



# Global Migration Streams and Labour Migration from India: An Analysis

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## Abstract

The paper highlights the significance of migratory flows. It presents an assessment of global migrant stocks and analyse the structure of Indian labour migration. In the present times international migration from global south to global south is the most significant. Other prominent migratory stream is from global south to global north. Historically, Indian workers have crossed borders for work. Colonial era witnessed different forms of emigration for work to British colonies. In the present times, Indian workers are spread globally. However, prominent destinations of India workers are countries of Gulf, North America and Europe.

**Keywords:** Migration, Labour, GCC, Kangany, Maistry

According to United Nations Organisation (UNO), international migrants are people living in a country other than where they were born. World Bank in its latest report has estimated 266 million international migrants in the year 2017. This number has grown faster than the world population. As a result, the share of migrants in the global population reached 3.5 per cent in 2017, up from 2.8 per cent in 2000 (World Bank, 2018). However, patterns of international migration show that there are considerable variations between different regions of the world. In Northern America, Europe, and Oceania, international migrants are about 10 per cent of the total population while in Asia, Africa, Latin America and the Caribbean, international migrants are less than 2 per cent of the population.

## Literature Review

Migration occurs for variety of reasons. International migration of workers is an age-old phenomenon. Due to multidimensional aspect of international migration, it has attracted researchers from different disciplines. The field is replete with multifaceted interdisciplinary research. Migration development nexus, economic effects of migration, migration policy and determinants of international migration and remittances have been major themes within the migration literature. Migration literature dates back to latter half of the twentieth century. Neo-classical theoretical framework for workers' migration can be found in the process of economic development (Lewis, 1954; Ranis & Fei, 1961; Harris and Todaro, 1970). The field of international labour migration received attention of the researchers from different discipline after the oil crisis and subsequent spike in oil prices in 1970s. Construction and developmental activities at a massive scale attracted workers towards Gulf countries in the post 1970s era (Amjad, R. 1989; Borjas, 1990). Later, researchers modelled migration and remittance decision in the neo classical framework (Sjaastad, 1962). The New Economic of Labour Migration sees migration as a contract between emigrant worker and the left behind family (Stark and Bloom, 1985; Stark, 1991).

## Global Migration in 20<sup>th</sup> and 21<sup>st</sup> Centuries: Structure and Trends

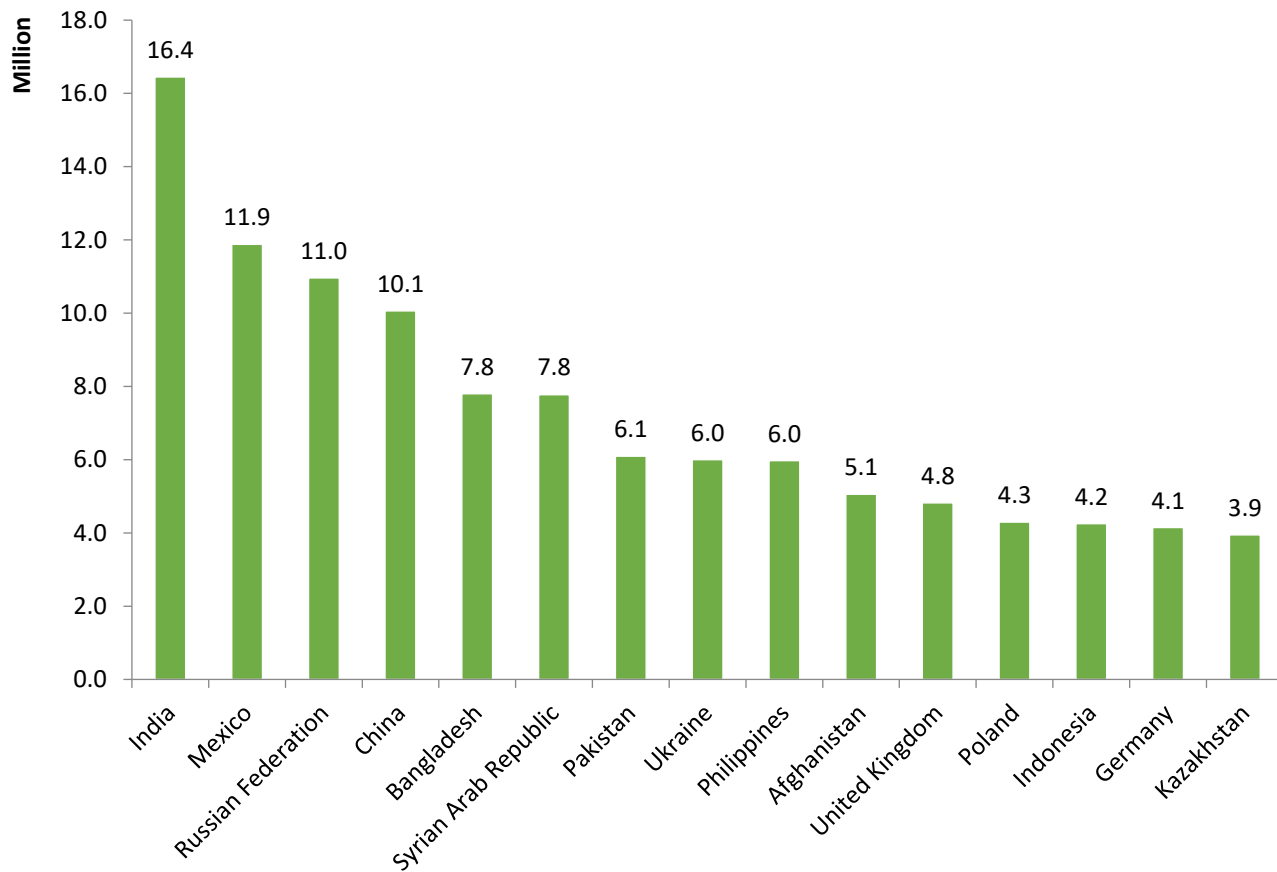
As far as the destination of emigrants is concerned, global migrants are spread across 215 countries with high dispersion but very high spatial concentration in the World. Migration streams from different parts of the world converge to few geographical locations. Figure 2 below throws light on the spatial concentration of the global migration destinations for the year 2017. With nineteen percent of the global emigrants, United States has been the first and the foremost destination choice among the global migrants. Saudi Arabia, with about 6 percent of global migrants has been at the second largest destination for migrants.

<b>Box 1: Major Labor Migration Corridors</b>		
Europe	Germany, Switzerland, France, Belgium, U.K. and Spain	Turkey, Yugoslavia, Greece, Morocco, Tunisia, Algeria
Middle East	Saudi Arabia, Kuwait, Qatar, Oman and United Arab Emirates	India, Pakistan, Sudan, Bangladesh, Nepal, Egypt
Southern Africa	South Africa	Lesotho, Botswana, Swaziland, Mozambique
North America	U.S., Canada	Almost all the countries in the world. In particular, workers come from Mexico, India, Jamaica, and South America

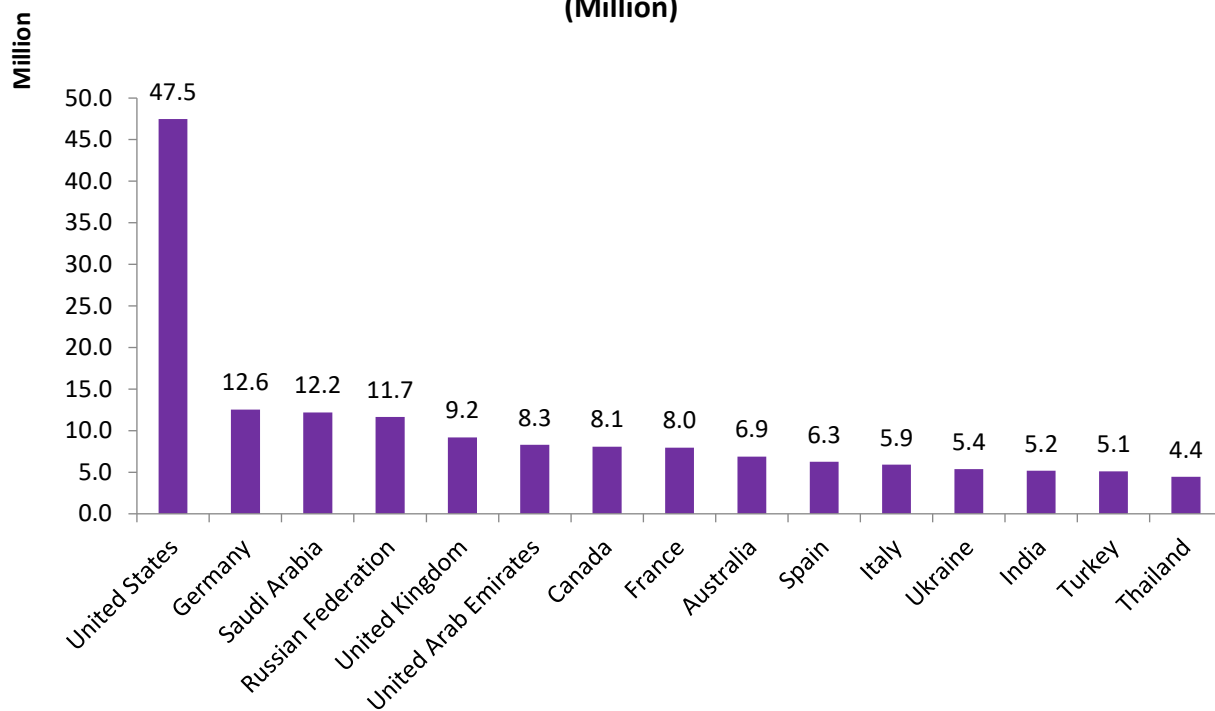
Other popular destinations have been Germany, Russia, U.A.E., U.K., France, Canada, Spain and Australia (Box 1). Evidently more than fifty percent emigrants are in top ten destination countries and more than seventy five percent emigrants live in thirty destinations in the year 2018. The World Bank data on bilateral migration does not distinguish between different types of emigrations. So, the numbers include refugee and asylum seekers also. As far as the distribution of workers is concerned, Figure 3 shows that seventy percent of international migrants were in North America, Arab and Europe sub regions in year 2017. This reflects that these three sub regions of the World are relatively more attractive destinations for global migrants.

Another classification of global migration is done on the basis of the development level of different source and destination countries. In the research on international labour migration South and North refers to the developing and developed regions of the World.

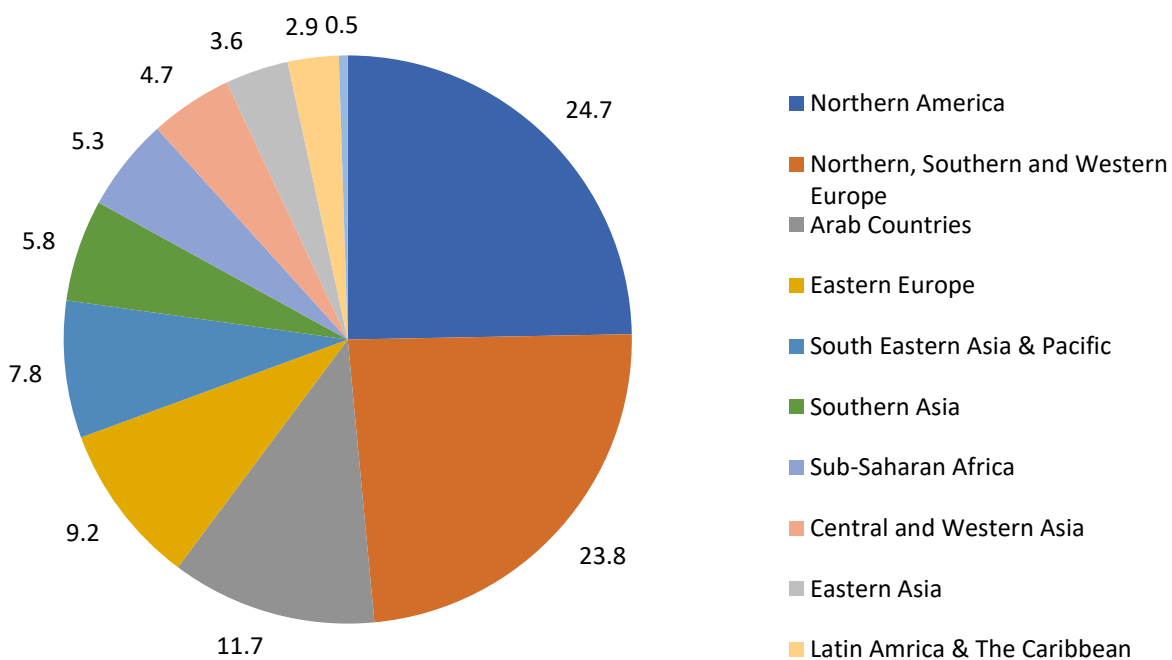
Figure 1: World Migrants Stock in 2017: Top 15 Source Countries (Million)



**Figure 2: World Migrants Stocks in 2017 : Top 15 Destination Countries (Million)**



**Figure 3: Distribution of Immigrants by Sub-regions in 2017**



Global migration can be classified in four categories:

- i. South-South (developing countries to developing countries) migration,
- ii. South-North (developing countries to developed countries) migration
- iii. North –North (developed countries to developed countries) migration, and
- iv. North- South (developed countries to developing countries) migration

Global stock of migrants for the year 2017 has been classified in these four categories in Table 1. Surprisingly and contrary to the common belief, the South-South migration is the most prominent in magnitude. With over fifty eight percent of total, emigration from developing countries to other developing countries is a more peculiar phenomenon.

On the other hand, the South-North migration is also prominent but not very high in magnitude. Approximately one fourth of global emigrants are South to North migrants. South - North and South - South emigrations jointly contribute to over eighty percent of the global emigration.

Destination Countries →	Developing Countries		Developed Countries		TOTAL	
	Million	%	Million	%	Million	%
Developing Countries	98595852 (46.8)	84.9	112047158 (53.2)	74.7	210643010 (100)	79.1
Developed Countries	17496948 (31.5)	15.1	38003834 (68.5)	25.3	55500782 (100)	20.9
Total	116092800 (43.6)	100.0	150050992 (56.4)	100.0	266,143,792 (100)	100.0

Source: Calculated from World Bank's Bilateral Migration Statistics

There are wide differences between the destination countries in terms of their level of development. The South-North and South-South emigration shares one common aspect that the destination of emigration is mostly the rich countries in terms of their per capita income. Significantly large proportion of global migration is primarily from the poorer regions to richer regions of the World which means relative deprivation plays a crucial role in determining the migration pattern in the World. Other two categories of global emigration, North - North and North – South, are not so prominent in magnitude. Table 1 shows that they jointly contribute to the global migration of a little over sixteen percent.

### Structure and Trends of Labor Emigration from India

The geographic location of Indian peninsula is such that Indian labour emigration has a long history. Its roots can be traced back to the beginning of the Indian maritime enterprise. Ancient Indian history is witness to the emergence of Indian cultural colonies in many other countries. The stream of emigration process from India dried up in the medieval period due to the chaotic political upheavals and the social changes which took place like caste rigidity, growing prejudice against sea crossings and the emergence of purdah system. Nevertheless,

the early Indian emigration was moreover cultural and commercial. Trade and religious propagation were the main reasons for early emigration from India (Hegde, R.S. & A.K. Sahoo, 2018).

## Indian Emigration in the Pre-independence Era

It started at a significant scale during colonial rule. British Indian government, in the 19<sup>th</sup> century, transferred many Indians abroad to work as bonded labour in plantations in its other colonies like Mauritius, Fiji, Guyana, Myanmar, Australia, Singapore, South Africa, Malaysia and others.

Modern day labour emigration from India has passed through a metamorphosis. Labour emigration in modern history of India began in the 3<sup>rd</sup> decade of the 19<sup>th</sup> century after the decree of abolition of the slavery system by Britain, France and Holland in the year 1834, 1846 and 1873 respectively. The abolition of the slavery system created a crisis of labour in the sugar, cocoa, tea, coffee and rubber plantations in African, Maltese and Polynesian colonies. On the other hand, the emergence of the Industrial Revolution in Britain created an ever growing and persistent demand for raw materials from its colonies. In this background the planters and the colonial government were compelled to explore other avenues of labour supply such as from India. The other important reason was the decay of traditional handicrafts in India due to the emergence of the Industrial Revolution in England. The need of the Industrial Revolution necessitated the need for a metamorphosis of the Indian economy from a manufacturing economy to one that exports cheap raw materials to industries in Britain in return for manufactured industrial goods. Apart from that rising demand for rents from tenants and frequent occurrence of famines compelled Indian workers to look for other avenues for work particularly outside India.

### I. Indentured system of labour migration

Indentured emigration of Indian labour was first permitted by the Government of India to Mauritius in 1839 in the aftermath of the abolition of the slavery system by the British parliament. The system was extended later to other colonies in West Indian Island, Natal, Madagascar, Mauritius, Suriname and Fiji. Indentured labour has been criticised by many scholars as a 'new form of slavery' or as a bridge between slavery and modern forms of bonded labour. The most important features of the *Kangany* system were five years of State regulated labour, denial of the right to change employer or employment, recruitment of workers and not families, low proportion of women to men emigrants, emigration charges to be paid by employers, no hike in wages and even if price or profit rise.

Overall, the indentured system was full of abuses. In order to control the regulation of the indentured emigrant labour in the colonies the British Indian government took serious initiatives. There were nineteen laws regulating the migration which were consolidated in the year 1864. Essential equality was envisaged between the two contracting parties in the indentured system. Instead of sending the workers to the colonies they were first produced before a magistrate to ensure their willingness for such contracts. Apart from that the Act of 1864 ensured medical check-up for the emigrants, licensing for the recruiters and provisions for the penalties for violation of the provisions. The Act entrusted the Protector to grant licenses to the recruiters. In spite of this the recruitment and the living and working conditions of the indentured workers remained more or less painful for four decades till the time indentured system of emigration to Mauritius was abolished in the year 1909 on the recommendation of the Emigration Committee. Later it was also abolished to Natal in 1911, to the British Guiana in 1917 and to Fiji in 1918.

### II. *Kangany* System of Labour Emigration

Ceylone and Malaya witnessed *Kangany* system of labour migration from India from the year 1837. *Kangany* was basically a headman of a group of immigrants who supervised the work of his gang. This group consisted of 25-30 emigrants and in case of less numbers the *Kangany* himself worked along with them. *Kangany* worked as an intermediary between the estate superintendent and the workers for payment of wages. He also controlled other matters in the estate. *Kangany* also ensured supply of additional labor from India.

*Kangany* in turn took the help of his relatives in India to send more workers. *Kangany* was given money by the planters to give advances to the new emigrants. Such advances were to be treated as debt on the emigrants till the amount is recovered from their wages. So, a worker under the *Kangany* system began his work under debt burden. Indian labour for Malaya was recruited in three different ways:

1. Indentured or contract labour,
2. Recruitment under the *Kangany* system for rubber plantations, and
3. Free labour recruitment by the properties of the new estates through their own agents.

An Indian Immigration Fund was also created from the contributions of the planters in the year 1907 for emigrants to Malaya so that Indian workers could start their work in Malaya without any initial debt burden. The Emigration Act came into force in 1923 which defined *Kangany* as a South Indian to be from agricultural class and should have been employed for three months as a labourer on the plantation for which he will hire more workers from India. Special licenses were also provided to them to check abuse of the system but the system remained abusive. The number of Indian emigrants under the *Kangany* system declined very steeply. *Kangany* system was eventually abolished by the Government of India in the year 1938.

### III. Maistry System of Labour Emigration

The opening of Suez Canal in 1869 created huge demand in the West for Burmese rice which in turn increased the demand for agricultural labour in Burma. To meet the labour demand in Burma Maistry system was evolved. The Maistry system was a contract system of emigration of Indian workers to Burma. It was more or less similar to the *Kangany* system. Workers were paid an initial advance amount for inducing them to emigrate but the amount was essentially a debt upon them to be recovered from their wages. This system was different from the *Kangany* system in one respect that it had a hierarchy of middlemen between the planters and the workers. There were three layers of Maistry middlemen, Head Maistry, Charge Maistry and Gang Maistry. Gang Maistry was in charge of a group of 10 to 20 workers while a Charge Maistry was the in-charge of several such gangs. A Head Maistry was in charge of the entire labour organization of a particular plantation or firm. The Maistry system of labour emigration was plagued with serious loopholes leading to severe exploitation of the workers. Illegal deductions from wages, and compulsory contribution of free services turned out to be too burdensome for these workers to bear.

### Indian Emigration in the Post-independence era

Cross border migration of Indian workers witnessed a complete change in the latter half of the twentieth century. In the aftermath of independence and till mid-1970s, Indian workers migrated mainly to the industrialized developed countries. Indian labour migration in the post-independence era can be divided in two categories.

#### I. Migration from India to the Developed Countries

First category is the migration of technologically and professionally high skilled workers to the developed countries. An important and unique characteristic of this category is that this migration has been mostly permanent as the proportion of return migrants remained almost negligible. A significantly larger proportion of such emigrants went to United States of America, United Kingdom and Canada, Germany and Australia. Among many other factors one important factor behind this emigration was the convenience of the English as a common spoken language (Nayyar, 1994).

In the aftermath of the independence international migration from India remained confined to a few industrialised English-speaking countries like U.K., U.S.A., Canada, Germany and Australia. This wave became strong by mid 1960s and grew in magnitude since then. From during 1960s to late 1990, this wave of emigration remained mostly dominated by permanent emigrants because most of the emigrants to these countries did not return to India. This wave comprised of high skill professionals from different skill backgrounds like medical, engineering, science etc.

Indians have migrated to the developed countries of the Western Europe also over this period but there is no systematic data available on Indian emigration to Europe for this period. “Over the period from 1951 to 1990, immigration from India accounted for 2.6 percent of total immigration in the United States, 3.1 percent of total immigration in Canada, and 13.8 percent of total immigration in the United Kingdom (Nayyar, 1994).”

## II. Migration from India to the Developing Countries

Labour migration to the oil exporting countries of the Middle East and particularly to the GCC member countries is the second category of migration from India in the post 1970s period. The unique feature of this migration is that it has been mostly temporary in nature.

Migration from India has undergone a metamorphosis in the last four decades due to the emergence of oil exporting countries of Middle East as major labour importing States in the post 1970s period. The discovery of oil in the Middle East and GCC countries and its extraction has made these countries super rich and wealthy in a very short time period. GDP and per capita income in these countries increased dramatically which brought them to the forefront of the World economy and global labour market. The GCC countries became highly attractive destinations for migrant workers from many poor countries including India. The other change which lubricated the flow of workers to the GCC countries was oil price boom of early 1970s and thus large-scale emigration to GCC marked a watershed in the transnational migratory flows (Jain, 2005).

Massive construction, renovation and infrastructural developmental activities in the entire Gulf region created huge demand for labour (Amjad, 1989). Within a very short time frame, infrastructure has been transformed in many of these countries. There has been a continuous surge in the demand mostly for unskilled and semi-skilled imported workers in manual, menial and low-grade occupations in these countries to develop a modern infrastructure of roads, ports and airports as well as schools, colleges, and hotels etc. Native people became so rich that they shunned such inferior jobs completely.

Apart from huge income differentials, India's geographical proximity with the Persian Gulf region is also an important factor behind heavy migration to this region. The cost of travelling to these countries is relatively very low for Indian workers. Historically also India had strong economic relations with these countries for several centuries.

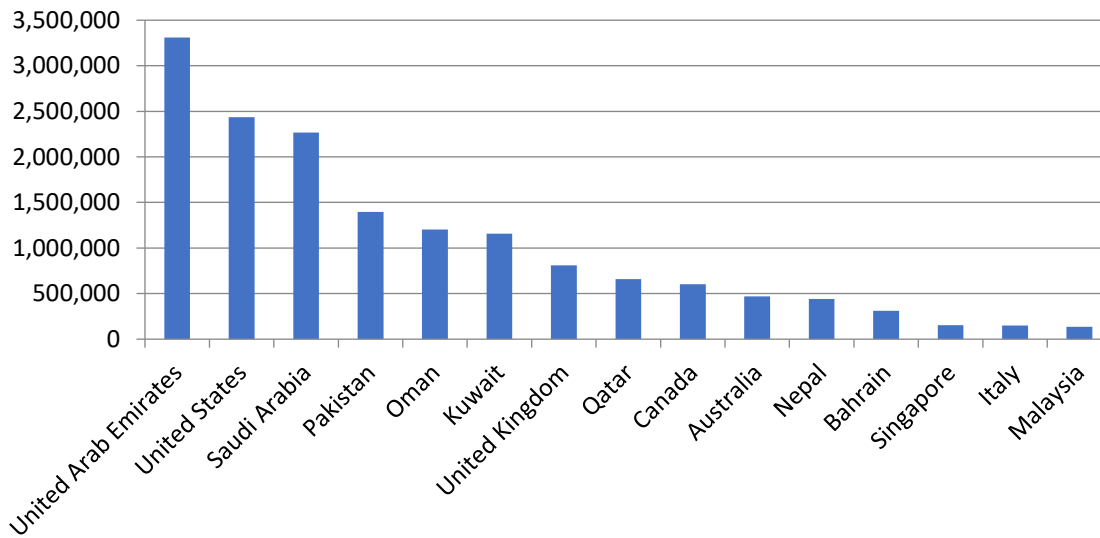
### Indian Emigrants in the World Emigrant Stock

India is the largest contributor in the world emigrant stock. However, they are spread across the globe but major concentration of Indian emigrants is estimated to be in selected countries of the World. The Figure 4 shows top fifteen countries where more than one lakh Indian emigrants are currently living in each of them in the year 2017.

The top countries include six countries of the GCC among which UAE is the country with largest number of Indian emigrants. Indians in UAE constitutes about 27 percent of the total population. Among developed countries USA, UK, Canada, Australia, Singapore and Italy have the largest stocks of Indian emigrants. Pakistan, Nepal and Malaysia are the other Asian countries, apart from GCC States, having more than one lakh Indian emigrants.



**Figure 4: Top Fifteen Destination Countries Having Stock of More than One Lakh Indian Emigrants in Year 2017**



Source: World Bank Bilateral Migration Statistics

## Conclusion

India and Mexico are on the top of the emigrant sending countries with over thirteen million emigrants from each of them in the year 2017. These two countries jointly contribute over ten percent of the total global emigrants. In other words, every tenth emigrant is either an Indian or a Mexican. Top ten and top twenty source countries contribute thirty-five and fifty percent respectively to the stock of global migrants. This shows that more global emigration streams originate more from some geographical locations than others. Apart from that, South-South migration is more prominent than South-North or North-North migration. South-South migration is dominated by labour migration from developing Countries like India, Nepal, Bangladesh etc to the countries of the Gulf.

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