Commonwealth Immigration Act of 1968 limited immigration. Apart from 28,000 who entered Britain via a quota system, Canada accommodated some highly skilled Ugandan Asians who qualified under the Canadian points system. Smaller numbers were accepted by the United States, West Germany, and Sweden.

Even though Kenya and Tanzania did not force ethnic Indians to leave, their Africanization policies (though not as severe as those of Uganda) led to a significant emigration of ethnic Indians from these countries as well. The High Level Committee on the Indian Diaspora reports that about 70,000 ethnic Indians from Mozambique relocated to Portugal.

As stated earlier, large numbers of Indians in Fiji have emigrated to Australia and New Zealand. In Australia's 2006 census, almost 30,000 Fiji-born persons (56 percent of all Fiji-born) reported Indian ancestry, while the number in New Zealand was 5,600 according to its 2006 census.

From Suriname, a former Dutch colony in Latin America, ethnic Indians — who were the descendents of indentured laborers — migrated to the Netherlands in large numbers before Suriname’s independence in 1975. Ethnic Indians left Suriname because they feared Creole domination and the loss of Dutch citizenship.

In contrast, ethnic Indians from other Caribbean countries have migrated to the United States and Canada and continue to do so, mainly for economic reasons. According to the 2008 American Community Survey, 4 percent of all ethnic Indians in the US, or 97,000 persons, were born in the Caribbean.

**Temporary Labor Migration to West Asia**

Significant migration from India to the Persian Gulf began in the 1970s, following the oil boom. Since then, an increasing number of semi- and unskilled workers from South India have worked in the gulf countries on temporary migration schemes in the oil industry and in services and construction.

Most come from the South Indian states of Tamil Nadu, Kerala, and Andhra Pradesh. These states have a historic connection with the gulf countries, plus they have large Muslim populations and were experiencing high unemployment rates when migration picked up in the 1970s. Successful migrants, with their increased earnings, then served as role models for many others in their villages and districts.

These workers' contracts typically last between two and five years; generally, after finishing their contractual employment, they must return to India before they are eligible for a new contract. The gulf countries offer little scope either for family migration and unification or for permanent residency and citizenship.
Internal mobility is especially critical to the livelihoods of tribal people, socially deprived groups, and people from economically marginalized areas. However, the country's ethnic, linguistic, and religious diversity means that internal migration can have the same effects and challenges, including xenophobia, as international immigration in other countries. One of the Indian government's main challenges is to safeguard the rights of those vulnerable internal migrants and to maximize their development potential.

India's Emigration Act of 1983 regulates emigration of Indian workers for overseas employment on a contractual basis and seeks to safeguard their interests and ensure their welfare. The act requires all recruiting agents to register with the Protector-General of Emigrants before they can recruit for overseas employment.

To protect vulnerable categories of unskilled, semi-skilled workers, and women going abroad, the Protector-General of Emigrants checks their labor contracts before they depart to ensure the contracts ensure fair wages and decent working and living conditions. This process is called an emigration clearance check.

However, large groups of people are exempted from this check, for example, certified nurses, professionals, and persons who have been staying abroad for more than three years. Further, for migration to 54 countries, such as the United States, Australia, New Zealand, and most European countries, but also Thailand and Singapore, an emigration clearance check is not required.

The annual number of semi- or unskilled Indian workers going to the gulf countries more than quadrupled between 1999 and 2007, from about 160,000 to 777,000 (see Figure 2). Those going to the gulf countries in 2007 made up 96 percent of all workers requiring an emigration clearance check.

Sociologist P.C. Jain estimates that about 4.5 million Indians were living in the gulf countries in 2008, 70 percent of them in the United Arab Emirates and Saudi Arabia. Although most Indians in the gulf hold unskilled or semiskilled jobs, the High Level Committee on the Indian Diaspora estimates that 20 percent are white-collar workers and another 10 percent belong to the professional category.

The Full Picture: The Global Indian Diaspora

According to 2001 estimates by the High Level Committee on the Indian Diaspora, the 18.5 million-strong diaspora (including descendants of Indian migrants) is widely dispersed. The Indian government claims diaspora communities in as many as 110 countries; however, three-quarters of the diaspora population live in 12 countries (see Table 3).

Since 2005, the Indian government claims that the community numbers approximately 25 million.

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Note: The numbers are estimates of the diaspora populations including both actual migrants and descendants of migrants. For Nepal, data refer only to persons born in India.

In 2001, the largest number of diasporic Indians (35 percent) lived in Asia (see Figure 3). A fifth of the diaspora were in the gulf region, with 14 percent in Northern America, 13 percent on the African continent, and 10 percent in Europe. The Caribbean and Oceania accounted for only a small share, 6.5 percent and 3.3 percent, respectively.
Note: The numbers are estimates of the diaspora populations including both actual migrants and descendants of migrants.


While ethnic Indians are a minority in most countries, they constitute around 40 percent of the population in Fiji, Trinidad, Guyana, and Suriname. They make up 70 percent of the inhabitants of Mauritius.

The Indian diaspora in developed countries, especially in the United States, is highly organized with many regional and pan-Indian cultural, professional, religious, and charity organizations. In recent years, advocacy groups, political ambitions of individuals like Louisiana Governor Bobby Jindal, and the Congressional India Caucus have demonstrated Indians' increasing political influence.

Other countries, however, have seen more Indians elected to national legislative bodies. In Canada, eight ethnic Indians — all of them Sikhs — were elected to the House of Commons in October 2008. Currently, six elected Members of the British Parliament and eight Members in the House of Lords are of Indian descent.

In Mauritius, where 70 percent of the population is of Indian descent, the prime minister has been an ethnic Indian except for between 2003 and 2005. As noted earlier, Singapore's current president is an ethnic Indian. Seven cabinet members and 27 parliamentarians in Fiji are of Indian descent; in Malaysia, the count goes to one cabinet minister and three members of parliament. In Germany, two ethnic Indians are elected representatives in the central parliament, as is one India-born person in New Zealand.

The Diaspora's Economic Contributions to the Homeland

Since 2003, India has been the world's largest recipient, at least in absolute terms, of remittances, defined as the inflow of private transfers. From a modest US$2.1 billion in 1990-1991, remittances through formal channels were pegged at US$52 billion in 2008 (see Figure 4).

![Figure 4. Remittances to India, 1970 to 2008](image)

Generally, it is assumed that remittances through informal channels are significant as well. Despite the lack of data on such channels, it is believed that for India, informal channels do not play a major role. Professional migrants to industrialized countries are more likely to use formal channels and temporary labor migrants often hold special accounts with Indian banks that have established a presence in the gulf countries.

Also, in relative terms, remittances gained considerable importance since they now make up a larger chunk of India's gross domestic product: 3.3 percent in 2007 according to the World Bank versus 0.7 percent in 1990-1991 according to the Reserve Bank of India (RBI).

As economist Deepak Nayyar points out, remittances increased from the mid-1970s to the mid-1980s largely because of remittances from temporary migrants in the oil-exporting gulf countries.

But over the last decade, data from RBI shows, the migration of professional migrants to Western countries drove the sharp increase in remittances. Between 1997 and 2004, two-thirds of all received funds came from the United States, Canada, and Europe, and more than half of all transferred funds received in 2003 and 2004 originated from Northern America alone.

There is no systematic data on the regional destinations of remittances in India. However, economists K.P Kannan and K.S. Hari estimate that for the South Indian state of Kerala, the origin of many temporary gulf migrants, remittance inflows averaged 22 percent of the state's income.
In addition to remittances, India has seen growth in capital inflows. In the 1970s, the government authorized special deposit schemes for non-resident Indians (NRIs) to increase its foreign-exchange reserves; depositors can hold their money in foreign currencies or in Indian rupees. NRI deposits grew steadily from US$14 billion in 1991 to US$ 43.7 billion in 2008.

When India has urgently needed foreign exchange, it has used diaspora bonds — debt instruments for raising money from a country's diaspora. In total, India received US$11.3 billion in foreign exchange from the three schemes, each under different circumstances: during the balance of payment crisis in 1991, when it suffered from sanctions in 1998 in response to its nuclear tests, and during adverse global economic conditions in 2000.

**The Indian IT Industry and the Diaspora**

Although no reliable statistics exist, anecdotally it appears an increasing number of Indians have returned in recent years. Returnees can benefit their home countries by contributing enhanced skills, which can be used in the country of origin (human capital); access to business networks abroad (social capital); and financial capital and investment.

The Indian information technology (IT) industry is widely regarded as a showcase for this triple-benefit formula. Figures from India's national software association NASSCOM show that North America (predominately the United States) accounted for two-thirds of India's IT exports from 2004 to 2007.

While the industry's success is attributable to other factors, the impact of the diaspora and returnees from the United States particularly is believed to be important for three reasons.

First, several studies have shown that Indians who returned from the United States have founded and managed successful IT companies in India.

Second, some Indians who founded companies in Silicon Valley have subcontracted work to companies in India. These entrepreneurs often serve as intermediaries between the markets.

Third, the success of Indian IT professionals in the United States has created trust in the country's intellectual abilities abroad. It has been a major factor in branding India as a source of well-educated and hard-working professionals, rather than a poverty-ridden country of snake charmers.

This new "India brand" explains several countries' increased interest in recruiting Indian graduates and professionals. However, this image has repercussions for India's attractiveness as a partner for trade and investment. It also contributes to the willingness of US and other companies to collaborate with and outsource to Indian companies.

**India's Diaspora Policies**

Within the last decade, the Indian government has shown significant interest in the diaspora and established a number of diaspora policies. India's increasing interest in its diaspora has three major factors.

First, India once had a closed economy that did not encourage foreign contributions, businesses, or investment. When the government liberalized the economy in 1991, diasporic Indians became more useful as agents of trade, investment, and technology.

Second, Indian foreign policy began to recognize the value of the diaspora in industrialized countries, especially the United States, for public diplomacy.

And third, only from the mid-1990s, ethnic Indians started surfacing as high-level executives of multinational corporations. The general success of the community, especially in the United States and Canada, and the community's positive influence on the overall idea of Indian qualities led successive Indian governments to take a more proactive approach.

Since 2003, the government has hosted an annual diaspora conference, the Pravasi Bharatiya Divas, that is designed to serve as a platform for interaction between overseas Indians, the Indian government, and interested segments of the Indian society, such as businessmen and cultural and charity organizations.
High-level political leaders, including the prime minister, the president, and union ministers, address 1,000 to 1,500 overseas Indians on topics such as investment and philanthropic activities in India as well as concerns of the diaspora communities the world over.

Established in 2004, the Ministry of Overseas Indian Affairs coordinates activities aimed at reaching out to the diaspora. These include the "Know India Program" for diaspora youth and annual awards for eminent diaspora personalities.

The government also set up a Global Advisory Council to the Prime Minister, consisting of diasporic scholars, scientists, politicians, and businessmen, in 2009.

In 1999, India introduced the Person of Indian Origin Card (PIO card) and in 2005 Overseas Citizenship of India (OCI). Both grant practical parity with Indian citizens but do not permit voting, standing for election, or government employment.

PIO cards are available to former Indian citizens and their non-Indian-born descendants (up to four generations) while OCI is limited to those whose parents or grandparents once had or were eligible for Indian citizenship on January 26, 1950. Also, OCI grants a lifelong visa and does not require reporting to the police for stays longer than 180 days.

As of March 2009, the Indian government had granted almost 400,000 OCI cards, 43 percent of them through Indian consulates in the United States and 13 percent in the United Kingdom.

With the financial resources of the diaspora in mind, the government amended investment laws and established the Overseas Indian Facilitation Centre in 2007 to make it easier for Indians abroad to invest. In addition, the Reserve Bank of India has procedures in place so that NRIs and PIOs can invest in Indian companies.

**Temporary Labor Migration Policies**

Temporary low- and semiskilled labor migration, mainly to the gulf region but also to Malaysia and increasingly to other parts of the word, prompted the Indian government to institute important new policies.

Key focus areas are preparing migrants before they leave, controlling and monitoring the licensing of agents and brokers, safeguarding migrants' rights in countries of temporary residence, maximizing their remittance potential, and facilitating reintegration upon their return. The Protector-General of Emigrants at the Ministry of Overseas Indian Affairs monitors migrant welfare.

Since 2003, there is a compulsory insurance system for Indian workers moving overseas, the Pravasi Bharatiya Bima Yojana. Further, the government has established a welfare fund for overseas workers and negotiated bilateral agreements on the transferability of their social security contributions. The welfare fund covers boarding and lodging for distressed overseas Indians in the domestic sector and unskilled laborers.

**Open Border with Nepal**

According to a bilateral friendship treaty signed between India and Nepal in 1950, citizens of both countries can travel and work freely across the border and are to be treated the same as native citizens. Nepali migration to India dates back to the 19th century, when many Nepalis migrated to Punjab and joined the British army in India. They also came to work on tea plantations in Assam and Darjeeling.

The Nepal Living Standard Survey, as well as scholars who have studied Nepali migration, have estimated that 1 million Nepalis work in India. Most are unskilled permanent or seasonal laborers and domestic workers, living almost exclusively in Northern India.

Nepal's 2001 census reported 584,000 persons born in India of which only 100,000 were registered as Indian citizens. Other estimates include the majority of the settlers of south Nepali provinces, such as the Terai, as ethnic Indians.

**Foreigners, Refugees, and Asylum Seekers**

The Foreigners Act of 1946 regulates the entry and stay of foreigners in India. It requires all foreigners to register with the local police if they are in the country for longer than 180 days.
The Home Ministry reports that 352,000 foreigners were registered in India as of December 31, 2007, just 0.03 percent of the population. Students (8.2 percent) accounted for the highest percentage of foreigners in 2006, followed by employees (5.2 percent).

The 2001 census revealed that more than 6 million residents were born outside the country (including Indian citizens born abroad), but almost all (5.7 million) were from the neighboring countries of Bangladesh, Pakistan, and Nepal; Sri Lanka and Burma accounted for another 243,000. Only 227,000 individuals were born outside of the region: 28 percent of them in Africa, 25 percent in the Middle East, and only 20 percent in Northern America, Europe, and Oceania combined.

However, anecdotal evidence from Mumbai, Delhi, and Bangalore suggests that the real number of non-South Asian foreigners in India is significantly higher.

India has traditionally treated refugees well even though it is not a party to the 1951 Refugee Convention and its 1967 Protocol. Most famously, India granted refuge to the Dalai Lama when he fled Tibet in 1959 and permitted him to set up a government-in-exile in Dharamsala. The Indian government allows the Central Tibetan Administration autonomy in public education, for example, but does not officially recognize it as a government.

Today, about 110,000 Tibetans live in India according to the Ministry of Home Affairs' annual report, which cites the Dalai Lama. The approximately 80,000 Tibetans who arrived in the first and largest wave received resident permits and were offered low-paying public works jobs by the Indian government. However, more recent Tibetan refugees have not been as welcome, with many denied residence permits.

An estimated 60,000 Afghans fled to India after the Soviet Union invaded Afghanistan in 1979. Thousands more came when the Taliban took power in 1992. Since 2001, the United Nations High Commissioner for Refugees (UNHCR) has helped some 500 return and 650 to resettle to third countries, mostly to the United States, Canada, and Australia.

In 2007, 9,200 Afghanistan refugees (92 percent of them Hindu or Sikh) were living in India, according to a spokesperson for UNHCR. More recently, the Indian government has agreed to naturalize many of these Hindu and Sikh Afghans who have lived in India since 1979.

In addition, UNHCR reports that currently, about 4,000 asylum seekers, mostly from Afghanistan and Burma, are in the process of refugee certification.

Ethnic South Indians (Tamils) from Sri Lanka began fleeing to India in response to the civil war that broke out in 1983 between the government and the Tamil Tigers, who wanted an independent Tamil state on the island.

While the Indian Government and UNHCR repatriated almost 100,000 Tamil Sri Lankans to Sri Lanka until 1995, 22,000 Sri Lankans fled to India in 2006 due to renewed fighting between the government and Tamil Tigers. As of late 2008, about 73,000 Sri Lankan refugees were living in 117 camps across southern India, mainly in Tamil Nadu.

As of 2005, UNHCR reported that India had 139,283 refugees and 303 asylum seekers. Of this population, UNHCR protects and assists some 11,000 urban refugees. More recently, India has received Iraqi and Palestinian refugees from Baghdad, some of whom have been resettled to third countries.

**Refugee Policy Issues**

India has not enacted any laws or regulations relating to the status of asylum seekers and refugees. Instead, those persons are governed by the general Foreigners Act of 1946. In most cases, recognized refugees do not have the right of free movement in India and are not entitled to work.

Indian law requires every person entering the country to have proper documentation denoting permission from Indian authorities. Without such permission, a person is at risk of deportation as an illegal entrant.

This situation is problematic for most refugees who often do not have passports, let alone Indian visas. The South Asia Human Rights Documentation Centre reports that although
the Extradition Act of 1962 provides some protection to refugees facing extradition, this act does not provide real safeguards for the majority of refugees in India whose removal falls under the category of expulsion rather than extradition.

Eminent jurist Rajeev Dhavan reports that on the positive side, the Supreme Court and various High Courts extend constitutional rights to refugees and migrants. However, following the Law Commission's 175th Report of 2000, the Foreigner Act was made stricter to treat "illegal entrants" harshly, irrespective of the circumstances underlying their migration.

Only specific refugee groups such as the Tibetans and Sri Lankan Tamils are recognized and supported directly by the Indian government. Other refugees, such as those from Afghanistan, Iraq, and Somalia, have to obtain a "refugee status determination" directly from UNHCR. For this purpose they must travel to the UNHCR office in New Delhi, where UNHCR assesses whether they fall within the definition of a refugee.

When reform of the Indian Citizenship Act of 1955 was discussed in 2003, the Standing Committee on Home Affairs stated the following about refugees:

"India has [a] large population and land-population ratio has decreased over the period of time. Employment opportunities are not available due to increase of population manifold. In such a situation, the country is unable to undertake additional burden of refugees from other countries. Keeping in view the economic and population reasons, citizenship cannot be granted to the refugees who have come on or after 25 March 1971."

The Ministry of Home Affairs states that to prevent new, large waves of Sri Lankan refugees, several measures, including intensified coastal patrolling, collection and collation of advance intelligence, and strengthening of naval detachments in Tamil Nadu, have been undertaken.

**Illegal Immigration from Bangladesh**

For decades, India has received a constant inflow of unauthorized migrants from Bangladesh. According to a survey conducted by the Indian Statistical Institute in 2002-2003, most have economic reasons for migrating, such as poverty and the lack of employment opportunities, in addition to political instability.

These migrants generally find work as cheap labor in the informal sector, often as domestic helpers, construction laborers, rickshaw pullers, and rag pickers. The Bangladeshi government does not officially recognize those migrants and thus does not provide help or support. In 2003, Bangladesh's foreign minister was quoted as saying that not a single unauthorized Bangladeshi resided in India.

As with most illegal migration, data on its extent is scarce. The Home Ministry estimated the number of unauthorized Bangladeshi as of December 2001 at 12 million, residing in 17 Indian states. However, in February 2009, the Home Ministry withdrew these data as "unreliable" and based on "mere hearsay."

Political scientist Kamal Sadiq has estimated the number of illegal migrants from Bangladesh at 15 to 20 million, basing the number partly on documented growth of Muslim communities and partly on unpublished government reports.

Sadiq's research has found that many of these Bangladeshi adopt Hindu names and are able to obtain fraudulent documents that allow them access to government subsidies and even to vote in elections. Indeed, some Indian politicians have benefited from votes cast by illegally resident Bangladeshi migrants.

As recently as April 2008, the Indian Supreme Court directed the government to take all possible steps to prevent the "illegal immigration and infiltration" of Bangladeshi into India, while approving of the government's ongoing efforts, such as fencing off the India-Bangladesh border.

The Ministry of Home Affairs reports that 2,650 kilometers the Indo-Bangladesh border had been fenced by mid-2009. The fence is expected to be completed by March 2010, with a total length of 3,437 kilometers.

**Outlook**
The movement of Indians across the globe since the British colonial era and the development of those communities will continue to interest policymakers and scholars for decades to come.

Ethnic Indian communities, especially those in the United States and the United Kingdom, have become known for their economic success and generally peaceful integration. However, millions of ethnic Indians, including those on temporary contracts in the Middle East, have limited rights and less secure futures.

The Indian government has demonstrated its commitment to differing groups abroad. Investment and return to India have become easier for the more well-off members of the diaspora, and those on temporary contracts have benefitted from more government preparation before they leave and from more efficient remittance systems.

Further, as people who differ in skin color from the majority society in most host countries, despite their general acceptance, ethnic Indians remain potential targets of xenophobic tendencies and violence.

Such incidents have occurred not only in countries with existing ethnic tensions, like Malaysia, Fiji, and Sri Lanka, but also in the United Kingdom, when white British and persons of South Asian heritage violently clashed during the Oldham race riots of 2001.

Assaults have also occurred in Germany, when Indian petty-merchants were attacked at a market in 2007; in Kenya, where riots against Indians and Indian property struck the community in early 2008; and most recently in Australia with several attacks on Indian students in 2009.

India arguably has long served as a destination for economic migrants and refugees from neighboring countries. Yet policymakers and Indian society have yet to address head-on challenges related to illegal immigration from Bangladesh.

Even before the terrorist attacks in Mumbai in November 2008, India looked at illegal migration as a threat to internal security. In 2009, the government started a process to provide forgery-proof identity cards to all its nationals. This is one attempt to tackle the problem of future illegal immigration.

With regard to refugee-related policies, both UNHCR and India's National Human Rights Commission have urged the Indian government for decades to ratify the refugee convention and its protocols, as well as to enact special legislation related to refugees and child refugees.

Although India is a member of UNHCR's Executive Committee, approving and supervising the agency's assistance programs, India is not willing to sign the refugee convention because — as political analyst Anuj Nair argues — it regards the convention as too Euro-centric.

Also, as Nair points out, the refugee convention does not take into account mass movements of refugees in developing countries. Furthermore, including refugee issues into multilateral relations and international agreements could constrict India's freedom of action in these areas. For all these reasons, it does not seem likely that India's view of the refugee convention will change in the near future.

After a nongovernmental commission, chaired by former Chief Justice of India P.N. Bhagwati, had drafted a "model law on refugee protection" in 1997, India's National Human Rights Commission (NHRC) established an expert group on refugees.

Efforts of the expert group and nongovernmental organizations, especially the New Delhi-based Public Interest Legal Support and Research Centre, culminated in the Refugees and Asylum Seekers (Protection) Bill of 2006. Until recently, the government of India was reluctant to adopt a special legal framework because this would limit its powers to deal with refugees on the basis of mere political convenience and because it argues that it treats refugees well regardless of their legal status.

Since 2008, the refugee bill has been under consideration by an interministerial committee, including NHRC. The committee's outcome will decide the legal status of present and future refugees in India.
It is expected that India will be the most populous country by 2050, with a largely young and thus mobile population. Given India's expanding middle class and continuing poverty, international labor, highly skilled migration, and illegal migration are likely to grow, as is the scale of internal mobility.

Further, it is not clear yet how climate change could affect India's migration scenario. Neighboring Bangladesh regularly suffers from severe flooding, adding to the migration pressure for its nationals to search for opportunities in India.

India will need to revise its existing laws governing foreigners and eventually prepare to see itself as a country people also come to, rather than only a country people leave.

The author thank Dietrich Thränhardt, Muzaffar Chishti, and the editorial team of the Migration Information Source for valuable comments and suggestions on an earlier draft of this country profile.

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