



INDIAN EXPATRIATES AND THEIR ROLE IN THE US SOFTWARE INDUSTRY

KEYWORDS

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ABSTRACT

The spurt in global migration has led to unprecedented problems. In several parts of the world, it has led to civil strife and bloodshed. Governments all over the world are worried about their migrants altered demographic profile. At one point of time these nations thought that migration was helpful for building their economies but not anymore. Initially the economic expansion of US, especially its software industry required vast amount of workforce and they encouraged migration from India but now the scenario has changed. What is in store for the Indian migrants in US is unknown. However one should be happy about the enormous impetus migration has provided to the Indian economy. Presently, in terms of employment generated and also in terms of foreign remittances, the software industry stands high. However, the multifaceted and complex issues related to migration should be studied very carefully.

Twenty-first century is the century of migration. However, migration is not an unmixed blessing. Migration has opened the Pandora box and in several parts of the world migration has become a contentious issue. It appears that neither the recipient nations nor the migrants are happy. Nations that have received the migrants are not happy because of increasing local resistance and opposition. All over the world, the voice of 'son of the soil' is becoming louder. Migrants themselves are not happy because basically man is not a migratory bird and the nostalgia of his homeland makes migration very painful. All the time, migrants feel that they have lost something very valuable and special in their lives. To make things worse, migration is becoming increasingly irksome and in the years to come, situation may become still more worse.

The term migrant refers to any person who lives temporarily or permanently in a country where he or she was not born. However, in some countries, even if a person is born in that country, he is considered as a migrant. According to the UN Convention on the Rights of Migrants, a migrant worker is a person who has migrated freely for reasons of personal convenience and without intervention of external compelling factors. It means that 'migrant' does not refer to refugees, displaced or others forced or compelled to leave their homes. In other words, migrants are people who make choices about when to leave and where to go, even though these choices are sometimes extremely constrained. On the other hand, forced migration refers to refugees and asylum seekers who are forced to move due to external factors, such as environmental catastrophes or development projects. This form of migration has similar characteristics to displacement.

In some part of the world, migrants are known as expatriates. The word expatriate is derived from the Latin terms ex ("out of") and patria ("country, fatherland") referring to a person temporarily or permanently residing, as an immigrant, in a country other than that of their citizenship. In common usage, the term is often used in the context of professionals or skilled workers migrating from one country to another or sent abroad by their companies. Controversy sometimes arises over why some people, particularly Westerners, are called expatriates while others are termed immigrants.

Trends in expatriation

At the end of the 20th century, global markets created several

short-term assignments which led to a massive spurt in the number of expatriates. According to UN, more than 232 million people, that are 3.2% of the world population, live outside of their home country in 2013. In terms of influx of expatriates, among the most popular expatriate destinations for several years are Germany, Belgium, France, Spain and Russia in Europe, Canada and the USA in North America, the UAE, Kuwait and Oman, Singapore and Hong Kong in Asia, Australia and New Zealand, as well as South Africa which is the most popular expat destination in Africa. In Dubai the population is predominantly composed of foreign passport holders, primarily migrants from countries such as India, Pakistan, Bangladesh and the Philippines, with only 20% of the population made up of its citizens. Singapore has a large number of expatriates as well, and almost 40% of the inhabitants of this metropolitan city are foreign-born workers, professionals or students. Expatriates generally qualify for and enjoy access to a wide range of financial advantages like tax benefits etc.

Human resource management of expatriate employees

The increase in migration from India warrants additional attention. The salary of internationally assigned personnel often consists of standard salary and monetary benefits such as cost of living and or hardship and Quality-of-Living allowances supported by non-monetary incentives such as health care, education expenses, and housing. Some companies will completely cover the cost of expatriate children's education, even at relatively expensive international schools, while other, usually smaller companies, and encourage families to find local schooling options. However, in spite of the monetary benefits and other rewards,

in some instances, migration is a failure due to the inability of the spouse or other family members to adjust to the new environment. Many expatriates snap away their contracts with their employers midway and return home. This leads to enormous financial and relationship strains.

Advantages of using expatriate employees

There are several advantages of using expatriate employees to staff international company subsidiaries. Advantages include that these expatriates provide a broader global perspective and better expertise in other multicultural markets. Furthermore, these expatriates can facilitate greater understanding of the company's global operations and can

help the employees to identify and meet the objectives of the company . Expatriates also play a critical role in the training and development of new management.

Disadvantages of using expatriate employees

Disadvantages of employing an expatriate include high transfer costs, the possibility of encountering local government restrictions, and possibly creating a problem of adaptability to foreign environments. The cost of training, compensating, and relocating an expatriate along with the expat's family is very high.

Perhaps the greatest disadvantage of using expatriates is the possibility of expatriate failure. Many expatriates snap away their contracts with their employers midway and return home . Despite intensive adjustment training, there is no guarantee how well an expatriate will adapt and socialize in the new Country. In some cases, migration is a failure due to the inability of the spouse or other family members to adjust to the new environment because their social network mainly remains in the parent country.

After independence

After the 1970s oil boom in the Middle East, numerous Indians emigrated to Persian Gulf countries on a contractual basis. These countries in the Persian Gulf have a common policy of not naturalizing non-Arabs, even if they are born there. Some Persian Gulf nations give citizenship if the family has lived there for many generations or years. Two examples are Kuwait and UAE.

Americas

After Gulf , the next most important destination for migration is US which is largely facilitated by the U.S. Expatriation Act of 1868 which declared in its preamble, 'the right of expatriation is a natural and inherent right of all people, indispensable to the enjoyment of the rights of life, liberty and the pursuit of happiness'.

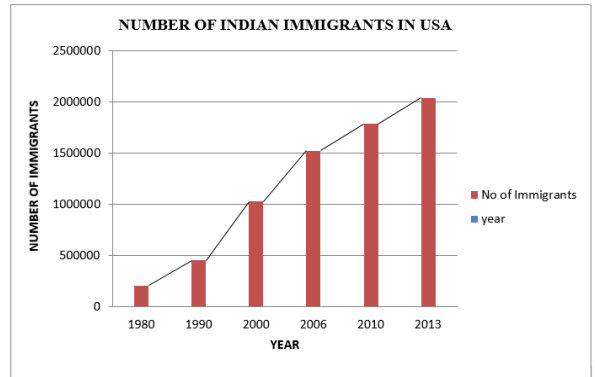
Indian immigration to North America started as early as the 1890s. From the first quarter of 1900 Christian missionaries from USA travelled to Kerala for preaching Christianity and in turn they invited manyal Keralites to USA for theology studies. Emigration to the US also started in the late 19th and early 20th century, when Sikhs entered the US.

Indians migrated in large numbers to the United States to assume professional occupations as well as business opportunities beginning in the 1960s. A second wave of Indian immigrants has been attracted to the US since the 1990s with the advent of the Information Technology (IT) boom. Indians are also attending universities in the United States and elsewhere in large numbers; as per the UNESCO Institute for Statistics, the number of Indian students abroad tripled from 51,000 in 1999 to over 1,53,000 in 2007, making India second after China.

After World War II, US immigration policy changed to allow family re-unification for people of non-white origin after being banned for almost half a century. In addition, Asians were allowed to become citizens and to vote. A large number of the men who arrived before the 1940s were finally able to bring their families to the US; most of them in this earlier era settled in California and other west coast states.

In contrast to the earliest groups of Indians who entered the US workforce as taxi drivers, labourers, farmers or small business owners, the later arrivals often came as professionals or completed graduate study here and moved into the professions. They have become very successful financially

thanks to the hi-tech industry, and are thus probably the most well-off community of immigrants. They are well represented in all walks of life, but particularly so in academia, information technology and medicine. There were over 4,000 PIO professors and 84,000 Indian-born students in American universities in 2007-08. The American Association of Physicians of Indian Origin has a membership of 35,000. In 2000, Fortune magazine estimated the wealth generated by Indian Silicon Valley entrepreneurs at around \$250 billion.



In 1980 there were 206,000 Indian expatriates in US. But in 1990 the number of Indian migrants to US almost doubled to 450,000. In 2000 the Indian migrants almost tripled with a total tally of 1,023,000. In 2006, the number of migrants increased to 1,780,000. When comparing with the expatriates increase between 1990 and 2000, the jump between 2000 and 2006 is not that substantial. In 2010, the number of expatriates increased to 1,780,000. When comparing with the increase during 1980-1990, the proportionate increase between 2006-2010 is not very encouraging. In 2013, there were 2,035,000 expatriates in the US.

Metropolitan Area	Immigrant Population from India	% of Metro Area Population
1) New York – Newark-Jersey City, NY-NJ-PA	315,000	1.6%
2) Chicago-Naperville-Elgin, IL-IN-WI	117,000	1.2%
3) San Jose-Sunnyvale-Santa Clara, CA	89,000	4.8%
4) San Francisco-Oakland-Hayward, CA	86,000	1.9%
5) Washington-Arlington-Alexandria, DC-VA-MD-WV	82,000	1.4%
6) Los Angeles-Long Beach-Anaheim, CA	80,000	0.6%
7) Dallas-Fort Worth-Arlington, TX	71,000	1.1%
8) Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	65,000	1.1%
9) Houston-The Woodlands-Sugar Land, TX	64,000	1.0%
10) Atlanta-Sandy Springs-Roswell, GA	51,000	0.9%

Source: MPI tabulation of data from the U.S census Bureau pooled 2009-2013. Between 2009 to 2013, the highest number of Indian expatriates was found in New York with

315,000 people who form 1.6% of the metro area population. Chicago-Naperville-Elgin, IL-IN-WI comes second with 1.2% of the metro population area. San Jose-Sunnyvale-Santa Clara, CA comes third with 89,000 migrants which constituted 4.8 % of the metro area population. San Francisco-Oakland-Hayward, CA stands fourth with 86,000 migrants constituting 1.9% of the metro area population. Washington-Arlington-Alexandria, DC-VA-MD-WV ranks fifth with 82,000 expatriates which forms 1.4% of the metro area population. Los Angeles-Long Beach-Anaheim, CA stands sixth with 80,000 population which forms 0.6% of the metro area population Dallas-Fort Worth-Arlington, TX ranks seventh with 71,000 population which forms 1.1% of the metro area population. Philadelphia-Camden-Wilmington, PA-NJ-DE-MD stands eighth with 65,000 population which forms 1.1% of the metro area population. Houston-The Woodlands-Sugar Land, TX stands ninth with 64,000 population with 1.0% of the metro area population. Atlanta-Sandy Springs-Roswell, GA falls tenth with 51,000 populations which forms 0.9% of the metro area population.

The population pressure in India has led to fanning of people all over the world and India has been benefited to a great extent from migration. It is not an exaggeration if we say that the demographic dividend is much utilized by migration. It is heartening to note that the surplus human resources are usefully employed elsewhere in the world which has brought in several socio-economic benefits to India.

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