

**MIGRATION OF INDIAN LABOR TO THE GULF COUNTRIES:
A SOCIOLOGICAL ANALYSIS**

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ARADHANA DAS

**CENTRE FOR THE STUDY OF SOCIAL SYSTEMS
SCHOOL OF SOCIAL SCIENCES
JAWAHARLAL NEHRU UNIVERSITY
NEW DELHI-110 067
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जवाहरलाल नेहरू विश्वविद्यालय
JAWAHARLAL NEHRU UNIVERSITY
NEW DELHI - 110067


CENTRE FOR THE STUDY OF SOCIAL SYSTEMS
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C E R T I F I C A T E

Certified that the dissertation
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THE GULF COUNTRIES - A SOCIOLOGICAL ANA-
LYSIS" has not been submitted for award
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versity. We recommend that this dissertation
may be placed before the examiners for the
consideration of award of DEGREE OF MASTER
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Nehru University, New Delhi.


PROF. YOGENDRA SINGH
(SUPERVISOR)


PROF. M.N. PANINI
(CHAIRPERSON)

To
my
Mom and Dad

C O N T E N T S

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I N T R O D U C T I O N

Population migration embodies interaction with geographical space, which may not be merely a direct response to the objective economic circumstances. While taking into consideration the origin and destination of population flows, the "push" and "pull" theory throws essential light on the nature, direction and volume of migration both at micro or macro levels. Mossil has provided a valuable summary of these models and has given some suggestions which may be regarded as deterministic and probabilistic in nature.

Most of the theoretical formulations are based on empirical evidence of the rural-urban or urban-rural migration in the context of developed countries of the world. However these reflect the causes and nature of international migrations where the economic conditions, the governmental policies, the social welfare, development and other related variables play a significant role in making a choice to migrate. The nature of the social and economic expectations on the part of migrants normally guide individuals' movements.

Migration has become a world-wide phenomenon in recent years. Millions of people all over the world move out of their normal place of residence to seek their fortune elsewhere. If military operations of political oppressions or religious persecutions were the major

causes of exodus of people on various occasions in the past, it is by and large economic factors that induce people to migrate in the modern period. However the exact circumstances under which people migrate from time to time and place to place vary considerably. Migration is having far-reaching impact not only on the migrants but also on the society at large both in the place of origin and destination. Therefore, migration is a serious topic for study.

TYPES OF MIGRATION:

Hagerstrand(1957) distinguishes between "active" and "passive" migrants. The "active" migrants are those who find out suitable destinations with guaranteed future prosperity and the "passive" migrants follow impulses emanating from acquaintances who have already made fortunes. This helps in understanding the general pattern of migrant behaviour in space. The case of Gulf countries needs to be evaluated in the context of the above formulations.

Before the oil boom, the entire Gulf region was predominantly agricultural in character but with little production. After the world war II, the oil boom brought in a transitional phase making the region economically

rich. The migration towards the Gulf is highly "selective" and generally more males than females are employed. In most of the cases the families of the employees do not accompany them. This has a direct impact on the sex-ratio of the population of the receiving and sending countries.

Among the Asian immigrants, there is a big influx of workers from India and Pakistan. Compared to others, India is a leading exporter of labor to the Gulf and the Emirates. The laborers from India forms the most skilled part of the South Asian labor force to the Gulf countries.

Migration is a concept which encompasses a wide range of patterns. From the geographical point of view it may involve the movement of people from one locality to another within the country or from one country to another. It may take place from rural areas to rural areas or from rural areas to urban areas; the vice versa may also possible. On the basis of duration migration may classified into "permanent" or short term migration. "Short term migration" comprises "seasonal migration" and "circular migration", involving the return of migrants to the place of origin.

After the industrial revolution the migration took the "townward" movement of people. Significantly, the "townward" migration in search of non-agricultural occupations still continues to be the major pattern of

movement in all countries.

A new pattern of migration known as "brain-drain" became popular since the middle of the nineteenth century, when the "trans-Atlantic migration" was ushered in Europe. In this type of migration highly trained professionals consisting of Scientists, doctors, engineers, and other moved to US and other advanced countries in search of professional satisfaction and also for monetary gain.

At a time when the townward migration and trans-Atlantic migration were gaining momentum in Europe, the South-east Asian countries were the scene of another pattern of migration. Since the supply of local labor was not adequate, the planters of sugar, coffee, tea, rubber and tobacco in the tropical countries like Mauritius, Fiji, Guyana, Sri Lanka, Malayasia and Indonesia resorted to the import of cheap labor mainly from India and China under the "indenture" system (K. Davis, 1951).

The economic prosperity of the West European Nations during the post second world war period depended to a large extent on the labor of workers imported from the less developed countries like Portugal, Spain, Italy, Greece, Turkey, Yugoslavia, Algeria, Tunisia and Morocco, known as the "Guest Workers" They have been manning many

industries and business ventures in West-European countries such as Great Britain, France, West Germany, Austria, Switzerland, Belgium, Holland and Sweden.

Migration of a similar nature has been taking place to the Gulf countries since the "oil-boom" of the seventies. The Gulf countries like Iran, Iraq, Saudi Arabia, Kuwait, UAE and Oman depend on imported labor both skilled and unskilled to meet the labor requirements for the massive construction works which they have embarked upon from the seventies. Large number of migrant workers unaccompanied by their non-working dependents have migrated to these countries from India, Pakistan, Sri Lanka, Bangladesh, Korea and the Philippines as the wage rates offered in the Gulf countries are fairly high compared to those prevailing in any of the countries of Asia.

THEORETICAL APPROACHES TO THE STUDY OF MIGRATION

It was Ravenstein who started the ball rolling by providing a theoretical analysis of migration for the first time. Through two papers published in 1885 and 1889 he formulated seven laws of migration based on the census reports of England. He is of the opinion that migration between two points will inversely be related

to the distance and migrants will move by stages from nearby towns to distant lands. Movement is mainly to centres of commerce and trade which accelerate overtime as a result of "the increase in the means of locomotion". Among the different motives, the inherent desire in men "to better themselves in material respects" is the most important in influencing the decision to migrate. Though Ravenstein's laws were able to stand the test of time, they contain mere generalizations without the underpinning of a theoretical framework.

Everett Lee introduced in 1964 a simple conceptualisation of migration. According to him "migration is a process involving a set of factors at origin and destination and a set of intervening obstacles and a series of personal factors". The actual volume of migration depends on the degree of diversity of area, occupation and size of the population. Migration tends to increase with time and with the state of progress of the country. In every area there are countless factors, he says, which act to hold people in the area or attract people to it and there are others which tend to repel them. The effects of these forces varies from person to person depending on his age, experience, education, skill, sex, etc. He further introduces the concept of intervening obstacles like distance, cost of transport, restrictive immigration laws, etc; which also tend to exert different influences

on people. Though the theory provides a general scheme of migration within the framework of a push-pull combination, it does not throw much light as to which of the plus and minus factors are more important to the emergence of different patterns of migration.

Migration was linked with the process of development in the Lewis-Fei-Gustav model(1961). According to this model, the economy consists of two sectors, the rural subsistence sector and the modern urban sector. The model focuses on the transfer of low productivity surplus labor from the subsistence sector to the modern sector as a result of the employment expansion of the modern sector. But, there is no reason to believe that the capitalist sector would expand in such a way as to absorb the entire volume of surplus labor force of the subsistence sector. The study is concerned only with rural to urban migration, and therefore, it is unsuitable for the analysis of any other pattern of migration.

Migration is regarded as an activity of "resource allocation", involving an investment which has costs and which renders returns, by Larry. S. Sjaastad and others. Both monetary and non-monetary elements are included as

items of costs. Non-monetary cost include psychic costs. According to him when value of all future monetary benefits from moving is greater than the monetary costs involved, migration takes place. This approach is relevant to the analysis of many patterns of migration.

According to Welport (1965), migration occurs when "the place utility", in a few location becomes greater than that of the present location place utility represents the social, economic and other costs and benefits derived from an "individual's integration at some position in space". The range of alternatives will be limited by one's own experience, information available and even position his life cycle. It is known as "situational approach" because the determinants of migration such as population, density, political and social structure etc. vary from situation to situation. But, how the system varies from place to place and the method through which it changes is more important in determining the type and size of migration.

According to the "historical-structure approach" advocated by many scholars, any study on migration must necessarily "probe into the pressures and counter-pressures both internal and external to the economy which cause changes in the organisation of production". The structural

transformation of social set-up rather than individual motives assumes priority in any migration stream, according to their approach. Migration becomes a class phenomenon where the unit of analysis should be the stream than the individual unit. Any study on migration therefore calls for a broader theory of socio-economic and political changes to which migration is only a part. The historical-structural perspective pays scant attention to the factors that motivate individual factors especially because no attempt is made to examine the nature of the decision making process or the various elements that enter into the calculus.

Marxian line of thinking is to consider migration as part of dialectical materialism. According to Marx when accumulation increases the ratio of variable to constant capital falls and therefore the demand for labor decline. As Marx and Engels commented, "It is not population that presses on productive power; it is productive power that presses on population". In short, the pauperisation of the working class as a result of capitalist expansion is the basis of all forms of migration. Marxian approach to the study of migration has its own limitation.

According to Zelinsky, personal mobility through space and time during recent history constitutes an

"essential component of modernisation process". The mobility transition of a society is, according to "modernisation approach", composed of five stages which corresponds roughly to the stages of demographic transition. The pre-modern society comprises phase-I, in which there is no migration. During phase-II representing only transitional society various patterns of migration. Migration slackens during phase-III. In phase-IV which represents an advanced society, immigration of unskilled workers on a limited scale is quite feasible from under-developed areas. There will be no migration of whatsoever during phase-V. The emphasis in this analysis is on Phase-V. The emphasis in this analysis is on phase-II in which different types of migration emerge as has happened in England during the 19th century and is still happening in the newly developing countries of Asia. The analysis fails to explain why and how migration of different patterns have taken place. It is also doubtful whether the same mobility pattern would take place throughout the world.

The foregoing survey and Review points to the inadequacy of any one of the theoretical approaches alone to provide an analytical framework suitable for our present study of migration from India to the Gulf countries. We, therefore, follow an eclectic approach which incorporates

elements from several of them, most importantly from the modernisation approach and the historical-structural approach.

The Objectives of the Study :-

The objectives of the present study can be precisely put in following points -

First, survey the present state of knowledge on the migration of Indian workers to the Middle East.

Second, to analyse and show some of the most important labor market effects of international labor migration; this provides a solid background for future research, specifically in relation to the implications of labor imports and population policies for economic growth in the labor-importing countries and the impact of out-flows of labor on economic development in the labor-exporting states, specifically India.

Third, to broadly discuss, taking Kerala as an example, some of the aspects, such as details of the persons working in the Gulf countries, how much money they are sending home, and the impact of the money on the levels of income, consumption, savings and investment of these households.

Fourth, the socio-cultural background of the emigrants and to establish, if possible, a cause-effect relationship between socio-cultural and economic background of the people and emigration.

Fifth, to examine the impact of remitted money from Gulf Indian workers on Indian economy and social structure. To see to what extent it bring forth economic development and social transformation in various parts of Indian society.

Sixth, to bring out the faults and mismanagement in investment pattern of remitted money by migrants' household members and the government.

Seventh, to point out various problems of the Indian emigrants to the Gulf countries, both at their native place and the place of their employment in the Gulf countries.

Eighth, Review and evaluation of Indian policies and the governmental and non-governmental institutions that are currently dealing with migration.

Ninth, to analyse the efficiency of the governmental policies and institutions dealing with migration in India and to suggest any modifications, if necessary.

Tenth, to show some factors likely to influence future trends in emigration to the Gulf countries from India and naturally the remittance levels and flows, in view of the total number of migrant workers abroad and changes in their propensity to remit.

The last but not the least aim of the study is to establish a data base and to provide references about the available studies and works on the subject, which will help and enable many scholars who would like to study and take up further research work on the same or related subjects. The present study will remove many problems of future researchers in related fields of study, which the present researcher faced during her research work.

METHOD OF DATA COLLECTION

From the very beginning, the researcher is honestly admitting that the data and information base is rather weak and unreliable. This is the reason that intended excellency could not be arrived at inspite of the best efforts to interpret and understand both primary and secondary data.

The data varies either in the unit of measurement or in terms of its time-frame. In the absence of time series data pertaining to any aspect of migration pattern and regional structure and its non-comparability, the study cannot reasonably boast of understanding development trends of the region.

Moreover, another problem relating to availability of data, is that many of the data and information are available in two languages -- Arabic and Persian. It is

very difficult to get them translated into English; and sometimes it is impossible too. Again, one faces a lot of problems and difficulties in getting the required and reliable data in the case of many of the Gulf countries, which do not have proper census system like that we have in India.

The acquired data and information, however, has been statistically processed and supported with many relevant illustrations. The researcher is admitting that the application of statistical and quantitative techniques, which are normally essential for a geographical study of migration, is rather difficult and therefore, inspite of the knowledge and awareness and ability to do so, it could not be done. Therefore statistical processing is used only to a limited extent.

During the past ten years, emigration from India to countries in the Persian Gulf region is generally known to have been taking place on a substantial scale. But there is no systematic knowledge and data on it. The rough magnitudes can be determined by various sources for example pronouncements made by the ministers of the government in the parliament of India, press reports, and estimates made by a few authors in studies on the labor situation in the

Gulf countries. But, one of the limitations of such sources is that they are only conjectures, at best.

Another possible source of data is the protectorate of Emigrants, which issues clearance to the emigrants and registers their employment agreements.

Besides the above mentioned sources, there exists information on the number of visas and passports issued annually throughout India. But the drawback here is, passports are issued for many different travel purposes and destinations, and they are not only to countries in the Gulf region, but to other countries, too. Therefore, it will be a poor base to consider the number of passports issued as the criteria on which to construct estimates of the annual flows to any particular region.

A third source might be the Indian embassies in the different host countries, specially in the different host countries, specially in Gulf countries. But information from this source is not available in India. Even whatever is available are in Arabic or Persian language, and sometimes it is very tough to get them translated into English.

Still another source would be data on air traffic, the number of passengers travelling by the different airlines from India to the Gulf countries and back every

year. The difficulty with this source are manifold. The information is not available for all the various airlines that operate between India and the Gulf countries; vast numbers of persons are known to have emigrated from India to the Gulf region through third countries; many emigrate by sea and land routes; and passengers to the Gulf countries include not only new emigrants but also those returning from leave, as well as those who are making short visits, such as the "Haj" pilgrims and not for any employment as such.

Until 1977/78, the Reserve Bank of India (RBI) issued "P" forms to persons travelling abroad, and the information used to be reported in "Currency and Finance", published annually by the bank. The practice of issuing "P" forms has since been discontinued with the relaxation of the rules regarding travel abroad.

The present study endeavours to collect the existing bits and fragments of information found here and there in a scattered way in various research summaries, government publications, and press reports, and to bring them together in a systematic way, which have a bearing on the migration of Indian workers to the middle East. Data and information on this phenomenon is scanty in India, because no detailed and in-depth studies have been

by the government of India. As a specific reference, Kerala State is taken for a detailed study of emigrants to the Gulf.

In the present study there are four chapters and a conclusion. The first chapter deals with migration in an international perspective in general and with the various dimensions and features of Indian emigration to the Gulf countries in particular.

The second chapter discusses about Kerala state as a sample and example of Indian labor migration to the Gulf countries. It includes every details of the process of emigration, remittances, problems of emigrants and the impact of their remittances on the economy of Kerala and on their households' life style.

In the third chapter the remittances, investment pattern, and the overall impact of this on Indian economy is shown. Attempt is also taken to give an analytical study of the emigration and its impact on the social transformation and social structure of India.

The fourth chapter is a general discussion of the various problems that the Indian migrant laborers face at their native place during the process of emigration, the problem of them as immigrants in their place of employment,

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both socio-cultural and politico-economical as well as religious problems; and finally their problem as the return migrants to resettle themselves in their original place, to find out a job and to adjust to their new life style. An analytical and critical discussion of Indian emigration to the Gulf countries is given in the conclusion.

(In spite of all the above-mentioned limitations in the methodology of the present study, the researcher hopes that it will be proved helpful as a base for further research and exploration in the field)

CHAPTER - II

ANALYSIS OF INDIAN EMIGRATION TO
THE GULF

The post-independence migrants whether Indians or otherwise, are different from pre-independence migrants. Next to Europe, during the post-independence period, Gulf countries provide the biggest market for immigrant labors. The international migration of labor is of great significance in the Gulf region. The international movement of people in the region is the result of economic forces and in particular the demand of labor in oil rich states.¹

Although the Arabs are increasingly being trained to take up the jobs done by immigrants, they are not enough to replace the increasing flow of foreign workers. In any case, the Arabs do not want the labor shortage to be a constraint on the further acceleration of their economic growth.

By the early 1970s the petro-chemical industries and small scale industries had been

1. UN Demographic studies, No - 64, 1979.

established in this region. The oil price hike of 1973 transformed the scale and type of development with a thrust on the industrial field, creating a great demand for skilled and experienced labor. All the oil rich state planned to maximise industrial development.

In the oil-rich Gulf states one thing is evident, i.e., that modernisation was not necessarily linked to the question of wealth. The modern development in each oil rich state varied according to the extent of the liberal and modern attitude of the Sheikhs as well as their ambition for overall development.

Of course, economic force are the basic determinants of the international migration of labors.

Unlike the permanent migrants who went to Australia, the temporarily recruited migrants to the Gulf, migrates with the understanding that he will return to his country after a specific period of time. The growing levels of unemployment and under-employment in several countries and the search for higher remunerations are the factors that compel the workers to migrate temporarily to labor-short economies.

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This phenomenon of temporary migration has taken place on a large scale in the seventies when Gulf countries started importing overseas workers.²

During 1960s when oil revenues of the Gulf countries began to increase quickly, they invested heavily in social infrastructure and overheads. Schools, hospitals, construction of roads, highways and air-ports, and provision of essential utilities like water distillation plants supply of drinking water, etc. were established. This resulted in demand for construction workers.

The record oil price hike of 1978-79 had led to further modernisation of the Gulf countries. More social infrastructures were provided, modern schools were set up, urbaned house and dwelling units were constructed, and various utilities and services like electricity, urban sewerage system, sanitation, and health services were provided. All these activities involved construction resulting in the demand for a variety of workers.

While the demand for labor has grown very high in most of these countries, human skills are

2. Economic Times, 13th March, 1984, N.Delhi.

scarce in relation to the total population and it opens up opportunities for Asian and African countries for migration of their surplus labor, which they have in plenty. As a result more than 50 per cent of the workforce in the Gulf countries consists of foreign workers and 25 per cent of the population of UAE consists of foreigners.

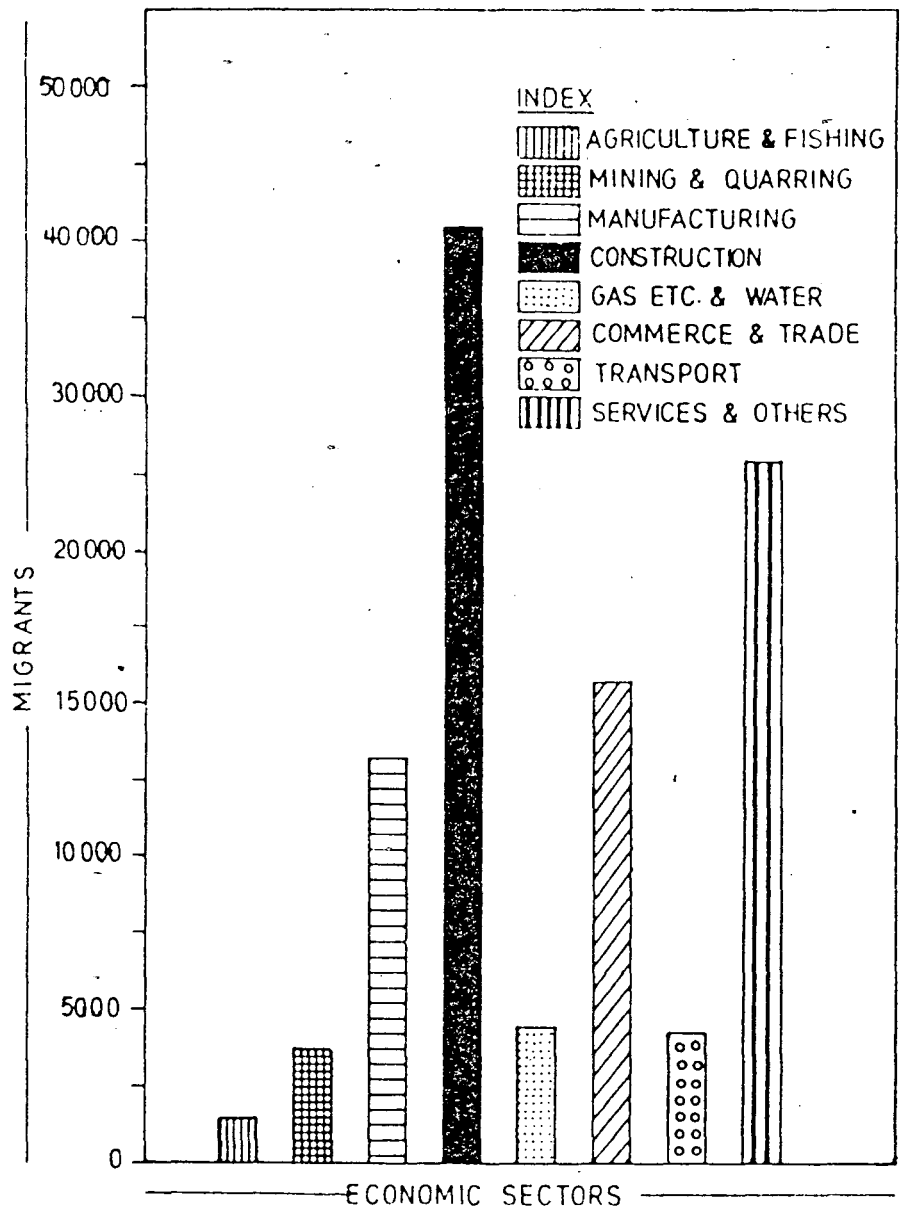
In 1975, 58 per cent of total immigrant workers were provided by 9 Arab countries. They are: Egypt (18.6%), Jordan (13.3%), Morocco (0.2%), Oman (1.7%), Sudan (2.4%), Syria (2.7%), Tunisia (1.5%), Yemen Arab Republic (15.4%) and People's Democratic Republic of Yemen (3.5%).³

The Indian sub-continent was the second largest source of immigration. India and Pakistan together supplied 18 per cent of the total immigration.

According to a world Bank study (1980-85) on the occupational characteristics of migrants workers in the Gulf, about 14 per cent are employed

3. Monitoring Report, 1979.

UNITED ARAB EMIRATES DISTRIBUTION OF MIGRANTS BY ECONOMIC ACTIVITY 1980



in professional, technical and managerial occupations. About 19 per cent are employed in clerical, sales and services jobs and the remaining 67 per cent are unskilled and semi-skilled workers.

According to the available data the largest proportions of migrant workers are employed in the construction sector (35.4), followed by services(21.9), commerce(13.6) and agriculture(9.2). A smaller proportion are employed in mining(11.8), manufacturing(6.0), utilities(1.4), transportation and communication(6.4) and others(4.3). The recent trends are shown in the accompanying figure.

The data on the inflow of the workers into the Gulf region is difficult to find out for the latest period. It is, however, believed that large scale migration had taken place since the second oil price hike of 1978-79. Although labor exports from the Arab countries increased, especially those from Egypt and Jordan, the South and East Asians provided bulk of the in-flows. Indications are that Indian and Pakistani workers in the Gulf states increased only marginally, but their share in the Saudi Arabian market

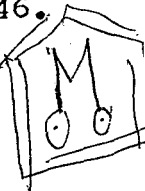
increased substantially.⁴

INDIAN EMIGRANTS : A BRIEF HISTORY

For India, the migration of its labor across national boundaries is nothing new. It began a long time ago.⁵ The tradition of Indian emigration began in the colonial period when the British Empire permitted free movement and settlement within limits of the Empire's territories.

By far the most significant factor in Indian migration during imperial times was the system of "indentured labor", under which large number of Indians went to distant colonies to provide labor for the new plantation industries like sugar in Mauritius, Fiji and Trinidad, and rubber in Malay.⁶ This phase, which existed during much of the nineteenth century and the early twentieth century; came to an end soon after the first world war.

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4. Birks and Sinclair, International Migration and Development in the Arab Region, 1980, a WEP Study
 5. Nayyar, Deepak, in "To the Gulf and Back(ed.) by Amjad Rashid, 1989, P. 95.
 6. Mathew, E.T., and Nair, P.R.G. "Socio-Economic characteristics of emigrants and emigrants' households, Economic and Political Weekly, 15 July, 1978, P. 1146.



Out migration from the Indian subcontinent deconed during and immediately after the first world war; but after independence it started again on a different basis and with a new dimension. The export of labor from India after independence, provides a sharp contrast not only in the skill but also in the destinations of the migrants.⁷

The first phase of this migration, which began in the early 1950s and continued until the mid-1970s was characterised by a movement of persons with technical skills and professional expertise to the industrialised countries. The main countries of destination were UK, US, Canada and to a smaller extent, Western Europe and Australia.

The trend was towards semi-skilled and skilled Gujratis and Punjabis looking for employment in Britain. There was a small and steady flow of professionals such as doctors and Engineers to Britain and USA. Even though settlement was always on permanent basis,

7. Nayyar, Deepak, "India" in Amjad Rashid (ed.) To the Gulf and Back: Studies on the Economic impact of Asian Labor Migration. 1989, P. 95.

regular remittances of money become an established pattern.

During the mid-seventies occurred the second phase of international labor migration in post colonial India. Migration during this phase was largely to the oil-exporting countries of the middle-East. It began in the 1970s and peaked in early 1980s, largely because of the dramatic increase in the price of the crude oil and petroleum products, which led to an economic boom in the labor scarce economies of OPEC.

One can find many striking different features about the nature of this recent wave of migration to the oil-rich countries. Many of these migrants are in the category of unskilled workers and semi-skilled or skilled workers in manual or clerical occupations. Most important about this new phenomenon is that, ✓ the movement of Indian migrants to the middle East is temporary emigration as distinct from the permanent emigration to the industrialised countries of the preceeding phase of the post independent India.

About the labor flows associated with the first phase of migration from India during the period

from early 1950s to the mid 1970s, there is hardly any systematic information, let alone data. However, it is widely accepted that most of the migrants possessed technical skills or professional expertise and that their destinations were almost entirely in the developed world; like UK, USA, Canada, Western Europe and Australia.

The situation apropos data on the second and more recent phase of emigration from India, which began in the mid 1970s, is not quite so bleak, even though the information available is far from adequate and clearly not sufficient for us to attempt any systematic analysis of the labor flows.⁸

Again the emigrants of the second phase are persons who are at the lower end of the spectrum of skills, as also of incomes, whether in India before their departure or in their place of work in the oil-exporting countries of the Middle-East. For another, an overwhelmingly large proportion are temporary migrants who return to India after a finite period of work overseas, which is, more often than not, two years. Past emigration were often motivated

8. Nayyar, Deepak, Ibid., P.97.

by a desire to establish a permanent or long-term residence abroad, resulting in the movement of entire families and the formalisation of small migrant communities in the host countries.⁹

The motivation to maintain links with the country of origin or to transfer savings to that country is not likely to be strong in such cases. The middle-east migration, on the other hand, is almost entirely temporary and tied to fixed-term contracts of employments, which hold out no prospects for naturalisation or assimilation. Migrants are almost always obliged to return to their home countries after completing their employment contracts. ✓

Most of the emigrants to the middle-east are not allowed to take their families with them. From the outset, therefore, the migrant will view his migration in terms of its impact on his economic status and living conditions in the home country. During his employment abroad, separation from his family and his concern for it constantly reinforce his ties with the home country.

9. Gunatilleke, Godfrey, (ed.), "Migration of Asian Workers to the Arab World", 1987, P.2.

The contractual limitations on his stay will direct his attention to the situation with which he will have to cope up on his return. This concerns will invariably influence his pattern of consumption, savings, and transfer of income to the home country.

At each of the different levels - that of the individual migrant, the household, and the community -this single migrant; temporary flow of labor will have effect that are fundamentally different from past migrations.

The long periods of separation will affect the migrants' family relations, marriage and fertility. It will lead to a new disposition of roles within the household. In many cases there will be some enhancement of responsibility about decision making for women.¹⁰

The labor migration from India to the Middle-East is also distinguished from previous migratory flows by the wide participation of different socio-economic groups. The migrants are recruited from the lower income groups, predominantly from the rural areas.

10. Gunatilleke, Godfrey (ed.), Ibid, 1987, P. 2.

Through the migration to the Middle-East; these groups have enjoyed access to employment opportunities at relatively high income levels, often surpassing the incomes enjoyed by upper-income groups in their own societies.

Another striking feature of the middle-East migration in the special type of interdependence it has created between the countries importing the labor and those supplying it. India as well as most of the labor-supplying countries have become heavily dependent on their migrant work force in the middle-east. It helps in managing their balance of payments (BOPs) and it relieves them of their problem of unemployment.

The dependence of these countries on their expatriate labor is by no means marginal. It can be described as structural. For a considerable period of time in future, these economies will have to rely on a large stock of migrant workers both to maintain their level of consumption and to expand their economies at reasonable rate of growth.

INDIAN EMIGRATION TO GULF:-

Indians have migrated to almost all the capital-rich Arab states that entertain Asian immigration. P.C. Jain¹¹ has observed that the migration of Indians to the Gulf region was minor until the end of world war II. And it increased substantially only after the first oil price hike of 1974-75.

The trade contracts of Indian merchants with the middle-East countries have existed for several centuries. The United Arab Emirates imported Indian goods and redistributed them throughout the Arabian peninsula.¹² The Indian merchants and their Arab partners also used to carry out extensive illegal trade with India in goods on which the government of India had placed import restrictions, such as gold, watches, tape-recorders and transistor radios. It is estimated that about 3,000 Indian merchant families live in Dubai and that they had arrived there well

11. Jain, P.C., "Indians Abroad", Economic and Political Weekly, 20th February, 1982, P. 299-304.

12. Weiner, Myron. Population and Development Review, 8th March, 1982, P. 13.

before the 1970s.

According to Birks and Sinclair there were 247,700 Asian workers in the Arab region in 1970, distributed in Bahrain, Qatar, Kuwait and the UAE. The number of Indian migrants workers increased quite rapidly after 1970.¹³

On 26th March 1981, the Indian Minister of external affairs informed the Parliament that there are an estimated 559,500 Indians working in the major countries in the Gulf region. According to this estimation, the largest concentration of Indian migrants was in the UAE; Saudi Arabia and Kuwait were next with 80,000 each (see table - 1).

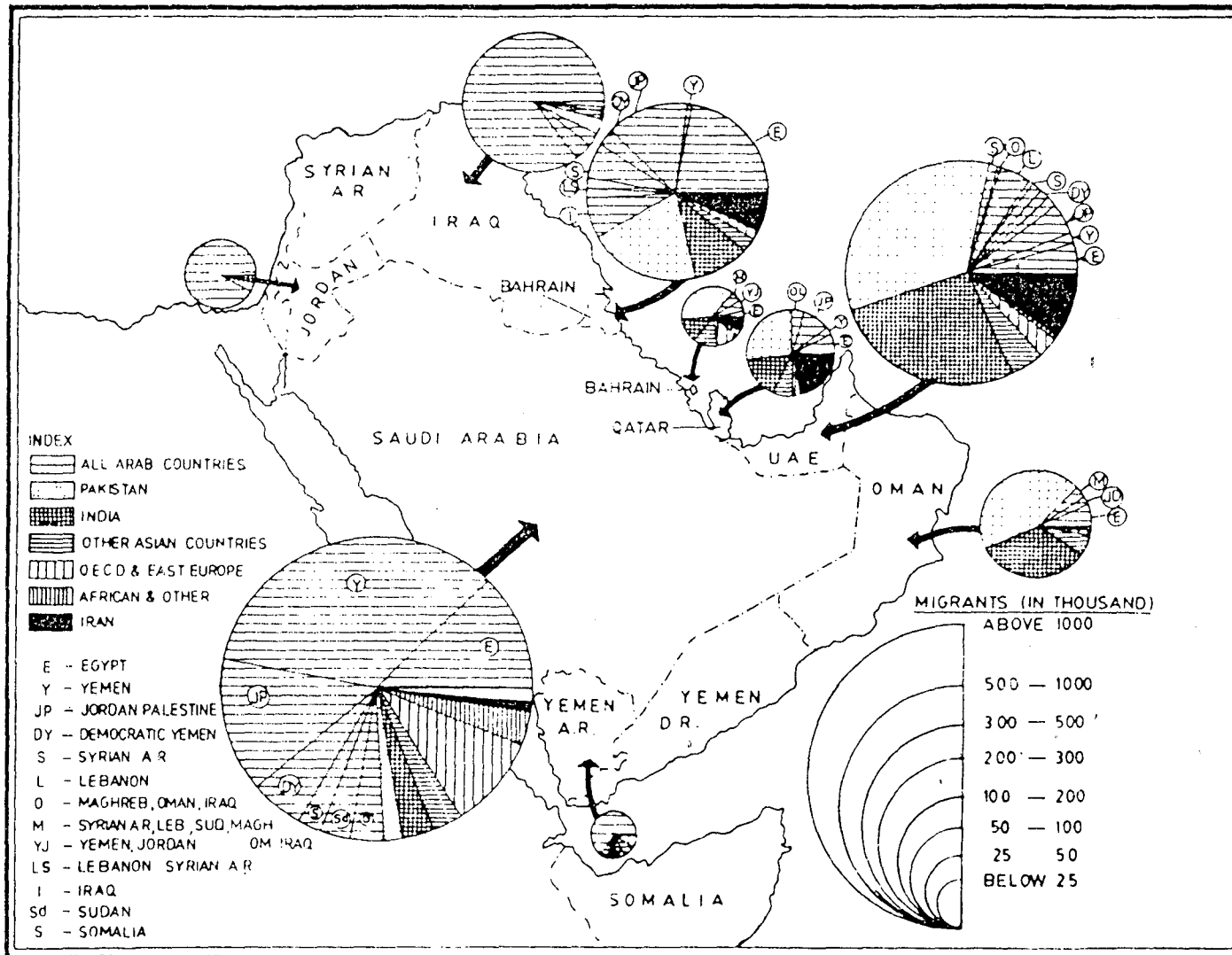
Table-1 -Indian Workers in Arab Region, 1981

Countries	Number of Indian workers(approximate)
1. Saudi Arabia	80,000
2. Kuwait	80,000
3. UAE	250,000
4. Oman	65,000
5. Libya	40,000
6. Bahrain	25,000
7. Iraq	25,000
8. Qatar	25,000
9. Yemen Arab Republic	5,000
10. Jordan	3,000
11. Yemen	1,000
Total	599,500

Source: Statement before Parlement, 1982.

13. Birks, J.S., and Sinclair, C.A, op.cit.P.31.

MIGRANT WORKERS IN THE GULF COUNTRIES (1980)



Another estimate of the number of Indian workers in the Gulf come from Mr. A.A. Rahim, external affairs Minister of India, who visited the region in May 1983, to study and find solutions to the problems faced by Indian labor. According to him, there were nearly one million Indian workers in the Gulf countries. The accompanying figure shows the distribution of Indians in major Gulf countries.

A large proportion, i.e., more than 50 per cent of the Indian migrants came from the small state of Kerala, which accounts for less than 4 per cent of the total population of India. Estimates shows that there are five lakh Keralites working in the Gulf region.¹⁴

The main source of data on the dimensions and composition of the labor outflows is the organisation of the "Protector General of Emigrants", in the Ministry of labor, which provides emigration clearance for workers who intend to take up employment abroad. The statistics on emigration clearance may, however, underestimate the number of migrants for three reasons.¹⁵ --

14. Indian Express, 10th April, 1983.

15. Nayyar, Deepak., op.cit., P. 97.

- First, professionals or persons with post-graduate educational qualifications are exempted from the statute on emigration clearance.

- Second, persons who have obtained emigration clearance and work abroad for a period of two years, do not require emigration clearance if they return overseas for employment a second-time-around.

- Third, there are illegal migrants as also persons who leave on a visitor visa and succeed in staying on, who are obviously not included in such enumeration.

The following table (2) contains the trends in the annual outflows of labor from India, since 1976, as measured by the statistics on emigration clearance.

Table-2 -Annual Labor Outflows from India
To the Gulf Region: 1976-86.

Year	Number
1976	4200
1977	22900
1978	69000
1979	171000
1980	236200
1981	276000
1982	239554
1983	224995
1984	205922
1985	163035
1986	113649

Source: Ministry of Labor, Government of India.

The table shows that out-migration which was a mere 4000 in 1976, increased at a phenomenal rate through the late 1970s and reached a peak level of more than 275,000 in 1981, after which it declined slowly until 1984 and sharply thereafter.

It is worth noting that Soudi Arabia, Oman, and the UAE, in that order of significance, were the principal destinations of Indian Migrants. Taken together, these three countries absorbed more than $\frac{3}{4}$ of labor outflows from India during the mid-1980s as compared with less than three-fifths ($\frac{3}{5}$) in 1982, thus sustaining out migration at levels which may not otherwise have been possible in the face of an economic contraction in the Middle East. The demand for imported labor in these economies did not slacken as much in-so far as the emphasis on development of the infrastructure and investment in the industrial sector continued for some-time in spite of the drop in oil prices.¹⁶

Emigration to Gulf countries from India is occurring mainly from seven states -Kerala, Andhra Pradesh, Punjab, Gujrat, Goa, Maharashtra and Tamil Nadu. Out of these seven states, Kerala is supposed to account for not less than 50% of the migrants. Tamil Nadu is the latest entrant into the exodus. No surveys are known to have been conducted about the volume of annual flow of migrants for any state in

16. Nayyar, Deepak, op.cit., F. 98.

India other than Kerala. According to a survey conducted in Kerala from January to March 1980, there were 207,800 persons employed abroad, of whom 186,500 (90%) were in Middle Eastern countries.¹⁷ This figure includes only the workers, not their non-working spouses, relatives, or children who live with them abroad. There are reasons to believe that this figure is low.

The vast majority of Indian migrants to the Gulf countries are rural people. The townspeople among these migrants are the engineers, doctors, contractors, and other professional workers, whose proportions among the migrants is likely to be extremely small, about 10% at the most. The available evidence on the skill composition of migrants is set out in the following table (6).

17. Nair, P.R. Gopinathan, "India" in Gunatilleke Godfrey (ed.) Migration of Asian Workers to the Arab World, UNU, 1987, P. 70.

Table - 3 - The skill Composition of Labor
outflow from India : 1984-86

Skill Category	1984		1985		1986	
	No.	percen- tage	No.	Percen- tage	No.	Percen- tage
1. Unskilled workers of which : Construction & farm labor & household workers	<u>88575</u>	<u>43.0</u>	<u>55710</u>	<u>34.2</u>	<u>45577</u>	<u>40.1</u>
	85797	41.7	51330	31.5	39314	34.6
	2778	1.3	4380	2.7	6263	5.5
2. Skilled workers of which: Construction & other activities & services.	<u>86014</u>	<u>41.8</u>	<u>86037</u>	<u>52.8</u>	<u>53432</u>	<u>47.0</u>
	45882	22.3	46318	28.4	24485	21.5
	40132	19.5	39719	24.4	28947	25.5
3. White-collar workers	<u>7477</u>	<u>3.6</u>	<u>5753</u>	<u>3.5</u>	<u>7351</u>	<u>6.5</u>
4. High-skill workers of which: Para-medical staff, Technical & Supervisory Personnel.	<u>6495</u>	<u>3.2</u>	<u>7378</u>	<u>4.5</u>	<u>5958</u>	<u>5.2</u>
	2630	1.3	1205	0.7	1175	1.0
	3865	1.9	6173	3.8	4783	4.2
5. Others	<u>17361</u>	<u>8.4</u>	<u>8157</u>	<u>5.0</u>	<u>1331</u>	<u>1.2</u>
Total	205,922	100.0	163,035	100.0	113,649	100.0

Source : Ministry of labor, government of India,
New Delhi.

A cautious analysis of the above data shows that in the mid-1980s unskilled workers constituted about 40% of the total labor outflows from India, skilled workers accounted for somewhat less than 50%, while white-collar workers and high-skill workers made up a little less than 5% each. The outflow of workers engaged in construction activities, skilled & unskilled taken together, declined not only in absolute terms but also as a proportion of total out migration. The outflow of skilled workers engaged in non-construction activities also declined in absolute terms but increased in relative terms because of the greater contraction in total outflows. In contrast to these above two categories, the absolute levels of labor outflows were sustained for white-collar worker as also high-skill workers, and registered an increase among unskilled workers in non-construction activities, so that the share of each of these categories in total out-migration rose.

One of the most striking features of the Indian migrants to Gulf countries is that an overwhelmingly large proportion of the out-migration, whether in

construction or in other activities, was made up of workers employed in the services sector, so much that the proportion employed in the manufacturing sector was small while that in the agricultural sector was negligible. Given that such emigration from India to the middle East is temporary, it would seem to provide an example of international trade in services where the producer of a service moves to the consumer of a service in order to execute the transaction.

The major need for the demand of migrant labor by the Gulf countries is the decision of the respective governments to create a welfare state; and planning to oppose the redistribution of potential power instead of supporting policies to bring about modest redistribution of wealth. Many of the Gulf countries (e.g. UAE) are financially sound and is able to provide a wide range of social services and securities to its people. They therefore, not only need a labor force to construct schools, hospitals, and houses, but they also need teachers, doctors, nurses, technical personnel accountants and managers

to maintain these facilities and serving institutions.

Another reason for importing labor is that the UAE government is attempting to diversify its economy and wants to reduce its dependency on oil export by investing in industry. Therefore, the governments of the various Gulf countries are properly investing its oil earnings on banking, aluminium plants, cements, fertilisers, flour processing, dry docks, oil refineries, hotels, air ports, roads and communications.¹⁸ Since these countries lack the skills necessary for establishing these industries, they depend on imported skills and labourers.

A third reason for importing labor is the fact that the national population is small and the labor force participation is also very low. For example, the total population of the UAE in 1975 was 296,500 out of which only 45,000, i.e. 15.2 per cent, were the labor force of UAE. Moreover, the labor force is not available for the modern sector in Dubai and Abu Dhabi because of the low literacy rate & very low technical knowledge and know-how of its population.

18. Weiner Myron, op. cit. 1982.

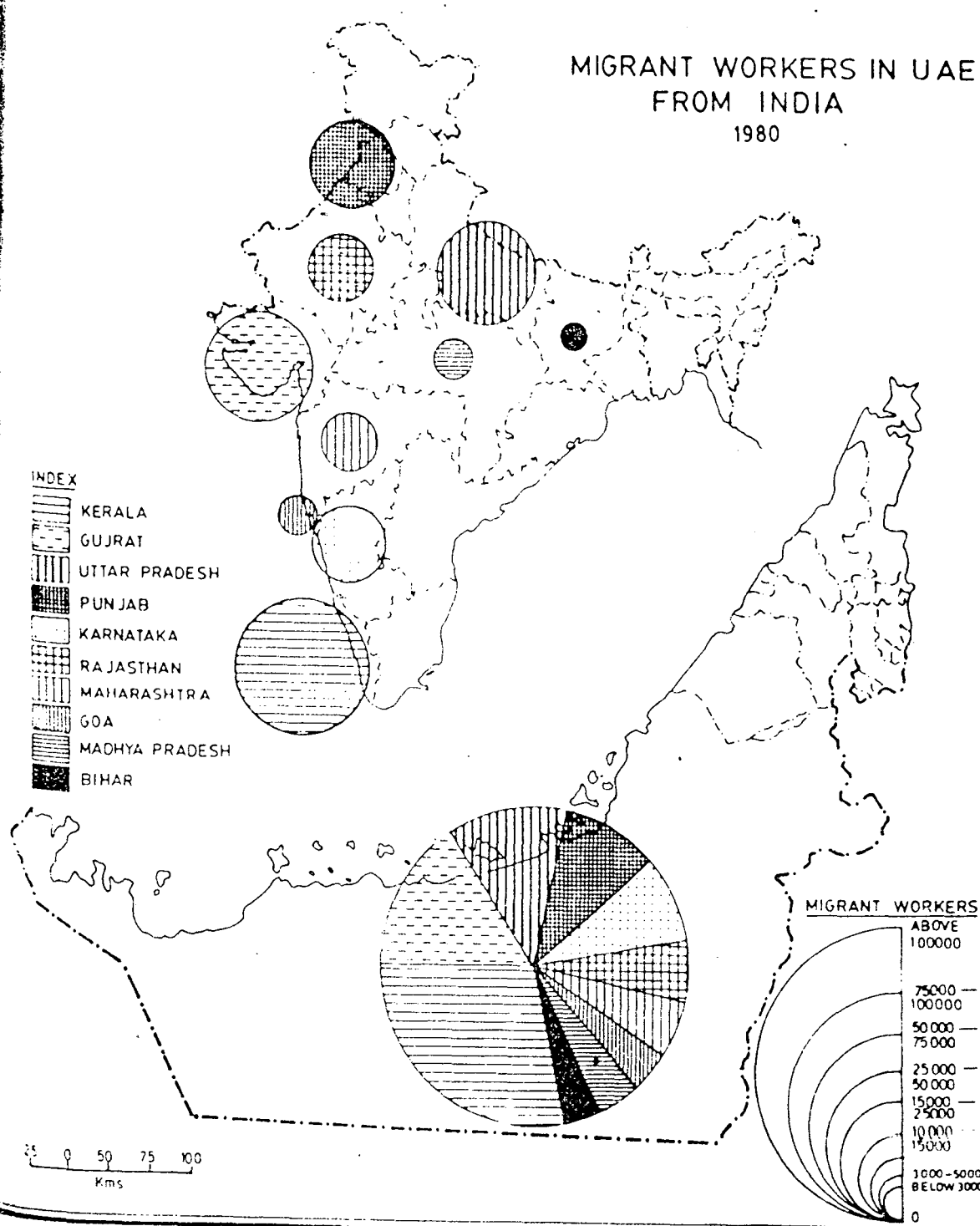
The fourth and most important reason is that women do not work in a limited number of professions like teaching and nursing.¹⁹ In view of the very limited indigenous workforce, it is perhaps surprising that the capital rich UAE and other Gulf countries have embarked upon the course of domestic economic development with rapid industrialisation. But at the same time, the dependency of these states on the outside world has mounted to critical proportions in the areas of food, consumer goods and above all the labor force. In fact, the shortage of manpower has become an important issue and this has increasingly been seen as a major constraint on the future economic growth and change.

In the beginning of the '70s the Gulf countries received a large number of people of the mixed Arab and non-Arab countries. Recent developments have brought a very large number of foreign workers. Among others, there has also been a large influx of workers from India and Pakistan. India is the leading labor exporter to the Gulf countries and to the Emirates in particular.²⁰

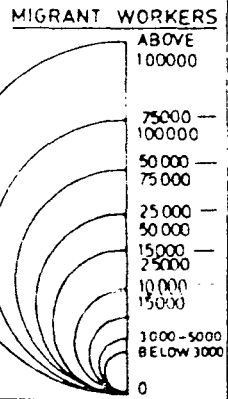
19. Mertz. R.A. 1972, Education and Manpower in the Arabian Gulf.

20. Monitoring Report, Vol.II. 1979.

MIGRANT WORKERS IN UAE FROM INDIA 1980



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 - GUJRAT
 - UTTAR PRADESH
 - PUN JAB
 - KARNATAKA
 - RA JASTHAN
 - MAHARASHTRA
 - GOA
 - MADHYA PRADESH
 - BIHAR



0 50 75 100
Kms

According to the available data, the highest number of migrants could be seen from Kerala(28%), followed by Gujrat(16%), Uttar Pradesh(14%), Pujjab(11%), Karnataka(9%), Rajasthan(8%), Maharashtra(6%), Goa & Madhya Pradesh(3% each), & only 2% from Bihar. The figure shows it.

Out of these seven states Kerala is the state exporting not less than 50% of the total number of emigrants, though its population accounts for only for 4% of the total population of India. Further the migrants are not from a homogeneous socio-economic background is also proved by many studies. Therefore, it will be interesting to study Kerala state and its migration process and related studies. In the next chapter we will deal with it extensively.

SUMMARY :

The large scale migration, during the post-independence period, to oil-rich Gulf countries is different from all the earlier types of labor migration in many senses. Unlike the earlier migrations, the emigration to Gulf countries is almost always temporary. The migrants are mainly contracted for 2-3 years.

The migrants included many levels of skilled, semi-skilled and unskilled laborers, and not only skilled professional ones. The two oil price hikes and the "construction-boom" resulted in the demand for a variety of workers. As human skills are scarce in relation to total population, 50% of workers in Gulf countries are foreigners. After Arab states, India is the second largest supplier of workers to Gulf countries and along with Pakistan it contributes nearly 18% of total immigration. The migrants to Gulf are different from earlier types, because of the wide participation of different socio-economic groups. The most important feature of Gulf migration is the remittances of the emigrants for their families back home at India. Since the migrants are not allowed to take their families with them they send regular money for their maintenance. This created a special type of interdependence between the countries importing labor and those supplying it. It helps India (and many other countries) in managing its balance of payments (BOP) and it also relieves them of the problem of unemployment.

Emigration to Gulf countries from India is occurring mainly from seven states - Kerala, Andhra Pradesh, Punjab, Gujrat, Goa, Maharashtra and Tamil Nadu. Out of these seven states, Kerala is supplying not less than 50% of the Indian migrants to Gulf.

CHAPTER - III

EMIGRATION FROM INDIA - THE KERALA SCENE

In the 1930s Mac West would not have dreamt that the title of her hit film "Go, West, young man" would become an oft-repeated phrase in a far off land of India, about 40 years latter. However, it is not that the Indians are showing a renewed craze for that American film, but they are only expressing the life's ambition in an entirely different context. For today, West Asia to them stands for hitting at a fortune and accumulating quick money.¹

But the interesting thing is that, the number of people going from the state of Kerala to the Gulf countries is higher than that from any other part of the country. Natives of Kerala talk about their home as a land transformed. In less than a decade, new taxes, posh houses, and electronic gadgetry have become part of the landscape in Kerala towns that had scarcely ever seen such things.

1. Financial Express, Bombay, 13th Sept.'78.
"Gulf remittances and Kerala", K.Nandakumar.

In the present chapter we will try to bring together the bits and fragments of information scattered about in research summaries, government publications, and press reports that have a bearing on the migration of Indian workers to the Gulf countries. Information on this phenomenon is scanty in India since no detailed and in-depth studies have been conducted by any of the country's institutions or agencies, national or state governments, international institutional agencies, or research institutions. Unfortunately, therefore, this study can hope only to present the broad contours of the problem & highlight the need for an in-depth study. Such a study appears to be most essential particularly because the peak phase of migration has already come to an end. The attendant problems of rehabilitation and re-employment of repatriates are expected to present formidable challenges to India in general and the states that account for considerable proportions of the migrants (e.g. Kerala) in particular.²

2. Nair, F.R. Gopinathan, in Gunatilleke, G.(ed.), Migration of Asian Workers to the Arab World, UNU, 1989.

We will take Kerala as a sample of India; because emigration from India to the Gulf countries takes place mainly from seven states -Kerala, Andhra Pradesh, Punjab, Gujrat, Goa, Maharashtra, and Tamil Nadu. Of these seven states, Kerala is supposed to account for not less than 50 per cent of the migrants. Secondly, no surveys are known to have been conducted, about the volume of annual flow of migrants for any state in India other than Kerala.

The vast majority of the emigrants are rural people. The townsfolk among them are the doctors, engineers, contractors and other professional workers, whose proportion among the migrants is likely to be extremely small, about 10 per cent at the most. In the following paragraphs the emigrational scenery of Kerala will be discussed in all the available dimensions, and we will follow P.R. Gopinathan Nair's studies in doing so. There is no other concrete and systematic study of any of the labor-exporting Indian states. As P.R. Gopinathan Nair himself says:

INDENTE "No extensive surveys have been conducted in the labor-supplying Indian states; therefore, the

distributional patterns of the emigrants by age, education, occupation, etc., discussed below are based on the findings of a few sample surveys conducted by private agencies and individual researchers in Kerala in recent years"³.

Age and Education:-

An impressive number of the emigrants from Kerala to Gulf countries are young at the time of their first emigration(see table 1). Emigrants in age groups below 35 years dominated in all the case studies accounting for 78 to 87 per cent of the total migrants.

As compared to their counterparts going to various Western countries and Africa, the emigrants to the Gulf countries have very less educational qualification. The striking feature of the emigration to Gulf countries is that even illiterate people formed part of the emigrants. Sometimes, as per the surveys conducted in Kerala, they form nearly 10 per cent of the total emigrants to the Gulf countries. The table-2 shows the distribution of Kerala emigrants to Gulf countries according to their educational qualifications.

3. Nair, P.R. Gopinathan, Ibid, P.71.

Table - 2 - Education of Migrants from selected regions of Kerala to the Gulf countries (percentages)

	Literate				Total Literates
	Illiterate	Non-matriculate	Matriculate	Post-graduate, Engineers, doctors etc.	
Elakonam	-	51.5	34.5	5.0	100.0
Koipram	-	9.5	55.4	35.1	100.0
Chavakkad	6.6	77.9	11.8	3.7	93.4
Kadakkavur	-	44.5	42.1	13.4	100.0
Perumathura	4.6	43.2	41.4	10.8	95.4
Puthukurichi	-	35.7	55.5	8.9	100.0
Chengannur, Chirayinkil Chavakkad and Timur	10.5	39.7	34.0	15.8	89.5

Occupational Status :-

Most of the emigrants to Gulf countries from Kerala during the 1970s came from among the unemployed, though the proportion of the unemployed varies from one region to another. In the relatively poor areas in which the income and educational status of the population was low, the proportion of the unemployed among the emigrants was

as high as 3/5 or more. In other regions they formed slightly more than 1/3.

Unskilled and skilled workers accounted for between one-eighth and half of the total; again depending on the income-educational status of the migration regions. We should observe that professionally qualified and highly educated Indian migrants to the Gulf region were rare and came primarily from a specific area that has sent similar migrants to countries in the West and to Africa. Otherwise, the migrants were workers unskilled and semi-skilled. Emigrants destined for white-collar jobs such as clerks, typists, teachers, nurses, and telephone operators comprised on average of 5-6 per cent, even though the percentage of white-collar workers was also high in areas with high educational and income levels (see table - 3).

Table - 3 Distribution of Migrants from Selected
Regions of Kerala by occupational status
before emigration (percentage)

	<u>Ela-</u> <u>kamon</u>	<u>Koi-</u> <u>pram</u>	<u>Chava-</u> <u>kkad</u>	<u>Kadkka-</u> <u>yur</u>	<u>Chengannur</u> <u>Chirayinkil</u> <u>Chevakkad</u> <u>Tirur</u>
Unemployed, incl. students	37.1	33.8	36.0	69.4	62.6 11.3
Unskilled workers	16.1	5.4	35.3	8.8	
Skilled & semi-skilled workers	12.9	6.8	12.5	10.2	11.6
Technical & Professional	8.1	29.7	-	-	1.0
Petty traders, businessmen & cultivators.	19.4	2.8	5.9	2.7	6.9
Clerks, typists nurses, teachers etc.	6.5	21.6	-	2.0	6.6
Not known	-	-	10.3	6.8	-
TOTAL	100.0	100.0	100.0	100.0	100.0

Marital Status:-

A significant proportion of emigrants to the various countries are unmarried at the time of migration. This is very natural in the face of the above-mentioned fact that the migration to these countries is almost entirely a youth phenomenon. Migrants younger than 25 were, for the most part, unmarried. Thus, in the areas with high proportions of unskilled and semi-skilled young workers, who had low educational qualifications, the proportion of unmarried persons among the migrants was correspondingly higher. On the average, it was found that nearly one-third of the migrants were unmarried at the time of their first migration; according to the study conducted by Gopinathan Nair.

FAMILY INCOME:-

The household income position of the migrants can be very easily located through the above-mentioned facts about their educational and occupational levels. Obviously enough, most of the migrants came from rural families, who are poor and are engaged in low-productivity traditional activities such as fishing, agricultural

labor, cottage industry, and service sector jobs, such as helpers in rural tea-shops and salesman in grocery stores. Very few of them come from well-to-do families of plantation owners, or professionals such as engineers, doctors, and college teachers, and mid-level industrialists and businessmen. Some of the village studies conducted in Kerala throw light -- albeit only indirectly on the income levels of the migrant families. One such study on the income of the migrants' family is given in the following paragraphs; as quoted in Prof. Gopinathan Nair's book.

According to the study conducted by Mathew and Nair, more than 4/5s of the migrants' fathers earned their livings from unskilled manual labor; 33.5 per cent were engaged in petty commodity production; 37.4 per cent in trading; 4.5 per cent in semi-skilled work such as masons, carpenters, and blacksmiths; 4.5 per cent in small-scale cultivation; and 4.5 per cent in low-income occupations such as priests, barbers, and soldiers. Only 15.5 per cent had worked in supervisory and managerial jobs; and 5.8 per cent held professional and technical positions. The percentage of migrants from households

Another indication that this study gives about the economic status of the families at the time of migration is their indebtedness. About 60 per cent of the migrants' families were heavily in debt, even though it may be noted that part of the debt was incurred specifically to meet the cost of migration itself.

Demand and Supply of labor - India

According to Prof. Gopinathan Nair, from the National point of view, the emigration of two or three million persons does not perceptibly affect the labor situation in India since unemployment is severe and the population growth rate is high. The goal of full employment has remained elusive, and much below the desired line.

During the decade 1971-81, India's population grew by 24.8 per cent. The work-participation rate has remained at around 33 per cent of the total population during the past two decades, with a male work-participation rate of about 52 per cent and a female work-participation rate of about 12-14 per cent.

Even a small state like Kerala, which accounts for more than 50 per cent of the total migration to the Gulf countries and whose population accounts for

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Table - 5 : Work-participation Rates in Selected Regions(Taluks) of Kerala which have had Heavy Migration to the Gulf countries, (percentages)

	1 9 7 1			1 9 8 1		
	Total	Males	Females	Total	Males	Females
Trivandrum	28.1	44.2	11.8	26.8	41.6	12.2
Chirayinkil	30.4	43.4	18.1	25.8	37.8	15.1
Quilon	29.6	42.5	17.0	22.1	34.8	9.7
Pathanam-thittle	25.8	45.2	6.4	26.0	44.8	8.0
Chengannur	26.9	43.8	10.7	23.9	38.9	10.1
Tiruvalla	25.7	43.1	9.0	24.5	40.4	9.7
Mukundapmam	28.1	42.1	14.8	26.0	38.6	14.2
Trichur	27.9	41.6	14.9	27.7	40.7	15.5
Chavakkad	25.7	39.3	14.1	22.4	33.6	12.9
Talappally	32.2	44.8	20.8	29.8	41.2	19.6
Ponnani	29.2	45.1	14.4	21.4	21.4	14.5
Tirur	24.9	43.5	7.3	19.3	34.3	5.3
Badagara	25.2	41.8	9.2	21.4	34.6	8.8
Cannanore	28.6	45.3	12.3	25.7	42.0	10.0
KERALA STATE	29.1	45.0	13.5	26.5	40.8	12.8

Source: Census of India, 1981, Ser. 10, Paper 2 (Trivandrum, Kerala : Director of Census Operations, 1981).

Unemployment is a net spread over all the states in India and therefore, is not a problem occurred only in Kerala. We cannot even say that unemployment is confined to the rural and uneducated or less educated populations. The problem of unemployment among the urban educated is as acute as among the less educated, rural people.

According to a government study in 1980 on the job opportunities for highly qualified manpower in India, the number of vacancies arising annually are much lower than the annual output of such manpower from the educational system.⁴ Vacancies were calculated for all sectors - local, state, and national government, quasi-government, local bodies, and private agencies.

In 1976 there were 765,588 graduates, whereas the vacancies for highly qualified manpower were estimated at 60,705. The corresponding figures for 1977 were 826,588 and 62,071, respectively. On the average Indian Universities are graduating 11 times more persons than there jobs available.(see table-6).

4. Bulletin of Job Opportunities in India, 1978, Vol.15, No. 5, Ministry of Labour.

Table - 6 ; Job availability for University
Graduates in India, 1977-78.

	Available Jobs, 1978	University Graduates 1977	Available Jobs as % of graduates
1. Engineers: Degree & diploma holders	21.932	43.158	50.8
2. Technicians	840	2.907	28.9
3. Scientists	2.742	9.258	29.6
4. Medical personnel	6.736	21.347	31.6
5. Natural scientists	5.768	14.716	39.2
6. Social scientists & teachers	16.827	208.240	8.1
7. Other graduates & diploma holders	12.881	527.134	2.4
TOTAL	67.726	826.760	8.2

"In such a situation", says Prof. Gopinathan Nair, "where annual supply exceeds several times the annual absorption capacity, an outflow abroad in considerable numbers does not lead to domestic shortages. In fact,

without job opportunities commensurate with their qualifications, highly qualified job seekers will be constrained to take jobs that requires lower qualifications"(p. 78).

Therefore, the emigration of labor and highly qualified personnel has not created general shortages of manpowers, either for national economy, or for the particular labor-supplying states. The impact, however, has been felt in special sectors, particularly the construction industries. But even here, given the large unemployed workforce, it should not be difficult to make good the shortages after brief time-lags.

The flow of highly qualified personnel cannot in the ordinary sense of the term be called a "brain-drain". The phenomenon is more a case of "brain-overflow". This does not, however, mean that the Indian economy is not in acute need of their services; it means only that the market demand for their services has not developed adequately. The heavy costs India has incurred by producing such high-level manpower must be considered in determining the losses sustained by the national economy in allowing them to emigrate (P.78).

It is always likely that shortages of personnel with specific skills may arise from time to time. Even within the domestic economy persistent shortages of manpower in certain categories have occurred. For example, Kerala is reported to have experienced shortage in the following occupations, according to Pro. Gopinathan Nair : refrigeration mechanics, machine operators (Larben engineering), mines foremen, telex operators, punch-card operators, radiographers, pharmacists, electricians, nurses, and midwives. Most of these shortages are, it should be noted, for those with significant work-experience.

CASE STUDIES ON KERALA:

In the case-study of two villages of Kerala, conducted by E.T. Mathew and P.R. Gopinathan Nair,⁵ they found that there were emigrants from about 50 per cent of the households in "perumathua" and 40 per cent of the households in "puthukurichi". The total number of "emigrant" households in Perumathua belonging to the Muslims nearly 320; and those in Puthukurichi belonging to the Christians, about 125. Their sample of 125 households, 91 households in Perumathura and 34 households in Puthukurichi, forms, therefore, about 28 per cent of the total number of emigrant households in those two localities.

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5. Economic and Political Weekly, 15 July, 1978, "Socio-economic Characteristics of emigrants & emigrants' households : A case study of two villages in Kerala"-- E.T. Mathew & P.R. Gopinathan.

Table - 7 gives information on the size of the population by communities, number of households, and the general housing conditions in the study area, is given in table - 8.

Table - 7 : Communities, Households & Population in Perumathua & Puthukurichi.

Locality	Number of households				Total Population
	Muslims	Latin Catholic Christians	Hindus	Total	
Perumathura	645	3	1	644	4200
Puthukurichi	172	315	165	652	4200
Total	817	318	166	130	8400

Table - 8 : Housing Conditions in Perumathura and Puthukurichi.

Locality	Housing Conditions					Total
	Huts	With thatched roofing	With tiled roofing	With terraced roofing	With tiled roofing	
Perumathura	235	309	85	8	12	649
Puthukurichi	143	389	99	8	13	652
Total	378	698	184	16	25	1301

Source : Records available with the Chirayinkil and Kadinamkulam panchyat office, and the low mosques in Perumathura. (Taken from E.T. Mathew and P.R. Gopinathan Nair, P. 1142).

It is revealed from the study of E.T. Mathew and P.R. Gopinathan Nair that the "Persian Money" is the first incentive for the natives of Perumathura to attempt to go in larger numbers to the persian region. The flow of emigrants began first in trickles, but "the call of the Gulf" termed increasing numbers of docile inhabitants of Perumathura into diehards, braving any hazard for going abroad. Large numbers went to Kozhikode and Bombay which became the launching pads for emigration unauthorisedly in Arab boats. Perumathura has scores of heart-rending tales of woe to tell, unsuccessful attempts to emigrate, loss of life, imprisonment, and consequent impoverishment.

Thus, the trickle of emigration of the 1950s grew into a small flow in the late 1960s and since the beginning of the "oil-hike" in the early 1970s and the subsequent upswing of construction activities in the Sheikhdoms, emigration from Perumathura has acquired in the 1970s the dimensions of a torrent.

The government or other public sector agencies are not fully informed about the case of foreign demand for skilled personnel. There does not exist in India or abroad any governmental agency to monitor the demand for manpower by labor-importing countries. In this respect, as well as in others relating to migration, the government of India and the state governments have been following a laissez-faire policy. The Ministry of Labor has lately decided to set up a panel to train workers who are going for jobs.⁶

According to Gopinathan Nair, the costs involved in training in the manpower categories that are in short supply are not likely to be high since there already exists a vast reservoir of unemployed educated Indians with qualifications of the level of matriculation and above, and who hold science and degrees and certificates and diplomas of different intermediate level of technology. The government of India has initiated an industrial training program throughout the country designed to cater to the need for trained and skilled industrial workers.

6. Indian Express, 14 June, 1983.

Training is imparted in engineering and non-engineering trades. This scheme does not envisage the supply of skilled manpower to countries abroad. However, many of those who are trained in the industrial training institutes do find employment in the Gulf countries.

The impact of migration is to be expected in the wage structure of workers in short supply. In general shortages do not exist in most of the educated categories and among skilled and unskilled workers. However, owing to the increasing migration of construction workers - particularly skilled masons and carpenters - and the rise in the domestic demand for them consequent on the housing boom in Kerala during the past several years, there exists in Kerala a dearth of these workers. The rate of entry of skilled masons and carpenters into the labor work force has lagged far behind the rate of increase in the demand of them.

Consequently, the wages for skilled masons and carpenters have increased at a much higher rate than they have for other workers. A part of the rise in wages is, of course, due to rises in the general price levels. However, in the case of skilled workers, inflation does not explain the entire increase.

GOVERNMENTAL PROVISIONS TO TACKLE THE
PROBLEMS OF THE EMIGRANTS :

The Indian Government has passed emigration acts that lay down the procedures for emigration. As per the emigration Act of 1952, emigration of unskilled workers was prohibited. Skilled workers were permitted to emigrate after clearance by the protectors of emigrants at the ports of embarkation on compliance with the formalities prescribed in the act. These included the signing of employment agreements in standard terms prescribed by the government forms.

These standard forms were revised from time to time in the light of the experience gained in the disposal of complaints dealt with by the emigration authorities.⁷ Till 1964 all skilled emigrants had to travel abroad by sea. In February 1964 the airports at Bombay, Calcutta, Delhi and Madras were declared airports from which skilled migrant labor could lawfully depart.⁸

Only five regional passport offices at Bombay, Delhi, Madras, Calcutta and Lucknow were in existence

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7. Report of the Ministry of External Affairs, Govt. of India, 1955-56 (Delhi, 1956), P. 33+36.
 8. Report of the Ministry of External Affairs, Govt. of India, 1964-65 (Delhi, 1965) P. 95.

till 1974-75. For the thousands of prospective emigrants, most of whom lived in remote rural areas, it was next to impossible to obtain either passports from the passport offices or clearance from the protectorates of emigrants situated in only a few urban centres in the country.

Because of the rising number of applications for passports from Kerala, a new passport office was opened in April 1974 exclusively for handling Kerala's emigration. But, the new office did not help the Keralites much since it was located not in Kerala but in Madras.⁹ In 1978-79 the new office meant for Kerala was shifted to Cochin, within Kerala state. In the same year a second passport office for Kerala was opened in the city of Kozhikode.

In the meantime, the government was adopting measures to ensure fair terms and conditions of employment for Indian workers abroad and to protect workers from exploitation both in India and abroad at the hands of unauthorised agents. Individual migrants who obtained jobs through their own efforts were allowed to emigrate on the completion of registration formalities without paying the required security deposit. Two more embarkation points with airports, at Trivandrum (in Kerala) and

9. Report of the Ministry of External Affairs, Govt. of India, 1974-75 (Delhi, 1975), P. 115.

and Amritsar(in Punjab), were declared lawful emigration points in order to help emigrants from Kerala and Punjab.

The Indian government heard reports of clandestine agencies that used fake passports and visa seals of foreign governments.¹⁰ By 1977 there were many illegal Indian immigrants in many Gulf countries. The punishments meted out by the host-country governments came to the attention of the Indian government. One such instance took place in Oman, where the Oman government arrested 2,500 Indian workers and marched them through the streets because they had asked for their wages and benefits as agreed upon before their recruitment.

For entry into the countries in the Gulf region, a "No Objection Certificate"(NOC) from the host country is necessary. The ramifications of the process of securing NOCs are many and varied, in which a thriving contraband business now exists. At current market rates, an NOC might cost upto Rs.15.000. The market value of the NOCs varies, of course, with the agency through which it is secured.

For the sample as a whole, of E.T. Mathew and P.R. Gopinathan Nair, the percentage distribution of

10. Report of the Ministry of External Affairs, Govt. of India, 1979-80 (Delhi, 1980), P. 65.

the emigrants according to agency is furnished in Table - 9.¹¹

Table - 9 : Percentage Distribution of Emigrants according to Agency Through which NOC was secured.

Agency	Perumathura	Puthukurichi	Combined
Close relatives (father, brother, uncles, brother- in-laws)	34.6	42.2	36.6
Other relatives	27.6	22.2	21.7
Friends	7.7	24.4	12.0
Private Professional agents	20.0	4.4	16.0
Host govt., prospective employees, etc.	6.9	4.4	6.3
Illegal Emigration (i.e. without NOC)	5.4	--	4.0
Agency not Reported	3.8	2.2	3.4
Total	100.0	100.0	100.0

More than two-thirds of the emigrants secured their NOCs through friends and relatives, one-sixth through private "professional" agents, and nearly

11. Economic & Political Weekly, 15 July, 1978, E.T. Mathew and P.R. Gopinathan Nair, P. 1147-48.

one-sixteenth through the prospective employers (including governments) in the host countries. While "close relatives" secure and send the NOCs to the prospective emigrants either free of charge or at actual cost involved, other relatives and friends usually take some margin of profit out of the transaction. The cost of obtaining NOCs through the so-called "professional" agencies is prohibitively high.

The second problem of emigrants is that of financing. The sources of financing, according to E.T. Mathew and P.R. Gopinathan Nair, are numerous. The major sources comprise : (1) Savings of the emigrant household, including the own savings of the emigrant (2) loans (3) sale or mortgage of landed property and jewelry. Loans may be classified into loans (with or without interest) from friends and relatives and loans from money-lenders and commercial banks (which invariably bear a rate of interest).

Impact Analysis :

We would expect the inflow of remittances to have increased the bank deposits in the Indian states that have supplied the most migrant labor for the Gulf states, specially Kerala, accounting for more than 50 per cent of total emigration to the Gulf region. Bank deposits

Present some difficulties as an indication of foreign remittances. First, since the nationalisation of the major banks in India in 1969 the Reserve Bank of India has been engaged in an intensive deposit mobilisation drive by opening branch offices of banks in both rural and urban areas. Second, bank deposits increase --even without additional deposit mobilisation drive --where and when economic activities rise. Third, not all foreign remittances are channelled through the banks. It is well known that sizeable amounts of migrant savings flow through non-banking and illegal channels. ✓

Various studies revealed that Kerala is unique among the states in that its rank in per-capita bank deposits has risen from ninth(1971-76 to fifth in 1981. Besides, the per capita bank deposits in Kerala which stood below the all-India average until 1976, have exceeded it since then.¹²

Another state that has improved its position is Andhra Pradesh. Andhra Pradesh is also known to have sent many migrant workers to the Middle East, even though its role is considerably less than that of Kerala in this respect. Andhra Pradesh has other connections with the Arab world, particularly through what are known as "Arab Marriages" --instant marriages performed

12. Nair, P.R. Gopinathan, Ibid, P. 94.

between Arabs who visit the country and Andhra girls mostly in their early teens --conducted with the help of the poor and money crazy parents of the girls.¹³

The improvement in Kerala's ranking may be attributed almost entirely to the flow of inward remittances, particularly because its domestic per-capita income has been rising much less rapidly than the Indian average and its rank among the states in terms of per-capita income has been declining. It shows that Kerala is one of the states in India whose economy has substantially benefitted from remittances. In fact, a substantial part of its per-capita national(as against domestic) income --say, about 15 per cent --is considered to arise from remittances received from abroad.¹⁴

The bank deposits reflect the fact that the remittances is increased in last few years. As stated before, bank deposits will be affected by several other factors, such as the availability of banking facilities, the population's banking habits, the sectoral distribution of income, and the level and the growth rates of income. In general, districts with higher per-capita incomes and a large urban population are likely to have

13. Syed Majeedul Hasan, "The new Arab slave Trade", "Sunday", 30 November, 1980, pp. 16 and 17.

14. Nair, P.R. Gopinathan, Ibid, P. 95.

well-developed banking facilities. In such areas, the growth of incomes and the growth of bank deposits may take place at comparable rates.

Use of remittances :

According to P.R. Gopinathan Nair's survey of the commercial banks' deposits, the percentage distribution of foreign remittances according to countries of origin was United Arab Emirates, 43.8 per cent; Saudi Arabia, 11.3 per cent; Kuwait, 7.8 per cent; Qatar, 8.1 per cent; Oman, 10.6 per cent; Bahrain 2.9 per cent; total (Gulf countries) : 84.6 per cent. Remittances from other countries amounted to 15.4 per cent, to bring the total to 100.

The migrants transfer their savings home through legal as well as illegal channels, even though the importance of the latter has declined in recent years. In the former are included remittances made through banks either in form of bank drafts or cheques, deposits made in the banks in India in the non-resident external (rupee) accounts and the foreign currency (non-resident) accounts; money brought home by the migrants during their visits home, and goods and jewellery sent or brought in person by the migrants.

Transfer of savings through illegal channels is done mainly by smuggling in gold biscuits and gold jewellery, wrist-watches, video cassette recorders, television sets, and textiles and by sending their savings home in form of "tube-money".

Remittances are received by migrants' family members- the father or older brother in the case of unmarried migrants, and the spouse in the event the migrant is married.

The remittances of migrants forms the major source of income for their household. A survey conducted in 1980/81 in a Centre of migration (Chavakkad 'Taluk' of Trichur District) in Kerala¹⁵ showed that such households spent about 52 per cent of the remittances on current consumption. It was observed in the survey that a steep increase had occurred in expenditures on education and medicine in both absolute and relative terms.

The case-study made by E.T. Mathew and P.R. Gopinathan Nair in two villages of Kerala provided a breakdown of expenditures on items other than current consumption (see Table - 15). According to this study,

15. Agro-Economic Research Centre, "Impact of Foreign remittances on the economy of a Rural Area in Kerala", Agricultural situation in India, 37(October 1982):452.

4.9 per cent of such expenditures were on financing the migration of the close relatives of the migrant already in Gulf countries. The purchase of consumer durables such as vehicle, ornaments, and jewellery, and gadgets like radios, refrigerators, and other electrical appliances together accounted for 6.6 per cent. About 12 per cent was spent on marriage and other ceremonial functions. But the highest proportion(74 per cent) was spent on land and buildings.

Table - 11 : Distribution of Households According to Items of "Capital" expenditure and Total expenditure under each item.

Items of expenditure	Number of Households Reporting Expenditure	Expenditure per cent	Amount (Rs. thousand)
1) Productive:			
(A) Investment in business	3	0.3	12.0
(B) Investment in livestocks	7	0.5	19.3
(C) Financing emigration of close relatives	13	4.9	177.5
Total		5.7	208.8
2) Unproductive:			
(A) Real estate	29	27.2	987.5
(B) Construction of buildings	29	46.9	1705.0
(C) Renovation of repair of buildings	13	2.1	78.0
(D) Purchase of vehicles	3	2.5	90.0
(E) Purchase of ornaments & jewellery	13	2.7	96.5

table contd....

(F)	Purchase of other durable consumer goods	21	1.4	51.7
	Total		82.8	3008.7
3)	Marriages	16	11.5	417.0
	Grand Total		100.0	3634.8
	Average per household			29.8
	Average per reporting households			48.5

The single most important item of expenditure of migrants' households, particularly the poorer among them, is repayment of debts incurred to raise the money required for financing emigration. On the average, according to P.R. Gopinathan Nair, it takes about two years for such households to repay the loans.

According to Weiner,¹⁶ migrants from Kerala have been reluctant so far to invest in public-sector projects for two major reasons; First, public-sector projects in Kerala are notoriously inefficient; very few among them earn profits. And, second, there exists a widespread, erroneous impression that Kerala is not attractive place to invest because of incessant labor troubles.

16. Myron Weiner, "International Migration and Development", Population and Development Review, 8 March, 1982: 13.

It should be noted, however, that migrants, would not hesitate to invest in projects if they had faith in their organisational efficiency and profitability. For example, in 1976 Keltren, a public sector corporation producing electronic goods, was able effortlessly to raise Rs.1.2 million from Keralites in the Gulf countries.¹⁷

There are reasons to believe that in recent years migrants have been investing an increasing share of their savings in business. The main avenues of investment are taxi cars, lorries, trucks and vans, and private buses; constructing and running cinema houses, producing films, and constructing and running hospitals.¹⁸

Table - 12 shows the increase in the number of vehicles for transport of goods (lorries, trucks and vans) buses (stage carriages and contract carriages), taxi cars, and auto-rickshaws from 1975/76 to 1978/79 and 1978/79 to 1981/82. Here again, the proportions of these purchases financed by remittances from migrants and out of other incomes have to be ascertained.

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17. Raju Kueien, "Patterns and effects of emigration from Kerala : A study of two villages", M.Phil. diss. Trivandrum : Centre for Development Studies, 1978.
 18. Richard Thomas, India's Emergence as an industrial power - Middle East contracts (Delhi: Vikas limited, 1982) P. 84.

Table - 12 : Private Sector vehicles in Kerala
1975/76 - 1981/82.

	Goods vehicles	Stage carriages	Taxi cars	Auto rickshaws
1975/76	15.880	4.620	11.580	3.730
1978/79	18.520	5.240	15.200	5.720
1981/82	27.660	7.500	21.570	12.730
increase (%)				
1976/76- 1978/79	26.4	6.2	36.2	19.9
1978/79- 1981/82	91.4	22.6	63.7	70.1

Source: From P.R. Gopinathan Nair, P. 101.

As noted earlier, migrants bring foreign goods on their home visits, paying heavy customs duties. such goods include television sets, radios, and transisters, tape recorders, video recorders, cameras, electronic calculators, and wrist-watches. These items are imported not because domestically produced goods are not available, but because the foreign goods still command more prestige at home.

Migrants in the Gulf countries have contributed generously to public and private philanthropic campaigns for the rehabilitation of victims of natural disasters

such as draughts and floods and for helping the destitute and handicapped. They are also known to have contributed for the renovation of religious institutions and constructions of temples, mosques and churches in their home villages.

It is a general opinion in the country that migrants spend larger amounts on consumption than non-migrants. However, it is not clear that that the migrants' - to consume is higher.¹⁹ Expenditures on several items, such as consumer durables, is incurred during the early years of emigration. The bulk of the goods imported by migrants are consumer durables.

If the migrants bring the same gadgets even after they have already purchased them for their own use, it is for resale in India. The availability of "foreign goods" has led to the development of a ready market and the migrants or their families get a handsome margin on such resales.

Thus, the large influx of "foreign goods" is affecting the consumption pattern of the non-migrant families as well. However, this craze has not infiltrated all economic groups; the lower and upper middle classes in society are the more fashion-conscious, and it is therefore their expenditure that have increased.

19. Nair, P.R. Gopinathan, Ibid, P. 102.

The aptitude and experience of the people and the source of income (i.e., whether it is earned abroad or domestically), determines a household's decision to invest its income or keep it in the form of cash or jewellery, land and buildings, or bank deposits.

One of the difficulties encountered by most migrant families is that they do not have any experience in a business line, except investment in agricultural land. Besides, often in such families, the members left behind are mostly children, women, invalids and the elderly. Migrant households are mostly poor and not well educated and are not aware of the possibilities of investing in shares and securities of private or public corporations. This applies to most non-migrant families as well.

There has been a substantial investment in land and houses. The increasing demand for land has resulted in an increase in the price of land by three times within a period of five years. The widespread house construction also resulted in a steep rise in the price of local house construction workers. There was practically no investment in productive activities. The entire income earned by the person working abroad is either being used

for consumption or invested in land and houses.²⁰

Therefore, a paradoxical situation of increasing remittances and stagnating production exists in Kerala.

SUMMARY :

Kerala is taken for a detailed study, because it is the state from where 50% of the total Indian emigration to the Gulf countries is taking place; while its population is only 4% of total Indian population. Further, whatever studies are existing, are done mainly on Kerala.

Around 80% of emigrants are in the age group of 20-35, and nearly all of them are educated, all-cast upto matriculation. As these emigrants are very young and unemployed (62%) at the time of their migration, they are motivated mostly by the idea of having a fortune by working at Gulf countries. Many of them are unmarried at the time of emigration. They are mostly from the low socio-economic background and unskilled and semi-skilled laborers.

Though in some specific sectors, particularly, the construction industries, the impact of this heavy

20) Prakas, B.A., "Impact of Foreign remittances: A Case Study of Chavakkad village in Kerala, Economic and Political Weekly; 8 July, 1978, P. 1111.

emigration to Gulf countries is felt; generally this has not created shortage of manpower, either for national economy or for the particular labor supplying states, e.g., Kerala. This may be attributed to the large scale unemployment and rapid population growth existing in India.

Various Case Studies on the emigration scenario of Kerala showed the general socio-economic and religious backgrounds of the migrants. They have also analysed the cause-effect relations of excess supply of labor in Kerala and high demand for man-power in the Gulf countries.

The chapter deals, briefly, with the malpractices of clandestine agencies and exploitation of the emigrants and the governmental efforts to remove and lessen them. This will be dealt with more details in a separate chapter.

The impact-analysis of remittances on the economy of Kerala is discussed and its links with the proper use of remittances is established. The reasons for the existing paradox of increasing remittances and stagnating production in Kerala is also discussed and analysed.

CHAPTER - IV

EMIGRATION : ECONOMIC AND SOCIAL IMPLICATIONS

Emigration of labor has always been a welcome feature for a labor surplus country like India. It is so not only because emigration provides an outlet for the vast reservoir of unemployed labor force in the country, but also because its contribution to the country's economic development has been significant.

The sharp increase in inward remittances during the last one decade or so has been extremely helpful in improving the balance of payment position of India. In addition, the flow of remittances into the country has brought in additional resources for investment generating employment within the country.

Emigration of labor from India began with the abolition of slavery in the British Empire in 1834. It arose from the needs of British planters in the tropical sub-tropical colonies for a regular supply of agricultural labor.¹

1. Shah, P., Emigration of Indian Labor : (1834-1900), Delhi, 1970.

Indian laborers, in large numbers were settled in four colonies, namely, Mauritius, British Guyana, Trinidad and Jamaica. The Indian emigrants, during 19th century were employed in plantation industries in several countries such as Malaysia, Thailand, Srilanka and Fiji Islands as well as in some parts of Africa.

These migrant workers secured employment abroad mainly for the development of rubber, sugar and tea plantations. In due course, many of them chose to settle down in the countries to which they had migrated.

In the early period of this century, substantial emigration of labor took place from India. The emigration was mostly of unskilled categories. Most of them were employed to build rail roads, and other projects in former British colonies like Kenya, Tanzania, Uganda, Mauritius, etc. Migrants in most of these countries were from the southern part of India.

CAUSES OF EMIGRATION TO GULF COUNTRIES :

At a time while the pace of outflow of Indians settling abroad came down perceptibly in the fifties and sixties, emigration of a different kind assumed

importance in the seventies. The escalation of oil prices following the first oil-shock of 1973-74 led to an enormous increase in revenue of the oil-rich countries of West Asia and North Africa which enabled them to launch several industrial projects and build up social infrastructure. This economic boom in the oil exporting countries provided a number of job opportunities for several Indian workers and artisans with their traditional skills.

The proportion of Indian workers in the total work force in the Gulf countries estimated to be as much as 20 per cent in 1983. The estimated number of workers at the end of 1983 is 8.9 lakhs.

The chances of further migration of persons of Indian origin to the European and American countries including Canada are not very bright. Several restrictions of the entry of foreigners into these countries and the social discrimination came in the way of migration of Indians. Some of the African countries are also having tight immigration rules.

In such a setting, further emigration of Indian labor is possible only to the oil-rich labor scarce West Asian and North African countries.

The Gulf countries always prefer Indian migrants because if they had to import labor from one of the

countries of Europe, or from the USA, certainly they will have to pay more. Further for Indian migrants like their Asian counterparts, wages are high and the opportunities to save are great inspite of the high cost of living.

Housing of barrack style is provided for construction workers but some of higher quality is provided as well as by employers on free rent. Medical facilities are generally provided to the migrants. Food is often available in the canteen and those who want to eat outside, low cost Indian restaurants are also available for them.²

The main reason of the increased emigration to the Gulf countries has been due to the development of the Nation's economy and the expansion of oil revenue, and improvement of transportation network.

The emigrants came to the country to seek jobs in the industrial and service sectors and migrants with special talents may find jobs as traders and shopkeepers.³ From the economic point of view, the Indian participation is in various construction and city-developmental activities. Many Indian private firms are operating in the Gulf countries. Even at the Governmental level, bilateral projects have given another spurt in increasing the total volume of migration

2. Weiner, Myron, "International Migration and Development: Indians in the Persian Gulf", Population and Development Review, March, 1982.

3. Harris, J.R., and Tadaro, M., "Migration, unemployment and development, A two sector analysis", The American Economic Review, 60(1).

In a sense we can say that the large scale labor migration to the Gulf region is mainly due to the liberal migration policy of the government of India. In the process the government of India gains a substantial amount of revenue derived from the cost of air-tickets, passport fees, income and sales tax on job requirements and job training agencies, and also import duties.

Myron Weiner refers (1982) to the precarious political position of the Indian community in the Gulf "that makes the Indian government reluctant to build remittances their foreign exchange or to make any long-term assumptions about the role of emigration in relieving unemployment in selected regions of the country".

The growth of labor emigration depends to a large extent on various social factors. The categories of professional manpower in UAE shows a substantial number in the migration of Indian muslims as well as non-Arab Muslims. Most of the Muslims and Christians from Kerala who have emigrated to the Gulf countries were unemployed before they left India.

A few Hindus, such as Brahmins or Nairs are also emigrating in recent years.⁴ (The Muslims of Kerala provided the major source of supply of labor, in the beginning, since they had far variety of historical and religious reasons and therefore easy access to this

4. Thomas, Richard, India's Emergence as an industrial power: Middle Eastern Contracts; London, 1982.

region. Later other communities also joined the fray and exodus of Keralites to this region is still growing.

Nairs, a high caste Malayalees are not present in significant numbers in the Gulf, presumably, because, like Brahmins, they are more likely to be affected by caste taboos, such as not to cross the sea, than the lower castes.

ECONOMIC IMPLICATIONS:

The Indian emigration of labor to the Gulf countries, directly and indirectly have the following economic impacts :

(1) INCREASING REMITTANCES :- From the mid-seventies to the early eighties, for a number of Asian countries no factor more dramatically affected domestic employment and the "balance of payments"(BOP) situations than the outflow of the contract workers to and inflow of workers' remittances from the middle-East.

In case of India, whereas overall impact was marginal, direct impact was concentrated in the state of Kerala where it was as high as 50 per cent. In the state of Kerala remittances in 1980-81 formed about 23 per cent of the state's domestic product and for certain districts the ratio is as high as 40 to 50 per cent.

The actual impact of the increasing remittances has extended beyond just direct economic repercussions. The inflow of remittances has affected the entire "socio-economic-cultural" milieu. Attitudes and expectations of not just the migrant workers but the entire labor force have been affected. Consumption habits have changed not only because of higher incomes but the "demonstration effect" as migrant workers brought home consumer durables. The so called "Dubai-Syndrome" affected the lives of workers and families of a significant proportion of the population.

Some labor-exporting countries rely heavily on the continuing flow of remittances, e.g., Pakistan and Bangladesh. Martin(1983) has called the magnitude and use of remittances the "litmus test" of the benefits of labor migration. There is no question that labor migration has become a potent source of "foreign exchange" for Asian labor-exporting countries. The developmental impact of remittances, however, is blunted by the fact that about 50-70 per cent of remittances are spent on cement consumption and most of the rest is used to purchase land and housing improvements. Typically, less than 10 per cent of remittance are used for productive investments in real physical assets.⁵

5. Fred Arnold and Shah N.M. (ed) Asian Labor Migration: Pipeline to the Middle East, 1984, P. 7.

However, investment in land are not necessarily unproductive. Moreover, expenditure for housing and for current consumption can become productive investments through their multiplier effects. Finally, even if remittances are eventually used in an unproductive manner, the constant influx of remittances can be an important source of funds for investment loans from banking institutions.

A labor-sending country like India, faced with a sizeable deficit in trade and services, should rightly be concerned with what its migrant workers remit to those at home out of their earnings. The more the country can secure by way of remittances, the less it has to depend on foreign borrowing and reserve depletion for financing its payments deficits. India's foreign exchange receipts from remittances are estimated to have gone up from a little over US \$300 million in 1974 to almost US\$2.3 billion in 1982.

As can be seen from Table-1, remittances receipts in Kerala are estimated to have increased nearly five-fold between 1976-77 and 1981-82. The contribution of

6. Ibid, P.7.

7. Gulati, Leela "Impact of labor Migration on Families in Kerala" in Fred Arnold and Shah N.M. (ed.) Asian Labor Migration: Pipeline to the Middle East, 1984, P.200.

remittances is estimated to have risen from 5 per cent of the state's domestic product to 17 per cent in the same period.

Table - 1 : Estimated inflow of remittances in Kerala and in all of India, from the Middle East and World total, 1976-82 (millions of rupees).

Year	Kerala	All of India	
	Middle East	Middle East	All Countries
1976-77	1.500	3.300	7.927
1977-78	2.400	4.200	8.356
1978-79	2.775	6.500	11.119
1979-80	4.670	10.800	16.684
1980-81	7.340	11.750	23.668
1981-82	7.245	17.250	22.986

Source : I.S. Gulati and Ashoka Mody, "Remittances of Indian Migrants to the Middle East : An assessment with special reference to Migrants from Kerala", working paper No. 182, Centre for Development Studies, Trivandrum, 1983.

(2) INCREASING EMPLOYMENT:- The government of India gets rid of the unemployment question to some extent through the emigration of its people to the Gulf

countries. Labor migration to the Middle East is officially considered to be an employment creation policy by most of the sending countries.

Labor export to the Middle East is seen as an exceedingly inexpensive way of decreasing the incidence of unemployment and underemployment. Although relatively few workers are unemployed at the time they are recruited for foreign employment, their previous jobs then become available for other workers. Eventually the process of "labor-substitution" will lead to thinning down of unemployment situation. If labor is not easily substitutable, then shortages of labor may develop in the sending countries, e.g. the "spot labor shortages", like that found in the construction sector.⁸

In India, e.g., skilled labor shortage have been felt in the construction sector of Kerala, e.g., is a state having high literacy and also the problem of unemployment is no less. But, inspite of this, there is shortage of skilled labor in the construction sector because of the element of "selective emigration".

But by and large, emigration provides a significant "safety-valve" for employment.

8. Ibid, P.8.

(3) IMPROVED STANDARD OF LIVING: According to a World Bank report, in some countries emigration has had a substantial impact on wages of the workers. Besides, it says, the "per capita income" has increased two or three per cent per annum. It is clear that such a sharp increase in wages of workers has improved their relative position in society.¹⁰

It is a reasonable assumption that "living standards" have improved considerably in the migrant households as a result of remittance receipts. According to various studies the persons in remittance-receiving migrant households reported a fairly high level of consumption. These migrant households also did well with regard to the possession of consumer durables.¹¹

From among many indications, one visible indication of the higher living standards of migrant households is the spate in construction activity in the villages of Kerala, from where large scale emigration is taking place. Construction of house and renovation have been found to be on top of the priority list of investments for the migrant households.

10. Burki, S.J., "International Migration: Implications for labor exporting countries", The Middle East Journal, 1984, Vol.38, No.4, P. 668-83.

11. Gulati, Leela, op. cit., P. 201.

INCREASE OF WAGES :- By far the most important impact of Indian migrants is on the wages of the workers who have remained behind. For obvious reasons the impact should be most pronounced on the wages of the Indian workers with the skills that are predominant among the migrants.

Many studies revealed that 2/3 of the emigrated workers were employed at the time they left; Therefore, we can safely conclude that emigration leads to shortage of particular types of workers in the sending country, and thus, results in increased wages for the workers who remained behind. However, obviously emigration from India has not produced the kind of loss of human resources experienced by some of the mediterranean countries.

The average Indian worker in the oil-exporting Gulf countries is able to remit over 50-70 percent of their total earnings. Such a high percentage of earnings can be saved since workers are paid five or six times more than what they get in India. Added to this is the fact that they usually provided with airfare, free accommodation, local transportation and other facilities in the Gulf.

(5) CONSTRUCTION BOOM : Indian emigrants in the Gulf countries enjoy good salaries in the UAE, and the average remittances per migrant was Rs. 15.000 in 1978-80.¹²

Consequently, living standard in these households has risen steeply and there is a "building boom" in the states, of houses, cinemas, and private clinics and good residences have sprung up even in the villages. The multiplies effect of the foreign money can be shown to have spread through the primary and secondary sectors right down to the tertiary sector.¹³

The migrants who returned from the Gulf countries have improved their social and economic status by constructing permanent apartments in their native places or in other cities.

As a consequences, the value of rural land has risen very high after the inflow of foreign money. It is obvious that the housing and land prices in towns have increased in some states partly because of the inflow of foreign money, particularly remittances from the Gulf regions.

12. Guardian, 11th March, 1979.

13. Shashikumar and Menon, B., "Wealth from the Gulf: Dynamics of Change", The Hindu, 10 October, 1978.

It is also true that labor rates reflecting the shortage of skilled men are a result of emigration, and profiteering from the local building boom have also risen. Skilled workers like carpenters and masons are getting Rs.22/- to Rs. 25/- per day, but before they were getting only Rs.14/- per day. The Agricultural laborers in Kerala were earning more than Rs.10/- per day in 1978 which was the highest rate in India.¹⁴

(6) INCREASE IN EXPORT :- Asian businesses and governments have benefitted in a variety of ways from the migration of contract workers to the Gulf countries. Labor migration has helped to boost commodity exports from Asia to the Middle East, which have shown spectacular increases in many countries. Labor migration has provided additional revenues for business as diverse as airlines, hotels, travel agencies, banks, medical clinics, recruiting agencies, training institutions, photographers, secretarial services and translation services.

Indian companies in the Gulf import some of their engineering equipment and construction supplies from India, while the Indian workers in the Gulf imports consumer goods from India, including food, sarees and Indian films.¹⁵

14. Commerce Research Bureau, Report of 1978.

15. Rashid, Amjad (ed.), To the Gulf and Back : Studies on the economic impact of Asian labor migration, 1989, P. 1-2.

SOCIAL IMPLICATIONS

Relatively little attention has been paid to the non-economic and social consequences of labor migration to the Middle East. It is clear, however, that the social and psychological consequences of Indian labor migration are vitally important.

(1) IMPACT ON FAMILY : One of the most significant impact of emigration to Gulf countries is that, on the whole, it has increased the "inter-dependence among family members". Kinship networks have become stronger and have been reinforced. This effect has come about largely for two reasons : - (i) the need for family support to meet the initial cost of migration, and (ii) the dependence on the family to provide the necessary support and protection for the wife, children, and other dependents of the migrant who is absent.¹⁶

According to one village-level study, 37 percent of the migrants were able to obtain their "No objection certificates" (NOCs) through close relatives, like; fathers, brothers or brother-in-laws and another 24 per cent secured NOCs with the help of other relatives and friends.¹⁷

16. Gulati, Leela, op. cit, P. 203.

17. Mathew, E .T. and Nair, P.R.G., "Socio-economic characteristics of emigrants and emigrants' households", Economic and Political Weekly, 15 July, 1978, P. 1146.

The study observed that : "while close relatives secure and send the NOCs to the prospective emigrants either free of charge or at the actual cost involved, other relatives and friends usually take some margin of profit out of the transaction."

So clearly, the dependence on relatives and friends in the initial stages of migration is quite considerable. That is, relatives and friends are an important source of not only information about the availability of job opportunities abroad but also help in gaining entry into those jobs and countries.¹⁸

The dependence on family network becomes necessary while the worker is living abroad. He needs help from relatives for the management of the money they send home. Although the wife may be able to manage the daily budget of the household, she will need help and suggestions in the matters of debt repayment and deployment of savings. In turn, the worker abroad has to look out for job opportunities for his relatives and kinsmen.

The need for family interdependence becomes no less important while the migrant worker is living abroad. If he is married and has children, he has to entrust his wife and children to the care of his or her parents, or in their absence, to other relatives. If he is unmarried,

18. Gulati, Leela, op. cit., F 203.

he depends on his relatives to keep on the look out for a suitable bride for him.¹⁹

Various village-level studies shows that migrant households tend to get together not only to meet the obligations arising from a person's emigration but also for the purpose of living together. Since the migrant generally go without taking his family along, the "Joint living" becomes particularly necessary for the care of the wife and children of the migrant worker.

Where the wife and children are living separately with the migrant worker before his departure, the tendency is for the wife and children to move in with the husband's wife's parents. Alternatively, either set of the parents may move in with the wife.²⁰

On the basis of the evidence available from micro-level studies it appears that in villages of high emigration, as many as 30 per cent or more of the total number of migrant households contain no working males.²¹ Generally households that succeed in sending one male member to the Middle East are usually the ones that are able to send additional male members, a good proportion

19. Ibid, P. 203

20. Ibid, P. 205

21. Prakash, B.A. "Impact of Foreign Remittances: A Case Study of Chavakkad village in Kerala". Economic and Political Weekly, July 8, 1978.

of such households are left with old, retired males, or have become altogether "female-centered".

According to a village study,²² the average sex ratio was found to have reached 145 women per 100 men; this figure compares to 103 women per 100 men for Kerala state as a whole in 1981, as revealed in the decennial population census. This shows the extent to which individual households are depleted of their menfolk as a consequence of the prevailing drift to the middle East.

(2) IMPACT ON DOWRY SYSTEM :- "Gulf boys", who have worked in the Middle East, are commonly said to be at a premium. They are considered prize bridegrooms and they command a higher dowry than local boys. At the same time, it would appear from actual observation that many of these Gulf boys have been less keen on cash than on a prospective bride's family status, education and looks. In the matrimonial advertisements appearing in the local language newspapers, one often notes that Gulf migrants explicitly disclaim interest in dowry. Instead, they ask for good looks and education. Nevertheless, cases in which a dowry is actually received are not rare, although

22. Mathew, E.T., and Nair, P.R.G. op. cit. P. 148.

the stated preference is for land rather than cash. Possession of land is still considered an easier route to respectability than wealth in any other form. Also, land has lately been appreciating the fastest in value.²³

Generally, for the migrants, the marriages were arranged by relatives in the migrants' absence although the final choice and decision was taken after the grooms arrived back. They again go back to their work after few weeks of their marriage.

Not only the "Gulf boys" accept more than modest dowries, but they also liberally give away more than modest doweries to their sisters and daughters; when they get married. Generally the migrant workers delays their own marriage until after their younger marriageable sisters had, been married. They search for "good bride-grooms" for their unmarried sisters and daughters even if they had to give a higher than normal amount of dowry.

(3) IMPACT ON WOMEN'S ROLE AND RESPONSIBILITIES:-

The wife of the migrant labor feels the effects of temporary separation, more than anyone else in the household. Over and above the loneliness and the worry, she

23. Gulati, Leela, op. cit, P. 206.

has added responsibilities falling on her shoulders as a result of the absence of the household head. The multiple roles she now has to take on as temporary household head, decision maker and sole parent carry with them attendant problems and difficulties she has now to handle single handedly.

Many wives are not happy about having this responsibility of making household decisions along; and many of them consult their husbands. Their close ties with their kin provide the wives with a built in support system that makes adjustment to the absence easier.

Even women from conservative and traditional households, e.g., muslim women, have started taking additional responsibilities of operating bank accounts, repaying the debts and management of family affairs. They also deal with the sale of the various items that their migrant husbands bring from Gulf countries, because the migrants does not have sufficient time for the disposal of all the items before his return to work.

They are beginning to take an increasing interest in the supervision of land transactions and house construction activities, which is very common in migrant households.

The education of children are becoming entirely the responsibility of the mothers. What kind of schools to send the children to, how much additional help to be given them in their studies, and whatever else is necessary to bring them up well are matters decided upon increasingly by women.²⁴

One interesting impact of emigration is that the wives of the migrant workers are beginning to take a more active interest in education and adult literacy. The young wives are eager to gain the ability to read the letters of their husbands and to write them on their own, rather than going through an intermediary.

In case of "emigration of women", it is generally as domestic aides or as unskilled or semi-skilled labor in service occupations; though a few of them secure employment in professional work also. The social position of women are changed and they are granted greater social and economic rights because of the wealth acquired by them. It is also expected that they will develop a desire for greater independence and participation in social and economic processes;

24. Ibid, P. 208.

(4) IMPACT ON MARRIAGE PATTERNS AND DIVORCE: A substantial portion of remitted money is used for giving dowries. Many young men prefer to marry a girl from migrant household, because not only such a girl will bring larger dowries but also because of the hopes that one can migrate to middle East with the help of the wife's relatives, and to obtain an NOC through a girl's relatives.

As it is, the average age at marriage of females is already quite high for Kerala state; and migration again increased the age at marriage of males and females, too. This is having significant implications for fertility levels.

As already stated, neither male nor female migrants to the middle East are usually accompanied by their families. The long absence from home, exposure to increased affluence of the migrating partner, and upward social mobility due to migrant's improved social conditions may contribute to upsetting family relationships. Although no statistical survey has confirmed it, there is evidence that divorce is higher among migrants.

(5) IMPACT ON SOCIAL POWER STRUCTURE : One aspect of the emigration impact is that most of the newly wealthy are either muslims or low caste Hindus, who are now the owners of the large and new houses. A significant change, therefore, has occurred in the status of the poor and socially depressed. They have become socially and economically alienated in comparison to their original status.²⁵

However, changes in life-style, the power structure, or social mobility are likely to be very slow and will probably go unnoticed at the national level for many years.

There has been some improvement in the attitude of middle class people towards manual work; the use of better technology, the emergence of entrepreneurial ability among returnees and their dependants; and the development of a greater sense of confidence among group of persons traditionally dependent on the "educated class".²⁶

The change in the Status structure of women is mentioned before.

25. Thomas, Richard, op. cit, P. 82.

26. Siddiqui. A.M.A.H., "Impact of Labor Migration from Bangladesh" in Fred Arnold & Shah N.M., 1986 op. cit, P. 251.

PSYCHOLOGICAL IMPLICATIONS

The psychological problems has been found to be particularly acute in the so-called "Gulf-pockets" of India, and specifically in Kerala state; and women in the age group 15-25 seem to be the worst victims.²⁷

Various studies (Gulati, 1986 Roongshivin, 1986) suggested that the major reason for the psychological problem is the incompatibility of the young women with their in-laws, which is made worse by the absence of husbands.

The emigrating workers have their difficult living and working conditions as well as their sense of loneliness. Physical and sexual abuses have also been reported particularly in the case of female workers. Homesickness and kinds of worries about families at home, makes the emigrants psychologically disturbed. Workers in dangerous jobs like, e.g. loading and unloading ships, are constantly have anxieties over a risk of life and limb.

The worst sufferers are the new-brides, who were left behind by their husbands, who went back to their work after a month or two of their marriage. Apart

27. Ibid, P. 12.

from loneliness and long separation, she has to live in a strange, unfamiliar, and often hostile environment, with virtually no one to communicate with. The medical superintendent of the Government Mental Hospital at Trichur, the district with the highest number of migrants in the Middle East, is reported to have observed that "almost every second family which has a relative in the Gulf has a history of mental illness"²⁸.

The conflict over the sharing of remittances between the wife and her in-laws is also possible. This conflict, though has a mutual impact, but the resulting psychological pressure is greater on the wife, given the environment.

The psychological problem is even greater for the women who take an active interest in the management of household affairs; particularly when it involves dealing with men. She will incur the displeasure and sometimes active hostility of the male relatives, who may be offended that she is not taking them sufficiently into her confidence in the running of her household. Therefore, the pressure on older wives can also be quite onerous, and even they may find the strain too much to cope with.²⁹

28. Gulati, Leela, op. cit, P. 210.

29. Ibid, P. 211.

SUMMARY : The main economic impact of the labor emigration is the inflow of remittances and subsequent improvement in living standards at the family level. At the societal level, it results in increasing employment for the unemployed as well as more suitable employment for the under-employed. The export business is increasing, though it is surpassed by the import. The most significant indication of improved standard of living is the construction boom in "Gulf Pockets".

Both positive and negative social and psychological impact of emigration are found. On the positive side, migration has increased family interdependence and strengthened informal family and kinship relations. It enhanced the status of females and lower class people. Because of higher age at marriage of Gulf migrants, fertility level has decreased. The negative impacts are mainly psychological, and the young brides are the worst affected.

CHAPTER - V

EMIGRANTS' PROBLEMS AND GOVERNMENTAL POLICIES

There are thousands of Indians settled in many parts of the world; and there are many aspects to the problems of these overseas Indians, settled in different social, political, and economic conditions. Many of them are well settled in their countries of adoption and are quite happy socially, politically and economically. But there are others who are happy economically, but suffer from social or political inequalities, e.g., social discrimination which puts them at a disadvantage in the matter of free social contacts and civic and political rights.

THE PROBLEMS OF GULF MIGRANTS

The problems faced by the migrants to the Gulf countries is more acute and multi-dimensional since most of the migrants to the Gulf countries are either unskilled or semi-skilled; and therefore pose themselves at a vulnerable position to exploitations and harrassments at the hands of people at all the levels starting from the time of their plan to go abroad, to get the money

for their journey, from getting a visa and No Objection Certificate (NOC), to go and settle in Gulf countries; and finally to return back to India and becoming unemployed again :

Therefore, it is necessary to carefully analyse the various problems the Indian migrants to the Gulf countries are facing. This is what we will deal in the following few paragraphs.

THE PROBLEM OF GETTING 'NOC':- For entry into the countries in the Gulf region, a "No Objection Certificate" (NOC) from the host country is necessary. The ramifications of the process of securing NOCs are many and varied, in which a thriving contraband business now exists. Getting a NOC might cost upto Rs.15,000. The market value of NOC varies, of course, with the agency through which it is secured.

Generally relatives secure and send the NOCs either free of charge or at actual cost involved, friends usually take some margin of profit out of the transaction. But the problem is for those who do not have relatives or friends. The cost of obtaining NOCs through the so-called "professional agencies" is

prohibitively high. These professional agents are engaged in a sort of auction sale in which NOCs are sold to the higher bidders.

The NOC market is, therefore, one in which the weakest purchaser pays the highest price.

THE PROBLEM OF FINANCE:- The bulk of the expenses involved in emigration consists, as indicated above, of the price of the NOC. Expenses other than the cost of obtaining NOC include mainly those incurred for passport, dress, and travel.

The major sources of financing the expenses of emigration comprise : (1) Savings of the emigrants household, including the own savings of the emigrant (2) Loans, and (3) Sale or mortgage of landed property and jewellery.

Loans, the real problems of the emigrants, may be classified into loans with nominal or without interest from friends and relatives, and loans from money-lenders and commercial banks, which invariably bear a rate of interest.¹

1. Mathew, E.T. and Nair P.R.G. "Socio-economic characteristics of emigrants and emigrants' households", Economic and Political Weekly, 15 July 1978.

THE PROBLEM OF ILLEGAL MIGRATION:- By 1977, there were many illegal Indian immigrants in most Gulf countries. There is also frequent occurrence of incidents of clandestine agencies that used fake passports and visa seals of foreign governments.² In spite of the governmental guidelines to check it, clandestine migration continues unabated, and there are even reasons to suspect that the outflow of Indian workers through illegal channels has increased in recent years.

Such immigrants are found in large numbers in most Arab states, particularly in the UAE, eking out a subsistence living by doing all kinds of odd jobs, like vending vegetables and selling newspapers on streets.³

Many spurious recruitment agencies have mushroomed in all the important emigration regions of India. All regions in Kerala and the cities of Bombay and Delhi report almost daily dozens of cases in which unsuspecting emigrants have been defrauded of thousands of rupees by such agencies and fake employers.

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2. Report of the Ministry of External Affairs, Government of India, 1979-80 (Delhi; 1980), P. 65.
 3. Bobb. Dilip "Chasing a Mirage" India Today 1-15 April, 1980, P. 37.

Emigrants "sponsored" by such unauthorised agents and imaginary employers play into the hands of ruthless contractors in the Gulf countries and are put through harrowing experiences of hard work, miserable working conditions, and negligible remunerations.

Adequate notice also needs to be taken of the strains caused by the attempts to smuggle in workers. Coming on top of the rackets is forged travel documents, the misconduct of the contractors, the attempts to violate the immigration laws of the host countries and frauds of other kinds; these factors have caused a notable fall in the demand for Indian labor since 1978.

THE PROBLEM OF MALPRACTICES:- Complaints of malpractices have been steadily mounting between 1980-81, some 127 complaints were registered against recruiting agents.⁴

One of the heart-touching malpractices related to Indian emigration to Gulf countries is the export of "bonded laborers". Generally the bonded laborers are poor, gullible, illiterate and unexposed to the so-called civilized world, which pick them up from here and

4. Telegraph (Calcutta), 15 September, 1982.

exploits and tortures them without even a prick of conscience. The number of bonded laborers is increasing in the country on account of the large-scale mechanisation and development.⁵

Another problem is the inhuman practice of the export of "Child brides". The incidence of child girls being married off to rich Arabian Sheikhs and businessmen is not uncommon. Many a times this is done to get huge sums of money or for getting a job in exchange of the girl.⁶

THE WORKING CONDITIONS AND RELATED PROBLEMS:- The hard-luck stories of Indians being lured to the petrodollar Gulf countries in search of a bonanza are by now common knowledge, yet the fake agents succeeded in duping an ever increasing number of gullible people into paying huge sums. There are promises of lucrative jobs abroad, yet to many find that they have been left high and dry. They find themselves stranded in a alien land and at the mercy of their employer.⁷

According to reports, many thousands work under appalling conditions for months or even years in an effort to raise sufficient money to pay for the

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5. Hindustan Times(New Delhi), 2 June, 1986.
 6. Economic Times(New Delhi), 12 October, 1978.
 7. National Herald(New Delhi), 20 April, 1982.

air fare to home and eventually return disillusioned and as penniless as on the day they left.

The interest of the government of India was aroused in 1976, after it heard numerous complaints about discrimination against Indian workers in Gulf. Wages and salaries, working conditions, work security and welfare facilities were reported to be discriminatory.

There are frequent complaints that the agreed terms and conditions are not honored by the employers. The contracts are normally drawn up in Arabic and are seldom explained to the workers. As a result, unscrupulous recruiting agents and employers are able to violate the original contracts and undertakings with impunity. These abuses include lower wages, more menial work assignments and reduction of benefits.

The immigrants in Gulf do not enjoy rights of "political and social participation". They live in their own "enclaves", and cannot obtain citizenship, own property, or join trade-unions; they have restricted access to social benefits and are excluded from participation in the political system.⁸

8. Weiner Myron, "International Migration and Development", Population and Development Review, 8 March, 1982, pp. 7-8.

Since labor legislations and administration as well as social security institutions are not yet fully developed in most Gulf countries, the workers have no access to legal redress, even in cases where employers violate the terms of employment.

THE SOCIO-CULTURAL AND RELIGIOUS PROBLEMS:- As one studies the problems of the settlement of Indians overseas, one discovers that they are starved of Indian culture and art -- Indian traditions, musics, classical dances, etc. The government of India agencies operating there do very little in this direction. Other agencies are doing it in commercial lines.

The Gulf-Arabs have developed their own perverse caste and class "hierarchy based on race". In the pecking order, the Gulf Arabs have placed themselves at the top, followed by American, Europeans, other Arabs, East Asians, and at the bottom of the list South Asians which include Indians, Pakistanis, Bangladeshis, and Sri-Lankans. Wages are also based on this racist classification.⁹

Indians are also distressed by the contempt directed at them by host-country nationals. Indians are reported to be the "ABCs" of the Gulf - i.e., Ayahs, barbers, and cooks.¹⁰ The epithet is not undeserved

9. Jawid Laiq, "Indian workers in the Gulf gets a bad bargain", Telegraph(Calcutta), 2 October, 1985.

10. Bobb. Dilip, op. cit., p. 38.

since Indians do predominate in these fields. The overall result is that most Indians are looked down upon by Arabs.

There is no temple in many Gulf countries, even though for many years "satsang" and "bhajan " are held in private houses. Any public performance of Hindu festival is not permitted in any of the Gulf countries.

Attempts are made to convert non-Muslims to Islam by giving several types of allurements. Mullahs are reported to be visiting jails and contact the detained non-Muslims, with offers of various types of assistance, if they embrace Islam, like release from detention.¹¹

Civil marriage between members of two communities is not permitted in the Islamic countries. The muslims cannot be converted to any other religious and so the non-muslims has to embrace Islam if he or she desires to marry a person belonging to other religion.

THE PROBLEM OF REPATRIATION :- The fear of repatriation lurks in the mind of every Indian migrant. They know fully well that their stay and work abroad are temporary. According to Birks and Sinclair "The problemis

11. Mirani Chetan, "Harassment of Indians in Gulf countries", ORGANIZER, 15 November, 1987.

that probably the international demand for their migrant laborers will eventually fall. The decline will be sharp enough for workers to return home more quickly than employment can be created for them in their country of origin.¹²

The peak phase of "construction-boom" in the Gulf is fast coming to an end. The repatriation of workers, particularly in the construction industry, is likely to accelerate. Further, the decision of Gulf labor ministers in December 1978 to follow a policy of "Arabisation" is another factor compounding the problem of returnees.¹³

The burden of repatriates is likely to be heavy on India, where already the problem of unemployment is severe. The related problem is that of their social and psychological rehabilitation. Kerala state will be the worst affected, since it has been plagued by chronic unemployment.

THE PROBLEMS OF MIGRANTS' FAMILIES:- (This aspect is already dealt with in the previous chapter). The wives

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12. Birks J.S., and Sinclair C.A. International Migration and Development in the Arab Region (Geneva: ILO), 1980, 31.
 13. Chengappa Raj, "The Mental Gulf", India Today, 15 September. 1982. PP. 58-61.

of emigrants are troubled by anxieties arising from the long separations from their husbands. The problem is most serious among young wives in the age group 15-25, the most important reason being the incompatibility with their in-laws and prolonged separation from husbands. This leads to deviant sexual relations and extra-marital relations, ending in disintegration of marriages. The children of "Gulf-families" also have psychological problems.

GOVERNMENTAL POLICIES

Because of the recency of labor migration to the Gulf countries, the legal structure in the sending countries has not had sufficient time to entirely catch up with current conditions. The general policy of most countries and India has been to maximize the export of workers while minimizing the negative consequences labor migration.

There is no simple way to classify the numerous government policies and programs pertaining to labor migration. For ease of discussion in this chapter we have divided the major policies into following headings.

REGULATION OF INTERNATIONAL MIGRATION:- This mainly includes the regulation of recruiting agents. The Indian government responded to the clandestine agencies that

used fake passports and visa seals of foreign governments, by asking all the recruiting agencies in the country to register with the government, in the hope that the proliferation of illegitimate agencies would be curbed. The government also insisted that each agency have a bank balance of Rs.10,000. Foreign firms seeking to recruit Indians were required to go through these licensed agencies.

The "protector of emigrants" is the custodian and authority of the entire emigration process. Foreign private employees are required to give power of attorney to their recruiting agent in India in addition to a "demand letter" showing the personnel categories required, conditions of work, salaries, etc. Such letters must first be reviewed by the Indian embassy in the country concerned. When this document is received by the recruiting agent, he obtains recruitment sanction from the relevant regional protector of emigrants.

All the agreements entered into between the employer and the worker and registered by the protector of emigrants must conform with the labor laws in the country of immigration.

The Union Government has framed legislation for establishing a "Central Overseas Manpower Corporation", to regulate the flow of Indian labor to foreign

countries. Direct supervision over the recruitment of emigrant labor has been found necessary because of the many malpractices adopted by unscrupulous recruiting and travel agents, the plight of Indian laborers in the host countries, and what is far more disconcerting, the tarnished image of Indian workers.¹⁴ The proposed manpower corporation will not be the first official agency to regulate the outflow of labor. There are seven "Emigration Officers" in various regions.

The recruitment of paramedical personnel for the Gulf countries, which has been a money-spinning racket in the hands of unscrupulous private agencies hitherto has been greatly regulated with the entry of some of the State-run Public Sector Corporations into the business. More than 80 percent of the recruitment of paramedical personnel for Saudi Arabia and Libya has been met by Man-power Corporation of Kerala, Tamil Nadu and Orissa in the year 1984.¹⁵

WELFARE AND FACILITIES FOR MIGRANTS :- The Indian government has established a "MAY I HELP YOU" Counter in New Delhi, which provides information and guidance

14. Tribune(Chandigarh), 21 November, 1981.

15. Indian Express(New Delhi) 16 September, 1984.

to overseas workers and also receives complaints about non-payment of wages in the host country and complaints against agents in India.¹⁶

With the Emigration Act (New) 1983, the protector has also been authorised to reject an application for recruitment on grounds that the terms of employment are discriminatory or the job offends human dignity or is unlawful by our laws or on other grounds.¹⁷

In order to ensure that the Indian workers are paid according to the terms and conditions agreed upon with the employers, the recruiting agencies are required to execute a contract specifying the terms and conditions of employment.

The guidelines issued by the Ministry of Labor also stipulate that the employers, or their agents in India, must offer the same salaries and prerequisites to Indian recruits as are offered to workers of other nationalities engaged in similar work. The Labor Ministry is assisted in this respect by the Indian Mission in the host countries. The Mission try to stay informed about

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16. Fred Arnold and Shah N.M.(ed.), Asian Labor Migration: Pipeline to the Middle East, 1986, P. 71.
 17. Hindustan Times (New Delhi) 1 January, 1984.

the different countries recruiting Indian labor.¹⁸

As a response to the complaints about the inhuman working conditions, the Labor Ministry has prepared a draft "model agreement". Foreign employers are required to provide --according to the model agreement --among other things, free sound-trip passage, free furnished accommodation commensurate with the category of work, free medical care, free transportation, and other benefits. The employment contract contain, in addition, provisions for overtime wages, hours of work, terminal benefits, compensation for accidents, etc.¹⁹

There is some laws and selective restrictions on emigration of women; the intent of this law is to discourage the exploitation of young female domestic servants, a problem that has been reported in many host countries.

RESETTLEMENT OF REPATRIATES:- Unfortunately the government of India has no resettlement schemes for the

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18. Chakravarty, Nitish, "West Asia Lure: Protecting the Migrant Labor", HINDU, 13 November, 1978, P.65.
 19. Nair P.R, Gopinathan's "India" in Gunatilleke G.(ed.) Migration of Asian Workers to the Arab World, UNU, 1989.

returning migrants from the Gulf countries.²⁰ However, in May 1983 the Minister for Industries in Kerala stated that the state government was considering a plan to establish industrial estates in different parts of the state to provide employment for repatriates.

According to him, 100 units were proposed to be started in the electronics industry of which one-third would be reserved for Gulf repatriates. He also spoke of starting television assembly units in some emigration pockets in the State.²¹ However such small endeavours are likely to attack at best only a fringe of the problems.

WELFARE OF FAMILIES LEFT BEHIND:- Although the issue of the welfare of the migrants' families in the home country has come to be recognized as a potentially problematic one, there are few policies in this area. In general, Indian government has not set up any special programs to ease the functioning of families of the migrants. The social structure itself has adopted to meet the demands caused by the absence of the migrant workers.

20. Announced by India's Labor Minister before Parliament on 2 August 1982.

21. Indian Express, 29 May, 1983.

MAXIMIZATION OF REMITTANCES AND THEIR BENEFITS:

Receipt of workers' remittances is the most significant economic benefit for the sending countries. Maximization of these receipts is therefore an explicit policy of Indian government. Several major Asian labor-exporting countries have resorted to a variety of incentive schemes, such as premium exchange rates and foreign exchange banking schemes, e.g., non-resident foreign currency accounts in India. Many companies dealing in Foreign exchange have emerged in the host countries to facilitate the flow of remittances. It is felt, however, that these schemes have not been very effective in increasing the flow of remittances through official channels or, in other words, in circumventing black market channels.

With regard to the use of remittances, the disproportionately high expenditure on non-productive consumption and inflationary impact of remittances have become a matter of concern to policy makers. Nevertheless, only a few specific policy measures have been taken so far to divert remittances from non-productive to productive uses.²²

22. Fred Arnold and Shah N.M., op. cit., P'74.

A general policy is to increase the volume of workers abroad, thereby enhancing the amount of remittances. India has adopted a policy of exporting trained, high quality workers who would earn high salaries and remit large amounts of money.

D I S C U S S I O N :-

From the foregoing review of the problems of emigrants and government policies in India, two principal directions are clearly visible. First, the government of India is formulating policies and programs to maximize the volume of labor migration to the Gulf countries and remittances associated with this migration. Second, the Indian government is concerned about the welfare of the workers, both prior to migration within India and after migration in the Gulf countries.

The predominant policy to minimize exploitation within the sending country is the supervision of recruiting agents and a careful scrutiny of written work contracts. However, the policies to ensure the welfare of workers in host countries is quite weak.

The government of India policies are somewhat contradictory by nature. While the major objective is to maximize the export of labor and enhance remittances, the terms of contracts are not as attractive as it should

be in a highly competitive market. If a government puts too many conditions on the employer to ensure the welfare of the workers, it may bid itself out of the market (Fred Arnold and Shah N.M).

An alternative procedure that may have a positive impact both on the labor export and worker welfare consists of cooperative arrangements between sending countries. The measures proposed by the International Labor Office(ILO) and the ideal of cooperation is a worthy one, but there have not been any indications of the emergence of such cooperation among sending countries. The market still remains highly competitive and under-selling of skills is very common.

Special care should be taken when the diplomats for these countries are selected. It is a wrong practice to send only a Muslim as Indian Ambassador to Gulf countries. The Ambassadors and other diplomats should be properly briefed before they go out for assignments in the Gulf countries.

The government of India should strictly see to it that the terms and conditions in the contracts are respected by the employers, and government in labor-importing countries. If India is to ensure fair working conditions for its citizens abroad, it may have to control the flow more effectively than it has done up to now.

DISCUSSION

AND

CONCLUSION

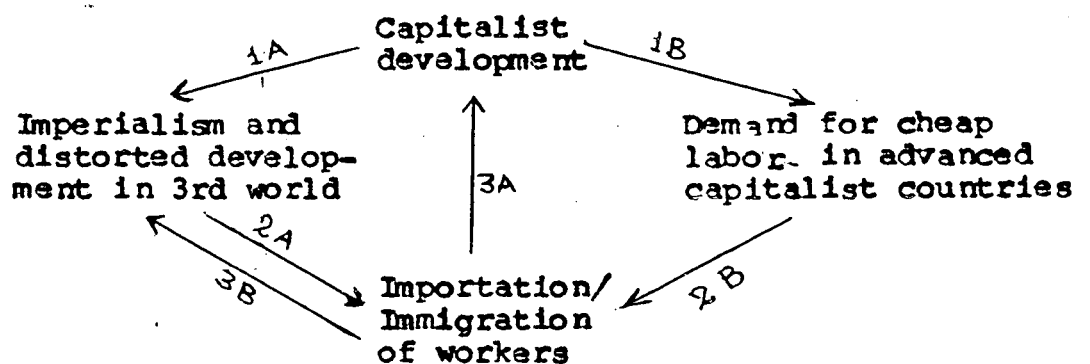
The study of emigration and immigration is undergoing rapid change. Until recently it was dominated by demographers who concentrated on specifying discrete "push" and "pull" factors in the sending and receiving countries, respectively.

Sociological concern has tended to focus upon the adjustment and assimilation of newcomers including problems of prejudice and discrimination directed towards them by members of the receiving society. To the extent that various authors have considered the systemic aspects of emigration and immigration, they have tended to take a functionalist or developmentalist perspectives assuming that migration will equilibrate resources and labor needs to the benefit of both sending and receiving countries.

Recently, a new approach to migration is emerging; which place the process of emigration and immigration in a broader context showing how they are part of an interconnected world capitalist system. Rooted in Marxist theory, contributions to this approach see

many forms of international migration as a product of the logic of capitalist development.

The central idea is schematically presented in the following figure. Capitalist development leads to Imperialism (1A), which in turn distorts the development of colonized territories. As a result, many people are displaced from their traditional economic pursuits, becoming available for emigration (2A). Meanwhile as the original capitalist society develops its requirements for labor, especially cheap labor, increase (1B). These two conditions, the displacement of colonized peoples and the requirement of more labor in the capital economy arise out of the logic of capitalist development. And both result in pressure for people to migrate as workers to the more advanced capitalist countries (2A and 2B).



(Development of labor migration, as given by Lucie Cheng and Edne Bonacich, 1934, page 3)

In other words, migration is a product not of discrete and unconnected factors in the sending and receiving societies but of historical connection between the countries. It is not fortuitous; it is systematic.

In the present study of Indian emigration to the Gulf countries, neither of the above two major approaches is proved to be solely applicable. In fact, we can say that the Indian labor migration can be studied and analysed with a mixed approach of both the above mentioned approaches, more satisfactorily.

Mainly the emigration of Indian labourers to the Gulf countries started during the second half of 1960s; because of growing unemployment and surplus of labor in India and due to the economic development in Gulf countries specially because of oil price hikes twice. Many scholars are of the opinion that there are broadly four reasons, excluding the above one, for the large scale emigration of Indian laborers to the Gulf countries, viz (1) Decision of the governments of various Gulf countries to create a welfare state and to provide a wide range of social

services and securities to its people. (2) In an attempt to reduce its dependence on oil export and to diversify its economy, the governments of Gulf countries started investing its oil earnings. For this they had to import both skills and laborers. (3) The national population is low in the Gulf countries, and still lower is its workforce participation rate, due to lack of skill and modern technical know-hows. So they heavily depend on imported labor force. (4) Liberal Migration policy of government of India.

The Indian migration to overseas countries started, much before the migration to the Gulf countries, during British period who allowed free movement of Indian people within the limits of the empire's territory. During this period "indentured labor migration" was taking place from India to plantation colonies like Malay, Fiji, Trinidad and many other places.

During the past world war-II period, there were two successive phases of Indian out migration first to the countries like U.S., U.K., Canada and Australia, and in the second phase to the Gulf countries during

1960s. We can distinguish between these two phases of emigration on the basis of the following points:

- (1) Generally the emigration of the first phase (to U.S., U.K., Australia, Canada and others) consisted of highly skilled labourers and professionals such as doctors and engineers. But the migrations to the Gulf countries are consists of all types of labourers, from housemaids and cooks to construction labourers to doctors and engineers. But the proportion of unskilled and semiskilled labourers is much more than other categories.
- (2) Secondaly, the migration of the first phase was always on permanent basis, but in second phase it is always contract based.
- (3) Since the migrants know that eventually they will have to come back to their original place, their entire life-style and motivation of going to overseas Gulf countries is different from the migration of the first phase who go to establish there.
- (4) Since, the migrants to the Gulf countries are to come back to India and many-a-times are not allowed to take their families along them they send regular remittances for their families, it is not the case for the migrants of first phase.

The striking feature of migration to Gulf

countries is that India as well as most of the economies of the labor - supplying countries have become heavily dependent on their migrant workforce in the middle-East for managing their balance of payments (BOP) and it relieves them off, to a large extent, the problem of unemployment.

The dependence of these countries on their expatriate labour is by no means marginal. It can be described as structural. For a considerable period of time in future, these economies will have to rely on a large stock of migrant workers, both to maintain their levels of consumption and to expand their economics at reasonable rates of growth.

There is no reliable and enough data and documents on Indian migration to Gulf countries. But it is known that emigration to Gulf countries from India occurs mainly from seven states - Kerala, Andhra Pradesh, Punjab, Gujarat, Goa, Maharashtra and Tamil Nadu. And out of these seven states, Kerala is accounted for not less than 50% of migrants, while its population is only 4% of the Indian population.

More than 40% of Indian labor outflow to Gulf

countries consists of unskilled workers nearly 47% of skilled workers, 12% consists of highly skilled and white collar workers.

The Indian emigration to the Gulf countries would seem to provide an example of international trade in services, where the producer of a service moves to the consumer of a service in order to execute the transaction.

Kerala is taken for a detailed study, as an example of the pan-Indian phenomenon of emigration to Gulf countries, because nearly all the data and studies available are on Kerala; and again because Kerala contributes 50% of the entire emigrant population to the Gulf countries.

The situation of unemployment is pathetic in Kerala, due to the tardy rate of growth of employment opportunities in the industrial sector of the state economy and the stagnation of employment opportunities in the agricultural and allied sector. This may be one of the reasons of the heavy exodus of its population to Gulf countries.

Again, the number of vacancies arising annually are much lower than the annual output of highly qualified manpower from the educational system in India. It is randomly around 50.8% for highly qualified university graduate in 1978.

Under such a situation, where annual supply exceeds several times the annual absorption capacity, an outflow abroad in considerable numbers is not surprising and does not lead to domestic shortages. However, in some specific sectors the impact is felt e.g., in the construction industries of Kerala. But after brief time-lags, even here the large unemployed workforce erases the felt shortage efficiently.

This case of the flow of highly qualified personnels cannot be called "brain-drain" in the ordinary sense of the term. The phenomenon is more a case of "BRAIN OVERFLOW". It means that the market demand for their service has not developed adequately in India. The heavy costs India has incurred by producing such high-level manpower must be considered in determining the losses sustained by the national economy in allowing them to emigrate.

Consequent upon the frequent occurrence of the

exploitation of Indian migrants to the Gulf countries by various agents, the Indian government has passed emigration acts that lay down the procedures for emigration. But still then clandestine migration is taking place through fake employment agencies.

The inhuman and heart-touching problem related to Indian emigration to the Gulf countries is the export of "bonded laborers" and "child-brides", which should be stopped as soon as possible. The Gulf countries have developed their own perverse caste and class "hierarchy based on race"; in which the Indians, along with Pakistanis and Bangladeshis are put in the lowest order. Even wages are based on this racist classification. The Indians in Gulf countries face many social and cultural problems too. They are not allowed to worship or to celebrate their religious festivals in public. Women are harassed according to many reports and complaints. The Indians are called as "ABCs" i.e. Ayahs, Barbers, and Cooks. They starve for a culture of their own.

The problem of return migrants is still more threatening for countries like India. The main problem involved with the repatriation is the problem of providing employment to them and the problems

involved in their social and psychological rehabilitation.

The repatriation problems are likely to become formidable in future times. Especially for a small state like Kerala, the problem will be of strainous impact, which will have to reabsorb more than half the total number of repatriates. Unfortunately, the government of India has no resettlement schemes for the returning emigrants from the Gulf countries till date. It should take up proper programmes for employment and rehabilitations of the returnees. The government should motivate people to stop the wasteful expenditure of Gulf money and to channalise them in a way as to create more employment and a higher living standard for its people.

Kerala is one of the states in India whose economy has substantially benefitted from remittances; it's per-capita income increased in a spectacular way. But most of these remitted money is spent on buying land and building house (74%), on marriage (12%) and purchase of consumer durables (6.7%). Ofcourse, in recent years migrants have been investing an increasing share of their saving in business in Kerala.

Migrants from Kerala have been reluctant so far to invest in public-sector projects for two major reasons (1) The inefficiency of the public sectors, and (2) Because of the erroneous notion that Kerala is not the proper place to invest. Many of them do not have any experience in a business line. The government can abolish all these problems with proper steps taken timely, to abolish the paradoxical situation of increasing remittances and stagnating production of Kerala.

The muslims of Kerala provided the major source of supply of labour, in the beginning, since they had many historical and religious reasons and easy access to this region. But, recently, few Hindus, even Brahmins and Nairs are also emigrating to the Gulf countries.

India, on the whole, benefits a lot through the emigration of its people to the Gulf countries. (1) The government of India get rid of the unemployment problem to some extent (2) The remittances help in reducing Balance of payment and foreign exchange problem (3) Economic development through investment of Gulf money is taking place in India (4) consequent upon the inflow of foreign money, the "life-style" of the workers' family are changed markedly. They are now leading a much better living standard.

An interesting aspect of the Gulf migration is that most of the newly wealthy are either Muslims or low caste Hindus. They are gaining a new and higher social status.

Emigration is not without its negative impacts. As mentioned earlier it gave rise many malpractices like export of bonded labor, exploitation of migrants and child-bride selling system. It encouraged wasteful expenditure, dowry system and inflation and price rise of many necessary commodities and land.

There is an increasing political awareness, militancy and fundamentalism in some localities among Muslim migrants. The improvement in financial and social status of muslims in Kerala, e.g., lead to growth of many Islamic schools, mosques and other institutions preaching fundamentalism.

The incomplete families of the migrants are the centres of production of many psychological problems. The left behind newly married brides of the migrants find it very difficult to adjust with their parents-in-law and frequent quarrels occur between them concerning division of the remitted money.

To conclude, we can say that for a phenomenon whose contribution is extremely significant to several of the country's key variables the attention given to migration by development planners has been very marginal indeed. Various studies present a number of important issues which need the urgent attention of development planners. Without vigorous policy measures many of the favourable effects of migration on the home country economy and on the migrant themselves will not occur while many adverse ones will. Therefore, to tap these favourable impulses and to reduce to the extent possible the negative impact that a development planning perspective and extensive research is essential. There is the need to develop well-coordinated programmes of research and periodic surveys on the utilisation of segments of the country, and the socio-cultural impact of migration, etc. The future of Indian labour migration to the Gulf countries is fraught with uncertainty because of political instability of the region and the fluctuating price of oil. The political instability has already affected labor flows and will continue to do so in the near future.

Despite the grim situation, however, it is clear that the Gulf countries cannot fulfill their development plans without the presence of large number of foreign workers. Therefore, emigration will continue to the Gulf countries from India.

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