

General Studies – 2; Topic: Effect of policies and politics of developed and developing countries on India's interests, Indian Diaspora

Significance of Indian Diaspora

1) Introduction

- “Diaspora” is an omnibus phrase which brackets people of Indian origin who have emigrated since the 19th century to all corners of the world.
- They spread the Indian Culture and traditions abroad benefitting India in general and send back remittances back home helping the foreign exchange reserves in particular.
- The ‘Howdy, Modi’ event in Houston showcased the influence that the Indian diaspora has in the US.

2) Background

- Indians settled all around the world even during the colonial period and in the immediate aftermath of Independence.
- From the 1980s, a new wave of migration took hundreds of thousands of the Indians seeking better economic opportunities to the United States, Australia and other parts of the Europe.
- Now many have turned towards East Asian countries including China.

3) Present Status

- India has the largest diaspora in the world, according to the United Nations’ Migrant Stock 2019 report.
- It is not just the largest but also among the most successful diaspora’s in the world.
- The United Arab Emirates was the top destination of Indian migrants followed by the US, Saudi Arabia, Pakistan and Oman.

4) Success of Indian Diaspora

- The Indian diaspora has been economically successful and often among the most-educated and prosperous communities in the host countries.
- They occupy prime positions in the corporate world, academia, hi-tech sectors and even small and medium businesses in the western countries.
- Large number of the Indian workers and mid-level managers are crucial to the functioning of the West Asian economies.
- Indian diaspora acts like a good-will ambassador of India
- Indian Diaspora is an important part of India’s “soft diplomacy”.
- In the last decade for example, the diaspora generated much needed political support in the US Congress for changing the American non-proliferation laws and facilitating civil nuclear cooperation with India.
- They have also contributed to the growth and development of the country of their residence. For example, Silicon Valley represents the success of Indians.
- The Indian Diaspora has played an important role in the field of Science & Technology.

5) How does the Indian diaspora benefit India?

- **Remittances**
 - a. According to a World Bank report, India was the largest remittance-receiving country in the world, with an estimated \$69 billion in 2015.

b. This amounts to a whopping 3.4 per cent of India's GDP.

- When they visit India, they tend to spend more lavishly than the locals, thereby helping economic activity.
- NRIs are more prone to donating to domestic charities because of the strong cultural and emotional feelings that they nurse.
- They bring technical and domain expertise to domestic startups and often act as angel investors.
- Diaspora Indian faculty abroad volunteer time and resources to help faculty on Indian campuses improve the quality of education.
- Besides the hard economic and political power, the diaspora spreads the culture, awareness and soft-power of India by favourably influencing the local society and politics.
- The role of the Dalit diaspora in instituting chairs in the name of the Dr Ambedkar or installing his statues in universities across the world and celebration of the Ambedkar Jayanti by the United Nations.

6) Government Initiatives

- The government has started, since 2003, the Pravasi Bhartiya Diwas, to mark the contribution of the overseas Indian community to the development of India.
- The diaspora are given relaxation in visa norms, ease of doing business and merging the OCI and PIO cards.
- The Overseas India Facilitation Centre was set-up by the Government of India in partnership with the Confederation of Indian Industry (CII), to facilitate economic engagement of overseas Indians with India.
- The government evacuated Indian Diaspora in Yemen in 2015 through the Operation Rahat and from South Sudan through Operation Sankat Mochan.
- The government is emphasising more on youth and has started a scheme "Know your country".
- "Pravasi Kaushal Vikas Yojana" targeting Indian youth seeking overseas employment.
- The Indian government is active on the social media and the government provides quick response and solves the problems of Indian Diaspora through the social media.

7) Way Forward

- India must realise that its NRIs can act as a crucial force in its development, and leverage its potential
- The Union government must work with rich countries to ask that they give 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.
- Opening a separate Minister-of-State level department for NRI administration. This department would act as the NRI voice across various Indian government agencies and promote engagement with NRIs
- The government should launch various win-win schemes to make it more attractive for its diaspora to step up participation in India's development.
- India should 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. This was evidenced by the tenure of Dr. Rajan at the RBI.
- India should aggressively court NRIs to invest in India — especially for projects which focus on rural development — by offering attractive interest rates on deposits.

- Given the current polarisation of US domestic politics and the profound hostility towards Trump among the Democrats, Delhi has to be careful not to be seen as tilting in favour of one side.
- China is getting into trouble in many countries for turning its relationship with the diaspora into an active intervention in the domestic politics of the host nation.

8) Conclusion

- It is time that the Indian government leveraged this strong bond for the greater good of the nation.