Migration, diaspora and development: impressions from India

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Abstract

Purpose – The purpose of this paper is to provide a conceptual overview of potential diasporic influence in India by Indian diaspora and to outline a wide spectrum of policy interventions for better utilisation of diasporic resources, which are under-exploited.

Design/methodology/approach – This paper used a systematic review approach to analyze the vast empirical and theoretical literature, up to 2016, and to assess the different kinds of impacts of diaspora on the homeland. A list of top-tier journals in the field of international migration, diaspora and ethnic entrepreneurship was compiled. From there, each and every paper was identified, examined, coded and classified into high-level themes. These were then reviewed, analyzed and interpreted.

Findings – Indian diasporic affair has undergone numerous changes since India’s independence. This study presents a conceptual framework on the role of migration and diaspora in the country of origin with a special focus on India and point out the possible directions for future studies.

Research limitations/implications – The systematic review approach has a qualitative nature, in which the relevant literature was interpreted based on the authors’ domain knowledge and expertise.

Practical implications – Academicians and policy practitioners can gain a comprehensive understanding of the dynamic relationships among the key influential factors in migration, diaspora and its developmental role in homeland, as presented in the conceptual framework in the study. Accordingly, policymakers will be able to develop effective strategies to leverage the positive impacts of diasporic role in India and the other South-Asian developing countries.

Originality/value – This systematic review synthesizes the findings reported in most recent publications and government reports and develops an integrated conceptual framework, anchoring on possible positive impacts of diaspora in homeland. This framework provides a visual diagram to practitioners for a better understanding of the relevant literature and assists researchers and policymakers in developing a new strategy for future diasporic affairs.

Keywords Migration, India, Development, Diaspora

Paper type General review

1. Introduction

People have moved from one place to another since civilization. Depending upon the time and distance from and within country, the literature provides ample explanations and an exponential series of studies for these kinds of movements. Broadly speaking, this is migration, which is defined as the change in place of residence; however, daily movements and daily commuters do not come under the purview of migration. Movement within the country is called internal migration, and movement involving crossing the border is called international migration. Diaspora actually originates from international migration involving cross-border movement. In fact, in our opinion, migration is a great centrifugal force resulting in diaspora. Elements of globalization and contemporary global processes boost
these migrations more and create a space for ethnic entrepreneurships, which is a process of identifying opportunities in the market, undertaking innovative, unsafe and dangerous activities by individuals who are not members of the majority of the population in a given country, to ensure prosperity for themselves, their families and the whole society (Ramadani et al., 2014). However, the study of immigrant entrepreneurs is complex because of the interaction of individual and social variables, including factors which are functions of a society as well as the entrepreneur’s country of origin and culture (Dana, 1993).

2. Defining diaspora
The word “diaspora” is defined, at its simplest, as the dispersal of people from their original homeland (Butler, 2001). Historically, “diaspora” was always concomitant with Israel and the flight of the Jews from Babylon in the fifth century, but over the past decade or so, many countries around the world have talked about their diaspora, which originated from the Greek word “dia” and “spero,” meaning over and scattering (Butler, 2001; Brinkerhoff, 2007; Gautam, 2013; Kiamba, 2014). Thus, the word “diaspora” originates from a Greek word that reflects the sense of dispersion. Movement of people also stretched the edges of the Jewish diaspora, followed by the Armenian diaspora, Chinese diaspora, African diaspora and Indian diaspora. However, these diasporas are different than Jewish diaspora, as Jewish diaspora choose one particular destination unlike other diasporas. For instance, Indian diaspora been dispersed owing to their chosen countries of migration (Gautam, 2013). Moreover, the particular continent or countries having different culture again divided this diaspora group into further regional groups. For instance, we talk about the “Tamilian diaspora,” “the Sikh diaspora,” “the Bengali diaspora,” “the Malyali diaspora” in the case of Indian diaspora. Unfortunately, the term diaspora has become so capacious as to undermine its analytical utility. There are “catastrophic,” “victim,” “trading” and “mobilized” diasporas. Diasporas can comprise immigrants, expatriates, preachers, guest workers, students, exiles, asylum seekers, refugees, victims of human trafficking and ethnic minorities, who have physically crossed national boundaries as a result of ethnic cleansing. Diasporas may encompass labor migration, family unification, trading networks and population transfers because of partitions and ethnic groups. These diaspora members recognize themselves or are acknowledged by others inside and outside their homeland. While defining diaspora, Sheffer (2006) argued that modern diasporas are “ethnic minority groups of migrant origins residing and acting in host countries but maintaining strong sentimental and material links with their countries of origin-their homelands.” For the purpose of this paper, the understanding of diaspora is very similar to the definition offered by Kapur (2010) that the central idea is of communities living in one country who retain certain connections to another putative “home” country and, consequently, should not be viewed by the home country as “just another foreigner” (Kapur, 2014). Thus, it is clear that diasporas are those who disperse from an original homeland, sharing common features, culture and heritage, having a collective memory and myth about the homeland, having a sense of empathy and solidarity with co-ethnic members, developing a hybrid culture and accepting the pluralism in host countries.

3. Approach and methodology
A systematic review of the relevant literature in international migration, diaspora and ethnic entrepreneurship was used in this paper. According to Briner and Walshe (2015), a systematic literature review is different from a traditional or narrative literature review in numerous ways. First, a systematic review usually focuses on specific and practice-relevant questions. Our study has specific goals that are relevant to literature and practices – to
achieve an integration of our current knowledge on migration and diaspora and pointing out the possible directions for future studies. Moreover, a systematic review requires researchers to adopt a structural approach with a set or sets of broad principles. Therefore, this study examined the relevant literature according to the framework for accessing the impact of diaspora on homeland. Through our analysis, we advanced a thematic framework of review research, which can easily be replicated in the future for continuous updates and that allows us and other researchers to continue our effort in reviewing additional literature. The scope of secondary literature was further substantiated by primary sources of literature, including reports by government and non-governmental organizations, and especially, from Press Information Bureau of Government of India, which not only had helped to depict the state of the diaspora affairs in India at a point of time but also was relevant in identifying the transitions in the diasporic affairs across different points of time.

4. Framework for the diasporic influence at homeland

No country can deny the impact of diaspora, whether it is a developed or a developing country. Recent research suggests that diaspora entrepreneurship can contribute to development by creating businesses and jobs, stimulating innovation, creating social capital across borders and channeling political and financial capital toward their countries of origin (Newland and Tanaka, 2010). Across the globe, the diaspora establishes their identity, impact and hybrid culture in host countries. Diaspora organizations serve as bridges between home and host countries on account of the dual membership of diasporas and nationals of the host country and are thus in a position to serve the interests of members in both the host and the home country. Apart from fulfilling their motivations and aspirations, these diaspora groups spread the knowledge and create a space for changes at both places, i.e. the place of origin and the place of destination. Diasporas have played vital roles in facilitating trade and investments between their countries of origin (COOs) and countries of residence (CORs) (Chand, 2012). Diaspora entrepreneurs are uniquely positioned to recognize opportunities in their countries of origin, to exploit such opportunities as “first movers” and to contribute to job creation and economic growth (Newland and Tanaka, 2010). Apart from some negative impact, diaspora has an enormous contribution in development. Flow of people, finance and knowledge collectively formed the diaspora capital. There is increasing appreciation that skilled professional diasporas can play a potentially valuable role in the transfer of financial and social capital (e.g. financial resources, knowledge of advanced technology, professional, entrepreneurial and managerial skills and links to global networks) to help enhance development in developing countries from which they originally out-migrated (Stilwell et al., 2004; Asian Development Bank, 2005, Ratha and Plaza, 2011). Ketkar and Ratha (2011) discussed the idea about diaspora bonds that represent one such mechanism that can enable developing countries to borrow from their expatriate (diaspora) communities. They argued that diaspora bonds could be an attractive vehicle for countries to secure a stable and inexpensive source of external finance. As diaspora purchases of bonds issued by their country of origin are likely to be driven by a sense of patriotism and the desire to contribute to the development of the home country, such bonds are likely to be in demand in fair and foul weather. India’s experience with the IT industry can be cited as one of the best instances of diaspora-induced development (Pande, 2014). Despite the Indian diaspora being the largest in the world, along with the huge developmental perspective of diaspora, the topic is vastly under-studied compared to its economic, socio-cultural and political importance. Moreover, there are relatively few focused publications on the role of diaspora and diasporas’ relations with their homelands (Sheffer, 2013; Pande, 2014). Be it economic, social, cultural or political, diaspora members can play a significant role through
their investment, innovative ideas, skills and knowledge. Many countries are recognizing the potential of their diasporas to contribute to their nations' economic and social development through a range of contributions, including financial investment, political advocacy and philanthropic giving (Kapur, 2004; Khadria, 2008; Basu, 2016). According to the recently released report of United Nations, 2015, the Indian diaspora replaces the Chinese diaspora and is number one (Table I).

Without undermining the narratives of loss and alienation of the Indian diaspora, it can be argued that they have contributed considerably to the progress of their host countries and the home countries (Mishra, 2016). Furthermore, diaspora’s communication networks facilitate the creation and maintenance of organizations and their activities in the cultural, social, economic and political spheres. Diasporic organizations are very significant factors in diasporas’ existence, activities and relations with the host lands and homelands (Sheffer, 2006, 2013). Encompassing the broader perspective of development, Indian diasporic community has a huge potential for India, which has led to a reconsideration of India’s approach toward its diaspora. Therefore, this article assesses and identifies the possible impact of diaspora capital on its homeland and highlights the possible policy intervention for government. The following sections of this paper are categorized into three major sections, which highlight how the Indian diaspora can bring about positive changes in India. The impact of diaspora engagement is difficult to assess, as it is inherently difficult to disentangle causation from correlation and to quantify the impact of elusive goods such as skills and knowledge transfer (Newland and Plaza, 2013). Therefore, the impacts are interrelated, but we still categorize them into three major groups: economic, socio-cultural and political. However, these possible positive impacts are subjected to appropriate policy interventions. Furthermore, these impacts are not only confined to India. It is expected that the discussions of this paper are also implications for other developing countries, especially from Asia. Apart from learning, this paper also enhances the understanding of readers, researchers, academicians and policymakers toward diaspora capital and its roll in development process.

4.1 Economic impact of diaspora: foreign direct investment

One long-standing and universally accepted role of diaspora is their economic contribution. Economic impact of diaspora can be foreign direct investment (FDI), access to foreign markets, creating business network, encouraging return migration, source of foreign currency, tackling poverty and unemployment.

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Table I. Framework for diasporic influence on homeland
currency and tackling the poverty and unemployment situation in their homeland. The first impact is FDI that has enormous potential for development as suggested by ample literature. FDIs can help through capital, capital access, technology, market access, skill and management techniques and enhancement of the institutional system of host countries in transition economy (Kurtishi-Kastrati et al., 2016; Kurtishi-Kastrati, 2012; Nayak, 2005; Bhensdadia and Dana, 2004). It is believed that FDI and other resources held by the diaspora play a crucial role in the spread of knowledge about the business environment in the diaspora host countries. This leads diaspora to improve the conditions for homeward investment. Along with liberal policy framework, diaspora members promote international trade by applying community pressure and social authorizations. Diasporas and ethnic grids provide trustworthy relationships, which draw inward FDI. Zweig et al. (2008) and Ho (2011) have strongly advocated that Vietnam, China, India, Ireland, New Zealand, Latin America and the Caribbean countries have taken solid initiatives to encourage their diasporas to contribute to the investment and development of their home states. In case of developing countries, China represents a wonderful example of development through FDI. China’s increasing openness to FDI has contributed significantly to its exceptional growth performance (Tseng and Harm, 2002). Indeed, FDI can affect the state-owned enterprises as well as private enterprises directly at the level of the firm through injections of foreign capital. Inclusions of FDI contribution at the firm level may bring with it transfer of knowledge from the foreign parent company that should stimulate innovation activity. Innovation allows firms to develop new processes to produce existing goods more efficiently or even develop new products. Alternatively, even without knowledge transfer, a capital inflow may reduce financial constraints and hence improve innovation. Second, FDI at the level of the industry can enhance the innovation activity of state-owned enterprises’ activity through potential competitive effects or spillovers (Girma et al., 2009). At the local level, Meyer and Sinani advocate that local firms may attract productivity spillovers from foreign investors; yet, these vary with local firms’ awareness, capability and motivation to react to foreign entry. As a consequence, spillovers vary across countries at different levels of economic development (Meyer and Sinani, 2009). Taking into account their numerous direct and indirect effects on domestic economy, FDIs introduce new and modern technology, provide market opportunities and linkages to export and help enhance the standard of living (Kurtishi-Kastrati et al., 2016). Rappaport (2000) suggests that FDI may improve the productivity not only of the firms receiving investments but also of all the firms of the host countries as a consequence of technological spillovers. Moreover, FDI from the diaspora has driven the process of pro-FDI policy-making in India (Ye, 2009).

4.2 Economic impact of diaspora: access to foreign markets

The second economic impact of diaspora is the promotion of exports from home countries through access to foreign markets. Since ancient times, Indian products have made their way to markets abroad (Dana, 2000). Diaspora members use several indigenous products and services in the host country as they are habituated for those items only. Moreover, “nostalgic trade” is an important exports market, where emigrants and diaspora members purchase goods from home or purchase the imported products from their host countries to somehow feel close to their homeland. For instance, Corona beer, originally made in Mexico, is America’s best-selling beer and is known all over the world (Chen et al., 2015). India too has a powerful potential for access to foreign markets. The “Marwaris” (formerly known as “Bnias”) are specializing in domestic trade. Their enterprises have complemented those of English entrepreneurs, who allowed the “Marwaris” to become prominent in a diversified industrial economy (Dana, 2000). Indian products, such as food items, herbal products,
electronic products, services, such as yoga, and several other services, such as cultural, sports and cinema, can spread through Indian diaspora in their host countries. The “Jains”, an ascetic religious group, have long been a trading sect in India, not out of an entrepreneurial spirit based on materialism, but rather because trading was an occupation that kept them relatively free from conflict with the requirements of their religious practices (Dana, 2000). One can easily spot the variety of Indian products and services used and consumed by Indian diaspora in Malaysia, Thailand, Sri Lanka and other Asian countries. Even, Mauritius calls itself a “chhota Bharat” (the little India) and celebrates its national day on March 8, the day when Mahatma Gandhi began his historic Dandi March. Through this, one can easily imagine the extent and demand of Indian products and services in Mauritius. This reflects the fact that diaspora can enhance the export of Indian products and improve access to foreign markets. This will help in the globalization and increasing the demand of such Indian products all over the world. Emphasizing the impact of diaspora’s role, Cohen also highlights the importance of this factor while discussing the overseas market for exports created by the Chinese diaspora (Cohen, 1996).

4.3 Economic impact of diaspora: creating a business network
Creating a business network could be the third impact of diaspora in their homeland. Diasporas usually form networks that allow the circulation of knowledge, skills, capital and information. The social network of diaspora offers a flexible and efficient opportunity to recruit employees. Migrant entrepreneurs prefer hiring and supporting other migrants in their economic ventures, as they enjoy a privileged access to the migrants’ labor even at low wages (Sahin et al., 2007). The International Organization on Migration confirms that the extended diaspora networks can yield investments in new technology, market intelligence and business contacts. In countries with a longer migration experience, diaspora networks (with low and highly qualified workers) may act as conduits of transnational linkages. These links include business investment – in both directions – between their home and host country. In fact, diaspora members may be much more likely to invest in economies that others would consider as high risk, simply because they have knowledge and relationship opportunities that other investors lack (Brinkerhoff, 2007). Diaspora support, especially in the provision of finance and availability of cheap labor power in homeland, often acts as an incentive for new business activities and business networks. The diaspora can be a direct source of advantage to the country of origin when its members have the desire and ability to trade with, invest in and outsource to domestic businesses (Kapur, 2014). Dana (1993) explained that the immigrants contribute back to the network by providing a product or service to the community, jobs and information and assistance to other members of the network (Dana, 1993). Cross-border social networks are at the forefront of developing business linkages in emerging markets (Chen and Chen, 1998; Ellis, 2000), and diasporas are likely to possess these networks, as they are usually familiar with the culture of both their COO and COR, as well as likely to have spent significant amount of time in both these countries (Chand, 2012).

4.4 Economic impact of diaspora: encouraging return migration
Encouraging return migration could be the fourth impact of diaspora on their homeland. Return migration was the primary feature of the world’s first diaspora strategies in the 1960s, and some countries still place a heavy emphasis on the importance of return migration, particularly those that wish to move up the development ladder (Chen et al., 2015). Initially, when people migrate from their home country, they have a strong motivation to do something new which can help them to find a decent livelihood option in the host
countries. In this process, the diaspora learn innovative, alternative and new skills along with improvement in technological advancement in host countries. If diaspora members return to their home, then they would have a colossal impact and spillover effects in the development of their village and society. When skilled diaspora members return to their home country, they can enhance the productivity and quality of products through their global learning process in the homeland’s firm/businesses.

4.5 Economic impact of diaspora: remittances – the source of foreign currency
Discussion about the impact of diaspora will be totally incomplete if remittances are not discussed yet as remittances can directly affect the place of origin. Therefore, we are discussing the fifth impact of diaspora as the source of foreign currency, which is remittances. Remittances are the focus of much attention and remain more prominent in terms of data collection and research than other potential contributions. The movement of migrants across geographical space is often associated with diverse types of links with their place of origin. Among those links, remittances are the dominant and one of the most visible and beneficial aspects of how migration is reshaping the place of origin. Explaining the occurrence of international migration, the New Economics of Labour Migration school argues that migration and remittances are considered as a household livelihood strategy, which will help in the survival of migrants and their families (Lucas and Stark, 1985). Mohieldin and Ratha (2014) strongly argue that one of the under-exploited resources is diaspora financing – that is, the remittances and savings earned by nationals working abroad and sent back home to family and friends. Once the money is back in an expatriate’s homeland, it is put to good use. Remittances have reduced poverty in Bangladesh, Ghana and Nepal. It is evident that in developing countries, including India, migration and remittances act as a source of sustenance so as to enhance the lifestyle, standard of living and overall development of individuals and regions. Migration could be accumulative or distress-induced, but in either case, the remittances play a significant role as a source of savings and investment in the former and as a means of survival in the latter. Remittances have a direct impact on poverty reduction, as they tend to flow directly to the poor (although not necessarily the poorest) households and are used primarily for the basic needs such as food, shelter, education and health care. World bank reports that remittances can:

- reduce recipient household poverty with spillover to other households;
- increase investment in education and health care;
- reduce child labor; and
- increase entrepreneurship.

Highlighting the importance of remittances in developing countries, it is estimated that remittance flows to the developing countries are three times larger than the official development assistance.

Remittance is often an invaluable source of income and foreign exchange earnings for a country. Plaza et al. (2015) notes that remittances are less volatile than private capital flows and often rise during recessions, helping to stimulate vulnerable economies. The potential for mobilizing diaspora members’ savings for financing education, health care and infrastructure in countries of origin is massive. Some 170 million international migrants from developing countries send over $400bn in remittances to their COOs. At the same time, migrants also save a part of their income in the COO, mostly as bank deposits. Migrant savings can be mobilized, through diaspora bonds or non-resident deposits, for financing development efforts in COOs (Plaza et al., 2015). As an incentive to such payments, various
governments encourage a streamlined and cost-effective remittance process (Delphine et al., 2013). For example, in 2006, India launched the Remittance Gateway system. This allows the Indian diaspora to send money to 14,500 locations in India at a far lower cost than commercial money wire companies (Chen et al., 2015). Over the past few decades, different forms of remittance transfers have been identified and expanded, but the category of economic remittances dominates the literature (Rahman and Fee, 2012). It is obvious that remittances are dependent upon the motives, but it is extremely difficult to identify specific/individual motivations as motives may change over time. However, the desire for migration is due to number of factors that create aspirations to migrate so as to change one’s life significantly (Czaika, 2012). The flow of remittances may be because of multiplicity of motives within a single pair; and hence, the distinction between accumulative and survival processes might be blurred.

4.6 Economic impact of diaspora: tackling poverty and unemployment

The sixth and last impact of diaspora could be the reduction of poverty and unemployment in the home country. The improvement of skills and the accumulation of financial capital from working abroad or by activities of the diaspora could have positive effects on the labor market, such as increased employability and the capacity to start a business in the country of origin. Yet, these effects might be hampered when the upgrade in qualification does not match the local needs or when the economic and political conditions remain unattractive for investments. At the macroeconomic level, diasporic contribution can reduce the poverty and level of unemployment. Emphasizing on the role of diaspora at macroeconomic level, Zambia’s President, Levy Mwanawasa, provides an example of combining remittance capture with diaspora-integration strategy. In a 2004 speech, he stated: “I know you expect me to say come home. I am not going to do that. Work here and send money home” (quoted in Manda, 2004). This statement reflects the importance of diaspora for reducing the unemployment in home country. FDI and outsourcing of production financed by the diaspora overseas can generate employment prospects that might benefit the poor in the long run. Diaspora members also purchase land or houses in their COO, finance construction of schools, clinics or roads in their home villages and donate money for income-generating development projects. Moreover, diaspora networks between the host and home countries can play a major role in sharing their skills, experience and knowledge with those who have remained at home.

5. Socio-cultural impact of diaspora

Diaspora can act as an agent of socio-economic change. Today, knowledge has become the most important capital, and therefore, the success of any society depends on harnessing what is called “knowledge capital.” The knowledge-based economy places great importance on the diffusion and use of information and knowledge, as well as its creation. In this context, the socio-cultural and emotional linkages between diaspora members and the COO help in professional alliances and networks. In a comparative study about the assimilation and integration of migrant entrepreneurs of Chinese and Indian origins, Hamilton et al. (2008) found that migrant groups have a strong linkage to the culture in which they grew up (Hamilton et al., 2008). Socially, diasporas are connected with their homeland through various kinds of knowledge transfer. Information technologies, especially internet, is the main tool for knowledge transfer. Diaspora networking refers to developing a bridging social capital network that links the homeland to the diaspora. This includes fulfilling intermediary functions acting as a coordinating body between the supply and demand of potential contributions (Meyer and Sinani, 2009), facilitating the migration process and
ensuring transportability of qualification. Advocating for diasporic engagement through the network development, Sahoo and Patnaik (2010) recount that most developing countries today are making an attempt to link with their diasporas through networks and alliances. As the skills and abilities are highly dispersed in the world today, locating the abilities and skills through greater networking across the globe brings advantage to any institution and state to prosper faster. Diaspora is a very natural choice for many developing countries. The social networks of the Indian diaspora are often used as conduits of trade and investment between their COO and COR (Chand, 2010).

There is a growing body of evidence suggesting that the income from remittances is disproportionately spent on education and health care rather than everyday consumption (Adams, 1991 and Plaza et al., 2015). Apart from economic remittances, recent perspective on remittances promotes attention to a broader perspective that includes social and technological remittances. The diaspora also contributes through philanthropic remittances (Goldring, 2004), and the development of their former communities through hometown associations and collective financing of development projects such as schools, health facilities and community infrastructure [Ghosh, 2006; Orozco and Garcia Zanello, 2009, World Bank, 2006b, UNDP (United Nations Development Program) 2009]. Regarding the development objectives more generally, diasporas also organize philanthropic activities targeted toward the homeland, either through diaspora organizations or less formally and individually.

Education and technological advancements are powerful tools for societal change. These can mold the society in a fruitful and innovative direction. Emphasizing the possible contribution of diaspora for education in the home country, Ketkar and Ratha (2011) argued that diaspora bonds could be an important source of funding for education. They cited the example of India and Israel for this kind of innovative approach. Similarly, diaspora can strengthen the technological advancement and enhance the innovative ideas of people in the homeland by creating the “brain chain.” Worldwide Indian Network, Silicon Valley Indian Professionals Association, Interface for Non-Resident Indian Scientists and Technologists Programme, The International Association of Scientists and Engineers and Technologists of Bharatiya Origin are examples through which the role of diasporic community in the homeland is reflected. Pande (2014) cited the role of diasporic community in the case of Indian IT industries, and he endorsed that on the one hand, the Indian diaspora brought a multi-layered gain to the IT industry in terms of enhanced skills; capital formation (human, social and financial); inward remittances; FDI flows; creation of networks/markets; and a boost for India’s image. On the other hand, the Indian IT industry created a strong incentive for the mobility of highly skilled professionals and provided the diaspora with the much-needed opportunity to engage with their motherland. Various cultural aspects are also influenced by diasporas in a positive way such as an exit from various traditional taboos and increasing presence of women in public and economic space.

6. Political impact of diaspora

There are many ways in which the diaspora can articulate and implement policies. Kapur (2010) has put a strong argument that international migration has played an important role in shaping various aspects of India’s political economy. Further, diasporas reside outside their kin state yet often claim a legitimate stake in it and challenge the traditional boundaries of nation-states (Kapur, 2014). A key political effect of the diaspora channel is the phenomenon of long-distance nationalism. Diaspora represents their country abroad and can become good ambassadors if the government of homeland takes them into confidence through voting rights and well recognition in socio-economic change:
If migrants are expected to be good representatives and do some lobbying for their country of origin abroad, then they would often like some influence on the policies that they are expected to represent.

Different diaspora-based associations may lobby host countries to shape policies in favor of the homeland or to challenge a homeland government; influence homelands through their support or opposition of governments; give financial and other support to political parties, social movements and civil society organizations; or sponsor terrorism or the perpetuation of violent conflict in the homeland. Global networks of diaspora associations sometimes engage in mass protest and consciousness-raising about homeland related issues.

Members of diasporas participate in the politics of their COO in a variety of ways. In some cases, they have the right to vote (whether as dual citizens or as citizens residing abroad). They may return and run as candidates themselves. Where direct participation is ruled out, diasporas may attempt to influence politics in the COO through financial contributions to political parties, candidates or activist and advocacy groups. Another mechanism through which a diaspora can affect the politics of its COO is by providing a channel for the flow of ideas. These less visible, non-quantifiable and intangible cognitive remittances may even have a more critical impact than the flow of money. For instance, diasporas may influence policy changes in their COOs. They can do so directly, particularly on issues where they have strong economic interests or by reshaping policy preferences of elites.

In the recent general election held in 2014, there was evidence of diasporic influence of Indian political discourse. In case of India, political clout of the Indian-American members facilitated international financial and technology flows and played a big part in his electronic campaign and election funding. This can be termed as political remittances. Facebook and Twitter, with their likes, shares and followers, are new forms of connectivity that chime with the nationalist’s quest for a diaspora’s nation. Having millions of followers on these platforms is a testimony that a nation vibrates beyond its mere native shores (Gavaskar, 2015). Concentration of large diaspora can develop the soft corner in a home country’s government toward host countries, which can influence the states’ interests in pursuing certain foreign policy strategies between the host and home countries. This can promote the development of diaspora, as well as both countries. For instance, the communities residing in Gulf countries may look to their home governments for support in their struggle for rights against discrimination in the labor market. Thus, diaspora can be considered as a soft power in the political discourse pursuing certain foreign policy strategies and policies that will be more favorable to them. In this process, diasporic influence reshapes the international relationship between India and the Gulf countries.

7. India’s approaches to diaspora[1]
Possessing the significance of diasporic role in mind, several governments have formulated their policies and programmes for their diasporas across the world. The Government of India also consistently makes an effort to engage with the Indian diaspora. The extent to which emigrants’ activities can have an impact upon the COO’s development is partly influenced by the home government’s policies and initiatives aiming at mobilizing emigrants as resources for the sending state to draw on (Cohen, 2008; Sahoo and Pattanaik, 2014; Santamaria-Alvarez and Śliwa, 2016). India’s Ministry of External Affairs is the nodal agency that deals with diaspora engagement around the world. For India, the diaspora is used to attract investment through remittances; they also encourage socio-cultural collaboration that enhances bonds between people of Indian descent. The purpose of having a policy toward the Indian diaspora is to promote investment and guarantee that the diaspora or people of Indian descent are not alienated in policy formulation (Makumi, 2012).
Government has taken several initiatives for the welfare of Indian diaspora abroad, as well as in India. Moreover, the government takes an affirmative approach for particular groups such as women, youth and physically impaired people. Recently, Prime Minister Narendra Modi called for the Indian diaspora to unite and act as a positive global force for the cause of humanity during the inaugural function of “Dandi Kutir” museum in Gandhinagar, Gujarat.

For strengthening the bonds with the Indian diaspora, Ministry’s Diaspora Services Division deals with all matters relating to overseas Indians comprising persons of Indian origin (PIO) and non-resident Indians (NRIs). Overseas Citizen of India (OCI) card scheme has been operational since January 2006. A registered OCI is granted multiple entry, multipurpose, life-long visa for visiting India and is exempted from registration with Foreigners Regional Registration Office for any duration of stay in India. Ministry of Overseas Indian Affairs is running a scheme since October 2008 known as “Tracing the Roots” to facilitate PIOs in tracing their roots in India. This division also organizes the “Pravasi Bharatiya Divas” and “Regional Pravasi Bharatiya Divas” and engages with the Pravasi Bharatiya Samman awards for those who have made significant contribution in the fields of better understanding of India’s culture and traditions by the people living in abroad, support to India’s causes and concerns in a tangible way, building closer links between India and the overseas Indian community, social and humanitarian causes in India or abroad, welfare of the local Indian community and philanthropic activities[2].

For youth and student communities, the government has launched the Scholarships Programme for Diaspora Children for NRI/PIO students in India to promote the interaction of overseas Indians with India in the fields of tourism, media, youth affairs, education, culture, etc. Overseas Indian Facilitation Centre, in partnership with the Confederation of Indian Industry, offers an opportunity for overseas Indian students to experience the global work culture of top Indian companies, work in a multicultural environment and connect with their roots in India. It will offer a platform for diaspora students to enhance their profile value through challenging projects. Addressing 18-26-years-old youth, the Government of India launched the “Know India Programme” to help familiarize the Indian diaspora youth with the developments and achievements made by the country and bringing them closer to the land of their ancestors. Furthermore, Study India Programme enables overseas Indian youth to undergo a short-term course in an Indian university. Another initiative called Overseas Indian Youth Club has been launched in several countries for providing an institutional mechanism in the Indian missions/posts abroad to engage young overseas Indians, students and professionals. For empowering and strengthening the welfare of diaspora, numerous programmes such as “Mahatma Gandhi Pravasi Suraksha Yojana,” “Pravasi Bharatiya Kendra,” “Pravasi Bhartiya Bima Yojana,” “Pravasi Kaushal Vikas Yojana,” “Indian Community Welfare Fund” and “Scheme for Legal/Financial Assistance to Indian Women” deserted by their NRI husbands has been launched.

8. Implications of the study

Although this study presents a modest effort to synthesize the possible impacts of diasporic role in India, it may have missed some valuable research from other peer-reviewed journals. In addition, the approach of systematic review is highly qualitative in nature, which may limit the simplification of the results and advocate for caution in understandings. As the migration and diaspora study is dynamic in nature, the breadth and width of diasporic role are expanding fast. This study serves as an important funnel for academics and policymakers to understand the current trends and insights.

Academicians and policy practitioners can gain a comprehensive understanding of the dynamic relationships among the key influential factors in migration, diaspora and its
developmental role in homeland, as presented in the conceptual framework in this study. Accordingly, policymakers will be able to develop effective strategies to leverage the positive impacts of diasporic role in India. Recommendations given in this article will contribute toward the enhancement of the economic efficiency and productivity of the diasporic community of India. This paper has important implications for policymakers not only in India but also in other parts of the developing world, as it demonstrates the importance of diaspora to a country’s overall development. Policymakers need to include the suggestions raised in this paper to achieve greater societal and economic benefits for a country.

9. Summing up and concluding remarks
There is a growing debate among scholars and students of the field about the impact of diaspora transfers on poverty, development and equity in home countries. There is also a growing interest in the potential to increase both the quantity and impact of “diaspora giving”, targeted at effective social change (Basu, 2016). Thus, our attempt is to provide a systematic description of the possible role of the Indian diasporic community in terms of their economic, socio-cultural and political impact on development in India. As indicated earlier, the diasporas are an important link between the home countries and host countries for development; this link can be used to enhance cooperation and mutual benefits. Several countries such as China and Kenya have benefited from these mutual relations through the investment attracted from the diaspora. Regarding development, several questions arise such as what helped China become this massive manufacturing power, what helped India to become a global technology hub, what helped Israel to become a great startup nation of the world. All questions have one answer, the diaspora. In India, several areas such as the transfer of knowledge/exchange for public service provisions, increase in remittances and investment, reducing cost of remittance transfer, greater access to foreign currency, productive investment including entrepreneurship, increase in diaspora philanthropy, strengthening the financial sector are concerned with diaspora engagement. The host country must be able to reap the benefits of its immigrants’ skills, experience and/or innovation, but if this does not happen, immigrants may feel stuck in entrepreneurship which does not feed their creative juices. They lose time in waiting for the next generation, i.e. their children, to fulfill their dreams (Pio and Dana, 2014). The Government of India should adopt diaspora-integration policies in a much inclusive way, which can strengthen the diaspora’s connectivity and self-respect with India. The Government of India should adopt the approach of “ask and task.” If you do not ask, nothing will work. For this, “the glue,” which connects diaspora to their homeland, is nothing but “the trust.” As a result of the diaspora-integration policy, the homeland may benefit by greater diaspora propensity to contribute through remittances, FDI, knowledge transfer and diaspora philanthropy.

Over the past decade, diaspora is gaining increasing attention in the public policies in many developing countries. This is because of the growing reciprocity between diaspora and the country of origin. Diaspora is articulated as the resource and strategic asset of the developing countries. The success of diasporic role in many developing and developed countries may have provoked the Government of India towards diasporic contribution. As a result, the Government of India has taken several steps to capitalize on the opportunities. Although India’s diaspora policy is multi-pronged, pursuing direct investment, remittances, portfolio investment, technology transfer, market opening and outsourcing opportunities, it is not enough to capitalize on the full potential of diaspora in the development discourse. There is a need to think systematically about the actual and potential contributions of diasporas to development and/or the reduction of poverty in their COOs. For multiplier effects of diaspora investment, there is a need to create an “investor-friendly” environment
to attract diaspora funds, which are highly subjected to abolish the plethora of laws and regulations that govern industrial enterprises. Many Indians living abroad want to fund small projects in their home villages, but the procedural delays and corruption in India have made it difficult to implement their programmes. In other cases, the community felt that the procedures for transferring funds for philanthropic activities were too cumbersome, without much assurance that the funds would be used appropriately. Others complain of little protection in case of fraud or cheating in financial or land matters.

Diaspora engagement is a big and growing issue in developed and developing countries, with strong policy interest. A serious obstacle to good policy-making is the lack of collective learning about the impact of diaspora policy interventions. There are certain issues related to measuring the contribution of diaspora. Apart from conceptual and theoretical knowledge about diaspora, the need of the hour is for qualitative and quantitative analysis in diaspora studies, which can better explore the problems, impact and is a determinant of diaspora community to formulate appropriate policies. This will open up several new avenues for further research in measuring the impact of diaspora. Diaspora-based development efforts are a powerful development resource. The benefits and unique strengths of both diaspora groups and international development agencies can be magnified through effective collaboration. The Government of India must recognize the importance of convergence of policies between India and the diaspora’s host countries. A dyadic or reciprocal relationship between both the countries is necessary for their specific objectives to be achieved. For instance, the environment provided for investment in Kenya is conducive, whereas the environment in India is not as conducive for Kenyan diaspora (Makumi, 2012). However, to influence policy formulation and implementation, the diaspora must remain attentive and informed about the decisions and policies. This not only entails being informed about particular policies but also constitutes maintaining a general interest in the implementation of policies (Kiamba, 2014). Therefore, there is a need for an explicit shift in India’s foreign policy when it comes to the diaspora.

Notes
1. Information on policies and programs related to diaspora is taken from various dates of Press Information Bureau website, Ministry of Overseas Indian Affairs, Government of India.
2. Our father of nation, Mahatma Gandhi, had arrived from South Africa on 9th of January, 1915. To mark this day, the Diaspora Division of Ministry of External Affairs, began celebrating this day as “Pravasi Bharatiya Divas” (Non-resident Indian Day).

References


Press Information Bureau (PIB) (2018), Ministry of Overseas Indian Affairs, Government of India.


Further reading


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