

Embassy of India

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Thanks to African Axis, CBL-ACP&W Bank Group for giving us an opportunity to speak about Indian diaspora.

The term 'Diaspora' originated in ancient Greece, meaning a scattering or sowing of seeds and referred to any people or ethnic population forced or induced to leave their traditional homelands, being dispersed throughout other parts of the world and the ensuing developments in their dispersal and culture.

The role of Indian diaspora abroad in the current context in a way can be seen as the flowering of these seeds sown abroad.

The Indian Diaspora - both Persons of Indian Origin and the Non Resident Indians are estimated to be around 20 million. For a country with a population of over a billion this is very small number representing just about 2% of its population. However, their presence in nearly 110 countries around the world makes them ubiquitous, and they appear more numerous than the numbers indicate.

The dispersal of the Indian Diaspora around the world happened in three or four different waves. During the colonial period, Indians were taken to far away lands such as Suriname, Guyana, Fiji, Mauritius, South Africa and other parts of Africa by the colonial masters to build railway tracks, develop infrastructure, and work on the farms growing commodities such as sugarcane and other cash crops. These Indians stayed on and have become worthy citizens of their adopted lands. While they may have lost all family links with their mother country, they still retain fragments of their ancient culture.

Similarly in late 19th century and early 20th century saw the arrival of Indians in large numbers on the west coast of America mainly as farmers and cultivators.

Independence and the partition of the country in 1947 left many homeless which also led to dispersal throughout the world particularly, to Africa and the South East and Far East Asia.

These were people from Sindh, which had become a part of Pakistan post-partition. They moved empty handed but have emerged as a successful trader and entrepreneur class wherever they have settled.

Post-Independence well educated and technically trained persons moved for better jobs and economic opportunities to UK and USA. Thus we saw a wave of doctors, teachers and engineers sailing for UK in search of better economic opportunities. This had alarmed policy makers who saw it as a 'brain drain', and one could sense a feeling of resentment at these individuals who having availed of cheap and good education had moved to greener pastures.

Relaxed immigration laws in USA in the 60s and 70s saw an influx of workers and labourers from India, who have since assiduously worked to climb up the social and economic ladder.

The current movement is dominated by students and highly skilled persons that could be termed as the 'knowledge Diaspora', and also a large number of Indian skilled workers in the Gulf.

Nearly 70,000 Indian students go each year to USA alone. The Indian diaspora in USA has formed influential bodies. For e.g. over 40,000 doctors in USA are grouped together under an organization called 'AAPI'. Similarly the hotel owners who run thousands of motels & hotels are part of a group called 'AAHOA'. British National Health Service is similarly largely run on the strength of doctors and nurses from India and the sub-continent. The influx and influence has been such that British have emerged as a nation addicted to curry. This cross cultural exchanges have ensured that while Indians has emerged as the largest consumer of Scotch Whiskey, chicken tikka masala has become the national dish of UK !

Nobody now doubts that immigration helps both the sender as well as the receiving countries.

The strong family links ensured that while Indians lived abroad, they never really gave up their motherland. Their contributions are many, and not less important has been their role as an agent for change. They have been one of the main critics of at times tardy pace of reforms in India and constantly badgered Indian leaders and officials to bring in reforms faster in all areas.

Their demand has included a constant demand for dual citizenship. But this was a concept that was alien to the Indian law and thinking till around 15 years ago. It was in 1991 that our Prime Minister hinted that India could consider granting dual citizenship to NRIs and PIOs. 1991 also marked the worst financial crisis that India had faced. The Gulf war led to an unprecedented spike in oil prices, while the war conditions displaced millions of Indian workers from the Gulf region, resulting in a sharp decline in the remittances from abroad. India was on the verge of default on its international interest repayments. Adverse balance of payment situation made the Government look at the Diaspora as a source for precious foreign exchange.

Schemes were floated for priority allotment of two wheelers and phones for the family members of Non Resident Indians (NRIs). Banks offered higher interest rates and full repatriation for NRI deposits in India. Even today remittances to India are a very profitable business and most of the major international banks that operate in India or deal with Indians have special departments focusing on NRI remittances to India.

The World Bank has reported that India is the largest beneficiary of remittances from overseas Indians and this amount was close to 23 billion dollars in 2005. In addition, another 32 billion are estimated as NRI deposits in India representing nearly 20% of India's foreign exchange reserves. In fact, the adverse impact of the recent oil price hike has been largely met through the inflow of such remittances. This was a critical contribution of the Indian Diaspora. But this not the full story.

With the growth of knowledge workers and skilled personnel abroad, NRIs have also emerged as a pool to tap into for new skills, both managerial and technical. They are seen as an asset with the emergence of 'circular migration'.

Has it always only been a blessing? Some tend to disagree and have also seen the Diaspora at particular moments in history as a cause for concern. A celebrated author Mr. Shashi Tharoor remarked " That there seems to be something about expatriation that breeds extremism". India has also seen its share of Hindu chauvinism, Sikh militancy, pouring money, weapons and organizational skills into the cause of a pure 'Khalistan' just like the sympathies of Irish Americans for the IRA or the Jaffna tamils supporting as 'Elam' in Sri Lanka or the lobbying power of American Jewish groups which seem far less accommodating than those of the

Israeli government itself. He goes on to explain the psychology behind such extremism and the evident paradox and he finds the reasons in the very nature of expatriation.

Mr. Tharoor, who is now India's nominee for the post of UNSG goes on to say "Most of the contemporary world's immigrations are people who left their homelands in quest of material improvement, looking for financial security and professional opportunities that, for one reason or another, they could not attain in their own countries. Many of them left intending to return: but for a variety of reasons could not. And with this realization, often only half-acknowledged, came a welter of emotions: guilt at the abandonment of the motherland, mixed with rage that the motherland had somehow – through its own failings, political, economic, social – forced them into this abandonment. This attitude of the expatriate to his homeland is that of the faithless lover who blames the woman he has spurned for not having sufficiently merited his fidelity."

I point this out to highlight the fact that the mother nation has a love-hate relationship with its Diaspora, and the relationship needs to be nurtured with much care.

Present policies: Turning to the present policies that India has followed vis-à-vis its Diaspora. I would like to point out that India is probably the only country in the world that not only has given official recognition to its expatriates, but has even devised a formal acronym for them. NRI or Non-Resident India, is a term that, over the last decade, has found a firm place in the national vocabulary, though it is yet to be reflected in any dictionary. And NRIs as a group have been granted an extraordinary range of special concessions by the Government of India, ranging from privileged rates of interest on their hard-currency deposits in Indian banks, to exclusive housing colonies, to the opportunity to import Hollywood films onto India's screens.

The policy to actively involve Indians & PIO living abroad in India's economic development has continued and has been deepened. In 2004 giving into the longstanding demand of the Non Resident Indians, the Government of India created a separate Ministry for Overseas Indians. There have been a significant favourable change in the attitude of the government and the diaspora towards each other. They view each other much more positively and are working to enhance their relationship. India's economic reforms which has spawned a multitude of economic opportunities has permitted overseas Indians to become more active in investing in India. At the same time, Government of India sees them as a valuable resource capable of playing a stronger role in enhancing India's global, economic and political aspirations. It has been realized that the diaspora can act as a powerful catalyst in helping India realizing higher GDP

growth and also influencing policies of the host government. An example is the recent fervent lobbying by the Indian diaspora in USA to ensure that the India-US Civilian Nuclear deal goes through the US Congress.

Circular Migration

Important contributions in IT, R&D, BPO and new businesses, Venture capital – of course, the developments in communication technology have greatly contributed, and the policy reforms that make India an attractive place to invest are facilitating much higher levels of interaction. Well known people like Sabeer Bhatia, G. Deshpande, Kanwal Rekhi, Vinod Dham, and LN Mittal are now international citizens with living in the country of their choosing yet maintaining strong family & business ties in India.

India engineers, executives and investors are launching start up in business services, telecom, computers & software, manufacturing, air transport and myriad of other sectors. They are paving the way for R&D Centres, encouraging foreign investments and continue pressing the Indian Government to continue opening its markets to the world.

In honour of the diaspora and to provide them a platform for interaction with policy makers, the Government organizes an annual event – Pravasi Bharatiya Diwas- and the fourth such event was held in January 2006. This is used as a platform for wide ranging consultations covering a wide gamut of issues ranging from S&T, Economy, Gender issues and even marriages. This has also evolved into a platform to recognize individual contributions and excellence of the Diaspora. Nothing is more gratifying to the Diaspora than recognition at home. Their hard work and dedication has already made them one of the wealthiest ethnic groups in most countries.

The newly formed Ministry has launched the following initiatives:

- Diaspora collaboration in healthcare
- Special remittance facility – universal, electronic gateway, eco, speed and convenience.
- Overseas Citizen of Indian Card (OCI)– that ensure visa free entry (no voting rights) and other privileges as a national though without voting right.
- Diaspora knowledge network: to leverage the knowledge, expertise and skills of Indians abroad for a mutually beneficial contribution – for dynamic exchange of knowledge on an ICT platform, so that good ideas are translated into projects. State governments are important stakeholders and the Ministry is working closely with UNDP & UNESCO.

- Internship programme for Diaspora youth: to associate younger generation – a platform for bonding, discovering their roots – 3-4 times a year.
- Scholarship scheme for Diaspora children: higher education in India – 100 each year.
- Overseas Indian Centre in Delhi
- Tracing of roots and commemorating the Diaspora.

From our experience I could summarize the following:

- a) value the Diaspora, and nurture the relation carefully.
- b) Create a welcoming atmosphere for them at home.
- c) Give them reasons to be proud of their mother land, and involve them in nation building.
- d) Above all create economic conditions that would invite them to invest in the motherland.

We have tried all this quite successfully.

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