



## India's Diaspora

This article is based on "[The ambit and the limits of 'diaspora diplomacy'](#)" which was published in The Hindu on 14/03/2020. It talks about issues and opportunities pertaining to the Indian diaspora.

According to [Global Migration Report 2020](#), India continues to be the largest country of origin of international migrants with a 17.5 million-strong diaspora across the world, and it received the highest remittance of \$78.6 billion (**this amounts to a whopping 3.4% of India's GDP**) from Indians living abroad.

Today, the Indian diaspora is more prosperous than before and its involvement in India's development is increasing. It contributes by **way of remittances, investment, lobbying for India, promoting Indian culture abroad and for building a good image of India by their intelligence and industry.**

Note:

- The term "diaspora" is derived from the Greek word diaspeirein, which means "dispersion". Over time, the term evolved, and now loosely refers to any person/s belonging to a particular country with a common origin or culture, but residing outside their homeland for various reasons.
- In India, diaspora is commonly understood to include Non-Resident Indians (NRIs), Persons of Indian Origin (PIOs) and Overseas Citizens of India (OCI), of which PIO and OCI card holders were merged under one category — OCI — in 2015.
- The Indian migration began in large numbers during the British rule as indentured labourers to former colonies like Fiji, Kenya and Malaysia.
- It continued in the post-independence period with Indians from different social strata moving to countries like the United Kingdom, the United States, and Gulf countries.

## India's Diaspora Policy

- India was initially sensitive to the view that championing the cause of overseas Indians might offend the host countries, who should be fully responsible for their welfare and security.
  - J L Nehru's views were that the diaspora could not expect India to fight for their rights and therefore India's foreign policy in the 1950s was accordingly structured as a model of non-interference whenever the emigrant Indians got into trouble in Sri Lanka, Myanmar, etc.
- However, Rajiv Gandhi was the first Prime Minister who changed the diaspora policy in the 1980s by inviting Indians abroad, regardless of their nationality, to participate in nation-building, much like the overseas Chinese communities.
- Then under, Atal Bihari Vajpayee Government after 2000, there came a host of positive measures such as a separate Ministry of Overseas Indian Affairs, the Person of Indian Origin (PIO) Card, Pravasi Bharatiya Divas, Pravasi Bharatiya Samman Award, Overseas Citizen of India Card, NRI

funds and voting rights for Indian citizens abroad.

- Furthermore, in 2015, the Ministry of External Affairs launched the e-migrate system that requires all foreign employers to register in the database.
- The current government has launched a scheme called 'Know India Program' (KIP) in 2016 for diaspora engagement which familiarizes Indian-origin youth (18-30 years) with their Indian roots and contemporary India,

## Significance of Indian Diaspora

### ▪ Economic Front:

- Indian diaspora is one of the richest minorities in many developed countries, this helped them to lobby for favourable terms regarding India's interests. For example, at 2.8 million, Indians may number just 1% of the U.S. population, but they are the most educated and richest minority, according to a 2013 Pew survey.
- The migration of less-skilled labour (especially to West Asia) has also helped in bringing down disguised unemployment in India.
- In general, migrants' remittances have positive systemic effects on the balance of payments. Remittances of \$70-80 billion help to bridge a wider trade deficit.
- By weaving a web of cross-national networks, the migrant workers facilitated the flow of tacit information, commercial and business ideas, and technologies into India.

### ▪ Political Front:

- Many people of Indian origin hold top political positions in many countries, in the US itself they are now a significant part of Republicans and Democrats, as well as the government.
- The political clout of India's diaspora can be estimated by the fact, the role it played in turning around doubting legislators into voting for the India-U.S. nuclear deal.

### ▪ Foreign Policy Front:

- Indian diaspora is not just a part of India's soft power, but a fully transferable political vote bank as well.
- Prime Minister Narendra Modi's reception at Madison Square Garden is a way of thanking the Indian-American community members who played a big part in his electronic campaign and election funding.
- The institutionalisation of "diaspora diplomacy" is a distinct indication for the fact that a country's diaspora community has become considerably more important as a subject of interest for foreign policy and associated government activities.

Note:

Diaspora Diplomacy: A collective action that is driven by a country's diaspora, that influences host country's culture, politics, and economics in a manner that is mutually beneficial for the homeland and the new home base.

## Challenges Faced by Indian Diaspora

- **Heterogeneous diaspora:** Indian Diaspora has different demands from the Indian Government.
  - The diaspora from the Gulf, for example, look to India for support on welfare issues.
  - While those from wealthier nations such as the US look to India for investment opportunities.
  - The Indian communities in countries such as Fiji and Mauritius, meanwhile, desire to reconnect with the country on cultural grounds.
- **Anti-Globalization:** With the rising Anti-globalization wave, there has been an increase in the incidents of suspected hate crimes against the Indian community.
- **West Asian Crisis:** The volatility in West Asia, together with the fall in oil prices, has caused fears

of a massive return of Indian nationals, curtailing remittances and making demands on the job market.

- **Returning Diaspora:** India must also realise that diaspora in West Asia is semi-skilled and mainly engaged in the infrastructure sector. After the infrastructure boom will get over India should be ready for the eventuality of Indian workers returning.
- **Regulatory Cholesterol:** There are many inadequacies of the Indian system for the diaspora to collaborate with India or to invest in the country.
  - For example, grievances like red tape, multiple clearances, distrust of government are acting as hindrances in fulfilling opportunities presented by Indian Diaspora.
- **Negative Fallout:** It must be remembered that having a strong diaspora does not always translate to benefits for the home country.  
India has had problems with negative campaigning and foreign funding, coming from abroad, for separatist movements like the Khalistan movement.

## Way Forward

Indian diaspora can provide the requisite strategic impulse, which makes it all the more important to unlock India's potential.

- India should formulate a new NRI policy, the government must immediately work with developed countries to ask that they kick back a portion of the income tax revenues they collect from the Indian diaspora.
  - This is fair because these countries did not invest anything in creating this talent but benefit immediately when the immigrant pays taxes abroad.
- There is a need for a strategic diaspora evacuation policy from conflict zones in a world where crises materialise without warnings and give very little reaction time for governments.
- India's foreign policy aims to translate partnerships to benefits for key projects like Swachh Bharat, Clean Ganga, Make In India, Digital India, and Skill India, the diaspora has plenty of scopes to contribute.
- **VAJRA (Visiting Advanced Joint Research Faculty)** scheme which seeks to formalise a rotation program wherein top NRI scientists, engineers, doctors, managers and professionals serve Indian public sector organizations for a brief period, lending their expertise- is a step in the right direction.
- Improvement in **ease of doing business** will go long, in enabling investments from the Indian diaspora.

Drishti Mains Question

Indian diaspora can provide the requisite strategic impulse to unlock India's potential as a global power. Discuss.