The Rise of the Non-Resident Indian

The benchmarks for success, which the Pravasi community has set, are a challenge for us in India. They make us examine why the Indian is so much more innovative, productive and successful abroad than in his own country. They prod us to create a business, investment and economic climate, which is as conducive to success as anywhere else in the world. I assure you we are fully committed to creating such an environment in India.

—Atal Bihari Vajpayee
9 January 2003
Inaugural address at the Pravasi Bharatiya Sammelan, New Delhi

Ye friends to truth, ye statesmen who survey
The rich man’s joy increase, the poor’s decay,
’Tis yours to judge, how wide the limits stand
Between a splendid and an happy land.

—Oliver Goldsmith

The flight of trained manpower from the developing world, in search of greener pastures in the West, primarily North America, is a phenomenon that is nearly half a century old. The trickle of emigration from the poorer countries has grown into a flood. Many trained scientists and engineers leave in search of advanced degrees and postdoctoral training, only to remain as immigrants, lost to the countries of their origin. This flow of technically skilled manpower from the poorer countries of the ‘South’ to the richer states of the ‘North’, has traditionally been termed as the ‘brain drain’. (Analysts of development have always used geographical descriptors in a manner designed to cause confusion.) Over the years, India has been a major contributor to the tides of emigration from the Third World, a term that seems to unhappily describe, a vast conglomeration of countries, a majority of whose citizens live under desperately poor conditions. The economic gulf between the First and Third Worlds appears unbridgeable; even more importantly, the islands of affluence in the latter are dramatically isolated from their surroundings.

As the number of migrants to the West from India has swelled, with the United States accounting for a figure of about a few million, greater awareness seems to have spread about the existence of a large community of Non-Resident Indians (NRIs), who are now spread across several continents. In relative terms, the numbers are small; about 20 million NRIs (a count that liberally includes many, who over generations have few connections in India), compared to the over 1 billion, who live within our borders. But, as the financial power of the NRIs has grown, even as the rupee sinks and the dollar rises, governments eager to attract dollar inflows have begun to pay greater heed to NRIs. From the desperate days of the early 1990s, when India’s foreign exchange reserves teetered on the brink, the pendulum has swung the other way; the Reserve Bank of India now sits, apparently with some degree of discomfort according to some economic analysts, on a large reserve of 70 billion dollars. To this inflow NRIs, attracted by interest rates and promises of easy withdrawal, have contributed substantially. Emotional attachments must necessarily play a limited role in determining investment directions; economic considerations surely take precedence. But, there have been signs that a greater NRI involvement in Indian development has indeed been driven by a motivation to repay in some measure the institutions in this country, that have contributed to the success of NRIs in the West.

Most notably, the Indian Institutes of Technology (IITs) provided the training grounds for many of the highly successful emigrants to the United States, beginning in the 1960s. The IITs have begun to receive over the last few years large endowments from grateful alumni. Interestingly, one of the most successful ventures to be spearheaded by IIT alumni, has been Infosys, a company that has demonstrated that Western markets can be exploited from an Indian base. However, most success stories are firmly rooted in the United States and it is rich, expatriate alumni, who have begun to renew their ties with the institutions that moulded them. In the developing euphoria over the growing private contributions to the IITs, we must not forget that in the fifty years of public investment in the IITs, these institutions have given more to the West, than they are likely to earn through occasional acts of philanthropy. The attitude of many successful alumni towards the institutions and country that shaped them, can sometimes be ambivalent. A proposal to effectively gain management control over the IITs, presumably to globalize technical education, using a proven, successful
platform, was floated sometime ago by a group of influential NRIs. The price tags mentioned in the press were of the order of 1 billion dollars (Rs 5000 crores). While the proposal seems to have run aground, there is little doubt that similar proposals will surface in the not-too-distant future. While disinvestments seem to be the favoured policy for the once powerful public sector, it may be inadvisable to consider a similar sellout by government in technical higher education.

The ‘brain drain’ appears to have suddenly acquired a new importance. January has seen two large gatherings addressed by the Prime Minister, where references to the flight of talent have been made. The Bangalore session of the Indian Science Congress was the first occasion; the ‘Pravasi Bharatiya Divas’ (literally the day of the NRI) was the second. While the issue of dual citizenship seemed to dominate the proceedings, the crowning irony appeared in an attempt to distinguish NRIs in the First World, from those who have settled elsewhere. To the government, the lure of the dollar seems understandably irresistible; although we may all feel more secure when our foreign exchange reserves are shored up by exports of Indian technology and products, rather than by remittances from emigrants. But, the Delhi gathering of many eminently successful NRIs (V. S. Naipaul’s claim to this status must be tenuous, but is undoubtedly reinforced by the Nobel Prize) did prompt the Prime Minister, among others, to raise the question: ‘Why do Indians seem to do so much better, elsewhere?’ This is a question often raised in scientific circles. The average NRI scientist seems to perform better in the West. Transplantation to India, very often results in a noticeable decline in scientific productivity. One school of thought, and its influence is growing, argues that the best of NRI scientists are unwilling to return to the conditions that prevail here. Consequently, schemes to attract the expatriate Indian have surfaced periodically. The Swarnajayanthi scheme of the Department of Science and Technology has its origins in the desire to reverse the brain drain; its transformation to a mechanism for supporting ‘resident talent’ must only be attributed to the fact that the scheme did not originate with restrictive clauses. Undoubtedly, new initiatives to lure non-resident Indian scientists will be hatched by governments in the future, even as the financial and inevitably, political power of the NRIs grow.

In anticipating measures to reverse the brain drain, it is instructive to look at experiments being conducted in China. Faced with the exodus of a generation of young scientists, the Chinese government has put in place an elaborate system of opportunities and rewards to attract overseas Chinese scientists. Special professorships, attractive grants and laboratories and even ‘independent institutes’, with higher salaries and better facilities have been offered. The proposed National Institute of Biological Sciences in Beijing is expected to pay researchers at levels ‘set about halfway between typical levels in the United States and China’ (Nature, 2002, 420, 257). Large laboratories, substantial grants and promises of administrative autonomy are the other carrots in the package being put together in China. The Nature report quotes an adviser to the project (non-resident Chinese, of course) as saying that ‘the investigators will mostly be recruited from abroad’, ostensibly ‘to avoid accusations of poaching talent from elsewhere in China’. But, the initiatives in China have not been without critics. The special grants given to non-resident Chinese scientists to set up laboratories in China seem to have created a pool of ‘absentee researchers’. These scientists have tapped into the scarce pool of research resources, but violate the requirement that they spend six to nine months in China, ‘leaving largely unsupervised labs’, while the grantees sojourn abroad (Cyranoski, D., Nature, 2003, 421, 3).

The ‘Pravasi Bharatiya Divas’ is expected to be celebrated on 9 January every year. We will now be treated annually, at the beginning of the new year, to the spectacle of the science congress and the NRI celebration following one another closely. The compulsions of playing to the gallery will grow and new schemes to simultaneously promote both science and the NRI will surface. A large, passive and often indifferent, resident scientific community in India might only watch from the sidelines. Even as the government has driven a wedge between the First and Third World NRIs in the ambiguous offer of dual citizenship, we might worry that government might at some point succumb to the temptation of following the Chinese example, of creating First World science preserves, within our Third World ambience. NRIs would undoubtedly and understandably like to have the best of both worlds. Their participation in India’s economic, scientific and technological development would bring to our institutions new dimensions of expertise and experience, which would be immensely beneficial. Unfortunately governments, politicians and their advisers in their euphoria about NRIs, may succumb to the temptation of forgetting their real constituency – the resident Indian.

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