

# South Asian Migration



# South Asian Migration:

## *Remittances and Beyond*

Edited by

Md Mizanur Rahman  
and Zaara Zain Hussain

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South Asian Migration: Remittances and Beyond

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## PREFACE

South Asian Migration and Diaspora studies are subjects of great importance for academics and policy makers alike. As a phenomenon of growing interest, this field merits scientific investigation. In this vein, in 2011, Ambassador Gopinath Pillai, Chairman of the Institute of South Asian Studies, National University of Singapore, envisioned the importance of South Asian migrants as a social and economic force to bring about changes in South Asia and promote regional development and integration in Asia, and decided to focus on this as a key research theme of the institution. Since then, ISAS has been expanding its research to understand the role that South Asian migrants and diaspora groups play as a conduit for connections among host, home and third countries in the age of transnational migration and a resource for development *in, through and by* the global South Asian diaspora.

The institute has attempted to contribute to this expanding field through four volumes: *Diaspora Engagement and Development in South Asia* by Tan Tai Yong and Md Mizanur Rahman, *The Political Economy of South Asian Diaspora* by Gopinath Pillai, *Migrant Remittances in South Asia* by Md Mizanur Rahman, Tan Tai Yong and AKM Ahsan Ullah and *International Migration and Development in South Asia* by Md Mizanur Rahman and Tan Tai Yong.

The current volume addresses the development implications of migration with a focus on migrant remittances and diaspora engagement in South Asia. Some of the chapters in this volume were presented in the South Asian Diaspora workshop organized by ISAS in September 2012. We are indebted to the authors of the chapters for attending the event and making their valuable contributions to this volume. We have personally solicited some papers from established and upcoming scholars in the field to make this volume truly representative of South Asian migration.

Many have contributed to the successful culmination of this project. We would like to express our gratitude to Professor Tan Tai Yong, Mr. Johnson Paul, Dr Iftekhar Ahmed Chowdhury, Prof Sukh Deo Muni, Prof Riaz Hassan, Dr S. Narayan, Dr Amitendu Palit, Dr Ronojoy Sen and Dr Sinderpal Singh for their support and cooperation. We also want to thank the administrative team for the workshop, Jacqueline Goh, Felicia Ho, Kirby Khoo, Muhammad Yusuf, Kamarunnisa, Sithara Doriasamy, Samuel Neo and Florence Ho.

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# ACRONYMS

ACHA	Association of Communal Harmony in Asia
AIA	Association of Indians in America
AIINA	Association of Indians in North America
ATA	American Telugu Association
ATM	automated teller machine
BJP	Bharatiya Janata Party
BMET	Bureau of Manpower, Employment and Training, Bangladesh
BOI	Board of Investment
CAGR	Compound annual growth rate
CBS	Central Bureau of Statistics
CDC	Centre for Disease Control
CERAS	Centre d'études et recherches sur l'asie du sud
CFR	Council on Foreign Relations
CII	Confederation of Indian Industry
<i>CTBT</i>	<i>Comprehensive Test Ban Treaty</i>
CVFS	Chitwan Valley Family Study
DFID	Department for International Development
FDI	foreign direct investment
FIA	Federation of Indian Associations
GDP	Gross Domestic Product
GOI	Government of India
GOPOI	Global Organization of People of Indian Origin
GTF	Global Tamil Forum
IAFPE	Indian American Forum for Political Education
IBEQ	India Brand Equity Foundation
IMF	International Monetary Fund
INR	Indian Rupee
IOM	International Organization for Migration
ISD	International subscriber dialling
ISER	Institute for Social and Environmental Research
ITES	Information Technology Enabled Service
KIP	Know India Program
LTTE	Liberation Tigers of Tamil Eelam
MAS	Monetary Authority of Singapore
MIND	Movement in India for Nuclear Disarmament
MOIA	Ministry of Overseas Indian Affairs
MPCE	monthly per capita consumer expenditure
MTO	money transfer operators
MYR	Malaysian Ringgit

NAAAID	National Association of Americans of Asian Indian Descent
NELM	New Economics of Labor Migration
NFIA	National Federation of Indian-American Associations
NGO	Non-governmental organization
NPR	Nepali Rupee
<i>NPT</i>	<i>Nuclear Non-Proliferation Treaty</i>
NRI	Non-Resident Indians
NRN	Non-Resident Nepali
NRNA	Non-Resident Nepali Association
NSDP	Net State Domestic Product ILO
NSSO	National Sample Survey Organization
NYSE	New York Stock Exchange
<i>OCI</i>	<i>Overseas Citizen of India</i>
ODA	official development assistance
OECD	Organisation for Economic Co-operation and Development
OIC	Organization of Islamic Countries
PBD	Prabasi Bharatiya Diwas
PIO	people of Indian origin
PPAD	Pakistanis for Peace and Development
RBI	Reserve Bank of India
RSS	Rashtriya Swayamsevak Sangh
SAARC	South Asian Association for Regional Cooperation
SAWCC	South Asian Women's Community Centre
SDPI	Sustainable Development Policy Institute
SIP	Study India Programme
SLBFU	Sri Lanka Bureau of Foreign Employment
SPDC	Scholarship Programme for Diaspora Children
SSHDF	Sikh Human Development Foundation
TANA	Telugu Association of North America
TGTF	Transitional Government of Tamil Eelam
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
USIBC	US-India Business Council
USINPAC	The U.S. India Political Action Committee
VCP	video cassette players
VCR	video cassette recorders
WMD	Weapons of Mass Destruction

# CHAPTER ONE

## INTRODUCTION

MD MIZANUR RAHMAN  
AND ZAARA ZAIN HUSSAIN

International migration is a dynamic global phenomenon that has been drawing increasing attention from both scholars and policymakers over the last few decades. It is particularly relevant to South Asia, since the region is a vast source of “sojourner” migrant labour as well as home to permanent immigrant and diaspora communities. When studying South Asian migration, scholars tend to analyse the causes and consequences of migration, resulting in an enormous literature on the field. However, given the evolving nature of migration patterns and the resulting implications for different groups – migrants, migrant families, communities and the country as a whole – research on the subject remains a continuous exercise (Rahman and Tan, 2015). This provides a rationale for this much-needed volume, which looks closely at South Asian global migration with reference to its impacts on the countries in South Asia, as well as the countries where the migrants are temporarily or permanently hosted. We analyse the implications in relation to development and shed light on migration- and diaspora-led development under two parts: firstly, “Remittance-Induced Development” and secondly “Diaspora-Induced Development.” The geographic focus of the volume is the global South Asian emigrant population who are living outside the South Asian region. Despite its numerical importance as a major emigrant source, migration research in South Asia remains inadequate. This volume attempts to make a modest contribution to this under-researched area.

Not only are some of the South Asian countries major originators of migrant labour populations, but they are also emerging as destination countries. Countries like India have become simultaneously countries of origin and destination. However, in this volume we will concentrate on out-migrants from South Asia, who themselves engage in both North–South and South–South migration. Widening North–South economic

disparity as well as demographic challenges have led to this increase in diverse destinations for migration. Besides labour migration, the region experiences other voluntary flows of out-migration, such as permanent migration and students travelling for higher education. Whereas most of the low-skilled and semi-skilled labour migrants tend to migrate to the Middle East from this region, white collar migrants, permanent migrants and students travel to diverse destinations, especially Europe and North America. In recent years Southeast Asia has also been a popular destination for both temporary low-skilled and both temporary and permanent skilled migrants.

It is very difficult to give exact data on the number or types of out-migrants from South Asia, as information is incorrect and often absent. A significant amount of undocumented migration occurs from this region, in many cases supported by illegal and fraudulent migration agents and smugglers. South Asian migrants belong to various categories, such as professionals, and the skilled, semi-skilled and unskilled labour forces. Doctors, engineers, teachers and nurses are considered professional workers, while manufacturing or garment workers, drivers, computer operators and electricians are termed skilled. Tailors and masons are considered semi-skilled, and housemaids, agricultural workers, hotel workers and menial workers are less-skilled workers. Most of the migrants from all these categories migrate to relatively developed economies, in the global North and South, where they generally acquire an economic ascendance when they are skilled and professional migrants, and higher wages when they are low-skilled migrant workers. This allows the influence of migrants to reach deeper into their origin societies in different ways, through economic and social remittances (Rahman et al., 2014). Recent years have seen a surge in the migration of female workers going abroad for low-wage occupations such as domestic helpers. Sri Lanka is one such country, well ahead in this trend, with almost fifty per cent of its out-migrants being female.

When talking about migration-induced development it is important to outline what we mean by the terms used. Different countries and different organizations within those countries have varying interpretations for the term “development,” as well as differing opinions on international migration and development. Nonetheless, a widely accepted concept is that migration and development are highly interdependent processes. Economist Philip Martin (2006) discusses three important ‘Rs’ – Recruitment, Remittances and Return – that are important to understand the linkages between migration and development. Recruitment of labour migrants involves factors such as unemployment rates, economic growth,

income inequalities and pressure on urban versus rural land. Remittances directly impact the economic growth through currency transfers that boost the balance of payments accounts of the country, while social remittances or social capital such as ideas and skills are transferred back to the country upon the migrants' return. This is referred to as the "return." Since migration in the Asia–Asia corridor can involve huge sunk costs that migrants often cover from their savings and other familial and social resources, Rahman later adds "resource" to the three Rs (Rahman, 2000). The resulting model is known as the four Rs – Resources, Recruitment, Remittances and Return.

A relatively new concept gaining currency among academics and policy makers alike is that of leveraging international migration to promote economic and social development. When a person migrates abroad and increases his earnings, not only does the individual experience growth, advancement, empowerment and financial ascendance, but also his family left behind and the country of origin and settlement gain benefits. Absence of adequate out-migration policies and poor governance structures in South Asia hold back the region from realizing this potential. In fact, "migration policies" are often treated separately from "development policies," without merging the two to utilize the potential of migration to the maximum. Through meticulous policy design and effective implementation, such benefits can be employed to fuel the country's economic and social growth. A direct and simple benefit for the country of origin is remittance earnings, both economic and social. However, much of it is lost to the formal economy because of informal and illegal channels of transfer.

The primary motivation behind migration is often economic. People from developing countries travel to more developed nations in search of employment and other opportunities to improve their economic and social conditions and also for the family members that are left behind (Skeldon, 1997; Faist, 2000; Oda, 2004; Piper, 2007; de Haas, 2010; Ullah, 2010; Sirkeci et al., 2012; Rajan, 2012; Adams et al., 2012). The economic aspect of development through migration is equated with financial transfers through remittances. This economic bias dominates the discourse in the migration-development study, overlooking the broader development implications of migration for the migrants and their families (Piper, 2009). Broader aspects include social development through migrant remittances as well as diaspora engagement. Social developments pertain to the broader development processes, which not only include increases in incomes but also accumulation of non-material assets such as physical health, education and skills, and empowerment (Rahman et al., 2014; Piper

2011; Van Naerssen et al., 2007; Nyberg-Sorensen, 2012; Raghuram, 2009; Faist, 2008; Dannecker, 2009; De Haas, 2007).

In most cases the migrant workers receive higher earnings abroad than they would have at home. The higher earnings lead to their personal growth, advancement and empowerment as well as that of their family. When the wife or parents left behind by migrant worker receive remittance money they gain greater income and respect in society and concomitant social empowerment. When the wife is the recipient of remittances it has greater impact on traditional social dynamics. She tends to gain decision-making authority and empowerment which may not have been there before. The children in the family receive better education and healthcare services, and in time better employment. The entire family enjoys a better lifestyle, gradually uplifting themselves in the socio-economic strata. Not only the immediate family members but also the extended family members gain respect in society through association, enjoying many benefits such as financial assistance, better marriage prospects, etc. From micro-level benefits in the household, international migration translates to macro-level development in the economy. Personal welfare and social development, achieved through remittance transfers to the households, are reflected in the macro economy. It is a bottom-up and effective way of ensuring development and often yields more tangible gains than other forms of development initiatives such as aid.

The collection of chapters in this volume is an effort to contribute to the study of international migration, diaspora engagement and remittances in South Asia. Having claimed many benefits of migration in this volume, it is important to note that there are some negatives as well. In some cases, high volumes of remittances can lead to inflation in the economy and income inequalities between households that receive remittances versus those who do not. On the individual level there may be negative impacts, such as alienation from family, health issues from overwork, and other personal and social costs. While most discussions focus on remittances, little attention is given to the migrants who remit money at the cost of many personal sacrifices. Further research is required to understand these negative impacts of migration so that they can be minimized through better migration policy design. Nonetheless, the chapters in this volume demonstrate that international migration, remittances and development can be an exciting field of academic study as well as a vibrant field of policy study. Its multi-disciplinary dimensions enlarge its scope and applicability across several domains. We hope that that this volume will contribute to the growing field of international migration in the academic and policy areas.

## Remittance Dynamics in South Asia

According to World Bank reports, remittance inflows into South Asia – Afghanistan, Bangladesh, India, Nepal, Pakistan and Sri Lanka – totalled US\$117 billion in 2014 (World Bank, 2014). This is only the official estimate. A significant portion of remittances are transferred through informal channels that are not reflected in the official data. Nonetheless, for the migrant-sending countries in South Asia, “remittance earnings” are a major source of income. Remittances contribute to the country’s Gross Domestic Product (GDP) as well as its foreign exchange earnings. Table 1.1 illustrates the remittance inflows and respective contributions to GDP in South Asia.

**Table 1.1** Remittance Inflows and Impact on GDP in South Asia

Country	Remittance inflow US\$ million, 2014e	Remittance as percentage of GDP 2013
Afghanistan	726	3.5 %
Bangladesh	15,053	10.7 %
India	71,000	3.7 %
Nepal	6,229	28.8 %
Pakistan	17,058	6.2 %
Sri Lanka	7,202	9.6 %

Source: Adapted from World Bank Migration and Remittance Fact book, October 2014.

To understand the impact of remittances on the economy, it is important to look at the various classifications and categories of remittances as well as the different channels used for transfer. Some literature refer to the cultural diffusion of ideas, behaviours and social capital as “social remittances” being transferred from the migrants to their countries of origin (Levitt, 1998). On the other hand “economic remittances,” the more dominant concept in migration literature, is used to describe tangible transfers from the migrant to their home countries. The “transfers of cash or in kind from migrants to resident households in the country of origin” is referred to as “migrant remittances” (Bilsborrow et al., 1997).

Two broad classifications of remittances are “family” and “collective” remittances (Goldring, 2004). Family remittances refer to remittance transfers that are sent in cash or kind from individual migrant workers to their families back home. Collective remittances refer to money collected by a group that is used for the benefit of the group or a particular community with which it is affiliated in the country of origin, such as

Hometown Associations (Rahman and Lian, 2012). Within these two broad classes, many types of remittances can be identified. A category of remittances which is fairly common among Afghan, Palestinian and Myanmar refugees is “refugee remittances” (Isotalo, 2009), which falls into the category of family remittances. Examples of collective remittances include “relief remittances” (Rahman and Lian, 2012) which are flows of cash from migrant workers to the people of a particular area which has been affected by natural disaster. For instance, Sri Lankan migrants in South Korea collected cash to remit to Tsunami-affected areas in 2005, while Bangladeshi migrants in South Korea and Japan contributed to the areas affected by cyclone Sidor in Bangladesh in 2007 (for details, see Rahman and Lian, 2012; Rahman et al., 2014).

In the context of South Asia, family remittances are more common. In South Asia the term commonly used for remittances is “worker remittances” or “migrant remittances” (Asian Development Bank, 2006). Besides these broad categories, remittances can be grouped into three types based on their use: remittances as *wages* or *salary*, remittances as *investment*, and remittances as *capital* (Durand, 1994). In many instances, in South Asia remittances are sent directly to the families to meet their most basic needs and run the household. Similar to economic remittances, social remittances can also be “individual” and “collective” (Levitt and Lamba-Nieves, 2011). Levitt mentions four types of social remittance – norms, practices, identities and social capital (Levitt, 2001). These can be exchanged and deployed by individuals, and are harnessed in collective and organizational settings.

Since South Asian countries are not welfare states, the responsibility for financial care of their immediate and in some cases extended families falls on the earning members of the family. Especially for the low-skilled, workers hailing from poorer households tend to migrate alone, leaving their families behind, and remit a larger proportion of their incomes for that purpose. These remittances are used for the basic day-to-day needs of the family, such as food, housing and other living expenses. Remittances are also used for other family obligations such as weddings of siblings. In some cases, remittances are sent back for investment purposes, for example buying land for farming. Whereas remittances sent for the household expenses of families left behind are recurring, money sent for the purposes of investment or weddings are one-off remittances.



## **Diaspora Dynamics in South Asia**

To further understand development through migration, we must look at migrant communities' diaspora, and the diaspora engagement with the host and home countries (Tan and Rahman, 2013). Within the migration and development debate, the term "diaspora" is gaining much attention, but does not enjoy consensus in definition. "Diaspora" has varying interpretations and historical connotations. In migration studies it is used to refer to a community or group living outside the country of origin. Some scholars differentiate between other migrants and the diaspora by putting a time divide in their migration (Clifford, 1994; Cohen, 1997; Dufoix, 2008; Esman, 2009; Butler, 2001, Raghuram et al., 2008; Koshy, 2008; Ghosh, 2007). Instead of re-visiting the debates surrounding the concept, for the purpose of the volume we define "diaspora" as the group of people who have migrated and settled outside their home country or the country where their ancestors had lived. In this volume we use it as an umbrella term that broadly includes temporary migrants as well as settled migrants who are still first-generation emigrants settled in another country, and descendants of such emigrants who identify themselves as members of a given diaspora community. There is no doubt that the South Asian diaspora community is huge in numbers and widely dispersed all over the world. However, there is no reliable estimate for the total size of the South Asian diaspora. It is roughly estimated that there might be around 25 to 30 million Indian diaspora, 7 to 9 million Bangladeshi diaspora, 5 to 7 million Pakistani diaspora, 2 to 3 million Sri Lankan diaspora, 4 to 5 million Afghan diaspora, and around 2 million Nepali diaspora living around the world. In total, the global South Asian diaspora thus might be over 50 million strong and continues to grow (Tan and Rahman, 2013).

The concepts of "diaspora" and "development through diaspora" are detailed in this volume through thorough empirical studies on various countries. While some countries, such as Israel and Armenia, regard their diasporas as important political assets, labour-migrant-sending countries such as India, Sri Lanka, etc., benefit from the contributions their diasporas make through remittances. New communication technologies have improved the diaspora groups' abilities to engage with their home countries, and their level of interaction as well as impact has been increasing ever since. As a result, the idea of leveraging diaspora engagement for development is gaining currency among policy makers. The governments of various South Asian countries are actively seeking policies to better engage with their diasporas.

From the perspective of the country of origin, three main points of interest can be identified as regard to their diaspora: (1) economic support, (2) political support and (3) social capital upgrading. From the perspective of the diaspora members, they engage with their countries of origin based on (1) reasons for dispersal or migration, (2) nature of migration (temporary or permanent migration), (3) status of immigrants (regular or irregular) and (4) human capital composition of diasporas (skilled or unskilled) (Tan and Rahman, 2013). Other than that, identification with geographic region, religion and language, as well as ties to the community and family back home, play a big role in determining the level and type of engagement.

Diaspora engagement has tremendous development implications for the countries in South Asian individually as well as for regional integration in Asia (Rahman and Tan, 2014; Burki, 2011; Pandey et al., 2006). South Asian diaspora members tend to maintain strong social, economic and cultural connections with their countries of origin. They also engage in various causes and institutions that directly benefit their home countries and the people therein. The International Diaspora Engagement Alliance (IdEA) has identified five core modes of diaspora engagement around the world: volunteerism, entrepreneurship, philanthropy, social innovation and diplomacy. Diaspora entrepreneurship refers to entrepreneurs from the diaspora community who invest in and build enterprises and stimulate trade in their countries of origin. Voluntarism indicates the creation of platforms that facilitate diaspora volunteerism in countries of origin. Diaspora philanthropy focuses on contributions in areas of education, health, nutrition and disaster relief in countries of origin. Social innovation refers to innovative communication and information technologies such as mobile banking and diaspora social networks which enhance and deepen engagement. And finally diaspora diplomacy indicates the strengthening of the natural role of diasporas in diplomacy, advocacy, and peace-building via non-traditional media including culture, arts and sports (Newland, 2010; Newland, Terrazas and Munster, 2010; Newland and Tanaka, 2010). In this volume we will look at some of these forms of engagement to illustrate diaspora engagement in South Asia.

## **The Contributions in the Volume**

This volume takes up both the income-based and social development approaches to study the implications of migration. South Asian permanent immigrants, diaspora communities as well as contemporary sojourner

migrants engaged in contractual employment are included in this volume, in order to understand how they contribute to development in their home countries and also engage with their host country. An interdisciplinary approach – covering fields such as sociology, anthropology, political science, international relations and economics – has been adopted to understand this phenomenon, giving this volume both diversity and depth. All the chapters contribute towards creating a common theme for the book, which is to understand the international migration and development nexus in South Asia through case studies. The various ways in which migrant remittances and diaspora engagement impact the host and home countries form the backbone of the volume, weaving the chapters together to produce a coherent and cohesive volume, giving a holistic picture of remittances and diaspora dynamics in South Asia.

The chapters of the volume can be divided into two broad groups based on their understanding of remittance inflows in South Asia and the patterns and implications of engagement with South Asian migrants and diaspora living overseas and interacting with their home country. The volume is particularly noteworthy because most of the chapters are based on empirical case studies involving India, Bangladesh, Sri Lanka, Pakistan and Nepal, and their emigrants living and working in the different parts of the world. The first set of chapters in the book – in the part entitled “Remittance Dynamics in South Asia” – examine the role, determinants and patterns of remittances, as well as the impact on the receiving country. The chapters in the second part – entitled “Diaspora Dynamics in South Asia” – highlight the implications of migration on development by critically examining the economic and social impact of diaspora in the host and home country.

The first section begins with “Migrants’ Remittances in Asia: Preferences for Channels of Remitting.” In this chapter Ahsan Ullah talks about the various channels of remittance transfers, highlighting unique concepts such as wrongful or fraudulent transfers. He uses the empirical example of Bangladeshi labour migrants in Malaysia and Hong Kong to demonstrate their preferred channels of remittance transfers based on personal experiences. While discussing the various channels of remittance transfers and the reasons behind choosing them, he discusses important issues such as reliability and efficiency through both formal and informal channels of transfer.

The third chapter, “The Role of Remittances from Diaspora in Economic Development: A Study of Indian States,” by Anshul Pachouri and Chandni Aggarwal, highlights the importance of remittance in increasing the wealth, national income and foreign reserves of India. The authors study

the potential impact of remittances on the socio-economic development of an economy as well as the engagement of the vast Indian diaspora in the development of knowledge-intensive sectors like ITES, education, and science and technology.

The fourth chapter, “Remittance Prices in South Asia: What determines the price?,” by Jaan de Graaf, gives a clear idea of the costs of remittances and the determinants behind it, using the case of the Singapore–Bangladesh remittance corridor. The volume of remittances, the number of competing service providers or the number of migrants cannot explain the remittance prices. He provides an understanding of the specific remittance markets and migrant groups, as there are considerable differences among migrant groups in terms of demographics, economic conditions, reasons for migrating and remitting, as well as their preferred transfer method. This, in effect, impacts remittance prices.

In Chapter Five, “Migration from Nepal: Trends, Causes and Consequences,” Pratikshya Bohra-Mishra utilizes both qualitative and quantitative evidence from Chitwan in South-Central Nepal to demonstrate the trend, purpose and impact of migration in Nepal. She has included qualitative fieldwork and interviews as well as panel data to empirically demonstrate the relative significance of different predictors of migration for study versus work and the likely impact of migration and remittances on the migrant-sending community. She sets out some important ideas relevant to out-migration in South Asia, such as the interesting fact that despite the global financial crisis, demand for low-skilled foreign workers and therefore remittance flows have remained relatively stable in Nepal and the rest of South Asia. In fact, improvements in technologies aided by globalization have led to an unprecedented increase in remittance flows into South Asia. She highlights how institutions such as the World Bank, governments and development NGOs consider this as the newest “development mantra.”

Chapter Six, “Remittance Inflows into Pakistan,” by Khalid A. Alkhatlan, reviews the data on labour migration out of Pakistan and the remittance inflows that its diaspora community returns home. The chapter goes into statistical detail about the social and economic impacts of remittance within a state characterized by a law-and-order crisis and a crisis of power and authority.

Chapter Seven, “Indian Labour Migration in the Gulf and its Impact on Migrating areas in India,” illuminates the Indian diaspora in the Gulf. There are over 15 million diasporic labourers in the Gulf, out of which up to 6 million are Indian labourer diaspora. In this chapter, Dr Anisur Rahman examines the impact of Indian Gulf migration on migrants’

families, especially on their education in India. The socio-economic conditions of the community have substantially improved due to the inflow of the Gulf remittances. The author examines to what extent these remittances are used for either productive purposes or for wasteful consumption.

The next set of chapters tackles the development implications of migration that go beyond remittance transfers *tout court*. This encompasses both economic as well as social development in the migrant sending and receiving countries, through various kinds of diaspora engagement. Social development refers to broader processes that include not only the increases in income, but also accumulation of non-material assets such as physical health, education and skills. The migrant-sending countries in South Asia are increasingly becoming aware of the potential for development through diaspora engagement.

One of the largest diaspora communities in the world is the Indian diaspora community. In Chapter Eight, “*Back to the Roots: Engagement of the Indian Diaspora in the United States and India*,” Mohammad Badrul Alam showcases the influence of Indian diaspora in the United States. Over two million Indian diaspora members in the United States belong to one of the many immigrant communities, which have been increasingly visible in the past several decades. Although the flow of Indians as a new ethnic community first started in 1895, their impact was really felt in the aftermath of the landmark 1965 immigration legislation. This chapter examines the engagement of the Indian American diaspora in the economic, political, educational, media and communication sectors in both the United States and India. The chapter also illuminates how they engage through various types of immigrant organizations in the United States and India and their possible implications for host and home countries.

Compared with studies on the Indian diaspora in the United States, those on the Indian diaspora living in Southeast Asia, especially Thailand, are far fewer in number. However, the economic activities of Indian business groups in Thailand have a long history. In Chapter Nine, “*Economic Activities of Indian Business Groups in Thailand: Continuity and Discontinuity*,” Hideki Esho describes the Indian business groups immersed in Thai society and the intimate exchange networks among them. Not only does he detail the business groups’ engagement in Thai society, but he also shows how they remain rooted to their background in India and maintain strong engagements with home.

The next chapter, “*The Role of Non-Resident Nepalis in Facilitating Senior Citizens in Nepal*,” deals with how the diaspora can be leveraged to solve critical problems in society. Nepal, a relatively less developed

country with less-than-adequate healthcare services, has been facing the problem of caring for an increasing number of senior citizens. To address the issue of an ageing population coupled with poor medical and rehabilitation facilities, the government of Nepal took initiatives to involve different groups of stakeholders, including the public sector, non-governmental organizations (NGOs) and the diaspora community – the Non-Resident Nepali Association (NRNA). In this chapter, Dr Tek Nath Dhakal and Dr Huong Ho detail how the Nepalese diasporas are able to address the issue of the ageing population in Nepal through diaspora philanthropy.

In Chapter Eleven, “The Sri Lankan Diaspora – Development Stimulants and Issues to Resolve,” Nihal Rodrigo discusses how the Sri Lankan diaspora have contributed not only to development in Sri Lanka but also towards building a positive image of the county overseas. Financial contributions from the diaspora, comprised largely of females, have contributed substantially towards economic development in Sri Lanka.

Dr Ishtiaq Ahmed addresses a very important role of diaspora communities in Chapter Twelve, entitled “The May 1998 Nuclear Explosions in South Asia and the Peace Movement by the Diaspora: The Role of Intellectuals.” In this chapter he documents the role of the Indian and Pakistani diaspora in the contemporary South Asian peace movement. In the aftermath of the May 1998 nuclear explosions which occurred in India and Pakistan, electronic mail proved to be a unique facility that enabled diaspora intellectuals instantaneously to connect, link up and, on occasion, mediate the peace movement in the two countries.

South Asian economies are yet to reach the maturity of sound policy structures to fully realize the potential of migration and remittances for development in the region. Undoubtedly, temporary and permanent immigrants and diasporas of South Asian origin constitute a major resource pool for countries in South Asia. Countries in South Asia need to recognize the significance of the global South Asian members overseas and develop policy measures to tap into the resources of global South Asians. Future research may identify better policy initiatives regarding emigration governance, diaspora engagement and remittance mobilization to further enhance the development potential of international migration for the individual countries in South Asia.