

Unit 4

Migration and Settlement of Indians Abroad

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Learning Objectives

This unit will help you to:

- understand the basic background to migration of Indians abroad;
- analyse the main socio-economic reasons and historical context of migration; and
- illustrate the different patterns of migration.

4.1 Introduction

Our last three units have discussed some conceptual issues concerning diaspora in general and Indian diaspora in particular. We have also tried to look at some of the diaspora of the world to understand the specific contexts and histories of diaspora across space and time. In this unit we look at the general pattern of migration with reference to the Indian diaspora. We will begin with the historical context of Indian diaspora and then try to understand contemporary trends and patterns.

Indians have been sojourning abroad since ancient times. There is historical evidence of Indian-influenced colonies and kingdoms in Southeast Asia, the most notable of them being the fifteenth century A.D. Sri Vijaya Empire in Indonesia (Wheatley, 1961). Besides Southeast Asia, Indian cultural influence is also known to have existed in Afghanistan, Tibet and parts of China. Indian scholars and entrepreneurs were in contact with their counterparts in Central Asia and the Hellenic world. Early Indian emigration, however, did not result in any significant permanent settlements overseas; and if it did then the migrants must have got assimilated into the populations of their host countries. Ceylon (Sri Lanka) can be considered in this regard as an exceptional case.

In contrast to ancient emigration, modern emigration from India was wholly a British creation. It began in 1834 when slavery was abolished in the British Empire. Labour was needed to work on the sugar plantations in the various British colonies. Without dependable supplies of labour, the survival of plantations would have been extremely difficult. Consequently, the British colonists followed the practice of Latin American and Cuban colonists who were importing Chinese indentured labour from the Portuguese settlement of Macao (Campbell, 1969). Indian labourers had already been found useful in various colonies. As slaves and convicted prisoners they were employed in public works—roads, harbours, offices and jails (Sandhu, 1969:132- 140, Tinker, 1974: 44-46).

In India, as Kingsley Davis (1968:99) has pointed out, "Pressure to emigrate has always been great enough to provide a stream of emigrants much larger than the actual given opportunities". Large-scale Indian emigration, however, did not take place until the establishment of British imperialism in India as well as many other parts of the world. Burma, for example, is a case in point where Indian emigration was numerically insignificant, and only seasonal in nature until the annexation of the Irrawaddy Delta and northern territory by the British East India Company in 1852 (Andrew, 1933). Pearn (1946:5) noted that in 1838 there were only 19 Indians in Rangoon. Similarly, Indian labour emigration to Malaysia, Ceylon, Mauritius and the West Indies and petty bourgeoisie emigration to East Africa had to wait for British colonial settlement in these places. Thus Indian overseas emigration is obviously the result of the workings of British colonialism both in India and abroad, which is highlighted by the fact that the vast majority of Indians migrated only to the British colonies. The only exceptions in this regard were the Reunion Islands and Surinam—French and Dutch Colonies respectively.

4.2 Emigration: Volume and Destination

Until the Second World War Indians emigrated mainly as indentured laborers to Guyana, Trinidad, Surinam (then a Dutch colony), South Africa, Fiji and Mauritius and as kangani or maistry laboureres to Burma, Ceylon and Malaysia. The migration of traders also took place, especially to Burma, Malaysia, Kenya, Uganda, Tanzania, South Africa and Fiji. Such migration, however, was proportionately very small and became of some political significance only in 'passage' emigration—the nomenclature being derived from the fact that the emigrants paid their own passage and were free in all respects.

Box 4.1: Indentured Labour System

An indentured labourer is under contract to work (for a specified amount of time) for another person or a company/corporation, often without any monetary pay, but in exchange for accommodation, food, other essentials, training, or passage to a new country. After working for the term of the contract (traditionally four to seven years). He is allowed to be free. During this term of bondage the servant was considered the property of the master. He could be sold or given away by his master and he was not allowed to marry without the master's permission. An indentured servant was normally not allowed to buy or sell goods although, unlike an African slave, he could own personal property. He could also go to a local magistrate if he was treated badly by his master. After the servant's term of bondage was complete he was freed and paid "freedom dues". These payments could take the form of land or sugar, which would give the servant the opportunity to become an independent farmer or a free labourer. There have been multiple occasions where the indentured servitude has been abused. For example, indentured servants need goods or services not available or supplied at a cost within the terms of the indenture and find obtaining such goods or services requires an extension to the period of their indenture. In these circumstances, the system can represent a form of unfree labour.

(Source: http://en.wikipedia.org/wiki/Indentured_servant)

It is estimated that between 1834 and 1937 some 30 million Indians migrated to different parts of the world, while during the same period about 24 million of them returned home, resulting in the net emigration of 6 million (see Table 4.1). As the figures in the table show, overseas Indian emigration

was largely 'ephemeral' or transitory in character. During the period 1834-1900, the average annual emigration was about 202,000, whereas for the period 1901-1937, it was about 451,000.

The data in the table also indicates four major periods of fluctuations in the migration patterns. The first, from 1834 to 1915, was the period of steady increase in indentured labour emigration. In the same period the increased net migration since the early 1890s represents the added migration of kangani/maistry labour to Burma, Ceylon and Malaysia. The second period (1916-20) highlights not only the difficult years of the First World War but also the end of indentured emigration in 1917. In the third period (1921-30), emigration again picked up, mainly responding to the demands for labour on tea, rice and rubber plantations in Ceylon, Burma and Malaysia respectively. The largest number of Indians returned home between depressions. During the depression particularly during 1931-35, more Indians returned home than left. The kangani/maistry form of emigration was stopped by 1938. By then not only was sufficient labour available in the colonies, Indian public opinion was also opposed to Indians' emigration and their mistreatment abroad. Thereafter only voluntary labour, over whom the government of India had no control, continued to emigrate. But such migration was proportionately very small and was confined to Malaysia, and possibly Ceylon.

Table 4.1: Estimated Total Migration to and from India: 1834-1937 (000's)

Year	Emigrants	Returned	Net*
1834-35	62	52	50
1836-40	188	142	46
1841-45	240	167	72
1846-50	247	189	58
1851-55	357	249	108
1856-60	618	431	187
1861-65	793	594	199
1866-70	976	778	197
1871-75	1,235	958	277
1876-80	1,505	1,233	272
1881-85	1,545	1,208	337
1886-90	1,461	1,204	256
1891-95	2,326	1,536	790
1896-1900	1,962	1,268	694
1901-05	1,428	957	471
1906-10	1,864	1,482	382
1911-15	2,483	1,868	615
1916-20	2,087	1,867	220
1921-25	2,762	2,216	547
1926-30	3,298	2,857	441
1931-35	1,940	2,093	-162
1936-37	815	755	599
Total	30,191	23,941	6,250

(Source: Davis, 1968: 59).

* Net migration refers to net emigration. The figures do not always correspond to the exact differences between the first two columns because of rounding off.

Following the Second World War Indian migration to the advanced industrialized countries of Europe and North America had also begun to gain momentum. The post-war economic expansion in these countries created heavy demand for skilled labour and professionals. Simultaneously, immigration laws were also relaxed in Canada and the U.S.A. This form of overseas Indian migration of skilled and educated personnel, popularly known as the "brain drain," thus resulted in the formation of sizeable Indian diasporic communities in Canada, the U.K., the U.S.A. and other European countries (Aurora, 1976; Desai, 1963; Saran, 1985; Tinker, 1977). Since the early 1970s Indians have also been sojourning to the oil-rich West Asian countries.

4.3 Colonial Background of Indian Emigration

The historical background against which the Indian overseas emigration was intensified was the penetration of British mercantile capitalism in Asia. In the second half of the nineteenth century, as a result of the communication revolution and the opening of the Suez Canal, the Asian peripheral economies were fully integrated into the world capitalist system with the result that Britain earned a considerable surplus on her trade with Asia in general, and India in particular (Latham, 1978: 175).

The profits from imperial trade were invested by the British in the mines and plantations, in Asia and Africa, which created a further demand for labour throughout the British Empire. While the expanding capitalist economy in the British Empire created a great demand for labour and trading classes, in India a combination of the following factors created socio-economic conditions that led to the Indian exodus overseas.

The Distress of the Small Peasantry

The impact of British colonialism in India arose from the new land policies attuned to capitalist development by the middle of the nineteenth century. In 1765 the revenue administration of Bengal had passed into the hands of the East India Company (Mukherjee, 1958). The Company had fixed the land taxes at ninety per cent of the rental in Bengal and over eighty per cent in North India, rates that were excessively burdensome to the peasantry. The distress of the peasantry was further accentuated by the introduction of the zamindari system whereby landlords who were rent-collectors (for ten years on 2.5% commission) were converted into landlords in perpetuity (vide Permanent Land Settlement Act, 1793). In the Madras Presidency the land tenure system of raitwari was introduced in which raitis or individual cultivators were the registered occupants of land and as such were free to mortgage, sell or gift their land subject to registered transaction. In the Madras Presidency the land revenues for the most part of the nineteenth century were even higher compared to Bengal. TA

Under these land tenure schemes, not only land transfer became easier, disputes over land also encouraged litigation, crime and corruption. Indebtedness forced many cultivators to sell or mortgage their land to the rich peasants or the money-lenders. Consequently, the pauperization of the marginal peasantry increased the number of landless labourers who eventually joined the ranks of overseas migrants. Commenting on the agrarian conditions in the nineteenth century in India, Nehru (1960:204) writes:

"For at the basis of all this exploitation lay the policy deliberately pursued by the British in India. The destruction of cottage industries

with no effort to replace them by other kinds of industry; the driving of the unemployed artisan to the village and the consequent over-pressure on land; landlordism; the plantation system; heavy taxation on land resulting in exorbitant rent, cruelly collected; the forcing of the peasant to the bania moneylender, from whose iron grip he never escaped; innumerable ejections from the land for inability to pay rent or revenue in time; and, above all, the perpetual terrorism of policemen and tax-gatherers and landlords; which almost destroyed all spirits and soul that he possessed”.

Famines

Widespread and frequent famines and local scarcities, throughout the nineteenth century and during 1905-1908 periods, were also a major factor in adding to the misery of rural populations, especially small cultivators, artisans (mainly native weavers), agricultural labourers and other depressed classes. The frequency of famines increased considerably after 1860. In the last four decades of the nineteenth century, the government's economic policies led to a decline in food production and a rise in food prices. On the other hand, during the same period the export of foodgrains increased resulting in further shortages of foodgrains. According to one economic historian (Bhatia, 1967: vi):

As for prevention of famine, the Government laid greater emphasis on railways, which served commercial interests of Great Britain, than on canals which were so necessary to increase food production. By legislative measures the government tried to restore the balance between creditor and debtor and between landlord and tenant, but it failed to industrialize the country, which was the ultimate remedy for unemployment and poverty. In the matter of food supplies, the compulsions of imperialism forced the Government to permit unrestricted export of foodgrains even during times of famine and allow their prices to be determined by the market forces of demand and supply.

Table 4.2
Flow of Labour from Different Continents/regions,
1834-1900 and 1901-1937

Regions	1834-1900		1901-1937	
	Average annual	% of total	Average annual	% of total
Asiatic	186,000	92.2	443,700	98.4
African	8,600	4.3	3,200	0.7
American	6,900	3.4	2,600	0.6
Oceanic	200	0.1	1,200	0.3
Total	201,700	100.0	450,700	100.0

Source: Prabhu Mohapatra, "Indian Labour Diaspora, 1830-1940", paper presented at a Seminar on International Migration, Remittances and Development held at the V.V. Giri National Labour Institute, Noida, April 7-8, 2005 (mimeographed).

Table 4.3
Out-migration from India and other Countries: A Comparison, 1846-1932

Country of Emigrations	Number (millions)	Per Cent of population in 1900
British Isles	18.2	43.3
Portugal	1.8	33.3
Italy	10.1	31.1
Spain	4.7	25.3
Sweden	1.2	23.5
Austria/ Hungary	5.2	19.8
German	4.9	9.7
Russia	2.3	1.8
India	27.7	9.4
Africa (1500-1760)	4.5	-

- This volume of emigration was by far the largest emigrant flow from any single country in the whole period.
- Much larger than the Slave labour flow from Africa to the Americas between the 16th and the 18th centuries.

(Source: As in table 1)

The Decline of the Handicraft Industry

In the seventeenth century, India was a great manufacturing power mainly because of its handicrafts industry which provided employment to millions of people. The cotton industry was especially thriving, its produce exported to a number of markets in Europe and Asia. As the British cotton industry was unable to compete with its Indian counterpart, the British government charged heavy customs duty on Indian imports into England. In 1720, Indian goods were prohibited entry into England. During the nineteenth century India imported an increasing amount of cotton goods from Britain. According to one estimate, the value of British exports in cotton goods, just over 100,000 pounds in 1813, rose to 5.2 million pounds in 1850 and 18.5 millions. This had a substantial negative impact on the handicraft industry in India.

Sluggish and Enclavist Industrialization

While the handicrafts industry in nineteenth century India declined, modern industrial development was late, slow, limited and enclavist. Modern industrialization in India which began in the late nineteenth century was "fundamentally concentrated in three isolated enclaves—Bombay City, Calcutta and the West Bengal/ Bihar coal belt—with strictly limited impact on one another and on other regions" (Charlesworth, 1982, pp. 37-8). The Madras Presidency, which in the nineteenth century had already become an important area of labour exodus, had no industrialization even comparable to the scale of Bombay or Calcutta. Moreover, foreign capital which dominated the modern industries was not evenly and broadly invested.

There was also a marked absence of a coordinated government policy regarding industrial development until 1914. Indeed, in the name of *laissez faire* the

colonial government adopted a "passive state policy.....with respect to industrial development" (Lamb, 1955: 478). Perhaps more harmful to industrial development were the effects of the imperial connection which meant that until the First World War, Indian industry was denied any significant tariff protection. Thus, the overall progress of industrialization during the British Raj remained very slow. As late as 1931, out of a total population of 353 million, only just over 1.5 million workers were employed in modern factories (Buchanan, 1966, p, 136). Under these circumstances, it is obvious that the manufacturing sector of the colonial economy was not capable of absorbing the surplus labour force created in the rural areas.

Other Factors

Excessive dependence on agriculture, seasonal unemployment, mass illiteracy and a caste-bound occupational structure were additional contributory factors in creating a class of proletarians, a fraction of which was compelled to seek sustenance abroad. Under these circumstances, the Indian government was readily persuaded by the imperial and other colonial government to export Indian labourers. It must be pointed out here that 99.6 per cent of the labour moved across waterways to the ports in the British Empire. A small percentage went to French, Dutch and Danish colonies. About 98 per cent of the total Indian migration abroad during the colonial period was of labourers and the rest was of traders and other middle class personnel.

Reflection and Action 4.1

Collect from different sources (Internet, friends, books-both fiction and non-fiction and movies) the stories of early labour migration to colonial plantations of the British Empire. What do you think were the ways and means by which these indentured labourers survived the harsh environment?

4.4 Five Patterns of Indian Emigration

Historically, five distinctive patterns of Indian emigration can be identified: (1) Indentured labour emigration, (2) kangani/maistry labour emigration, (3) "Free" or "Passage" emigration, (4) "Brain-drain", or voluntary emigration to the metropolitan countries of Europe, North America and Oceania, and (5) Labour emigration to West Asia. Whereas the first three forms of emigration were colonial phenomena, the last two are the results of the inherent contradictions of the post-colonial socio-economic development of India. These patterns are briefly described below.

Indentured Labour Emigration

Indenture was a contract by which the migrant was bound to work for a given employer for a three-to-five-year term, performing the task assigned to him for a specified wage (Kondapi, 1951). At the end of the contract the labourer was free to reindenture or to work elsewhere in the colony. After ten years he was entitled to a subsidized return passage. As already mentioned, the migration of Indian indenture labour began in 1834, and was officially ended in 1920. The chief importing countries of Indian labour were the West Indian colonies, Fiji, South Africa, Mauritius, Malaysia and Ceylon. The total number of government-sponsored emigrants in each case was as follows: Guyana 240,000; Trinidad 144,000; Surinam 324,000; Mauritius 451,000; Fiji 68,000; South Africa 142,000 (Jain, 1982; Nath, 1970; Tinker, 1977).

In the first phase beginning in 1834 the majority of emigrants were recruited in the 'hill coolie' districts of Chota Nagpur division and Bankura, Birbhum and Burdwan districts of the Bengal Presidency. Soon the recruiting areas were pushed westward into the Hindi-speaking zones of Bihar and Eastern U.P. There remained the leading recruiting areas in Northern India (Tinker, 1974). In South India the Tamil-speaking areas of Trichinopoly, Madurai, Ramnad, Salem and Tanjore and the Telugu-speaking areas of Vizagapatnam and Ganjam were the main recruiting districts. In Bombay Presidency, Ahmadnagar district was the main area of recruitment. Of the three Presidencies, Calcutta stood first in volume of recruitment and embarkation and Madras second.

On the basis of an analysis of Calcutta emigration reports, the ratio of Hindus and Muslims appeared to represent the then all India ratio of the two communities, i.e. 86:14 (Saha, 1970: 34). Among Hindus 16 per cent belonged to higher castes, 32 per cent to agricultural intermediate castes and the rest to lower castes and 'untouchables' (Smith, 1959). Typical of the mode of recruitment of indentured labour, the emigrant population was predominantly male and young.

Following the completion of their indenture period some Indians preferred to settle down in these colonies. Others were compelled or lured to do so as in lieu of their guaranteed return passage to India the colonial authorities provided them with some cultivable land. Once settled as peasant proprietors these Indians soon to evolve into distinctive communities.

Kangani/Maistry Labour Emigration

The kangani system of recruitment was used to supply South Indian labour to Malaysia and Sri Lanka and the maistry system to Burma. The word kangani is the anglicized form of the Tamil word kankani meaning overseer or foreman. Under this system, a kangani (himself an Indian immigrant) used to recruit the coolies in India paying them in advance for expenses (Jain, 1970:199). The maistry system was more or less characterised by a gradation of middlemen- employers (the labour contractor, the head maistry, the charge maistry, the gang maistry) and the innumerable illegal deductions. In contradistinction to indentured labourers, coolies under these systems were legally free. There was no contract and no fixed period of service.

Kangani system began early in the first quarter of the nineteenth century and continued until its final abolition in 1938. Maistry system began some time in the third quarter of the nineteenth century. How many Indians migrated under these systems is not definitely known. In all, probably ten million Indian migrants moved back and forth between India and Burma, Ceylon and Malaysia (Sandhu, 1969). The majority of Indian immigrants were Tamil-speaking Hindus, the remainder being Muslims, Christians, and in the case of Malaysia only Sikhs (Arasaratnam, 1970).

Indian emigration to Southeast Asia consisted of such groups of migrants as traders, shopkeepers, entrepreneurs, salesman, clericals, and professionals. In Malaysia, until 1957, this constituted about one-third of the total immigration. A somewhat similar situation existed in Burma, though in the case of Ceylon non-labour Indian immigration was substantially less. South Indian Chettiar Hindus were the leading Indian commercial and business community in Burma and Malaysia (Chakravarti, 1971).

'Passage' Emigration

The third form of Indian migration within the British Empire was 'passage' or 'free' emigration or the emigration of trading castes and classes. Passage emigration was predominant to South Africa as well as to the East African countries of Kenya, Tanzania and Uganda, where Gujaratis and Panjabis immigrated largely during and after the Second World War (Bharati, 1972; Kuper, 1960; Morris, 1968). Indian immigration in East Africa followed the 'opening up' of East Africa by the British and other European powers. The completion of the Ugandan railway offered new economic opportunities in the hinterland as well as along the railway route. Indians, mainly Gujaratis, soon established themselves as *dukanwalas* (shopkeepers). In the towns they monopolized trade and commercial activities. Indians were merchants in native produce, carters and teamsters, small contractors, moneylenders, quarry-masters, dealers in lime, sand, stone and domestic firewood, barbers, saddlers, bootmakers, nurserymen, tailors, etc. (Ghai, 1965). Some of these businessmen were highly successful and quite a few of them rose to prominence.

No reliable data are available regarding the total volume of Indian migration to East Africa. However, different census reports throw some light on the growth of Indian communities in East Africa. Accordingly, there were 40,000 Indians in 1901 and 92,000 in 1931. During the war their number increased considerably and by 1963 there were about 372,000 Indians in the East African countries.

Since the mid-sixties, however, negligible volumes of immigration and growing political uncertainties in East Africa have caused the number of Asian minorities to decline. In 1969 censuses of East African nations, there were less than 300,000 Asians left – 139,000 in Kenya, 74,000 in Uganda and 84,000 in Tanzania. Expulsion of about 70,000 Asians from Uganda in 1972 was a further setback in this regard (Ramchandani, 1976).

Today there are about 105,000 Indians in Kenya, 90,000 in Tanzania and 15,000 in Uganda. A large number of Indians from East Africa had migrated to Britain, Canada and the U.S.A., aptly described as 'twice migrants', and many of them are now well settled in these countries. The remaining Indians in East Africa continue to thrive in business and professions.

"Brain Drain"

The large-scale Indian migration to the advanced industrial societies of Europe and North America began in the late sixties, though the history of Indian emigration goes back to the early years of the twentieth century in North America and nineteenth century in Britain. The characteristic features of this type of migration have been its totally voluntary nature, and the migration of highly educated professionals and skilled or semi-skilled industrial workers.

Box 4.2: Brain Drain

A brain drain or human capital flight is an emigration of trained and talented individuals, due to conflict, lack of opportunity and/or health hazards where they are living. Investment in higher education is lost when the trained individual leaves, usually not to return. Also whatever social capital the individual has been a part of is reduced by their departure. Spokesmen for the Royal Society of London first coined the expression "brain drain" to describe the outflow of scientists and technologists to the United States and Canada in the early 1950s.

(Source: http://en.wikipedia.org/wiki/Brain_drain)

Early Indian migrants who went to settle down in Britain and North America were mainly the Sikhs. The Sikhs still constitute the single largest ethnic group in Britain, Canada and the US, although now more and more non-Sikhs are also migrating. Currently, there are about six million people of Indian origin in Europe, North America and Oceania. In the US the majority of Indians are educated professionals—scientists, engineers, doctors, etc. In Britain and Canada Indian communities are occupationally more diversified and therefore relatively less well off.

Table 4.4
Population Estimates of Indians Abroad, 2005
Major PIO Communities

Country	No. of Indians	Country	No. of Indians
Australia	250,000	Netherlands	250,000
Canada	1.0 million	New Zealand	150,000
Fiji	350,000	Portugal	100,000
France	100,000	Reunion Island	250,000
Hong Kong	50,000	Singapore	310,000
Germany	80,000	South Africa	1.1 million
Guyana	400,000	Spain	100,000
Indonesia	75,000	Sri Lanka	3.5 million
Israel	60,000	Surinam	150,000
Jamaica	62,000	Tanzania	90,000
Kenya	105,000	Thailand	100,000
Malaysia	2.0 million	Trinidad & Tobago	500,000
Mauritius	850,000	UK	2.0 million
Myanmar	2.9 million	USA	2.0 million
Nepal	6.0 million	Yemen	110,000
Major NRI Communities			
Bahrain	170,000	Qatar	160,000
Kuwait	400,000	Saudi Arabia	1.5 million
Oman	450,000	UAE	1.0 million

Source: These are the author's own estimates based on a number of sources including the *High Level Committee Report on the Indian Diaspora* of the Ministry of External Affairs, Government of India, 2001.

Indian communities in all these countries have begun to exert political influence in varying degrees. In the UK, four members of the House of Commons and about a dozen members of the House of Lords are of Indian origin. In Canada, Ujjal Sing Dosanjh rose to become the Premier of British Columbia for a couple of years. Similarly in the U.S. Indians are not only the richest ethnic group, but some of them have also been appointed on several high level administrative posts.

Reflection and Action 4.2

1. Why do you think some of the Indian professional seems to do so well when they go abroad to countries like the U.S.A., the U.K., Canada and Australia?
2. In what way is emigration of highly skilled professionals from India a “brain drain”?

Labour Emigration to West Asia

The fifth and the final emigration pattern consists of the Indian migration to West Asia. This migration pattern differs from the previous ones in that all the migrants are generally ‘contract’ workers and are not allowed to settle permanently in the countries of their destination. But this was not always the case, as will be clear from the following.

Table 4.5: Indians in U.S.A.

Basic Facts		
Total number of Indian Americans	1.9 million	
U.S. citizenship	1.07 million	
Urban residence	96.7%	
Born in the U.S.	27.07%	
Medium Household income	\$61,322	
Medium Household income of U.S. population	\$41,994	
Top ten cities with Indian-Americans:		
City	Population	Indo-American Population
New York	21,199,865	453,896
San Francisco	7,039,362	158,396
Chicago	9,157,540	125,208
Los Angeles	16,373,645	121,745
Washington	7,608,070	98,179
Houston	4,669,571	57,158
Philadelphia	6,188,463	57,124
Dallas	5,221,801	53,975
Detroit	5,456,428	49,879
Boston	5,819,100	48,188

(Source: 2000 U.S. Census)

India has had trade and cultural relations with the Persian Gulf region since antiquity. However, there is evidence of Indian settlements in the region only since the sixteenth century. Small communities of Indian traders called *baniyans* (a distorted form of the term *Baniyas*) existed in present-day Iraq, Iran, Oman, Yemen and Saudi Arabia in the seventeenth and eighteenth centuries. When the region came under British influence in the nineteenth century, Indian merchant communities flourished in a number of towns in the Gulf countries. Indians served as bankers, importers and exporters, customs farmers, agents for local merchants, government contractors, pearl-financiers, etc.

Some of the members of traditional Indian trading communities like the Parsis, Gujarati Hindus and Jains, Thattai Sindhi Bhatias, Kutchi Bhatias, Bohra Muslims, Khojas, etc, were involved in these activities and have been continuing to operate even after the independence of the Gulf countries. At the same time, the emergence of the Gulf countries as oil-producing and exporting economies and the consequent demand for labour have further changed the size and complexion of the Indian and other expatriate communities in the region. With the increase in oil prices in the mid-seventies, Indians began to migrate in large numbers to the Gulf countries for a variety of jobs, and the upward trend has continued since then.

The labour market in West Asia being highly transitory, the skill composition as well as the volume of the Indian migrant workforce varies from time to time. Thus, in the early 1970s there were only about 50,000 Indians in the region. Since then, as a result of the booming oil economy and the shortage of indigenous skilled and unskilled manpower, there has been a phenomenal increase in the total volume of Indian migration. Whereas in 1975 there were about 150,000 Indian 'workers' in West Asia, their number increased to over a million in 1985 and about 1.5 million in 1991.

Currently there are about 4.0 million Indian expatriate in the six Gulf Cooperation Council (GCC) countries. Indians constitute about one-third of the total expatriate population and 10 per cent of the total GCC population. The largest number of Indians live in Saudi Arabia (1.5 million), followed by the UAE (1 million), Oman (450,000) and Kuwait (350,000). Keralites constitute the largest group among Indian immigrants in West Asia. The skill composition of the migrants' workforce is dominated by unskilled and semi-skilled workers, followed by administrative staff and skilled workers. There are about 100,000 Indians in Yemen who are permanently settled there. Following the creation of Israel in 1948, over 25,000 Indian Jews had migrated to Israel until 1987. Well settled in their new homeland, Jews of Indian origin today number around 60,000. Currently, the Gulf migrants are the major source of remittances and foreign exchange to India.

4.5 Conclusion

In sum, this brief survey of overseas Indian migration highlights the socio-economic conditions of colonial India in fostering substantial pressures for Indian emigration abroad. Under British colonialism, Indian agriculture continued to stagnate, the handicrafts industry declined, and an already poor country was subjected to excessive economic drain which retarded indigenous capital formation and thereby the growth of any significant industrialization. Against this backdrop a combination of factors like poverty, famines in the second half of the nineteenth century, unemployment and ignorance of the agrarian masses, and trickery on the part of the recruiting agents played its part in stimulating Indian emigration abroad.

It hardly needs to be emphasized that Indian labour and non-labour immigration vitally fulfilled the economic needs of British colonialism. Indian immigrants, however, were welcome only in subservient economic roles – roles which the natives as well as the white colonists could not perform. Whenever Indians tried to compete with whites, as within trading activities or government services, attempts were made to block their progress. It was for this reason that labour immigration was encouraged, while passage immigration was usually resented.

If the socio-economic conditions resulting from British colonialism in India was a factor behind the Indian exodus abroad, this did not change much after India's independence. Western neo-colonialism continued and attempts to build India as a "mirror image" of the West resulted only in the growing economic inequalities on the one hand and the "revolution of rising expectations" on the other. Lopsided development of education which produced surplus skilled manpower (especially engineers, doctors, scientists and managers) against the background of unfulfilled "expectations" led to the "brain drain" type of emigration. At the same time, the West Asian booming oil economy since the mid-1970s encouraged labour emigration of unskilled and semi-skilled workers who were unable to find gainful employment in the stagnating Indian economy.

Thanks to the colonial legacy of Indian emigration, the Indian Diaspora today is spread virtually all over the globe. The distribution of the major overseas Indian communities (along with their current population estimates) is presented in Table 4.2. These Indian diasporic communities are often classified into two categories on the basis of the fact whether they hold Indian passports or not. Those who do are called Non-Resident Indians (NRIs) and those who do not are called People of Indian Origin (PIOs). In all, the total population of Indian Diaspora is presently estimated at about 30.0 million.

Like other diasporas, Indian diasporic communities too maintain ties with their motherland through visits, pilgrimage, marriage, remittances, trade networks, transfer of technology and skill, and political lobbying, etc. In 2005 remittances from the Indian diaspora amounted to over 21 billion US dollars. About 45% of these remittances came from the Indians working in the Persian Gulf countries.

4.7 Further Reading

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