
On the Neglected Leg of the Globalisation Triad

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That globalisation involves cross-border flows of financial capital, products (goods and services), and people (human capital), is a well known fact. While there have been excellent analyses of the first two flows, the flow of human capital has not received the scholarly attention that it deserves. In *Diaspora, Development, and Democracy*, Devesh Kapur of the University of Pennsylvania fills this void by providing us with a path-breaking study of international migration, “the third leg of the globalisation triad” (p 2).

The absence of scholarly interest in international migration is often attributed to the woeful lack of data on the subject:

The sending country cannot capture data on migrants since they are no longer in the country, and data on migrants in receiving countries are limited by the variables of interest in that country (p 6).

But Kapur is not deterred by this; he believes that if data are not available, it is necessary to generate them.

Massive Data

This spirited belief led Kapur to painstakingly generate five unique data sets specifically for this project: (i) a random survey of 2,10,000 households in India conducted in 2003 “to understand household migration preferences, migrant characteristics, and links with the country of origin” (p 17); (ii) a comprehensive database of the Asian Indian population in the us, covering 4,10,000 households or nearly three-fourths of this group residing in that country; (iii) a random sample telephonic survey of 2,200 households drawn from the Asian Indian database “to understand migrant characteristics and the intensity of nature of links of the us-based diaspora with India” (ibid); (iv) a database on Indian elite compiled from *Who's Who in India* and the 5,000-odd members of

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Diaspora, Development, and Democracy: The Domestic Impact of International Migration from India by Devesh Kapur (Princeton, New Jersey: Princeton University Press), 2010; pp xv + 325, \$35.

India’s elite civil service to understand how their degree of foreign exposure is determined by their foreign education and work experience; and (v) a survey of Indian diasporic non-governmental organisations in the us “to understand the scale and scope of diasporic philanthropy and the nature of transnational social capital” (ibid).

The massive data that Kapur has generated, perhaps the largest for a single study of emigration from India, are presented in 27 figures and 53 tables. For the benefit of the reader, he explains the methodology briefing the first four data sets in four appendices. Not only are Kapur’s procedures for generating data sets innovative, the way he has triangulated them for elucidating his thesis is imaginative. Resultantly, the book is also a welcome contribution to research methodology for studying international migration.

Substantively, Kapur’s study focuses on the domestic impact of international migration from India. This is aptly captured in the metaphoric and mnemonic title of the book: how international migration (“diaspora”) has important consequences for the sending country’s domestic politics (“democracy”) and economy (“development”). Kapur takes his reader through nine logically arranged chapters: from a discussion on the scope and objectives of the study to an explanation of its analytical framework and research methodology to thematics, before weaving the main findings in the conclusion.

International migration is a complex phenomenon; it raises far more questions than any study can ever hope to answer. Nor is there a general theory that can explain all its dimensions. To understand how emigration affects the country of origin, Kapur adopts an analytical framework that he had earlier developed with John McHale (Kapur and McHale 2005). This framework specifies four channels: (i) the prospect channel (“how forward expectations affect current behaviour” [p 23]), (ii) the absence channel (“what happens to those left behind when people who would otherwise be present are now absent” [p 25]), (iii) the diaspora channel (“the effects of emigrants [and their descendants] living abroad on the country of origin” [p 28]), and (iv) the return channel (that “works when those who left come back home, often with augmented human capital, financial capital [savings], foreign connections, ideas, and changed expectations” [p 38]). He explains the mechanisms through which these channels affect the country of origin.

It is assumed that the consequences of emigration for the sending country depend on the characteristics of the migrants: “who leaves, for where, when, and why?” (p 50). Kapur’s analysis reveals that the late 20th century emigrants (the new diaspora) are starkly different from their late 19th century counterparts (the old diaspora). Predominantly, they are found to be drawn from higher castes and medium-to-high class, from urban areas and the rim states in south and west and Punjab, and their destination is the industrialised temperate zone (except west Asia, Malaysia, and Singapore). The migrants to industrialised countries have higher educational qualifications, are skilled, and have higher incomes; the migrants to west Asia have low-to-medium skills and earn relatively less. Gender imbalance is more pronounced among emigrants to west Asia, but it is less so among emigrants to industrialised countries.

The study reveals that a very small number of households have family members (1.7%), extended family members (2.9%), and friends (0.8%) abroad. This is not surprising considering the size of

the country. It is also not surprising that urban households are more likely to have global links through migration than rural households. The richest rural households appear to be more likely to have such links than poor urban households. Intuitive as it may appear, it is for the first time that it is empirically established that “the highest socioeconomic classification have substantially greater global portfolios arising from international migration compared to other socioeconomic groups” (pp 59-60).

Profound Effects

Emigration from India is found to have had four important direct economic effects on the country. First, it has developed India’s information technology and diamond-cutting sectors, perhaps the largest sources of the country’s foreign exchange. Second, remittance from the diaspora has been an important source of foreign exchange since the mid-1970s. Third, the concentration of financial flows from the diaspora in the southern and western states has not only quickened the economic growth of these states, but has simultaneously amplified inter-state

inequalities. Finally, the bias towards skill-intensive services and capital-intensive manufacturing has been reinforced, as it is in these sectors that the diaspora has the most expertise.


International emigration has had subtle but dynamic indirect effects, too. These effects are channelled through what Kapur, following Peggey Levitt (1998) terms “social remittances” (or transmission of ideas). He argues that the elite nature of the new diaspora has amplified the effects of social remittances because of “the diaspora’s overseas success and their access to influential institutional channels to transmit these ideas” (p 19). This perhaps explains why our political leaders pay greater attention to the policy preferences of the new diaspora. Not only have the emigrants been instrumental in diffusing “ideas that have shaped [our] institutions and policies” (p 161), they have also been “agents of familial, social, and demographic changes in their communities of origin” (p 127).

Kapur’s argument that emigration from India has had a significant impact in sustaining her democratic traditions is novel and debatable. He notes that

emigration has facilitated the “old” political elite to diversify their economic portfolio, while at the same time creating space for “new” political elite from historically marginalised communities. This, in his opinion, explains why in India intralite conflict has not been intense enough to cause the breakdown of her democracy. But positing a causal relation between emigration and shift in elites is problematic. One could, in fact, argue that it was this shift in elites that caused both internal migration and international emigration of elites. Be that as it may, Kapur’s thesis calls for a fresh look at political violence in some northern (Uttar Pradesh, Bihar, and Jharkhand) and eastern (West Bengal and Orissa) states.

Although residing outside India, the new diasporic Indians still claim a legitimate stake in the country. Their intrinsic attributes and resources endow them with what is called “soft power”, which they use in influencing the foreign policy of the country. Foreign policymakers in India too have realised the strategic asset that her diaspora is. The role of this soft-power is distinctly evident in the Indo-us relations in recent decades. But then, the

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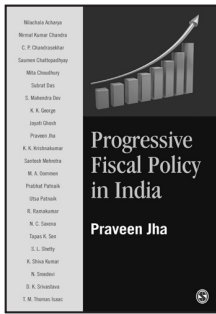


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diaspora has a “soft underbelly”, too: the support that sections of the diaspora extend to separatist movements (“separatist diasporas”) or majoritarian ultranationalism (subsumed under “long-distance nationalism”), on the one hand, and the predicament of Indian emigrants in troubled areas (“beached diaspora”), on the other, are cases in point. Kapur postulates that “the more India cultivates its diaspora, the more its foreign policy becomes hostage to the well-being of its diaspora” (p 209).

Long-distance nationalism is Janus-headed: positively, diaspora could be a form of international social capital and, negatively, it could vitiate social harmony by supporting extremist organisations and fomenting ethnic violence. There is very little empirical evidence on

the conditions under which “transnationalism” can be positive or negative in its consequences. Contrary to the popular impression, Kapur finds the Indian diaspora “to be relatively more prone to civic than ethnic nationalism” (p 213). Limited as his data may be, he argues that the principal causes of violence targeting minorities are internal to the country, and “the role of the ‘foreign hand’, whether a diasporic hand or any other, is marginal” (ibid).

Despite his painstaking generation of data sets on international emigration from India, Kapur is aware that there are severe data limitations to permit drawing any “categorical bottom line” or “parsimonious causal explanation” (p 253). His data and scholarship (as evidenced in the 18-page bibliography) are nevertheless sufficient

to correct many a popular belief about the diaspora and its role. The study suggests that international emigration is neither intrinsically “good” nor “bad” for a country; “the balance depends principally on the policies and politics of the country of origin rather than on something intrinsic to this specific mechanism of globalisation” (p 261).

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