

Jobs in India and Jobs Abroad – Can migration be turned into an engine of development?

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Status 2013:

India's Rankings in World Migration Levels & Policy

- No. 1 with 14.2 m Emigrants in World Total of 232 m. Migrants.
(How many of them are in Jobs Abroad?)
- No. 12 with 5.3 m Immigrants in World Total of 232 m. Migrants .
(How many of them are in Jobs in India?)
- Among Top 18 Emigration Countries having policies either
(i) to maintain current levels of emigration,
or (ii) not intervening to influence emigration levels.
- Among Top 10 Immigration Countries having policies either
(i) to maintain current levels of immigration
or (ii) not intervening to influence immigration levels
- The only country pursuing a policy of non-intervention in immigration

Scenario 2020: Global Job Surpluses & Shortages

US Confidence in Jobs Abroad for Skilled Workers from India

Source: Khadria, *India Migration Report 2009: Past, Present and the Future Outlook*



Scenario 2020:

EU Confidence in Jobs in Europe for Skilled Workers from India

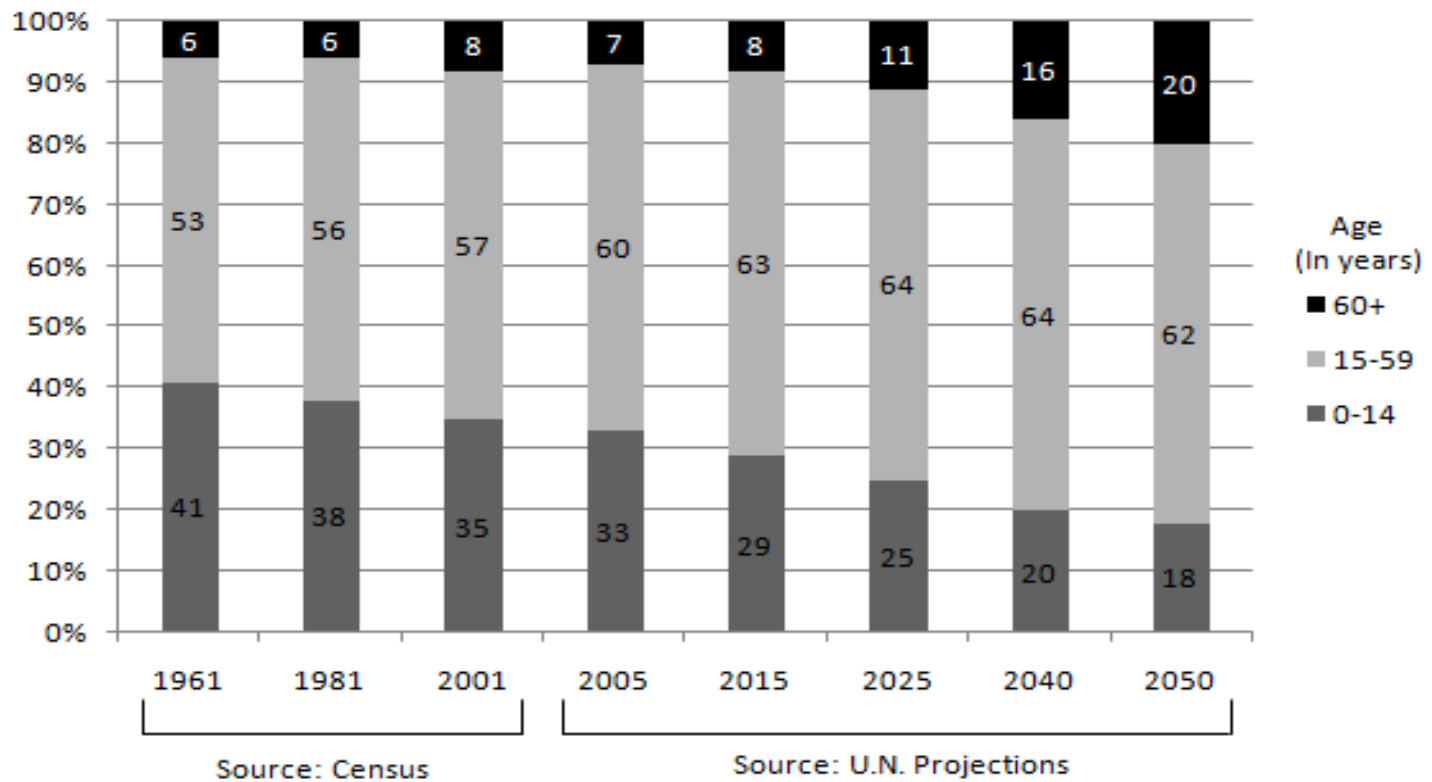
- Currently, 85% of global low skilled workers go to the European Union and only 5% to the United States.
- In contrast, 55% of high skilled migrants head for the United States and only 5% to Europe.
- The EU hopes to attract 20 million high skilled workers by 2020 through the **Blue Card** program, large proportions from India.

Scenario 2020:

Asia-Pacific Confidence in Jobs in Australia-New Zealand and Other DCs for Skilled Workers from India

- Singapore, Japan, and Hong Kong have similar immigration programs, following the lead of Australia and New Zealand.
- The goals of all these countries are the same:
To attract skilled workers from India and divert some of them away from the United States.

India's Own Confidence in Meeting Global Supply of Skilled Workers FOR JOBS ABROAD lies in a Quantitative Demographic Dividend: Census 2001 & UN Projected Age Distribution, 1961-2050



Qualitatively It is Well-known What Comprises Skilled Workers from India for Jobs Abroad

Knowledge Workers: High-skilled HRST (equiv. to S&E in the US)

<i>Occupation-tied Career-specific</i>	<i>Education</i>	<i>Know- ledge</i>	<i>Experi- ence</i>	<i>Train- ing</i>	<i>Activity</i>	<i>Occupation-wide Generic Categories</i>
Scientists, Engineers	Third Level R & D	○	○	○	Invention, Innovation	<u>Creators</u> HRSTE: IT/ BT Profsnl Degree Hldrs
Educators, Trainers	Third Level S & T	○	○	○	Communication, Transformation	<u>Teachers in making STUDENTS (HRSTe) - The Semi-finished HC</u>
Executives, Supervisors	Third Level Business, Commerce	○	○	○	Management, Organisation	<u>Managers</u> HRSTO: Nurses

Service Workers: Medium & Low-skilled Vocational

Semi- Professionals, Technicians, Craftsmen	Second Level - Vocational	○	○	○	Facilitation, Operation, Correction	<u>Operators</u>
Semi-skilled, Unskilled	First level - Literacy	○	○	○	Production, Construction	<u>Labourers</u>

Knowledge: Know-why

Experience: Do-how

Training: Know-how

The Question that no one has asked is:

ARE THEY OR WOULD THEY BE ALL INDIAN CITIZENS?

- **BY BIRTH?**

- **BY DESCENT?**

- **BY NATURALIZATION?**

- **If asked, we all know the answer is:**

“WE DON’T KNOW; NEVER THOUGHT ABOUT IT!”
(I’ll come back this issue a little later)

Before that, let me take the Quantitative & Qualitative Issues for Workers holding Jobs in India

- India's work force that did not have either a diploma or a graduate degree ("Degree Holders"), i.e., the non-HRSTE work force (i.e., Human Resource in S&T BY EDUCATION) was estimated to be around 327 million in 2004,
- i.e., 89 % of the country's work force had an educational qualification of only high school or below.

Let's Look at QUANTITATIVE Trajectory of Jobs in India

- **1981:** 43 % of HRSTE (S&T Degree holders) were in HRSTO (S&T Job holders – BY OCCUPATION) – making the joint-set called “core” HRST
- **1991:** this ratio fell to 34.8%
- **2004:** it registered only a marginal increase to 35.2 %
- Thereafter a 2005 projection for **2010** foresaw skill shortages.
- For **post-2010 scenario**, I am yet to look at the 2011 Census data which are just becoming fully available.

2004: QUANTITATIVE Stocks of HRST in India

- In 2004, as mentioned, only about one-third (35.2 %) of HRSTE were holding any S&T Job (HRSTO) in India - the “core-HRST”
- i.e. roughly 4% of the relevant age-group pop.(25-59), given that only about 12% of them had such education
- Thus, close to two-thirds of HRSTE were in jobs outside the domain of HRSTO i.e. they were MISEMLOYED (often called ‘brain waste’).

2010:
QUANTITATIVE MISMATCH
as projected in 2005...

NASSCOM (National Association of Software and Services Companies) estimated in 2005 that QUANTITATIVELY by 2010,

Two industries - IT and BPO - would need:

- 1 million ADDITIONAL skilled workers near five Tier-I cities, viz.,
New Delhi, Bangalore, Hyderabad, Chennai and Mumbai
- and ...
600,000 ADDITIONAL workers across other towns in India

(Economic Times 17 Dec, 2005).

QUALITATIVE MISMATCH in 2005 was...

NASSCOM (National Association of Software and Services Companies) also concluded that QUALITATIVELY in 2005

- Only about 25% of Technical graduates coming out of the colleges in India met the quality requirement of the Offshore IT INDUSTRY
- Only about 15% of General graduates coming out the higher education institutions in India met the quality requirement of Domestic BPO INDUSTRY.

(Economic Times 17 Dec, 2005).

IN CONTRAST, Job Profile of Workers from India in Select OECD Countries showed concentration of the high-skilled

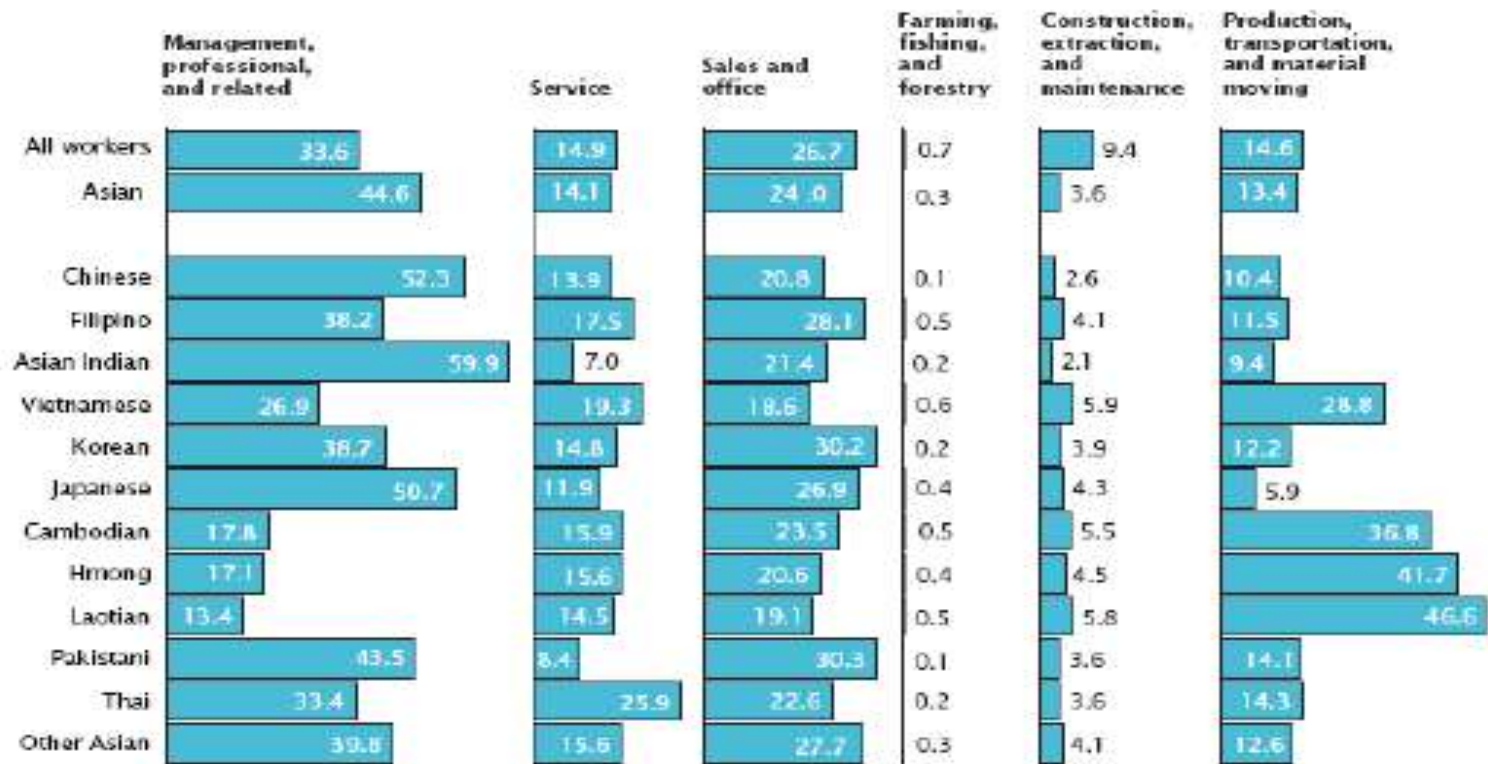
Note: Please refer to Annexure 1.2 for the reference period of each country.

Country of Residence	All Occupations	Legislators, senior officials and managers	Professionals	Technicians and associate professionals	Clerks	Service workers and shop and market sales workers	Skilled agricultural and fishery workers	Craft and related trade workers	Plant and machine operators and assemblers	Elementary occupations	Armed forces	Unknown
Australia	54,279	5,347	15,533	5,932	8,807	6,038	63	3,142	3,064	5,201	11	1,141
Austria	5,130	384	215	929	356	1,307	12	254	290	1,365	18	..
Denmark	2,000	17	201	187	181	333	6	67	142	332	4	530
Finland	565	15	80	125	10	185	5	10	60	35	..	40
France	12,767	861	1,329	1,627	1,825	1,882	112	1,062	1,182	2,653	234	..
Greece	5,958	46	46	28	39	188	1,189	642	365	3,197	..	218
Hungary	106	23	43	18	..	15	..	1	1	3	2	..
Ireland	1,761	246	864	93	54	201	15	87	51	42	..	108
Luxembourg	168	19	37	29	21	29	..	2	3	4	..	24
Mexico	246	63	79	31	2	24	1	2	1	6	..	37
New Zealand	10,746	1,728	1,929	1,002	1,335	1,560	552	297	723	414	..	1,206
Poland	186	51	81	21	6	21	3	3
Portugal	3,552	325	535	348	439	462	19	571	90	740	23	..
Spain	4,069	830	216	273	199	1,081	60	465	220	719	6	..
Sweden	5,425	120	680	700	510	1,580	25	165	450	565	5	625
Switzerland	4,864	339	883	943	324	464	14	182	77	69	2	1,567
UK	2,29,767	37,303	45,130	17,255	25,069	26,230	304	14,681	34,085	29,579	131	..
OECD - Total	3,41,589	47,717	67,881	29,541	39,177	41,600	2,377	21,630	40,807	44,927	436	5,496

...and so has been the US scenario of “Jobs Abroad” for workers from India

Occupation: 2000

(Percent distribution of employed civilian population 16 and older. Data based on sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see www.census.gov/prod/cen2000/doc/sf6.pdf)



Source: U.S. Census Bureau, Census 2000 special tabulation.

Thus, Supply of Human Capital in India has presented a Paradox of Quantity & Quality for Jobs in India Vs. Jobs Abroad

- High rate of graduate unemployment was prevalent:
Oversupply of an unemployed population of 44.5 million in 2001, of which unemployed graduates were 4.8 million (Census 2001), and
of those graduates who had some kind of jobs, nearly 40% (2 out of every five) were not productively employed.
- Such quantitative oversupply co-existed with huge skill shortages in terms of required quality

One Reason has been that Many High-Skilled Workers from India Holding Jobs Abroad Came from Select Indian Institutions: The Brain Drain of IITs and AIIMS Alumni



Source: Binod Khadria (1999), *The Migration of Knowledge Workers*

Indicators	Indian Institute of Technology Bombay, Mumbai	Indian Institute of Technology Madras, Chennai	Indian Institute of Technology Delhi, New Delhi	All India Institute of Medical Sciences, New Delhi
Batches of graduates	1973-77	1964-87	1980-90	1956-80
Year contacted for survey	1987	1989	1992	1997
Magnitude of brain drain	31%	27%	23%	56%

Source: author, using various institution-based surveys sponsored by Department of Science and Technology, Government of India, cited in Khadria (1999a).

Selectivity Continues in favour of High Skilled Immigration over the last half century (UN 2013)

Labour migration policies in destination countries have become increasingly selective, favouring the admission of international migrants with skills considered to be in short supply. In recent years, a growing number of countries have adopted policies to attract or facilitate the entry of highly skilled workers. Highly skilled migrants are usually granted preferential treatment and are subject to fewer restrictions than low skilled migrants regarding admission, length of stay, change of employment and admission of family members.

Current policy measures to manage labour migration of highly skilled workers range from employer-driven migration systems to immigrant-driven migration systems. The specific policy choices adopted are usually conditioned by the underlying migration policy framework and objectives of the countries (Chaloff and Lamaitre, 2009).

HIGH SKILLED IMMIGRATION VS. OVERALL IMMIGRATION (UN 2013)

By 2011, out of 170 countries with available data on policy objectives, Governments of 67 countries had adopted policies to raise immigration of highly skilled workers, 8 had policies to lower it, and the remaining 95 either had policies aimed at maintaining the current levels or had no relevant policies in place (table 2.6). The vast majority of Governments that were willing to attract higher numbers of migrants in specific categories were interested in attracting highly skilled workers. However, a large majority of Governments with policies to raise immigration of highly skilled workers did not have policies to raise the overall level of immigration or to encourage immigration under any other category.

The percentage of Governments with policies to raise immigration of highly skilled workers has increased from 22 per cent in 2005 to 39 per cent in 2011 (figure 2.6). Policies to raise immigration of highly skilled workers were about twice as common in 2011 among countries in more developed regions (60 per cent) as in less developed regions (32 per cent).

Selectivity is Reflected in Evolving Migration Mechanism

- USA:

“No to Bangalore (Jobs in India); yes to Buffalo (Jobs Abroad)”

- EU:

“Fortress Europe” to “Blue Card”

- UK:

Unstable and stricter norms for non-EU workers

- Canada:

Points system for PR

- Australia:

Stricter PR norms, tighter naturalization

- New Zealand:

Rollbacks in promoting PR and citizenship

Most Recently, what US President Obama asked on Nov 21, 2014 is reflective of this selectivity:

“Are we a nation that educates the world’s best and brightest in our universities, only to send them home to create businesses in countries that compete against us?” he asked.

“Or are we a nation that encourages them to stay and create jobs, businesses, and industries right here in America?”

Selectivity is made Dynamic & Perpetual through Temporary Migration

Age:

Primacy of Temporary Migration:

High Turnover to replace older with younger cohorts

wAge:

Primacy of Younger Workers:

Lower Wage & Pension bills; Lower remittances

vintAge:

Primacy of Students:

**Frontier & 'Safe' Technologies (TAL);
Silent Backwash of Remittances**

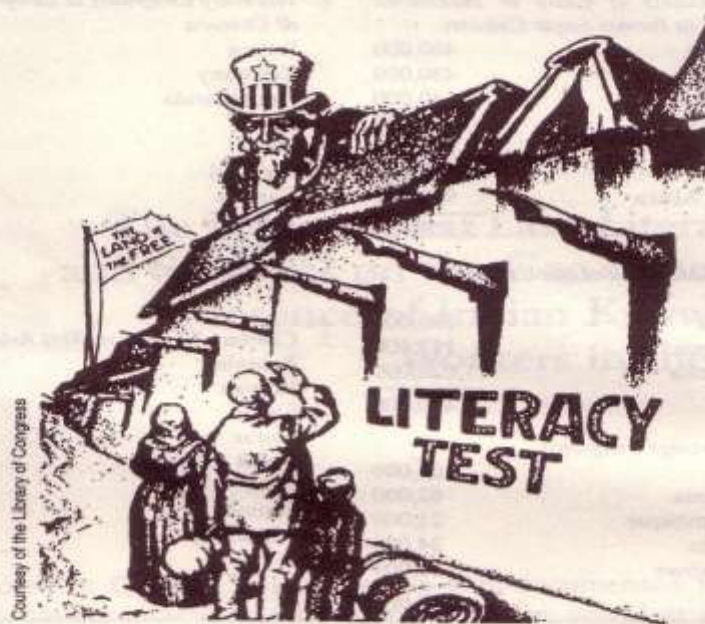
THE CHALLENGE: Low Average Labour Productivity in India: 2008-9

Brain Drain (2009)		Labour Productivity: GDP/Employee Per Hour (2008)	Health, Safety and Environment: Management takes care*	Social Responsibility: Private Business takes care (2009)	
Rank	Country	PPP-US\$	Score (0-10)	Rank (1-57)	Score (0-10)
7	US	47.78	5.88	38	4.88
18	GERMANY	41.26	6.01	26	5.51
10	JAPAN	37.28	6.13	9	6.52
26	UK	39.08	6.07	25	5.53
30	THAILAND	6.76	5.52	14	6.21
13	AUSTRALIA	39.24	6.20	11	6.35
14	BRAZIL	11.01	5.24	19	5.86
28	FRANCE	50.14	6.22	39	4.82
15	SINGAPORE	36.36	6.22	16	6.13
47	ITALY	41.47	5.99	53	3.71
37	MEXICO	14.37	5.48	36	4.94
57	SOUTH KOREA	25.33	5.99	15	6.16
29	MALAYSIA	16.51	5.90	10	6.39
32	TAIWAN	29.70	6.20	34	5.02
25	INDONESIA	4.09	5.20	43	4.56
9	SWEDEN	40.48	6.22	5	6.65
23	CANADA	37.33	6.30	8	6.55
52	CHINA	4.70	5.72	46	4.38
54	NEW ZEALAND	29.50	6.43	12	6.34
16	INDIA	3.27	4.82	29	5.39
42	PHILIPPINES	4.22	5.07	22	5.72
55	RUSSIA	17.95	5.65	55	3.63
57	SOUTH AFRICA	17.32	3.60	4	6.88

In the US, the Genesis of this Challenge of Selectivity in Immigration Policy for High-skilled Workers has been about 100 years old!

Source: Binod Khadria (1999), *The Migration of Knowledge Workers*

Fig. 3.1
Keeping Brown Brawns Out of the White West



In 1917... legislative measures... created a 'barred zone' designated to halt immigration from India, parts of China, and most other Asian countries. The 1917 law... added illiteracy to the list of exclusions—a restriction to limit the flow of immigration from non-English speaking countries...!

Source: U.S., INS, *Statistical Yearbook 1990*, p. 23.

In India, it was indifference and contempt for those who left the country – the Brain Drain

- Brain Drain was first recognized when the Nobel Prize of 1968 in medicine brought global recognition to gifted Indian scientist Har Gobind Khorana who had migrated to the US
DUE TO LACK OF A PROPER JOB IN INDIA
- This also coincided with the landmark 1965 U.S. Immigration and Nationality Act Amendments- brought into effect in 1968 – that CREATED JOBS ABROAD for highly educated Indians in the US.
- India put the onus on migrants as ‘deserters’ of ‘motherland India’, despite the widespread LACK OF JOBS IN INDIA for the educated that turned many an IITian into so-called marketing activity of “selling soaps” and then their flight to NASA. (Khadria 2002).

WHAT ABOUT THE SOLUTION?

Can Migration Be Turned into An Engine of
Global Development?

Indian Policy on Indians Abroad - Coming Only “Half Circle”?



- The Indian Trajectory of Policy Overtures:
 - Pre-Independence notion of ‘country of birth’;
 - Gandhi’s legacy as an ‘Indian abroad’, Nehru’s ‘motherland’;
 - Post-Partition notion of ‘territorial affinity’;
 - Post-colonial neutrality of NAM;
 - Self-reliance, non-interventionist regime of Nehru-Indira
 - **BRAIN DRAIN as a malaise;**
 - Paradigm shift in 1977
 - Brain Drain as Brain Bank in the Rajiv Gandhi regime
 - HLC Report, and policy ‘coming full circle’
 - **PBD, or the “Indian Expatriates Day” since 2003**
 - **Ministry of Overseas Indian Affairs since 2004**

Here it does address for Indian Emigrants what GCIM Report 2005 actually propagated for Immigrants:

- “The traditional distinction between skilled and unskilled workers is in certain respects an unhelpful one, as it *fails to do justice* to the complexity of international migration.”
- “While they (skilled and unskilled workers) may have different levels of educational achievement, all of them could be legitimately described as *essential workers*.”

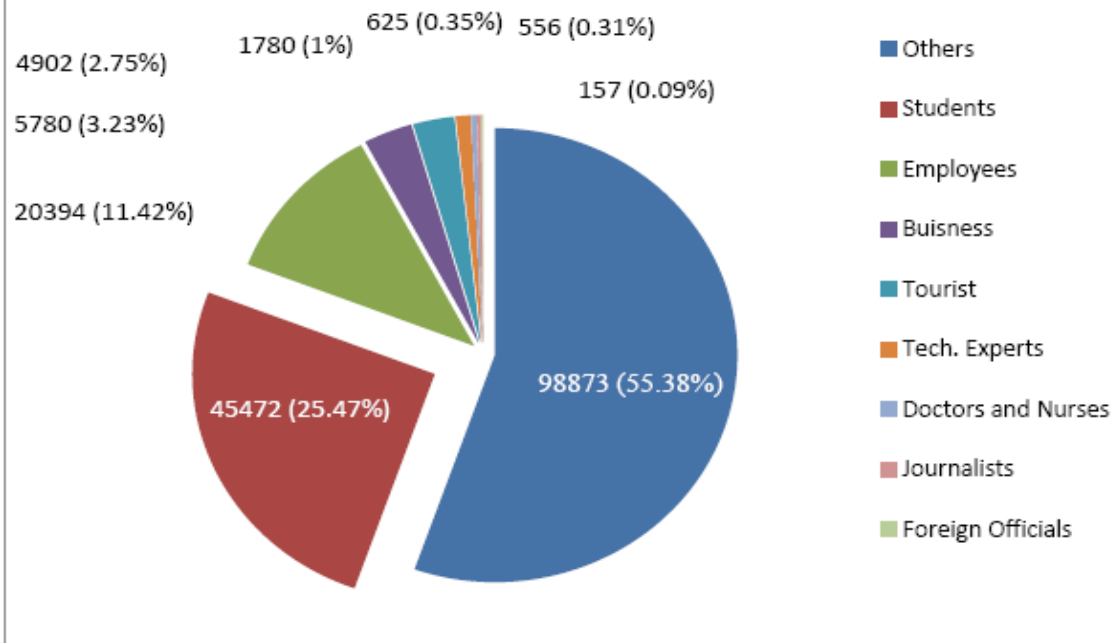
So, now let me look at the Flip Side: The Immigrant Workers in India

India has 3 Kinds of Immigrant Workers holding
JOBS IN INDIA:

- Unskilled, low-skilled regular/documented immigrants from Countries of Global South in Asia, Africa and Latin America:
Many in low-skilled formal-sector jobs; some on student or business visa
- Cross-border illegal/irregular/undocumented migrants from neighbouring countries, particularly Bangladesh and Nepal (no Visa):
Mostly in low-skilled informal-sector jobs; some having voter cards
- Refugees: Tibetan, Bangladeshi, Afghan, Sri Lankan, Rohingya -
Officially not recognized, but allowed long-term visas & work permits.

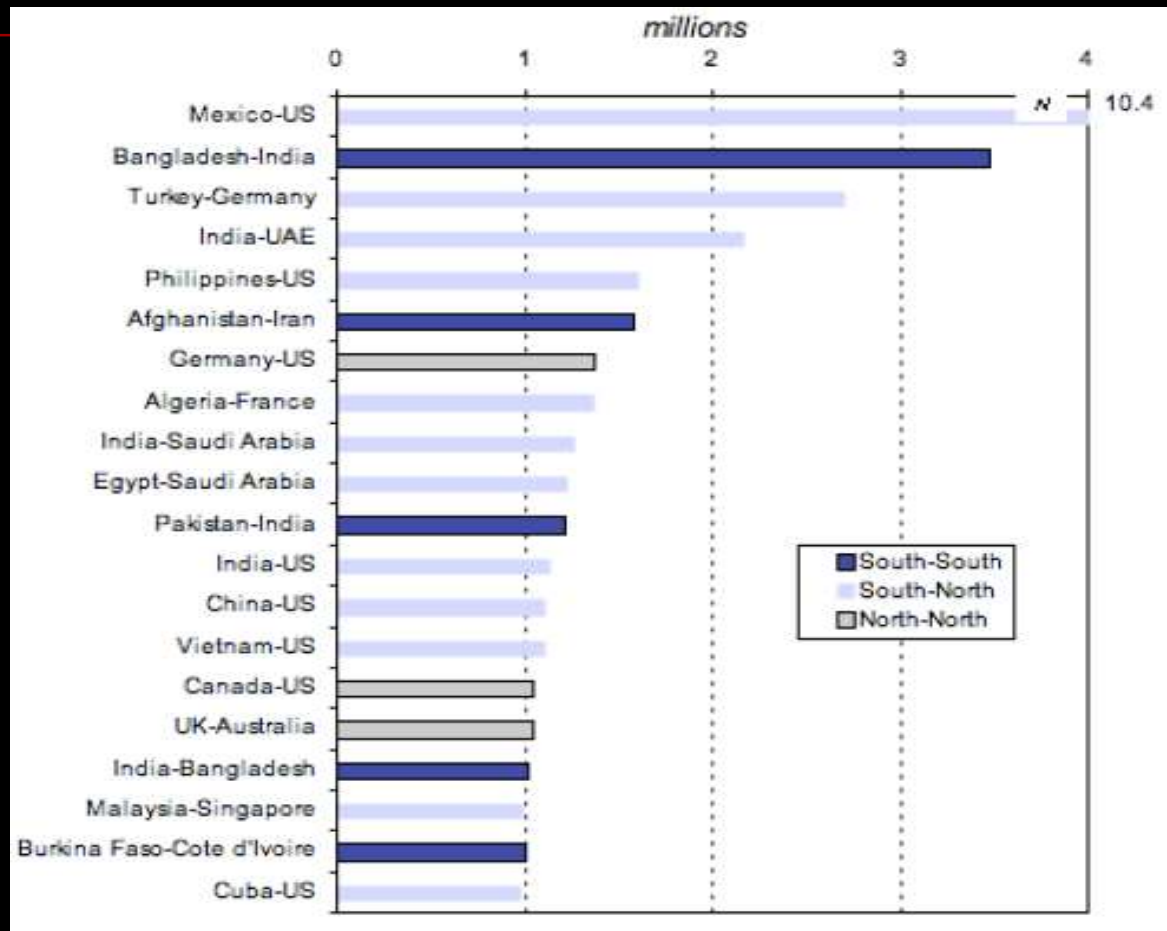
Registered Foreigners in India < 200,000 (in 2008)

Figure 3: Number of Registered Foreigners by Profession (2008)



Source: Bureau of Immigration, Foreigners Division, Home Ministry (India).

There are Top 20 Global Migration Corridors:
Some include Unregistered Foreigners,
e.g., Bangladesh-India (we don't have numbers for Nepal-India)



-
- Don't They Contribute to India's Low-level Average Labour Productivity Trap?...
 - ...because of non-accessibility to Good Education and Good Health?

India Can Go Full Circle and Counter the Asymmetry between Jobs Abroad for Indians and Jobs in India for Immigrants

India can initiate three major steps:

- Regulate the FUTURE FLOW of Cross-Border Illegal/Irregular Immigration along the lines of *most* other sovereign countries
- Regularize the PAST STOCK of Cross-Border Illegal/Irregular Immigrants along the lines of *some* other sovereign countries;
- Turn the Stock of Immigrants to its advantage by building up their Human Capital through Investment in Education and Health of Immigrants (IEHI). This will maximize their productivity and optimize their contribution to India's Gross Domestic Product?

Hopefully, India would then not have to have the fear of its Demographic Dividend turning into a Demographic Disaster & “Running out of Brains”

(Source: Author's collection)



However, to Turn Migration into an Engine of Global Development would also require a Sufficient Condition

- India going alone about such a strategy would only satisfy the necessary condition of migration working for a partisan development *of* India;
- To turn MIGRATION INTO AN ENGINE OF GLOBAL DEVELOPMENT would perhaps require India to initiate and engage the counterpart countries in what I have elsewhere explained as Equitable Adversary Analysis (EAA). This would be the sufficient condition that would replace the present Game-Theoretic Hide & Seek strategies origin & destination countries play against each other.
- However, the details of this are beyond the scope of my presentation here.

Thank you