

Indian Diaspora: New Prospects for Economic Growth

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Abstract: Diasporas are found as a key driver in developmental process and strengthen the relationship between home and host nations. The importance of diaspora has been recognized internationally which has given a push to the countries to engage with diaspora as a resource of development. Government is framing their foreign policies for securing the welfare of their overseas citizens as they can act as a catalyst to investment, technology transfer and economic development of their homeland. This research paper analyses the role of Indian diaspora in boosting country's economy. Information has been collected through primary data, secondary data and some personal semi structured interviews conducted with the 50 persons who are either living abroad or have returned after spending substantial number of years abroad.

Keywords- Diaspora, Economy, Remittances, Philanthropy. Foreign direct Investment.

I. INTRODUCTION

The globalisation has contributed to intense flow of capital and human beings. New diasporic communities attached to many nations, economies and culture are considered as important contour of global economy. Transnational diasporic networks have contributed significantly in cross borders financial flow. Diasporas are found as a key driver in developmental process and strengthen the relationship between home and host nations. As per MEA report, India is having 30 million strong diasporas, second largest in the world. Thus, showing huge potential for development but there is relatively less research work on the role of diaspora and its relation with their home country (Sheffer, 2013; Pande, 2014). In past few years, when remittances figure crossed US\$406 billion in developing countries, a phenomenal change was observed in the perception of developing nations including India. Diaspora is no longer perceived as a 'brain drain' or loss of knowledge capital. Now they are invaluable sources of investments, philanthropy, knowledge and technology transfer, tourism, networking and socio-cultural connections. The importance of diaspora has been recognized internationally which has given a push to the countries to engage with diaspora as a resource of development. Government is framing their foreign policies for securing the welfare of their overseas citizens as they can act as a catalyst to investment, technology transfer and economic development of their homeland.

II. RESEARCH QUESTIONS

This research paper has been conceived by keeping the following key questions in consideration while carrying out a

study on the role of India Diaspora in the socio-economic development of the country-

- Is there any link between Diaspora and Development?
- How does the Indian diaspora benefit or can benefit India?
- Knowledge/ Awareness on strategy of the government of India to engage its Diaspora?

III. METHODOLOGY

The present study has been done by using both qualitative and quantitative methods. To answer above said research questions, information has been collected through primary data, secondary data and some personal semi structured interviews conducted with the 50 persons who are either living abroad or have returned after spending substantial number of years abroad. These respondents are from New York, Dubai, USA, Netherland, Iran, Oman, Australia, Colombia and Belgium. The primary data has been collected from government published reports, documents and parliamentary debates. The secondary data collection is sourced from books, journals, news articles, research reports and research papers.

DIASPORA AND DEVELOPMENT- RATIONALE OF THE STUDY

In the globalized economy, the role of Diaspora in the development of its homeland is of great significance and the economists are giving due importance to its Diaspora in deciding various policies. There are two different views to understand the relationship between Diaspora and Development. The first one is the "BALANCED GROWTH" approach, it argues that by alleviating unemployment and providing financial support through remittances and development of migrants' skill, migration accelerates

development of homeland and narrow down inter country income differences. While the second approach is "SYSTEMATIC VIEW", it suggests that migration often hampers the development through 'brain drain' and widening of income differences. In this contextual sense, Diaspora could not be seen as either positive or negative factor in the developmental process. This paper analyzes the relationship between diaspora and development on the basis of reviewing literature and facts and figures collected through primary and secondary sources.

Literature on Diaspora from developing countries has reflected that the Diaspora is playing a major role in the economic development of their homeland. Research findings suggest that diaspora can create opportunities for jobs and businesses, innovations and channeling financial capital towards their home countries (Newland and Tanaka, 2010). The size of Indian Diaspora is very large which signifies high volume of remittances. The contribution of Indians in the field of IT is remarkable. Besides these PIOs help their country by investing funds in industrial and infrastructure thus giving a push to economic growth. It has been noticed that Indian products are largely consumed by Indian diaspora in Asian countries like Singapore, Malaysia and Thailand. These countries have big Indian community and markets supporting the export of Indian products. Even Mauritius is popularly known as 'little India' and having high demand for Indian products. This name 'Chota Bharat' was given by the elite Hindi speaking people in 1920 (Oonk, 2007) as 70% people of Indian origin live there. NRI's are also helping their country through various activities in India. Many studies and reports show that the Diaspora is a major source of FDI, tourism, charity, technology transfer and flow of knowledge in India. The NRI's are actively participating in many welfares social and educational projects in India through NGOs.

Jagdish Bhagwati, an economist and a member of the Global Advisory Council of Overseas Indians highlighted the significance of Diaspora for the development of economy. His proposal for a 'brains tax' to be levied on the incomes of the diaspora from developing countries residing in the developed countries and the proceeds to be remitted to the countries of origin of the diaspora is well known. Another idea, the voluntary contributions or remittances from the diaspora to their countries of origin have often been higher than the aid monies given to these countries (Wei and Balasubramanyam, 2006). According to one source 71 of the 75 multinationals in Bangalore Software Tech Park were headed by Indians who had lived and worked overseas, especially in USA (Basant, 2006). **Devesh Kapur (2010)**, in his detailed study of India's Diaspora states "the diasporic networks act as reputational intermediaries and as credibility enhancing mechanisms, which may be particularly important in economic sectors such as software," The Diaspora in the Silicon Valley has been a major factor in the growth of the software sector in Bangalore. These include both the to and from migrants and those who have returned to Bangalore

(Balasubramanyam and Balasubramanyam,2000). Moreover, IT industries in India can be quoted as best example of diaspora generated development (Pande,2014).

In 1980s when investment in India was considered risky, it was expatriate Indians in high level engineering positions in Silicon Valley who convinced the senior management of their companies to invest in India (Saxenian, 2000). The return of expatriates to their home country is widely perceived as being beneficial (Ellerman, 2003).

Lucas (2004) identifies transnational social networks as, perhaps, the most powerful mechanism of diasporas. He argues that network density, frequency and quality of interpersonal relationships, shapes the ability of diasporas to generate the transfer of knowledge and business opportunities.

Johnson and Sedaca (2004) provide an in-depth review of diaspora mechanisms which they categorize under remittances, business investment, investment instruments and knowledge transfer. They are optimistic about the role that the diaspora can play in generating trade, especially through their role as "first movers" who catalyze growth opportunities. Expatriates are best suited to stimulate trade through organized diaspora business networks and when involved in promotion activities on the part of government or the private sector.

The Diaspora networks have often contributed to the innovative and entrepreneurial capacity of India with contributions in the form of business and investment leads and financing (Saxenian, 2005, 2006; Nanda and Khanna, 2010; Docquier and Rapoport, 2012).

At the inaugural speech of the first Pravasi Bhartiya Divas, then Prime Minister Atal Bihari Vajpayee once said:

"The Indian community abroad often reflects the diversity, which is [a] hallmark of our society here. We are proud of this diversity ... but it is also necessary to strengthen the broader Indian identity in the country of your residence. When you are united as Indians, your voice carries greater weight: both for highlighting issues of your concern in your host country and for promoting Indian causes"

In the last few years, with the revolution of information and communication technology, Diaspora has become a determining factor in making foreign policy. Even many nations have recognized the contribution of diasporas in their economic and social development through philanthropy, direct investment and political advocacy. (Kapur,2004; Khadria,2008; Basu,2016) This paradigm shift has opened new arena of research in the field of Diaspora and development. Many studies have been done on the Indian Diaspora and their role in economy. This paper evaluates the present status of Diaspora engagement, how Indian Diaspora is useful in boosting economy of the country, issues they are facing w.r.t. the foreign policies pertaining to migrants and their suggestion to improve the government policies.

IV. MEANING OF INDIAN DIASPORA

The word 'Diaspora' in its simplest way can be described as the dispersal of people from their original homeland

(Butler,2001). Similarly, the Indian Diaspora, a generic term used to talk about the people who have migrated from Indian territories. As per Ministry of External Affairs report there are approximately 30.8 million Indian diasporas including "NRIs" and "PIOs". The Indian diaspora covers almost all part of the world. There are three categories of this Diaspora-

- NRI's – Non-Resident Indian citizens, holds an Indian passport, but staying abroad for indefinite period for any purpose.
- PIO's- Person of Indian Origin who have become citizen of the countries of their settlement and hold a foreign passport, but who at any time have held an Indian passport or whose father or grandfather was a citizen of India by virtue of the constitution of India. They are entitled to apply for a PIO or OCI card if they themselves earlier held an Indian Passport.
- SPIO's- Stateless Person of Indian Origin having no document to substantiate their Indian Origin.

Besides that, Diaspora can be categorized into two streams - Old Diaspora and New Diaspora.

Old diaspora mainly dominated by contractual laborers who moved during colonial rule in India to Mauritius, Africa, Malaysia, Singapore, Guiana, Fiji and Burma. Some free migrants were also a part of this movement. Now these Indians are well settled in these countries for many generations. While new Diaspora category marks the Indian emigration after 60's which consists of mostly Indian professionals, engineers, doctors, scientist, IT professionals and academicians. These were migrated to rich economies like America, Western Europe and Australia. It also includes semi- skilled workers who migrated to Gulf countries in 1970s post oil boom period. A large number of 'illegal' migrants were also a part of this. Modern Diaspora can be defined as "ethnic minority groups of migrant origins residing and acting in host countries but maintaining strong sentimental and material links with their countries of origin - their homelands" (Sheffer, 1986: 3).

Now a days many developing countries are highlighting and focusing on the potential of its Diaspora in the economic development of the country. The number of migrants has almost tripled over the last 45 years i.e., from 76 million to approximately 232 million. If all the migrants are included to makeup a single nation, it would be the 5th largest one in the world. With the technological advancement and low cost of means of communication, nations have come close together and further connecting diasporas dynamically and continuously to their land of origin.

V. DIASPORA CONTRIBUTION; WAYS & MEANS

A review of responses of Indian Diaspora reflects that the interest and willingness of people vary w.r.t to their location and class. Overseas Indians are connected to India through various supportive modes. Some of them are as follows:

1- Remittances-

The important economic effect of Diaspora to its country of origin is financial contributions through remittances (transfers from migrants to their families). Plaza et al. (2015) specifies that remittances are less volatile and helpful for vulnerable economies. Remittances contribute in reducing poverty, investments, and expenditure on education and health. Initially the primary source of these remittances was the Gulf. In 1990-91, Gulf contributed 40% remittances while the share of North America was 24%. Later on, many ups and downs were observed in their contribution. In 2012, 30.8% came from Gulf and 29.4% was the contribution of North America. Amount and frequency of remittances are important impacting factor in deciding its usage. Frequent and less amount indicate the use for family expenditure while less frequent and large number of remittances are used in investments. Mohieldin and Ratha (2014) strongly said that diaspora's saving and remittances are under exploited resources which can be of good use. Many evidences proved that in developing countries remittances are used to improve the lifestyle and financial status of their people.

According to the World Bank report India received remittances of total US\$ 83 billion in 2020 despite pandemic situation. A critical review of the number of remittances indicate that this money cannot act as a panacea for India's development as it induces higher consumption spending, inflation in land price, food and housing and a culture of economic dependency. Therefore, it is a big challenge for India to capitalize it for development of country.

2- Foreign Direct Investment

Diaspora also contributes to their homeland through Foreign Direct Investment (FDI) and by giving support to business and entrepreneurs. Zweig et al (2008) and Ho (2011) advocated that many countries like India, China, Vietnam New Zealand, Ireland, Latin America have taken strong initiatives for diasporas' contributions and investments to the development of home Countries. Diaspora can be advantageous to their homelands if its members have ability and desire to trade and invest. (Kapur,2014)

The investment is not only for-profit objective but they want to be connected to their homeland. They provide their expertise for the development of economy. A report shared by RBI for 2011-12 showed that FDI in India was US\$66.13 billion. The great contribution of Diaspora is the development of IT and service sector through FDI and technology transfer. One of the challenges in investment is often unstable economic and political conditions of their homeland which along with the lack of protection mechanism, do not stimulate diaspora to invest in their origin country. Expatriate investors can play a major role in attracting other investors.

3- Philanthropy

Philanthropy is a useful engagement of Diaspora to do developmental work in various fields. Diaspora is always interested to do some charity or good work for the benefit of their own people. They appreciated the government policy of IDF-OI and its air pay mode to make it more convenient. Many

overseas Indians supported social projects, educational and health services in their home town. Some people are pooling their resources to contribute to large philanthropic work. An example of this is American- India- Foundation (AIF), started by US based Indians to accelerate social and economic change in India by connecting resources and communities across the US and India. Similarly in Punjab such initiative was taken by Diasporic Sikhs to develop their native villages in the name of "Mera Pind". Punjab Government has started a scheme which allows 50% (max.1crore) matching grant by the government and 50% by the NRIs for all developmental programs. These programs are initiated by NRIs/ NGOs. One negative aspect of this diaspora philanthropy is that it is religion, region, caste and ethnic based.

4- *Diasporas' Knowledge Transfer*

Diaspora also contribute their homeland through transfer of acquired knowledge in education, health, IT, industry and communication sector. These skilled and experienced Diaspora are a great source of technical know-how in the form of brain circulation and brain gain. Indian government has recognized the importance of skilled migrants and asked this community to take advantage of government's "visiting adjunct joint research faculty" where they can work up to 3 months in India. Thus, this Diaspora can contribute through not only permanent repatriation but also through short term or even virtual return (Brinkerhoff,2008:7)

5- *Diaspora Advocacy*

Now a days Diaspora network and organizations (sometimes individuals) are vocal on a range of issues related to citizenship, their rights, migration status, good governance and political participation. They can influence the government, media and other groups of their country of origin and the country of their settlement. The best example of Diaspora Advocacy is 'Foundation for Critical Choices for India' (FCCI) in Netherland founded in 1980. It is an independent, noncommercial, secular think tank for initiating and implementing programs and studies in the economic, social and political fields by using the resources of Indian Diaspora for the benefit of India. Therefore, there is a need for right policies and infrastructure to engage Diasporic communities in development initiatives. This network and collaboration can bring a significant change in their role and status.

VI. GOVERNMENT POLICIES TO ENGAGE DIASPORA

The government took initiative to engage its diaspora in 1980s when remittances marked an increase of more than six times from US\$430 million in 1975 to US\$2,757 million in 1980. At that time the Prime Minister Rajiv Gandhi showed a proactive approach towards this diaspora after recognising its economic potential. In 1985, a special Coordination Division was established in the Ministry of External Affairs to coordinate with the matters of this community. In 2000, the Government created a High-Level Committee (HLC) on Indian Diaspora to

study the attitude and strengths of Indian Diaspora and their expectations from India with addition to recommend a policy framework to increase their participation in nation's economic development. In 2004, the government established the Ministry of Non-Resident Indian's Affairs; later on, it was renamed as Ministry of Overseas Indian Affairs (MOIA) to see all the matters related to Indian Diaspora. India is the 11th country in the world having a separate ministry for Diaspora-MOIA. It was established to 'promote, nurture and sustain a mutually beneficial and symbiotic relationship between India and overseas Indians'(MOIA,2009).

The Ministry focuses on developing network with Indian Diaspora to promote trade and investment, culture, education, health and science& technology. It is having four functional service divisions to provide diverse scope to its Diaspora; Diaspora services, Emigration services, Financial Services and Management Services. Various schemes and programs have been initiated to engage overseas Indians under the mentioned divisions. Some are discussed below-

Pravasi Bhartiya Divas (PBD)

Pravasi Bhartiya Divas (PBD) is celebrated every year on 9th January since 2003 to recognize the contribution of Overseas India Community in the development of country. PBD conventions are helpful in networking of overseas Indian community and provide a platform for sharing their knowledge, skills and experiences in various domains. This event provides an opportunity to engage vast diaspora for mutual beneficial activities. Till now fifteen PBDs have been held at various places in India. During this event, Pravasi Bhartiya Samman Awards are given to honor the overseas Indians who have excelled in their field and contributed in the development of the country. The event also provides a forum for discussing key issues concerning the Indian Diaspora. This year the event was organized in Singapore to celebrate the 25 years of ASEAN- Indian partnership and to deepen the diaspora's relations with India.

Regional Pravasi Bhartiya Divas (RPBD) is also organized by the ministry to engage diaspora who are unable to participate in these PBD events in India. So far, nine RPBD have been organized at different places; USA, London, New York, Singapore, The Hague, Durban, Toronto, Mauritius and Sydney. These events have been able to mark a great success and got support from enthusiastic diaspora and local government.

Indian Community Welfare Fund (ICWF)

Indian Community Welfare Fund (ICWF) was set up in 2009 with the objective of helping Indian diaspora in times of emergency due to natural disaster or any conflicting situation. The ICWF guidelines have been revised over the years to expand its scope and making it more comprehensive. Now the Indian missions and Posts will have more flexibility in providing assistance to Overseas Indians. The revised guidelines cover the following three major areas-

1-Assisting Indian Diaspora in distress situation –

- Boarding and Lodging, Legal assistance and Air passage to India on a mean tested basis
- Legal and financial assistance to Indian women cheated/ abused/ abandoned by their NRI/PIO/or foreign spouse (up to 7 years after their marriage)
- Payment of small fines and penalties for minor crimes/ offences
- Transportation of Mortal Remains or local cremation of deceased (in case of no fund)
- Emergency medical care to overseas Indians in case of serious injury/ disability.

2-Support for Community welfare programs / activities-

- Expenditure on organization of cultural activities by Indian diaspora to promote Indian culture
- Honorarium to teachers for teaching Indian languages and art forms
- Welfare activities for Indian students like organizing Annual day for Indian students to discuss their problems and issues.

3-Improvement in consular services-

- Indian Missions and Posts abroad may incur expenses in hiring staff, vehicles and local interpreters for rendering consular services to distressed Indians.
- Organizing consular camps to interact with Indian workers and publication of material to make them aware about laws, norms and regulation.
- Providing toll free helplines and e- Governance solution for consular/ welfare matters.

ICWF funds can be utilized by only Indians residing in the host country legally or by distressed Indians visiting a foreign country on mean tested basis. PIOs and OCI card holders are not eligible to use these funds.

India Development Foundation of Overseas Indians (IDF-OI)

It is a not-for-profit trust started by government of India in 2008 to engage diaspora in philanthropy and facilitate India's social and developmental efforts. In 2015, IDF channelized the contribution of Diaspora towards government program like National Mission for clean Ganga and Swachh Bharat Mission. It is working with state governments to identify projects and seeking philanthropic engagement of Diaspora. IDF has collected about 88 projects from 15 states. Since 2016, 73 Overseas Indians have contributed in IDF projects. Two projects are implemented through this fund-

- 1-One Community Toilet in Vijayawada, Andhra Pradesh
- 2- One Community Toilet in Varadaraja Nagar, Tirupati, Andhra Pradesh

On 31st July 2016, an online payment gateway was started by Ministry for the convenience of Diaspora to pay their contribution to projects and into the IDF Pool fund.

India Centre For Migration (ICM)

In 2008, the Ministry set up India Centre for Migration as a not-for-profit society to serve as a think tank on matters related to overseas employment. It is engaged with individuals, institutions and government to thrust analytical, empirical and policy related research on international migrations. Various initiative taken at ICM are developing a knowledgebase for policymaking- EU Migration, skill development initiative for potential migrants from the North- Eastern states of India, labor market assessment, empowerment of women Migrant workers in the Gulf and many more.

Registration Portal for Overseas Students

In July 2015, Ministry launched a portal (madad.gov.in/appconsular/welcome link) for registration of Indian students studying abroad. The strength of overseas students pursuing higher education is estimated around 6.5 lakhs. This portal will help to maintain database of such students, courses they are pursuing and provide an effective grievance redressal mechanism.

Scholarship Program for Diaspora Children

SPDC was initiated in 2006-07 to promote India as a center of higher education. In this scheme PIOs and NRIs can get higher education in Indian Universities/ Institutions in various fields with a scholarship of up to US \$4000 per annum. A revamped SPDC was introduced in the year 2016-17 with increased no. of scholarships from 100 to 150 (50 for children from ECR countries) and with extension from 40 to 66 countries (including 17 ECR countries). The whole process of applying and submission is done through a portal spdcindia.gov.in. Approximately 800 students are benefitted by this scheme.

Global Indian Network of Knowledge (GLOBAL-INK)

The Ministry of Overseas Indians launched an electronic portal for knowledge collaboration with the objective of leveraging the expertise, knowledge and skills of overseas Indians, scientist, physicist, environmentalist and technologist from all over the world. The platform will provide many collaboration tools such as discussion forums, knowledge bank, projects, ask an expert and events.

Overseas Indian Facilitation Centre (OIFC)

To provide jurisdiction in all matters related to overseas Indians, three overseas Indian centers have been set up at Abu Dhabi, Washington and Kuala Lumpur. These Centers act as an effective Grievance redressal mechanism for Indian Community and provide services in social, economic and cultural matters.

Another good step taken by the government is to involve the state government in formulating and implementing foreign policy. These States division are helping in identifying their target countries for academic, tourism, commercial, cultural and diaspora outreach maximizing the benefits from international interaction. Prime Minister Narendra Modi has recently visited and addressed many Indians and Indian origin people in different cities of New York, Toronto, Sydney, Paris, Dubai, Oman, San Francisco, London, Singapore, Kuala Lumpur, Iran, Israel and many more countries. India got enthusiastic response from its Diaspora across the world. An

online grievance redressal system called MADAD was launched for Overseas Indians, PIO and OCI schemes were merged, opening of new Passport Seva Kendra, Passport processing time was reduced to less than 21 days, and these are some efforts done by Ministry to give assistance and to reconnect its large Diaspora.

VII. FINDINGS- CONCERNS & EXPECTATIONS OF DIASPORA

After reviewing literature and having interaction with Indian Diaspora residing in different parts of the world, it has been tried to find out the answer of research questions.

The analysis of results is as follows-

- Is there any link between Diaspora and Development?

All the respondents have shown a positive attitude towards their willingness to be invested in India through one or the other ways which reflects a direct link between the Diaspora and the development of the concerning nation. Indian migrants who visit India at regular interval or come here for short duration or having philanthropic ties are much more interested in the development of country as compared to those who never or rarely visit the country. Most of the respondents feel the scope of further nurturing of relationship by framing strong government policies of mutual interest. In this regard, Indian government has recently launched many schemes and provided flexibility in policies to tap the potential of its Diaspora to the fullest.

- How does the Indian diaspora benefit or can benefit India?

At present the role of Diaspora is significant but there is still a high potentiality as many of the respondents are keen to serve their homeland. Annual figures shared by the government departments on remittances and FDI further prove this. According to UN Report, India was the largest recipient of remittances in 2016 estimated at \$62.7 billion. The responses are recorded against some parameters. The analysis of respondents' views is as follows:

- 100% respondents benefit India through remittances and local investments.
- 20% respondents benefit India through Knowledge Transfer.
- 30% respondents benefit India through Philanthropy (Preferences to their own city/village/ town). But very few showed their interest for social cause.

- Knowledge/ Awareness on the strategy of the government of India to engage its Diaspora?

Government has taken many initiatives to engage its Diaspora. But the question arises whether Diaspora community has the awareness about these initiatives and what is their satisfaction level viz. a viz. government policy. The percentage of respondents regarding the awareness of governmental policies are as follows:

- 50% respondents were aware about most of the government policies and were positive about the

steps taken by the government for Diaspora. However, they had concerns on few policies which were benefitting only a specific segment of the Diaspora.

- 26% people are not aware of all policies due to limited exposure to the initiatives taken by the government.
- 10% respondents are not even aware of PBD and RPBD which are the most popular initiative of the Indian government to engage its Diaspora. For Diaspora's involvement in developmental activities, it is necessary to well inform them about India's developmental needs. It highlights the gaps in communication and requires the promotion of these initiatives at a much higher scale to reach out to the bigger section of Diaspora community for the mutual benefit.

There are few common concerns shared by the Diaspora who were interacted during the research work-

- 1) Dual Citizenship is one of the important demands of the Diaspora. It would facilitate their easy movement and would enable them to contribute more through investment.
- 2) Easier and clearer Tax norm
- 3) Easier avenues to drive Philanthropy
- 4) Renewal of passports for NRIs
- 5) Convenient Visa services
- 6) Investment and Banking policies for NRIs
- 7) Demand for a common Identity card fulfilling the need of Aadhaar and PAN all in one
- 8) Need for a platform for better interaction and to deepen cultural relationships.

For economic rejuvenation, India should tap the expertise of Diaspora and develop confidence among them to promote foreign direct investment. Due consideration should be given to their concerns and reform in policies should be geared up for mutual benefit.

VIII. CONCLUSION

The study has revealed that overseas Indians are keen to connect with the growing economy of India. Many Overseas Indians see India as a destination for industrial growth and new businesses. India's inclusive philosophy of "SabkaSath, SabkaVikas" has convinced many nations and Indians living there for joining hands to move forward for various ventures. There is strong realization that diaspora can play a significant role in economic and social development of their homeland (Stilwell et al., 2004; Asian Development Bank, 2005, Ratha and Plaza, 2011). Therefore, the government should emphasis on more attractive schemes to step up the participation of Diaspora in India's development. NRI doctors, engineers, scientist and professional excelling in their field should be called/ invited for brief sessions to impart their expertise with Indian counterparts. There is a need to further strengthen the Indian policy and utilize the growing interest

and potential of Indian Diaspora in the developmental process. They are well recognized as 'soft power' and 'catalyzing agent' contributing to the Indian economy.

To conclude, globalization and communication revolution are responsible for a change in the relationship of Diaspora and their homeland. India must follow a robust and flexible policy in order to leverage the strengths of Diaspora and minimize the possibilities of any negative fallout. Engagement with the Diaspora must be multifaceted. Diaspora can prove as an important determinant in India's quest to be a knowledge power on the world platform.

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