THE PAKISTANI DIASPORA

Corridors of Opportunity and Uncertainty

Edited by

Rashid Amjad

Lahore School of Economics

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ISBN: 978-969-7502-04-2

First printing November 2017.

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Preface

The essays in this volume are a valuable contribution to the growing literature on the Pakistani diaspora. The book is being published at a time of mounting debate over the future of international migration and ensuing anxiety among migrants – including those from Pakistan – as this debate takes on racial and religious overtones. In the Middle East, where a majority of the Pakistani diaspora works (albeit as temporary workers), the slowing down of the region's economies and envisaged structural changes have raised concerns as to whether these labor flows will slacken and return migration will accelerate. This would likely have negative consequences for Pakistan in terms of domestic employment and, more important, the flow of remittances, which play a critical role in supporting its growing external account deficit.

With its focus on the Pakistani diaspora, this volume breaks new ground in many respects. It does not merely analyze the growth of this diaspora in a historical context, but also provides valuable insights into the cost and benefits of migration – to migrants, their families in the new host country and the families they leave behind.

The essays in this volume were first presented and discussed at an international conference organized by the Lahore School of Economics in 2016, which brought together a range of scholars and analysts from Pakistan and abroad. We owe a debt of gratitude to the authors who, despite their pressing engagements, developed their presentations further and incorporated the editor's comments and suggestions.

Several background papers were also prepared for the conference, including one on the British Pakistani diaspora (by Laraib Niaz and Sidla Nasir) and one on the Pakistani diaspora in North America (by Naimal Fatima). These are being published separately as working papers.

I would also like to acknowledge the valuable contribution of Maheen Pracha who has done an excellent job in preparing the manuscript; her editing has drawn praise from all the authors.

Finally, my hope is that the publication of this volume and the establishment of the Centre on International Migration, Remittances and Diaspora (CIMRAD) at the Lahore School of Economics will provide a much-needed boost to the nascent field of diaspora studies in Pakistan.

Rashid Amjad
November 2017
Lahore School of Economics

Contents

1 **Introduction: An age of migration** 1
Rashid Amjad

2 **The making of the Pakistani diaspora** 23
Fareeha Zafar

3 **The Pakistani diaspora in the United States** 47
Michael Kugelman

4 **The Pakistan–Europe corridor** 75
Fareeha Zafar

5 **Anti-immigration policies: The most serious threat to Europe** 91
Phillipe Fargues

6 **The European refugee crisis** 103
Yannos Papantoniou

7 **The Pakistani diaspora in the Gulf** 111
Nasra M. Shah

8 **The cost of migration from Pakistan to Saudi Arabia and the UAE** 137
Rashid Amjad, G. M. Arif and Nasir Iqbal

9 **Workers' remittances and the Pakistan Remittance Initiative** 161
Asma Khalid

10 **The impact of transnational marriages on Pakistani spouses in Britain** 177
Marta Bolognani

11 **Pakistani diaspora communities in Norway: Part of a transnational social field for how long?** 197
Martha Bivand Erdal

12 **The political success of the British-Pakistani diaspora** 225
Parveen Akhtar

13 **Circuits of knowledge: Learning from the Pakistani academic diaspora and teaching them in return** 237
S. Akbar Zaidi

14 Transnational business and investment possibilities: The role of Pakistan's diaspora 249
Tariq Saigol

15 Engaging with diasporas: Lessons from China and India 255
Piyasiri Wickramasekara

16 Migration and development: Some key lessons 287
Manolo Abella

17 Engaging diasporas in development 303
Ibrahim Awad

Index 323

1

Introduction: An age of migration

Rashid Amjad[*]

1. Introduction

In many respects, Pakistan has witnessed an 'age of migration' over the last 70 years, which has transformed the country's landscape in significant ways. This started with overseas migration to the UK in the 1950s, followed in the 1960s by migrants – including highly skilled professionals – moving to the US and, in smaller numbers, to Canada. The early 1970s saw contract workers – mainly semi-skilled and unskilled – beginning to move in increasingly large numbers to the Middle East. During the 1990s, a new wave of migrants headed to Europe, taking advantage of EU policies enabling visa-free movement among member countries. The migration wave also moved eastward, mainly to Malaysia and Thailand and in smaller numbers to Singapore, Australia and New Zealand.

By 2017, the diaspora was estimated at 9.1 million – almost 5 percent of Pakistan's total population.[1] If we add to this the number of contract workers and temporary migrants who have returned home, we find that one in ten Pakistani households currently has a family member who has settled abroad or worked overseas.[2] Remittances through official channels

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[1] These estimates were presented to the Senate by the Ministry of Overseas Pakistanis and Human Resource Development in April 2017 and are based on data from Pakistani foreign missions (see Tanoli, 2017).

[2] In 2017, there were an estimated 30 million households in Pakistan. Of its 9.1 million diaspora members, almost half were living without their families, mainly in the Gulf and Saudi Arabia. The rest comprised, on average, families of three to four persons each. If we add to this roughly 5 million return-migrants from the Middle East and assume that, on average, there were two persons from a household in Pakistan that had a member abroad, we come to a figure of between 3 million and 4 million Pakistani households with at least one family member abroad.

in 2016/17 were about US$20 billion or almost 7 percent of GDP and almost equal to the country's total exports of goods and services. Indeed, Pakistan's 'age of migration' has had an impact on its entire social and economic structure and cultural mosaic. It has weakened existing rigid class relations, especially in rural areas, as the remittances sent by migrants continue to improve the incomes, living conditions and social standing of the households and extended families they have left behind. Migration has brought wealth and prosperity to those areas with a large concentration of households that have members working overseas – leading to changes in the socioeconomic structure and encouraging upward social mobility.

The economic flows resulting from migration have had a ripple effect on the entire economy. These large inflows of remittances, while spent mainly on consumption rather than productive investment, have had a multiplier effect, which has stimulated growth in almost all sectors of the economy. The resulting creation of jobs and incomes – especially in services, construction and housing – significantly helped reduce the extremely high poverty levels of the 1980s and post-2001.

The rise of an emerging middle class in Pakistan in recent years owes much to the economic dynamics of overseas migration. The resulting continuous transnational interaction between migrants abroad and their families in Pakistan has spurred changes in local customs, family relationships – including the role and status of women – and social values. These changes are captured by the print, broadcast and social media; the growing body of internationally acclaimed migrant literature as well as tropes in film and television; and trends in fashion and design. More and more young people aspire to better employment opportunities abroad. Many young (and highly educated) men and women leave to marry family members settled overseas. Ageing parents, who have never lived abroad, now spend hours on long international flights visiting children and grandchildren across the world from Australia to North America.

But what of the diaspora itself that has helped generate so many positive developments in Pakistan? In what ways have their lives improved since they left their home country? To what extent have their aspirations and those of their children (second- and third-generation migrants) been met or, in some cases, led to alienation and frustration? How well have they integrated in their new homeland? And how strongly do they remain connected to Pakistan? This is a complex and challenging story that will continue to unfold over time – as this volume shows. On balance, despite the myriad challenges they have had to overcome (and continue to face), the overwhelming majority of migrants

are certainly economically better off and are peaceful, law-abiding citizens who have made significant and varied contributions to their host country.

This volume tries to capture some of the salient features and dynamics of Pakistan's age of migration over the years. While this is a large canvas, each contributor attempts to gauge some of the principal, multifaceted challenges and anxieties that Pakistani migrants have faced at both ends of their respective migration corridors. In this sense, we hope to make a significant contribution to the field: while diaspora studies has become an important subject at many academic institutions around the world, it is still in its infancy in Pakistan.

The focus on the diaspora has become even more important in recent years as the upsurge against globalization and immigration in the West culminated in Brexit and the election of Donald Trump –developments that were accentuated by the post-2008 global economic downturn and growing job scarcity. In many countries in Europe, there is growing fear that greater migration – in the visible form of different customs and dress – will necessarily threaten their own cultural 'identity'. This backlash has increased the uncertainty and anxiety of Muslim migrants worldwide (which include the overwhelming majority of Pakistan's diaspora) as far as prospects in their host country are concerned. Nonetheless, it is important to point out that this situation varies from place to place: as Akhtar (Chapter 12) observes, Britain's Pakistani diaspora is politically more embedded now than it ever was.

In parallel, the Middle East – where more than half the Pakistani diaspora is concentrated, albeit as temporary workers, and which accounts for almost 60 percent of total remittances to Pakistan – is under considerable economic strain. The steep decline in oil prices and regional security concerns could have adverse repercussions for Pakistani migrant workers. Saudi Arabia has embarked on an ambitious plan to restructure its economy, which will increase its demand for skills that Pakistan – given its extremely poor human resource indicators – may be hard pressed to meet. The decline in oil prices has decreased the demand for new workers significantly, as existing development schemes are cut back and new projects shelved. While the number of Pakistani workers made redundant is small and remittances from Saudi Arabia and the Gulf countries declined only slightly in 2016/17, we must not underestimate this trend and the effect it could have on Pakistan's economy.

Is the age of migration then coming to an end? This is difficult to predict, but the uncertainty surrounding future migrant flows to the Gulf and Saudi Arabia and increasing restrictions on immigration in many

western countries mean that the high points of out-migration in Pakistan are unlikely to recur, at least in the foreseeable future. For Pakistan, this will mean adjusting to new realities – given its economic dependence on remittances – and finding new engines of sustainable and equitable growth. For the international diaspora in general, and not just from Pakistan, challenging times lie ahead.

2. New approaches to diaspora studies

The discussion above should make it clear why diaspora studies has gained prominence as an academic subject. Three key developments have taken place in this area of study.

First, the narrow prism through which economists viewed overseas migration (in terms of remittance inflows and labor outflows) has widened into a more dynamic framework that encompasses the migrant experience. This includes the sociopolitical space migrants occupy in their home and host countries, the families they leave behind and the interaction between the two across boundaries and borders. As Zafar (Chapter 2) notes, there has been a discernible "shift from a purely economic focus on remittances to a more nuanced understanding of social and cultural issues of integration and identity". This deconstruction of remittances into economic, social and political remittances is now common in the diaspora literature.

Second, academics specializing in diaspora studies have realized increasingly that diasporas can be delineated by the different corridors through which they move. It is just as important to know where and in which part of a country migrants have settled as it is to know (given the considerable economic and cultural diversity of Pakistan) from which part of Pakistan they have come and where their families still live. Only then can one fully capture and understand the dynamics of adjustment and change that have underlined their lives and shaped their future in their host country and that of the families left behind in their home country.

Third, behavioral dynamics have changed with each successive generation of the Pakistani diaspora, notably in the UK. As this volume shows, the diaspora has not remained static. Instead, it has managed to carve out a political, cultural and social space for itself. Its ties to Pakistan have also shifted over time, from being described, for instance in the UK, as 'strong' among first-generation migrants to 'deep' among the second generation. Third-generation migrants see themselves

'firmly' as citizens of their host country, but have retained their association with Pakistan in most cases.[3]

3. Estimating the size of the Pakistan diaspora

It is nearly impossible to form accurate estimates of the size of the Pakistani diaspora. Official estimates collected by the Bureau of Emigration and Overseas Employment record only those migrants who have used official channels and these figures relate primarily to contract workers in the Middle East. There is no mechanism in place to record the number of migrants who have returned from the Middle East either permanently or temporarily because their contracts have expired. The data collected by Pakistani missions abroad provides better, albeit very rough, estimates, which are also used by the Ministry of Overseas Pakistanis and Human Resource Development as official estimates of the size of the diaspora. According to recent figures based on this source, as mentioned earlier, the Pakistani diaspora numbered 9.08 million in early 2017.

4. Delineating the Pakistani diaspora

In days not far past, there was no better visual of the major corridors that migrants had taken to work or settle abroad than the departure lounges of Pakistan's major airports. Flights bound for Jeddah, Riyadh, Dubai, Abu Dhabi and Doha were lined with male passengers, most of them in their 20s and 30s, semi-skilled or unskilled manual workers wearing a *shalwar kameez*, returning to work after a brief stint home. Among them were also fresh migrants, nervous at the prospect of leaving Pakistan for the first time. There was also a handful of western-dressed professionals and some relatively well-to-do businessmen with their families, who were employed or running businesses in these countries.

One could also distinguish between those leaving for the UK and those bound for the US and Canada. Male passengers tended to be dressed in western clothes: those en route to the US appeared more professional and economically better off than those going to the UK. Of the women accompanying them, most were in Pakistani attire, but those bound for the UK appeared to be more traditionally dressed than their better-educated, more westernized American counterparts. Almost all of them spoke English, but were easily distinguished from one another by their pronounced British "cockney" accents or American slang.

[3] See the Change Institute (2009, Section 1.5) on the Pakistani diaspora's intergeneration dynamics.

What is interesting is that this visual of growing out-migration to the UK, the Gulf and Saudi Arabia, the US and Canada is not true of Pakistani migrants to Europe, most of whom did not make their way here directly from Pakistan. Indeed, their movement in recent years has been through a labyrinth of land and sea routes, hopping from one country to the next before reaching Europe, taking advantage of the absence of visa checks in the EU, before finally settling down in a country where they felt safe, found relatively secure employment and had a better chance of regularizing their status of residence.

The movement of the Pakistani diaspora toward East and Southeast Asia has not been studied that well. In recent years, numerous professionals as well as skilled workers have found employment mainly in Singapore and Malaysia, while many families have moved to Australia and, to a smaller extent, to New Zealand. As visa restrictions for students wanting to go abroad for higher education (to the US and UK) tighten, many are now going to Australia and some choosing to settle there after finishing university.

The visuals above are not merely to show *where* they are going. If one were to map migrants by their area of origin, one would see that they are widely, if unevenly, dispersed (Zafar, Chapter 2). The link that emerges, however, is between certain areas in Pakistan and the most common destination among migrants originally from that area. These "proximity networks often determine the direction of migration" (Zafar, Chapter 2). Zafar reviews the rich literature that has emerged on the socioeconomic and cultural characteristics of the Pakistani diaspora and the considerable diversity of migrant experiences in different parts of the world. Examining the corridors that connect the diaspora across their home and host countries, she looks at the positive as well as negative spillovers of this interaction. The growth of "Little Pakistans" reflects how the diaspora has preserved and adapted its culture overseas, but the uncertainty wrought by 9/11 was enough to compel many migrants to transfer part of their assets back to Pakistan.

4.1 The colonial corridor: Migration to the UK

If one had footage of departing migrants at airports in Pakistan bound for London in the 1950s and 1960s, one would see the first generation of migrants to the UK (most of them from Mirpur in Azad Kashmir) boarding an aircraft for the first time, struggling to fasten their seat belts and conspicuous in the way they spoke, addressed the crew and used the plane's facilities. Most spoke no English and communicating with immigration authorities on arrival in London or Manchester was an

ordeal for migrants and immigration officers alike (until the UK authorities hired Urdu-speaking translators).

Now, fast forward to the second and third generations of the original British-Pakistani diaspora. One is struck by their confidence and the familiarity with which they walk into the departure lounge at a Pakistani airport and, on arrival in the UK, breeze past the immigration authorities, their British passports in hand. Indeed, it is now the smug, educated and well-to-do traveler visiting the UK – shown some deference years ago – who is more likely to be grilled by the immigration authorities who want to know why they are here, who they plan to visit and where and how long they are going to stay.

According to figures reported by the Ministry of Overseas Pakistanis and Human Resource Development and based on estimates from the Pakistan High Commission in 2017, the UK is home to about 1.7 million people of Pakistani origin – in 1951, this figure was only about 5,000. Postwar Britain encouraged Commonwealth citizens to migrate to the country to meet its labor shortages. Following this, the British government helped Pakistan build a major dam in the mid-1960s and offered to rehabilitate about 100,000 persons from the town of Mirpur (in Azad Jammu and Kashmir), who had been displaced as a result. This triggered a chain of migration in successive years to the extent that more than half the British-Pakistani diaspora can trace its origin to Mirpur and the surrounding areas.

Most early migrants were low-skilled, semi-educated workers who settled in northern England and found industrial employment (many in sectors that eventually deindustrialized). From the 1960s onward, the UK began to attract highly skilled professionals trained in medicine, science, management, engineering and IT, many of whom stayed on as residents. Over the years, they have helped meet the needs of the British state-run health and other social services, but also played an important role in making the British economy more competitive, more efficient and led by the services sector. Even today, despite tighter restrictions on immigration, a new wave of Pakistani professionals is being issued work visas for the UK.

But if Britain has benefitted from the inflow of Pakistani migrants, how well has this diaspora fared in its host country? As Niaz and Nasir (2017) show, barring highly skilled professionals, career politicians and part of the business community, British-Pakistanis have not done as well as their counterparts, especially in economically depressed areas such as the north. Relative to the rest of the country and other migrants (including

from India), a higher proportion of Pakistani migrants is considered 'poor' (55 percent). This diaspora is also characterized by a lower labor participation rate, especially among women, and a far higher unemployment rate than the national average.

The Change Institute (2009) argues that this situation varies considerably by region and community. A middle class has emerged as young people (including women) aspire to better educational qualifications and jobs. At the same time, there remains "an underclass of mainly young people who have left school with no qualifications and are caught up in drugs and criminality" (p. 8). The ongoing debate revolves around whether the Pakistani diaspora should view itself as 'British Muslim' or 'British-Pakistani' – in part, a reaction to events post-9/11 and "the perceived increase in Islamophobia in British society and the stereotyping of all Muslims as potential terrorists or terrorist sympathizers" (p. 10). Issues of identity among this diaspora have been analyzed extensively in the literature, but it is important not to draw sweeping conclusions. As Werbner (2004) points out in the context of the politicization of Islam in the UK, "Pakistanis in Britain have remained, on the whole, peaceful and pragmatic" (p. 483).[4]

4.2 The North American corridor

4.2.1 The US

By contrast, the Pakistani-American diaspora (an estimated 900,000 in 2017) is prosperous and well educated, with almost a third working in professional and managerial capacities. As Kugelman (Chapter 3) shows, the diaspora's median income (US$60,000 per annum) is well above the national average (US$50,000). A third of Pakistani-Americans earn more than US$90,000 annually, of which a remarkable 18 percent earn more than US$140,000. Many are senior professionals in medicine, banking, finance, academia and international development, while others have risen to become prominent businesspersons.

Of this well-educated, high-income niche (however small relative to the national population or other diasporas), most contribute significantly to the social and cultural fabric of their host country. Broadly, this group includes (i) people who came to the US as students and, having found employment, stayed on; (ii) second-generation migrants, born and educated in the US; (iii) people who originally worked at multinational

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[4] For a deeper analysis of the complexity of issues involved, see among others, Werbner (2004) and Modood et al. (1997).

firms and banks in Pakistan and were then transferred to the firm's US headquarters; and (iv) civil servants based in Pakistan who were subsequently engaged by international development agencies headquartered in the US. As Zaidi (Chapter 13) shows, of the third and fourth categories, some people returned to Pakistan on completing their assignments, but most chose to remain in the US. Some continued to shift between Pakistan and the US after retirement, becoming involved in teaching and research.

But what about the rest of the Pakistani diaspora, which comprises almost two thirds of the total and is neither highly skilled nor highly educated? Fatima (2017) shows that this group is concentrated in the larger East Coast cities, working as taxi drivers or running small retail businesses. Given the overall median income of this diaspora and the fact that only 18 percent live below the poverty line, the average Pakistani-American appears to be reasonably well-off, although there is little information to show how this group entered the country or how its second and third generations are faring. What we do know is that most of these migrants had settled in the US before 2000, having entered the country (i) when immigration policies were less stringent in terms of education and skill criteria, (ii) by taking advantage of the visa lottery scheme (which required 12 years of education and two years of experience), or (iii) as family members of migrants or as visitors (sometimes illegally) and subsequently managed to regularize their status.

Kugelman discusses what he terms the "dark side of the Pakistani-American experience" but argues that cases of discrimination and harassment are "largely rooted in anti-Muslim and not anti-Pakistan sentiment". He points out that most people's general perception of Pakistan is built on "superficial and even reductive negative media coverage [of terrorism and violence in Pakistan]". While some Pakistani-Americans have undoubtedly faced hardship and discrimination, the number of such cases is far smaller than in other parts of the world. Kugelman makes a similar point to Werbner (2004) when he argues that the overwhelming number of Pakistani-Americans are law-abiding residents and, barring rare incidents, are not part of the rising trend in homegrown extremism and militancy in the US.

4.2.2 Canada

In 2017, the Pakistani diaspora in Canada numbered around 250,000 people. Fatima (2017) underscores the surprisingly large socioeconomic disparity between the US and Canadian diasporas, which she attributes to far lower levels of education and skill among the latter. While Canada

attracted some highly skilled professionals, the US appears to have offered better career opportunities. Moreover, as she observes, even concerted policy efforts to overcome discrimination against migrants (including those from Pakistan) and encourage social integration do not guarantee the same degree of economic and social mobility ascribed to 'native' Canadians. Almost half the Pakistani diaspora in Canada still lives below the poverty line.

That said, Canada is a diverse country and such trends are difficult to generalize. As in the UK, overcoming the barriers to better job opportunities remains a key challenge. Good social skills and the ability to tap into the right networks are important elements of success, but the Pakistani diaspora still falls short on both counts even after all these years.

4.3 The European corridor: From labor mobility to refugee crisis

Zafar (Chapter 4) traces the movement of Pakistani migrants through Europe, which was seen as a conduit to the UK (rather than a potential second home) in the 1950s and 1960s, when most European countries had few restrictions on immigration. Even before the European Union (EU) came into being, the Nordic countries encouraged cross-border labor mobility, which enabled a small number of Pakistani migrants to settle there. By the 1980s, Europe was facing even greater labor shortages as a result of its ageing population and declining labor force. This attracted many Pakistani jobseekers, including highly educated and skilled professionals who were encouraged through an EU scheme to meet skill shortages in critical fields.

The situation has changed drastically in recent years when, in response to the growing resentment against migrants, deteriorating employment rates and influx of illegal migrants, many countries in Europe began to enforce stricter immigration controls. As a result, a growing number of migrants – and subsequently refugees as conflict in the Middle East worsened – began to slip into the EU through illegal channels. It is difficult to come up with a firm estimate of this Pakistani diaspora (including regular and irregular migrants), but an estimate of about 1 million (based on different sources) seems plausible. According to estimates from Pakistani foreign missions for early 2017, the main countries in which Pakistani migrants are concentrated include Italy (119,000), France (104,000), Germany (90,500), Spain (82,000), Greece (70,000), Norway (38,000) and the Netherlands (35,000).

The story takes a darker turn when we consider current events in the EU. This volume is being published at a time when Europe is facing its

worst migration crisis since the Second World War, with nearly a million migrants, refugees and asylum seekers entering the EU in 2015. While Zafar (Chapter 4) looks at this from the perspective of Pakistani migrants (who constitute a small, albeit significant, part of these flows), Fargues (Chapter 5) and Papantoniou (Chapter 6) capture a different angle of the crisis: where does the EU stand and what lies in its best interests, especially in the long term?

Fargues makes it clear that we must take a step back from the political and media tumult that tends to dominate the debate on migrant and refugee flows into Europe. The issue undoubtedly has short-term implications, but this must not allow Europe to falter in providing humanitarian assistance where it is needed. Moreover, Europe itself is ill prepared for the realities of a declining population and shrinking labor force in the medium to long term. Such refugee flows are not unprecedented, he argues, recalling the 4 million refugees that fled to neighboring countries following the Soviet invasion of Afghanistan in 1979 (of which 3.2 million entered Pakistan and over 2 million still live there). The crux of his argument is that, while migration is "growing global, there is no global governance of migration – no universally shared principles, no comprehensive international law and no institutions in charge."

Analyzing the economic and labor market impact of recent migration and refugee flows on the EU, Papantoniou concludes that "migration is positively related to economic growth … the shocks it generates to the labor market may be manageable insofar as they sustain the upgrading of skills and rising productivity trends". His argument is that the core challenge lies in dealing with the social and political fallout of "the socioeconomic and cultural differences separating migrants from the native population." The sudden arrival of large numbers of immigrants in the EU "challenges the integration of European societies" and destabilizes European policies by "providing fertile grounds for the rise of the extreme right as well as other xenophobic parties." The solution, he holds, is to uphold the "open society" model on which EU policies concerning the movement of people and labor are based. The challenge lies in *not* giving in to the frenzy created by these forces, which are based on widely exaggerated claims.

4.4 The Gulf and Saudi Arabia corridor

According to recent estimates, the population of Pakistani contract workers in the Middle East – mainly in the Gulf and Saudi Arabia – is almost 4 million. While they constitute the bulk of Pakistan's diaspora

overall, they differ from their counterparts in several ways. First, the countries in which they work do not allow permanent settlement or nationality, regardless of how long migrants have worked there. Second, only a small proportion – mainly professionals and businesspersons – live there with their families. Third, since the Pakistani government does not allow women under 35 to be recruited as domestic workers overseas, the large population of female contract workers in the Middle East (most of them from Sri Lanka, Indonesia and the Philippines) does not include any Pakistani women. Finally, the vast majority of Pakistani migrant workers in these countries are semi-skilled and unskilled contract workers, many of whom spend decades working in the Middle East before they return to Pakistan.

Given the size of this diaspora and its proximity to Pakistan, there is already a large body of research analyzing (i) the volume of remittances sent home by migrant workers in the Middle East, (ii) what this money is used for and its impact on recipient households and (iii) how the (often prolonged) absence of male household members affects the immediate and extended families they leave behind. There is very little research on migrants' working conditions and the lives they lead in their host country.

In this context, Shah (Chapter 7) explores another under-researched area: the attitudes, perceptions and lives of contract workers in the Middle East, including the small number who live with their families. Her study is based largely on qualitative data and interviews conducted with Pakistani migrant workers and their families in Kuwait. She also traces the build-up of the Pakistani diaspora in the Gulf and Saudi Arabia to show that, while there has been some change in the skill composition of workers after 1990 (from semi-skilled/unskilled to relatively more skilled), the former still accounts for more than half the total migrant flows. Highly skilled professionals in medicine, engineering and academia constitute only about 5–7 percent of the total. Shah brings out not just the problems that contract workers must contend with in terms of wages and working conditions, but also their perception that the Pakistani government is not doing enough to engage them in national economic development. Many blue-collar workers, for example, feel that their embassies and consulates have done little to help them resolve problems related to their employers.

Moreover, the small proportion of Pakistani migrants (10–15 percent) in Kuwait who live there with their families (which now extend to the second and third generations) realize they cannot settle in their host country permanently. Accordingly, they encourage their children to study

in countries such as the US, Canada, Singapore and Australia, and stay on to obtain nationality. For those who return, these passports are meant to serve as a safety net in case they are forced to leave their current homes. Interestingly, few of them want to return and settle in Pakistan, although some have extended their businesses to Pakistan by investing in real estate and retail trade. Many professionals also look for employment in the Gulf and Saudi Arabia as a stepping stone to migration to Canada, the US and Australia.

Amjad, Arif and Iqbal (Chapter 8) study another key aspect of migration to the Middle East: the very high cost of obtaining a work visa. Such costs need to be repaid from workers' remittances and can account for as much as 12–18 months' salary in the case of low-skilled workers. This illustrates the degree to which they are exploited by unscrupulous visa agents and others, including government officials and prospective employers who claim a share of their earnings.

Deplorable as these practices are, Shah describes the "culture of migration" that has developed in Pakistan, pointing out that migration to the Gulf is usually perceived as a success story, both for the migrant and his family. Earlier migrants are seen as being able to buy land, build houses and spend lavishly on weddings and other occasions in their home country – all these are attractive markers of how one's life might improve on securing a job in the Gulf. The pressure to find an overseas job is enough that potential migrants are willing to sell land and jewelry or borrow large sums to finance their migration. Finally, Shah examines the factors that will influence future migration flows to the Gulf and Saudi Arabia, including the price of oil, the ability to increase labor force participation among local inhabitants (including an educated and skilled workforce) and, most importantly, the extent to which Pakistani contract workers can remain competitive by upgrading their skill set.

5. Economic, social and political remittances

5.1 Economic remittances

Khalid (Chapter 9) provides a detailed analysis of the growth of remittances to Pakistan since the late 1970s. She argues that, since the largest flows came from contract workers in the Gulf and Saudi Arabia, global oil prices have had a far-reaching effect on remittances because they have determined development expenditure (especially on infrastructure) in the Middle East and the corresponding demand for migrant labor, including from Pakistan.

For Pakistan's economy to benefit from these flows (principally, as a source of foreign exchange), they must come through official channels rather than the alternative *hawala/hundi* system whereby only the rupee component is transferred to recipient households in Pakistan by moneychangers based abroad. Chaudhry (1987), for instance, estimates that, in the mid-1980s, only 57 percent of total remittances entered Pakistan through official channels. Amjad, Irfan and Arif (2015) suggest that this may have increased to 65–70 percent post-9/11. Khalid also describes the measures and tools put in place to encourage the flow of remittances through official channels, including over-the-counter transfers, given that many blue-collar migrants – who account for the bulk of Pakistani workers in the Middle East – do not have bank accounts. However, with salaries paid increasingly into workers' bank accounts rather than in cash, this situation may have changed. E-banking, mobile phone transfers and access cards have also made it easier for beneficiary households to receive money through accounts in their name.

5.2 *Social remittances*

The concept of social remittances has broadened the debate on the link between migration and development by incorporating the importance of the transfer of 'nonfinancial assets' and their impact on social values and culture at the household, community and national level.[5] This debate focuses increasingly on the changing role, identity and belief system of migrants who maintain strong ties with their homeland and whose lives are shaped largely by a transnational existence that straddles their host and home countries. The same can be said of family members who do not migrate, but are also affected by cross-border ties. As Levitt (2005, p. 2) remarks, "migration is as much about the people who stay behind as it is about those who move." In this context, the volume includes two important studies on the Pakistani migrant experience in Norway and the ongoing debate in Britain concerning transnational marriages between the Pakistani diaspora and family members in its home country.

5.2.1 The Pakistani diaspora in Norway

Erdal (Chapter 11) describes the Pakistani diaspora in Norway as part of a "transnational social field" spanning both countries and extends this to other countries with similar diasporas in Europe and North

[5] This concept was developed by Levitt (2001) and is discussed in Zafar (chap. 2, this volume).

America. She gauges the extent to which migrants and their "life worlds in Norway remain entangled with experience and emotions rooted in Pakistan". Drawing on interviews with a sample of Pakistani migrants in Oslo and their families in Punjab, she traces the growth of this diaspora from just over 3,770 (primarily single) men in 1975 to about 38,000 people in 2017 – of which half are migrants' children and the rest are spouses and relatives who have joined them over time, many as a result of transnational marriages (although this trend appears to be declining).

The Pakistani diaspora's labor force participation rate matches the national average, although it is lower for women. That said, Norwegian-born Pakistani women have higher rates of university education and labor force participation compared to the national average. Many Norwegian-Pakistanis are self-employed, running small shops and restaurants and driving taxis – not very different from their counterparts in the UK. Erdal concludes that this diaspora sees itself as Norwegian, participating keenly in Norwegian society while remaining "meaningful to people and places in Pakistan". Whether these ties will change or fade with what Erdal terms the "decay" in remittances is an important question, that only time will tell.

5.2.2 Transnational marriages in the UK

In an important contribution to this volume, Bolognani (Chapter 10) examines recent legislation in western Europe and the UK that was introduced to discourage inter-family marriages. The practice is associated closely with the Pakistani diaspora in Britain and is perceived as being detrimental to social integration. Given that about half the British-Pakistani population is married to relatives from Pakistan, this diaspora is especially affected by such legislation: prospective Pakistani spouses are required to meet a minimum standard of English and undergo a probationary stay period in the UK, while British-Pakistanis must show they earn a certain income level.

The key assumptions underlying these policy changes are that prospective spouses from a migrant's home country tend to come from poor socioeconomic backgrounds (known as "importing poverty") and that inter-family marriages introduce customs and gender relations that are at odds with 'British culture' and the 'British way of life'. These include joint family living, high fertility, poor educational qualifications and weak language skills in English. Bolognani challenges these assumptions by showing that Pakistani spouses coming to the UK face problems that have more to do with conditions in the UK than with their so-called 'traditional' socioeconomic characteristics. Examining a

wide range of social actors and structural constraints, she argues that spousal migrants' capacity to adjust and integrate is underestimated and undervalued.

5.3 *Political remittances*

As political actors, migrants are capable of shaping political developments, values and norms both in their host and home countries. As the literature shows, the east European diasporas, for instance, have been a force for democratization in their home countries as well as a voice for better governance and the delivery of cost-effective, efficient public services. Other studies point to the role of the diaspora in bringing back political ideas that have sparked radical movements for socioeconomic and structural change.

Akhtar (Chapter 12) traces the gradual emergence of the Pakistani diaspora in Britain from a community subjected to "benign neglect" by the country's main political parties, to an important vote bank that was courted in the 1970s, especially in critical marginal constituencies. More recently, British-Pakistanis have contested elections, initially at the local level, but with several having netted prominent positions in Parliament, the Cabinet and, of course, as the mayor of London. Akhtar makes two key points here. The first is that the *biraderi* or kinship networks encompassing migrants' immediate and extended families in their host country led the diaspora's 'community elders' to be recognized as its collective voice in Britain. Second, while these ties were important in co-opting the diaspora's first and second generations, they have weakened over time. Younger British-Pakistanis, who have far less association with their home country, are less enamored of the biraderi system and, therefore, less likely to vote on this basis.

5.4 *Circuits of knowledge*

Arguably, the diaspora's most valuable transferable asset is the knowledge it acquires in its host country, especially among those living and working in developed countries. This is important, given Pakistan's dismal human development indicators and sluggish total factor productivity growth relative to other fast-growing developing countries (see Amjad & Awais, 2016). It reflects the country's poor access to and adoption of innovation and knowledge and its very low levels of human capital.

Zaidi (Chapter 13) emphasizes the role of the academic diaspora in strengthening the social sciences in Pakistan and the role it has played in

public policymaking, with overseas Pakistanis having been appointed to very senior positions (interestingly, more often under military than civilian governments). He points out that women have become more visible in academic research and teaching as a larger pool of potential scholars emerges from the Pakistani diaspora as well as Pakistanis who were educated abroad and returned home. This exchange is, however, limited primarily to private (rather than public) universities. On the flip side, he is skeptical of those Pakistani scholars, many of them members of the diaspora, who take a reductionist view of post-9/11 Pakistan, often reinforcing western stereotypes of the country that link subsequent events to the resurgence of fundamentalism. Nonetheless, he says, younger members of the academic diaspora are increasingly keen to engage with their peers in Pakistan, from whom they could learn a great deal in turn.

6. The business and investment corridor

The development literature underscores the diaspora's positive role in stimulating economic growth through new investment as well as by generating demand for goods that overseas Pakistanis miss and consume. The potential of this market, however, remains untapped. As Saigol (Chapter 14) argues from the perspective of Pakistan's business community, the lack of foreign direct investment (FDI) by the diaspora – and, indeed, overall – stems from the lack of a transparent and accountable business environment. As this shows signs of improving, the second and third generations of the British and American diasporas have begun to invest in Pakistan.

As in the case of China, Pakistan must engage with its migrant clusters and make them aware of new investment opportunities in the country. Saigol makes the case for (i) strengthening its reputation as being more investor-friendly and (ii) helping migrants renew their sense of identity with Pakistan. This can be done by floating migrant bonds and national saving schemes for the diaspora as well as by encouraging its members to invest in education and in small and medium enterprises that target niche domestic markets both at home and abroad.

7. Diasporas and development: Key lessons

Given that both India and China have very large diasporas with which they have engaged successfully, this volume seeks to identify measures that Pakistan might emulate to its advantage.

7.1 *Lessons from India and China*

Wickramasekera (Chapter 15) shows how the evolution of the Indian and Chinese diasporas has been an important factor in defining their economic role at home. He uses Kaldor's (2012) distinction between the "near" and "far-off" diasporas to differentiate between the older Chinese diaspora settled in East and Southeast Asia and the newer diaspora in the West. Over the last 70 years, the former has established itself in dominant business positions and forged links with its home country even before China opened up to the rest of the world.

The Indian diaspora, which Wickramasekera estimates at about 30 million, has moved through broadly the same migration corridors as the Pakistani diaspora – initially to the UK, then to the US and Gulf countries and more recently to Europe. India's pre-independence diaspora, comprising indentured labor that worked on rubber and sugar plantations in other British colonies, now plays a prominent role in business, government and academia in their host countries. The Indian diaspora sends back aboutUS$80 billion in remittances every year and its share of total FDI flows, while smaller compared to China, is still a significant 12–15 percent. The Indian diaspora business community is also much larger and more well-established than that of Pakistan.

As with other countries with a significantly large diaspora, including Pakistan, China and India have set up institutional structures to support their diasporas and encourage them to contribute to national development, while taking advantage of their access to knowledge and technology. China follows a two-track policy: one concentrating on the older or 'near' diaspora and the other on Chinese professionals educated in the West, encouraging them to return. Interestingly, the Overseas Chinese Affairs Office operates at the provincial, municipal, county and (in some cases) township and village levels. In India, a special ministry for overseas and Indian affairs (created in 2004) was merged with the external affairs ministry in 2016. India celebrates Non-Resident India (NRI) Day and, short of granting dual citizenship, has introduced Person-of-Indian-Origin cards that allow its diaspora to enter India without a visa.[6]

[6] Pakistan has introduced the National Identity Card for Overseas Pakistanis (NICOP), which allows dual nationals to travel to Pakistan on their host country passport without needing a visa. The more recently introduced Pakistan Origin Card aims to help "eligible foreigners" return "to their roots" by allowing them to (i) enter without a visa, (ii) stay indefinitely, (iii) purchase and sell property and (iv) open and operate bank accounts.

7.2 *Engaging diasporas in development: Economics, labor, social rights and capacity building*

The volume ends with two important reviews of the current state of knowledge on migration and development from a broader global perspective that allows one to compare Pakistan's experience within this framework.

Abella (Chapter 16) identifies two key changes in the link between migration and development. Migration was seen earlier as being driven by "supply push" factors such as high levels of poverty and insufficient job opportunities among developing countries. It now follows what he terms "reverse causation" whereby migration outflows and remittance inflows drive development in a diaspora's home country. Abella also analyzes the impact of migration on development through its impact on the home country's labor market. While migration has a marginal impact on wages, the labor market is affected by the emigration of highly skilled or highly educated young people (migration from the bottom and top of the labor market). Apart from helping to reduce poverty, remittances involve the transfer of technology to the home country, creating cross-border knowledge networks through the conduit of highly skilled migrants.

Awad (Chapter 17) reviews attempts to develop a strategy for engaging with the diaspora in development. Recognizing and extending labor and social rights to migrants, he argues, is essential if they are to realize their potential in the host country and help stimulate development in their home country. Implementing this is difficult because most countries do not integrate such rights into their legal system. Accordingly, Awad presents a framework geared to encouraging migrants to contribute to development in their home country, while strengthening their rights and building their capacity.

8. Conclusion

This volume has tried to capture the salient features and dynamics of Pakistan's 'age of migration' across home and host countries. An important contribution it makes to the literature is to show in a poignant sense how the migrant experience varies by destination as well as by origin. It is by no means static: over time, most migrants have moved beyond their relatively sheltered lives to interact closely with the community in which they live and to which they contribute. The degree of this interaction depends on their economic and social class background, their level of education, their profession and, critically, on

changing circumstances in their host country. There are times when immigration is encouraged by the host country because it helps overcome labor and skill shortages. Conversely, migrants may be viewed with suspicion and hostility, blamed for taking jobs away from local workers and, worse, in recent years, perceived as a potential threat to their host country's security.

Clearly, we need more extensive research on the Pakistani diaspora, including many of the issues and conclusions presented by contributors to this volume. The diversity of its views, sympathies, association with and active participation in key areas (including those with religious overtones) means that we must refrain from drawing broad conclusions and generalizing these across the Pakistani diaspora overall or even across diasporas specific to one country. This volume also illustrates the need for what one might term a macro-study of the Pakistani diaspora, which would perforce deal with tangible issues such as remittances. A second tier of research could look at the diaspora at a country or meso-level, including its history and evolution. At a third or micro-level, one could examine migrants' individual lives, their place as dual citizens and the economic, social and political repercussions of this interaction across national boundaries. It is this third level that has attracted considerable attention in recent years and holds exciting prospects for further research on the Pakistani diaspora, especially if undertaken jointly by academics based in Pakistan and those working overseas.

Finally, as one reads through the chapters of this volume, one cannot help feeling that the Pakistani diaspora reflects many of the characteristics of its home country, even after four generations. These include the pragmatism and resilience that Pakistan and its people have shown over the last 70 years since independence – and indeed that have characterized the people of the Indus civilization for centuries. The Pakistani diaspora in the West faces new challenges post-9/11 in which this resilience and common sense mingles with (or is overshadowed by) new identities – a combination of its transnational existence and hybrid culture, which will be tested further in the time to come.

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2

The making of the Pakistani diaspora

Fareeha Zafar*

1. Introduction

Based on official sources, the Pakistani diaspora was estimated at about 8 million in 2014, although many believe this number could be significantly higher – anywhere between 10 million and 15 million.[1] Migration overseas from Pakistan started soon after independence in 1947, primarily to the UK. Today, Pakistan's diaspora is spread all over the world. The exact status of those working and living in their host countries varies considerably – from people who (together with their families) have acquired the nationality of their host country to those working (with or without their families) on permanent or temporary visas. There may also be a significant number of people whose status in their host country has not been formalized or officially recognized, or who reside there as irregular migrants.

The distinction between migrants, migrant workers and diaspora communities is not always clear. In this context, it is important to frame a simple definition or paradigm recognizing 'diaspora communities'. The International Organization for Migration provides a broad definition of diasporas as "members of ethnic and national communities, who have left, but maintain links with, their homelands. The term 'diasporas' conveys the idea of transnational populations, living in one place, while still maintaining relations with their homelands, being both 'here' and 'there'" (Ionescu, 2006).

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[1] The official estimates are based on information collected by Pakistani missions abroad and collated by the Ministry of Foreign Affairs (see Pakistan, Ministry of Overseas Pakistanis and Human Resource Development, 2014). The most recent estimates put this figure at 9.1 million for 2017 (see also Chapter 1).

Certain definitions help us better understand the nature of such communities. Cho (2007) notes that the term 'diaspora' brings together communities that are "not quite nation, not quite race, not quite religion, not quite homesickness, yet they still have something to do with nation, race, religion, longings for homes which may not exist." This has led to diasporas being seen as collectivities and communities that extend across geographical spaces.

Most members of the Pakistani diaspora retain strong links with their country of origin, especially through their immediate and extended families. This includes sending them remittances to support their incomes, help meet the cost of schooling and healthcare, and mitigate the effect of natural disasters such as earthquakes and floods. Migrants may also channel remittances into assets such as land and housing in case they return to Pakistan, but more often to use during visits home. Many retain a strong interest in political and economic developments in Pakistan.[2]

Indeed, with increased connectivity, global access to electronic and print media, and cheaper travel, the large Pakistani diaspora is far more actively engaged with developments in Pakistan than in the past. Given the significant size of this diaspora, with possibly one in ten households having a family member abroad, rising remittances contributing 7–10 percent of GDP[3] and closer, increasing interaction between the diaspora and their home country, there appears to be considerable truth in Bolognani and Lyon's (2011) assertion that Pakistan no longer "makes sense without a firm account of its diasporic influence."

The Pakistani diaspora has also made valuable contributions to the economy, society and culture of its host countries, gradually becoming more integrated with local communities (albeit to varying degrees) while retaining many of its own distinct customs and culture. This assimilation in the host country has not always been easy and many studies have analyzed the changing role of the Pakistani diaspora from being relatively secluded and sheltered to taking far more active part in their new socioeconomic and political surroundings.

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[2] Ratha and Plaza (2011) note: "The US State Department defines diasporas as migrant groups that share the following features: (i) dispersion, whether voluntary or involuntary, across sociocultural boundaries and at least one political border; (ii) a collective memory and myth about their homeland; (iii) a commitment to keeping the homeland live through symbolic and direct action; (iv) the presence of the issue of return, although not necessarily a commitment to do so; and (v) a consciousness and associated identity expressed through community media, the creation of diaspora associations or organizations, and online participation."

[3] Rough estimates taking into account that almost half the Pakistani diaspora works and lives abroad without their families. The higher estimate of 10 percent is based on the estimated volume of remittances coming in through undocumented channels.

As Sahoo and Pattanaik (2014) observe, a diaspora "is not a static community; it is a creative process that changes in the context of the host country." They also note that older diasporas "usually have different relations with their localities than the new ones." The resulting 'hybrid culture' varies largely from one host country to another, given that there is considerable cultural diversity in Pakistan itself and that a great deal depends on migrants' area of origin. Political and security developments in Pakistan also have a bearing on how people in the host country perceive its Pakistani diaspora.

2. Key migration flows from Pakistan

In tracing the history of migration from Pakistan, one needs to start with the first wave of migrants to the UK in the early 1950s, when Britain was facing acute labor shortages – especially among younger demographics – following the Second World War. Over time, this steady flow of migrant labor grew to include workers' families. Today, with the Pakistani-British diaspora officially estimated at over 1.5 million, there are many third-generation and fourth-generation families of Pakistani descent living in the UK.[4] Members of this diaspora have gained prominence in many fields, including politics – as members of Parliament and as mayors and city councilors in large cities with a significant population of Pakistani descent.

It is important to mention here that a large part of the initial migration from Pakistan to the UK was from Azad Jammu and Kashmir (AJK) and the surrounding areas – a linkage that has continued over the years, with the region benefiting considerably from the flow of remittances and investment by its UK-based diaspora.[5] In 2014/15, remittance flows through official channels from the UK were about US$2.4 billion, out of roughly US$18.7 billion from all over the world.[6]

The second wave of migration from Pakistan followed the spike in oil prices in 1972, which produced an economic boom (mainly in construction) in the oil-exporting Gulf countries and Saudi Arabia, triggering the large-scale migration of skilled and semi-skilled workers from Pakistan. This wave was markedly different in that, compared to

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[4] These and all subsequent figures pertaining to the Pakistani diaspora are based on estimates provided by the Ministry of Foreign Affairs and data collected by Pakistani missions abroad.

[5] AJK is a self-governing state within the federation of Pakistan. The diaspora from this region constitutes the largest sub-population of the Pakistani diaspora in the UK.

[6] These figures are from the State Bank of Pakistan and represent recorded flows through official channels.

migration to the UK, workers were given the status of temporary migrants and issued two-year work visas on average. Most of them continued to work in the Gulf after having their visas renewed, either with their current or new employer.

It is estimated that over 3.7 million people from Pakistan work in the Middle East, with the highest number in Saudi Arabia (1.9 million), followed by the UAE (1.2 million). The rest are based chiefly in Oman (235,000), Kuwait (117,500) and Qatar (115,000). More than 60 percent of the total official remittances to Pakistan in 2015/16 came from these countries, of which Saudi Arabia accounts for US$5.9 billion and the UAE for US$4.4 billion (State Bank of Pakistan, 2016). Over the years, many members of Pakistan's business and professional community and their families have settled in the Gulf countries or Saudi Arabia, but have been unable to acquire nationality. However, the bulk of the Pakistani diaspora working there remain on temporary visas and without their families (see Shah, this volume, for the average duration of stay).

The third wave of migration from Pakistan was to the US and Canada, which started in the 1960s and accelerated during the 1980s and 1990s. The Pakistani diaspora in the US is estimated at about 900,000 and that in Canada at about 300,000. A much larger proportion of the Pakistani diaspora in these countries – as compared to in the Middle East – belongs to the professional and skilled categories and a significant number (including their families) have acquired citizenship. Many Pakistanis who initially went to the US or Canada to study, for instance, stayed back and found employment after graduating. Others, who returned to Pakistan, went back to work in North America on finding employment. Remittances from the US were about US$2.52 billion in 2015/16 (Iqbal, 2016).

As compared to the UK, where the Pakistani diaspora generally lives in or near the larger cities (for example, Bradford), its American and Canadian counterparts are well dispersed, given the large geographical spread of these countries. Especially in the US, Pakistanis display considerable labor mobility in search of new and better employment opportunities or living conditions. While not as prominent as in the UK, given its very small share of the overall population, the Pakistani diaspora in the US and Canada plays an important role in social and political circles and is an influential lobby in furthering the interests of both its home and host countries. In Canada, two persons elected to Parliament in October 2015 were of Pakistani descent.

The fourth wave of migration, which is relatively recent, has been from Pakistan to Europe. Spurred by increasing labor shortages as

Europe undergoes a demographic transition resulting in a stagnant and ageing population, this migration is spread across the continent. Pakistani migrants, who comprise both documented and undocumented workers, are estimated to number about 625,000 (excluding the UK). The majority live in Italy, France (110,000 each), Greece (90,000), Spain (82,000) and Germany (72,000), followed by the Netherlands, Norway (40,000 each) and Denmark (35,000). The total remittances from Europe, excluding the UK, are about US$400 million.

The Pakistani diaspora in Europe has not been well documented or studied, except for certain destinations such as Norway, which has a sizable Pakistani community relative to the national population. Recent attention has focused on the plight of asylum seekers, mainly from Syria and Iraq to Europe: this flow has included migrants from Pakistan, although their numbers are difficult to estimate. Another country with a significant Pakistani diaspora is Australia (migration flows to which started in the 1920s), with an estimated 60,000 migrants. Other destinations include Japan (12,000) – where they are largely undocumented – and, more recently, East Asia and Southeast Asia, chiefly Malaysia (100,000), Thailand (65,500) and South Korea (10,500). Table 1 ranks the most common destinations for Pakistani migrants.

Table 1: Top 15 destinations for Pakistani migrants

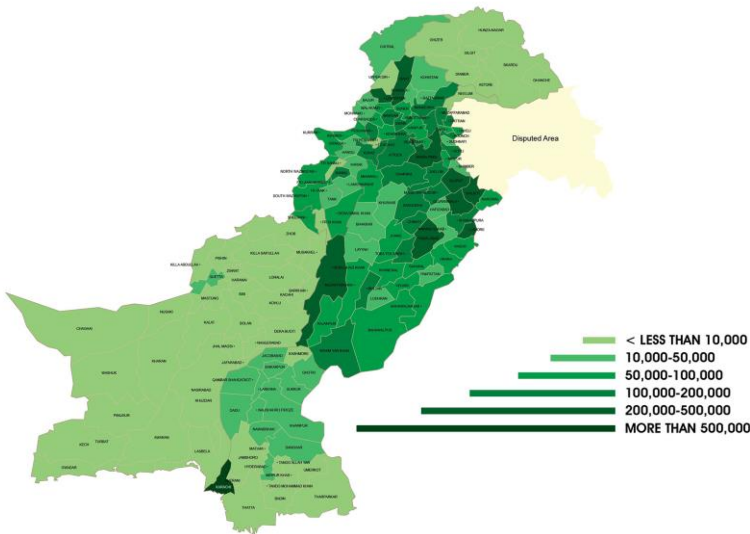
No.	*Country*	*Percentage of the Pakistani diaspora worldwide*
1	Saudi Arabia	25
2	UK	20
3	UAE	16
4	US	12
5	Canada	4
6	Oman	3
7	Kuwait	2
8	South Africa	1
9	Malaysia	1
10	France	1
11	Germany	1
12	Greece	1
13	Italy	1
14	Spain	1
15	Bahrain	1

Source: Pakistan, Ministry of Overseas Pakistanis and Human Resource Development, Yearbook 2013–14. Available from http://www.ophrd.gov.pk

3. The origins of the Pakistani diaspora

According to the Bureau of Emigration and Overseas Employment, 8,335,253 workers registered for overseas employment during 1981–2016 (up to February).[7] More than half these migrants are from Punjab (4,168,212), followed by Khyber Pakhtunkhwa (KP) (2,090,966), Sindh (698,218) – largely from Karachi – and AJK (545,460). Migration from the Tribal Areas (413,123) began later. Fewer people migrate from Gilgit-Baltistan in the north (12,260), but here too their number is increasing, as is the case with Balochistan, which accounts for just over 95,965 recorded migrants. In addition to the lack of employment opportunities, ethnic conflict operates as a push factor in the two latter areas. Finally, some 59,000 persons have out-migrated from the Islamabad Capital Territory (Figure 1).

Figure 1: Number of workers registered for overseas employment, 1981–2016

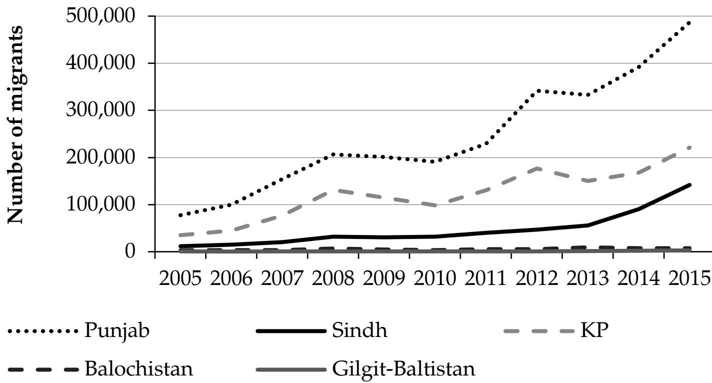


Source: Bureau of Emigration and Overseas Employment.

An upward trend in migration can be discerned since 2005 and especially after 2010. In KP and the Tribal Areas, this can be attributed to rising militancy in the region. Punjab and Sindh show a large increase in the number of migrants leaving these provinces – possibly a result of high unemployment among young people in urban areas (Figure 2).

[7] Does not capture noncontract migration to non-Middle East countries.

Figure 2: Distribution of migrants, by province or area of origin



Source: Bureau of Emigration and Overseas Employment.

In recent years, migration from AJK has also shown an upward trend, with the five districts of Kotli, Muzaffarabad, Bagh, Bhimber and Poonch accounting for most emigrants. As of 2005, Kotli ranks highest, possibly given its better education indicators (the district is ranked at 18 out of 148 districts across Pakistan). According to some estimates, 75 percent of Pakistani migrants to the UK are from Mirpur – an outcome of the large-scale displacement (100,000 persons) caused by the construction of the Mangla dam in AJK in the 1960s.

Earlier migration from the Punjab was from Attock district, which lacked job opportunities, and from villages in the eastern part of the province in the districts of Rawalpindi, Jhelum, Gujrat and Faisalabad (Shaw, 2000). While these remain important sources of migrant labor, newer districts such as Khanewal, Faisalabad and Hafizabad – located in the agricultural heartland of central Punjab – have also become labor-sending areas. Overall, the district of Sialkot, one of Pakistan's oldest industrial regions, remains a dominant source of migrant labor.

Over the last ten years, migration from districts such as Dir and Swat in KP has increased rapidly. Mardan, Peshawar, Swabi and Malakand continue to show high levels of migration. In 2008, large numbers – many of them from the Ismaili community – migrated from the Chitral district bordering Afghanistan. Given the low literacy levels in most of this region, migrants are largely from the labor class. Unsurprisingly, given the repercussions of the US-led war on terror, migration from the Tribal Areas has increased, especially in the Khyber, North Waziristan and

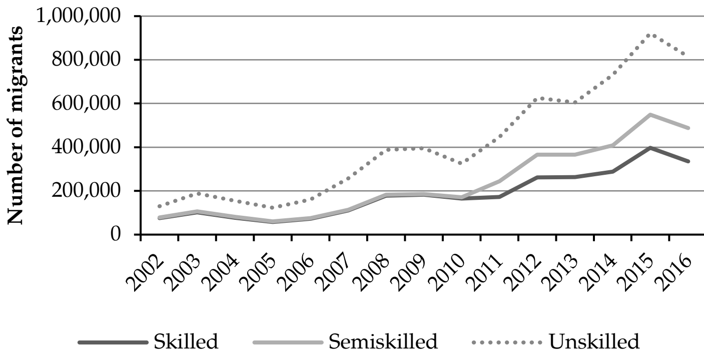
South Waziristan agencies. Those migrating either have the resources to do so or, as internally displaced persons, have no choice but to seek asylum abroad.

In Balochistan, the bulk of migration occurs from the urban areas of Khuzdar and Quetta. In the case of Gilgit-Baltistan, migrants tend to originate from the capital, Gilgit. Migration from the latter has increased in the last ten years, partly due to rising levels of education associated with the Aga Khan Rural Support Programme and the concentration of the Ismaili community, which has strong overseas links. Overall, Punjab and KP have the largest number of districts accounting for more than 50,000 migrants each. Barring migration from Karachi, Sindh, Balochistan and Gilgit-Baltistan have very low migration levels.

The population-to-migration ratio is highest in AJK and KP (7.14), followed by Punjab (3.56) and Sindh (1.42), excluding Karachi, which has the largest number of migrants leaving the country. In Sindh, the stark rural-urban divide in migration levels reflects the hold of a stagnant feudal system, which makes it almost impossible for people to migrate even within the province. The migration rate in Balochistan is extremely low (0.77) and reflects the poor development of human resources in the province overall.

Most Pakistani immigrants, both skilled and unskilled, have a working-class background. Many have chosen to migrate in search of work, better living standards and, in some cases, for reasons of marriage or security. Among skilled workers, the greatest demand is for construction workers, electricians and machine operators. While migration to the Middle East in the mid-1970s occurred in response to the need for low-skilled labor, the demand for skilled workers has also risen since 2011 (Figure 3). Over time, workers from higher socioeconomic classes and those with graduate degrees or professional skills – nurses, IT specialists, business executives and intra-company transferees – have joined the ranks (Mahmood, 2010). The migration rate of Pakistanis with a tertiary degree is now more than 7 percent (Sajjad, 2013). The link between migration and the growth of the middle class explains why Pakistan's main urban centers, and especially Karachi (see Figure 1), account for higher levels of migration (Hasan & Raza, 2009), particularly among young men (see Ozden & Schiff, 2007).

Figure 3: Number of migrants, by skill level



Source: Bureau of Emigration and Overseas Employment. Available from http://beoe.gov.pk/migrationstatistics.asp

4. Changing trends in migration

Between 1971 and 2002 (a period of 31 years), 3,139,604 migrants left Pakistan, their destinations spread over 52 countries.[8] Over the next 11 years, this number rose to 4,656,390. By 2007, Pakistan was among the top 15 labor-sending countries. Overall, the Middle East is the most popular destination for migrant workers (47 percent), most of who are on short-term contracts. An estimated 25 percent of migrants head to Saudi Arabia and another 16 percent to the UAE. Together, Bahrain, Kuwait and Oman host another 6 percent of migrants. As Mansuri (2007) observes, proximity networks often determine the direction of migration. Thus, most labor migration from KP is to Saudi Arabia while migrants from Balochistan are more likely to opt for the UAE and Oman. Out-migration from AJK is still largely to Britain, where migrants have strong family networks.

Migration policies determine the kind and number of immigrants a country wants to attract. In Saudi Arabia and the Gulf region, the perceived danger of being overrun by better educated and skilled migrants prohibited them – until recently – from buying property except under joint ventures with a local partner. Even though this region hosts the largest number of low-skilled Pakistani workers, their stay is temporary and contract-based, indicating that there is no possibility of permanent residence.

[8] These include countries with more than 100 migrants.

Europe's relatively lenient immigration and asylum laws, combined with the fear of political, religious and social persecution in Pakistan under General Zia-ul-Haq's military regime prompted many Pakistanis to migrate as asylum seekers in the 1980s. Religious and ethnic minority groups tended to seek asylum in countries with a strong stance on human rights, such as the UK, France, Austria, Norway, Denmark and the Netherlands.

Approximately 2.2 million Pakistanis are settled in Europe, with about half living in the UK (Abbasi, 2010). Britain accounts for roughly 20 percent of all Pakistani migrants, most of who have settled there permanently. France, Germany, Italy, Spain and Greece have a sizeable number of migrants from Pakistan, while Norway and Denmark have smaller, primarily urban, Pakistani communities. Migration tends to take the form of chain migration from small towns and villages so that significant parallels exist between migrant communities in the UK, Denmark, Spain, Greece and Italy – many migrants have relatives in these countries (Rytter, 2010).

Stillwell and Duke-Williams (2005) observe that, in the UK, legislation passed between 1962 and 1988, restricting migrant labor inflows, meant that the earlier postwar waves of migrant labor were replaced by "immigrants seeking family reunification and subsequently … post-industrial movers, those with high skills, those arriving illegally and those seeking asylum" (p. 14). They point out that, since the 1990s, it is the latter category that has increased. Overall, migration to the UK has slowed down and now comprises chiefly dependents and spouses, while the second and third generations of the British-Pakistani diaspora have acquired permanent residence.

The US hosts 12 percent of all Pakistani immigrants. The passage of the Luce–Celler Act 1946 allowed immigrants to acquire US citizenship through naturalization. Between 1947 and 1965, only 2,500 Pakistani immigrants entered the US, most of them students who chose to settle there after graduating from American universities, according to reports from the US Immigration and Naturalization Service. This marked the beginning of a distinct 'Pakistani' community in America. The number of Pakistanis migrants increased dramatically after the Hart–Celler Act was passed in 1965, which lifted immigration restrictions and repealed quotas, introducing immigration based on professional experience and education.

Another turning point was the period between the late 1980s and early 1990s, when the US permitted the immigration of agricultural workers and introduced the 'green card' system under which visas were awarded by lottery. This led to a wave of blue-collar labor immigration

from Pakistan to the US. The number of Pakistani immigrants increased significantly, reaching over 20,000 in 1991. As immigration rules changed, less qualified and less skilled workers migrated, choosing the self-employment route and setting up small businesses, retail stores, petrol pumps and taxi services. A sizable minority of Pakistani Christians and Zoroastrians also left for the US, following the thrust of greater 'Islamization' in Pakistan.

The upward trend in Pakistani immigration to the US continued until 2001, when 9/11 triggered a change in American attitudes to Muslims, including Pakistanis. The US authorities adopted a tougher stance on immigration applications from Pakistan. This change in policy was reflected in a dramatic fall in the number of Pakistani immigrants admitted to the US, from 16,448 in 2001 to 9,444 in 2003. The drop was, however, short-lived and the number of Pakistani immigrants began to recover after 2004.

Family reunification has brought many Pakistani women to America. Legislation supporting greater diversity and the Immigration Reform and Control Act of 1986 brought in large numbers of dependents so that, by 2005, their population had grown to 210,000. The Pakistani-American diaspora, therefore, constitutes immigrants who fall under the following categories: family-sponsored preferences (also referred to as chain migration), employment-based preferences, immediate relatives of US citizens, and refugee or asylum adjustments (Yang, 2011). In recent years, more immigrants tend to fall within the last three categories.

In Canada, which accounts for 4 percent of all Pakistani migrants, the immigration regulations have given preference to those with advanced degrees and professional skills: most Pakistanis who emigrated to Canada in the 1960s had strong credentials. In 1976, the Immigration Act allowed many Pakistanis to enter Canada each year under family sponsorship. The migrant selection policies adopted by Canada and Australia include, for example, a points-based system under which migrants become eligible to enter the country and seek work based on their qualifications. Other regimes, such as the US H1-B program, explicitly require migrants to have an offer of employment before they are granted permanent residency. Unlike the Middle East, however, countries in Europe and North America may eventually grant citizenship as opposed to strictly temporary worker status.

More recent policies promoting the growth of the diaspora include those that allow dual nationality and accept nonresident migrants. Easier visa regimes under business or investor categories – for example, B-1

visas and EB-5 investment visas for the US – along with residency visas contingent on buying a business or property have accelerated the migration of Pakistan's elite and business classes. Several countries offer resident status or citizenship based on investment, an example being Malaysia's My Second Home policy.

5. New approaches to diaspora studies

Given the complex nature of diasporas and their evolving relationship with their home and host countries amid changing global realities, academic analysis has shifted from simple economic arguments to a more nuanced exploration of social connectivity and issues of identity. Linking globalization, transnationalism and diaspora makes for new research possibilities. Studies on the impact of the diaspora on its homeland are no longer limited to purely economic analyses of the value of migrant human capital, philanthropy and remittances. Increasingly, the literature now examines the role of diasporas in transmitting values and cultures between their host and home countries as a positive outcome of transnationalism and globalization (see Sahoo & Pattanaik, 2014).

The frequency of movement and exchange between specific regions and diaspora homelands points to the importance of networks and the creation of social capital. It is, therefore, in the interest of labor-sending countries to forge closer ties with their diasporas through policies that are more conducive to migration. Expanding our view of the notion of 'old' and 'new' diasporas means looking at people who participate in and enable the emergence of the diaspora without physically migrating overseas. This includes women and the diaspora at home, an example being India's IT workers who have "come to occupy a place between two nations" (Charusheela, 2007).

As the diaspora's economic and sociocultural impact on Pakistan assumes growing importance, there has been a steady increase in the literature on this subject. More recently, several influential studies have tried to gauge the impact of this diaspora on its host and home countries. While economists have concentrated on analyzing the growth and flows of remittances, which are critical to the country's balance of payments, sociologists and anthropologists among others have looked at the diaspora's impact on Pakistani society. Indeed, the broader sociopolitical and economic implications of this relationship have attracted considerable interest among academics, policymakers and the media. Zaidi (2013), for instance, focuses on the role of the diaspora in high-level economic policymaking in Pakistan. Najam (2007) documents the generous philanthropy of the Pakistani-American diaspora, the bulk of

which is channeled to their home country. Another important (albeit not very well-documented) phenomenon is that of academics from the Pakistani diaspora returning temporarily to their home country to teach and carry out research.

The same is true of a growing body of literature on the effect of global and national developments on the interaction between the Pakistani diaspora and their country of residence. Kalra (2009) attempts to collate the extant literature and provide both an historical and contemporary set of accounts under themes of labor, gender, transforming rituals, shifting identities and the process of settlement. Bolognani and Lyon (2011) argue in favor of a more nuanced understanding of the intricate web of relationships between Pakistanis and their British diaspora, which is reflected in "highly differentiated disaggregated groups with very independent political, social, economic, and cultural goals and trajectories."

6. Corridors of connectivity

A key feature of diaspora groups is their ongoing orientation towards a 'homeland' – identified in the older diaspora as a desire to return and in newer or younger emigrants as a wish to engage (Yong & Rahman, 2013). In the context of the Pakistani diaspora, such "dense and continuous linkages across borders" (Faist, 2010) are evident in the growing economic, social and political networks that tie migrants to their country of origin.

6.1 Remittances

The increase in size of the Pakistani diaspora is reflected in the rise in remittances, which reached over US$18 billion in 2014/15 and US$19.9 billion in 2015/16. Official remittance flows have increased at an average rate of almost 15 percent since 2000, when the stock of remittances was only US$1.5 billion. While a significant part of this increase was due to a major shift in remittance flows from unofficial and unrecorded transfers (known as *hundi*) post-9/11 to official (mainly banking) channels, the change is also attributed to the increased outflow of migrants as well as a shift in their composition towards a larger share of professional and high-skilled labor.

Remittances in foreign currencies bolster Pakistan's economy to the tune of almost 6–7 percent of GDP. The volume of remittances is only slightly smaller than Pakistan's total exports of goods and services (about US$25 million in 2014/15). Given that its total imports are nearly double this value, remittances help make up for the large trade deficit. The

official figures may well underestimate the actual flows by as much as 20–40 percent (Amjad, Irfan & Arif, 2015).

Unlike remittances from America, the recent increase in which is motivated chiefly by profit, those from the Middle East are sent primarily to help migrant households in Pakistan finance their daily needs. There is abundant anecdotal evidence to suggest that migrants to the US use their remittances to purchase real estate in large cities such as Karachi, Lahore and Islamabad. As a result, property prices in these cities have shot up to the extent that many ordinary Pakistanis can no longer afford to buy land for residential purposes. Other examples are the purchase of stocks and shares and consumer durables such as automobiles.

The volume of remittances for charity is smaller but remains important, particularly during natural disasters, with most such donations going to individuals. Zakat, an alms tax on wealth, is a major part of philanthropy but here, too, the share of individuals is larger than that of institutions. Of the latter, most money goes to faith-based organizations. Charitable donations by Pakistanis are estimated to be about US$700 million, most of which is given to individuals in the tradition of zakat, *waqf* or *sadqa*. About 40 percent of all non-zakat funds are donated to individuals (Andrew, 2013).

Most organized charities in Pakistan are faith-based, such as mosques and seminaries. This is similar to the US, where most charitable work is carried out by faith-based organizations. Up until 2005, donations to development causes in Pakistan were relatively small because nongovernment organizations were considered untrustworthy – a perception that changed following the visible scale of their relief work in the aftermath of a devastating earthquake in northern Pakistan that year. Almost all donors see acts of charity as a religious duty. Najam (2007) estimates that Pakistani-Americans donate as much as US$100 million to (Pakistan-related) causes in Pakistan, both in kind and in cash. The fifth most common destination for Pakistani migrants, the US is also the sixth largest source of remittances to Pakistan: its diaspora remitted approximately US$2.5 billion to Pakistan in 2016 (Alam, 2016).

6.2 Political links

Kapur (2010) refers to diasporas as international social capital that can translate into "contentious long-distance nationalism" supporting groups and political parties at either extreme. The political activism of Pakistan's diaspora is not limited to its host countries: many segments of the diaspora engage in Pakistani politics by running or joining overseas

factions of local political parties (Pakistan Institute of Legislative Development and Transparency, 2008). Noteworthy examples include Altaf Hussain (leader of the Muttahida Qaumi Movement), who has lived in the UK since seeking political asylum in 1992 and Dr Tahir-ul-Qadri (leader of the Pakistan Awami Tehreek), who migrated to Canada in 2005. In both cases, they have deepened ethnic and parochial cleavages in Pakistan. Financial support for various Islamist groups and organizations based in Pakistan or overseas, but with transnational affiliations, is also part of such nationalisms.

The political appointment of businesspersons of Pakistani origin has also gained traction, as in the case of several provincial governors. With many Pakistanis holding dual nationality, their appointment to high office has drawn criticism from several quarters, including the media.

6.3 *Knowledge networks*

The growing ties between Pakistan and its diaspora have changed what was viewed in the 1970s as 'brain drain' into 'brain gain' two decades later. Interaction between the Government of Pakistan and academics or specialists of Pakistani origin who advised the country on economic development started in the 1960s and continued, especially under the Planning Commission, for several decades. Subsequently, with more and more students graduating from British and American universities, such linkages have grown stronger. Private sector universities, for instance, headhunt senior faculty and management based in the West, such examples including the Lahore University of Management Sciences, the Dawood Business School and Habib University.

The pool of experts seeking linkages with their home country following retirement from international organizations and universities has grown steadily. Unfortunately, there is no credible data on the number of Pakistani academics and professionals living abroad. The anecdotal evidence, however, suggests that most members of the academic diaspora do not intend to return to Pakistan for good, but are keen to contribute to the country over shorter periods. Many do so through private sector universities, banks and hospitals that enable them to live in Pakistan temporarily.

Zaidi (2013) points to the key role played by Pakistani economists and public policy experts who were part of the country's diaspora in the 1970s and held senior positions at international institutions. Many returned to Pakistan to serve as government ministers or advisors, in two

cases even being appointed Prime Minister. A number of business professionals, including start-up capitalists and financiers, have also held public office. As Zaidi notes, however, members of this segment of the diaspora were often international technocrats, most of whom were invited to return to Pakistan under a military government. That said, democratically elected governments have also brought in technical – and, more recently, business – expertise from among the Pakistani diaspora.

The growth in research institutions in Pakistan towards the end of the 2000s indicates a more systematic engagement with its specialist and academic diaspora. The bulk of high-caliber research on Pakistan is carried out primarily by Pakistani social scientists based abroad, with institutional and financial support from private universities and the Higher Education Commission. Other close ties have emerged through policy institutes set up by Pakistani academics working overseas, such as the Center for Economic Research in Pakistan. Given such developments, Zaidi (2013) argues, Pakistan's diaspora will continue to play an important role in the country's domestic public policy in the short term rather than over the long term. He also raises the question of legitimacy and accountability in the context of migrants being allowed to hold public office – a concern that has led the government to review the dual nationality bill originally presented in 2012.

The Higher Education Commission has instituted programs to raise the number of students sent abroad on scholarships, combined with an emphasis on science and technology, as well as arranging for overseas academics of Pakistani (and other) origin to carry out short-term teaching and research assignments in the country. At the receiving end, developed countries absorb skilled workers and scientists through scholarships and other incentives such as the H1-B visa program in the US, the 'green card' scheme for IT specialists in Germany, the former Highly Skilled Migrants Program in the UK and the skilled migration visa regime in Australia (Sajjad, 2013).

6.4 Business and professional networks

The Migration Policy Institute (2015) observes that the Pakistani-American diaspora has established numerous well-funded and professionally managed organizations across the US. These groups focus broadly on building professional and business networks, advocacy and fundraising to support Pakistan-based universities, hospitals and organizations contributing to economic and human development. Of nearly 80 organizations identified in this report, five had revenues

exceeding US$1 billion and two reported revenues of US$200,000. Similar networks have emerged in the UK, Canada and Australia.

Towards the end of the 1990s, a handful of Pakistani immigrants set up large companies in Silicon Valley, some with overseas offices in Pakistan. This marked the beginning of the venture capital industry in Pakistan. Post-9/11, many Pakistani expatriates in the US and Europe began exploring their options should they be unable to remain in their host countries. For Pakistan, this translated into an inflow of talent and expertise acquired overseas. Firms such as TMT Ventures, for instance, found its deal flow increasing as the supply of managerial talent and high-quality skill sets in the technology sector grew. This momentum continued for the next three years, from early 2002 through 2004 (Fariduddin, 2007).

6.5 Social remittances

In Pakistan, the impact of what Levitt and Lamba-Nieves (2011) refer to as "social remittances" – the exchange of ideas, norms and behaviors – is evident from the growing demand for accountability, transparency and better governance. It is also apparent in the changing trends in art, literature and the media as an outcome of the Pakistani diaspora's transnational experiences. Internationalism and globalization have created a space for the diaspora to make its mark in an exhaustive list of enterprises and arenas, changing the 'here' and 'there' in the process. Advances in technology have also enabled cross-border knowledge networks, creating virtually connected communities.

7. The opportunities and uncertainty associated with migration

Migration is not a random activity: it involves a high degree of networking based on family, kinship, village, region, language, caste and ethnicity or a combination of several such factors. Increasingly diasporas are viewed from a class perspective. Thus, while working-class migrants can still find employment in the Gulf region, they are often perceived – and indeed portrayed – as a burden on the welfare system in Europe and as dole seekers in the US. As Ballard (2009) argues, economic downturns and rising unemployment in the host country – resulting in social unrest – can provide grounds for negative profiling where Pakistani immigrants are concerned (Ballard, 2009).

Despite the adverse circumstances, migration from Pakistan is continuous and increasing. As the diaspora grows, its contributions – both tangible and intangible – to its home as well as host countries have

become more visible. This diaspora is now part of the economic life of its host countries, helping narrow the human resources and professional skills gap and augmenting the services sector. The diaspora's contribution in terms of ethnic and cultural diversity is evident from the creation of 'Little Pakistans' in many host countries and the growing demand for Pakistani cuisine, couture and related businesses. At the same time, the carryover of retrogressive cultural norms and failure to integrate has created a negative perception of the Pakistani community.

At the political level, Pakistani emigrants make a two-way contribution: they become affiliated with and donate monetarily to the political party of their choice in Pakistan, while becoming politically active in their host countries by joining interest groups and competing for a stake in the political system. Consequently, some Pakistanis have earned prominent positions in public office, especially in the UK. However, the impact of the diaspora in the Middle East on social change, gender relations, democratization and political transformation in Pakistan does not appear to be a positive one, a visible instance of which is the defining of a dress code for women that is not part of the local culture.

Social values in Pakistan have also changed: increasing remittances, high-paid jobs in the Gulf and Saudi Arabia, and migrants' frequent interaction with their families in Pakistan have been accompanied by rising materialism and conservatism. At the same time, many migrants have found it difficult to adjust to the relatively liberal and democratic values of their host countries in the West: in the long term, especially for the second and third generations of the diaspora, this may weaken their ties to Pakistan. Situating issues of assimilation and identity has shifted from national perspectives to religious affiliation as the Pakistani diaspora is viewed as part of the larger Muslim community. Identity-based networks tend to be driven largely by ethnic, nationalist and cultural sentiments. The emergence of religion as a defining framework for the Pakistani diaspora – based on Western perceptions – has created transnational networks that are no longer limited to migrants' area of origin: this has tended to create more problems than it has resolved.

The vulnerability of diasporas to historical events beyond their control is evident from the situation in which the Pakistani diaspora in the West and Muslim diasporas worldwide have found themselves, post-9/11 (Cohen, 1997). Recent studies have attempted to identify the anxieties these diasporas face in the context of the Muslim *ummah*, labels of terrorism and illegal migration (see Kapur, 2007; Ahmad, 2015). The xenophobic and racialized stigmatizing of the Pakistani/Muslim diasporas in Europe and the US has been exacerbated by the growing

reach of radical Islamist groups. Moreover, the increased scrutiny of financial flows in the wake of 9/11 has made entry to the US more difficult. There is also deepening concern about the perceived intrusion of foreign cultures and values in the diasporas' home countries.

On a more positive note, British Pakistanis, who constitute the second largest ethnic minority in the UK, are now more affluent, better educated and more egalitarian (with more and more women of Pakistani origin taking up careers). Following the May 2015 general election, this diaspora has also had greater political representation than ever before. These changes are due largely to the gradual integration of the Pakistani community with British society as the children of older immigrants benefit from the latter's hard work.

However, the degree of integration and how British Pakistanis identify themselves varies considerably. Pakistanis living in Yorkshire and Lancashire, for example, are more likely to identify themselves as Muslim before Pakistani, whereas some first-generation British Pakistanis identify themselves by caste or region rather than by religion or country of origin. Third-generation British Pakistanis are more likely to choose to be identified as part of a South Asian diaspora rather than as Muslims or Pakistanis, but this is limited to a smaller class of highly educated professionals. The British Pakistan Foundation also notes that the challenges of extremism and Islamophobia have had a direct effect on the British-Pakistani diaspora – to the point that they are 52 times more likely to be stopped and interrogated at UK airports than any other minority ethnicity" (Malik, 2015).

8. Conclusion

Notwithstanding the impact of internationalism and globalization in helping the Pakistani diaspora carve out a social, cultural, political and economic space for themselves, aided by advances in communication and technology, it is increasingly clear that religion appears to have become a defining framework for many migrants. This, in turn, has created transnational diasporic networks that are accompanied by their own cultural and social baggage.

As Werbner (2011) argues, "diasporas are made and remade historically: they must continuously negotiate their citizenship rights and full membership in their adopted nations." This is especially true for those who remain on the cultural and economic fringe. For the rest, and for the second and third generations of this diaspora, new forms of engagement with Pakistan have begun to emerge: the annual literature

festivals held in Lahore and Karachi now have regular London and New York editions, while Pakistani plays and films showcased in the West help build a counter-narrative to what is propagated about the country – not least by the international media. Another positive change is that women of Pakistani origin have become more visible at the social, political and cultural levels. Finally, given the multicultural environment of Western countries and their continued labor requirements for young skilled persons, the migration process may suffer some setbacks, but is not likely to come to a halt any time soon.

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3

The Pakistani diaspora in the United States

Michael Kugelman*

1. Introduction

The US is home to diasporas from many corners of the world. Many of them have left, and continue to leave, indelible imprints on American society. Most, if not all, major cities in the country boast a 'China Town' or a 'Little Italy' and even smaller towns have sizable communities with roots to nations as varied as Ethiopia and Vietnam. From the most prominent politicians and celebrities to modest small business owners and ordinary citizens, the US features representatives from a rich array of diasporas.

In terms of size, Pakistanis do not stand out as a particularly prominent diaspora in the US. According to the Migration Policy Institute (MPI)'s (2015) profile of the Pakistani-American diaspora (which contains some of the most credible and up-to-date figures on different diasporas in the country), more than 450,000 Pakistani immigrants and their children live in the US.[1] Other estimates, including those of the US government, put the number at 500,000, if not more (US Department of State, 2015).

Compare these figures to the Vietnamese-American diaspora (nearly 2 million) or the El Salvadorian diaspora (over 2 million). America's largest diaspora populations dwarf that of the Pakistani diaspora. There are more than 23 million members of the Mexican diaspora in the US, 4.4 million belong to the Chinese diaspora and about 3.5 million comprise the Indian diaspora (MPI, 2014; Hooper &

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The author thanks Nael Sanaullah and Emma Yingst for their invaluable research assistance.
[1] The MPI's data comes from the population surveys produced by the US Census Bureau.

Batalova, 2015; Sarkar, 2016). Put more starkly, Pakistan-born residents in the US represent merely 0.8 percent of the total US foreign-born population (MPI, 2015). Indeed, the Pakistani diaspora is much larger in countries such as Saudi Arabia and the UK, both of which host more than a million residents of Pakistani origin.

All this said, the Pakistani diaspora in the US is not one to be taken lightly. First, it is growing rapidly. According to a report by the Asian American Center for Advancing Justice (AACAJ) (2011), Pakistani-Americans comprise the second-fastest-growing Asian-American ethnic group in the country, their numbers having doubled between 2000 and 2010 from just over 200,000 to more than 400,000. The US is now the fifth most common destination country for Pakistan-born international migrants. Second, the Pakistani diaspora has made important contributions to US culture and society – contributions so impressive that they are disproportionate to the diaspora's modest size. Third, it has also made key contributions to Pakistan – as well as to the volatile US-Pakistan relationship – and has the capacity to do even more in this regard.

2. Literature review

Few books have been written exclusively about the US-based Pakistani diaspora. The most definitive is *Portrait of a giving community: Philanthropy by the Pakistani-American diaspora* by Adil Najam (2006), a Pakistani academic and, – by virtue of his teaching positions at several Boston-area universities – a member of the Pakistani diaspora in the US. Though the book features detailed discussions of Pakistani-American views on philanthropy, it also has a broader focus on Pakistanis in the US, including a comprehensive history. Besides this, there are two other useful books on the Pakistani diaspora in the US. One is Leona Bagai's (1967) *The East Indians and Pakistanis in America* – a rich, albeit dated, read. The other is Angela T. Koenig's (2004) *Pakistani Americans*, though this is geared toward younger readers.

Over the last few decades, a series of academic articles and papers have been produced on Pakistanis and Pakistani-Americans in the US. These include Ghaffar-Kucher's (2015) work on the religious views of Pakistani-American youth. Others have focused on the acculturation patterns of Pakistani-American parents and their children (see Khaleque, Malik & Rohner, 2015), the implications of Pakistani immigration to the US on brain drain in Pakistan (see Orton, 1982), and a case study of identity issues among Pakistani-Americans in the city of Rochester, New York (see Malik, 1993).

The US-based Pakistan diaspora is also the subject of several notable fiction books, most famously Mohsin Hamid's (2007) *The reluctant fundamentalist*, but also Ayad Akhtar's (2012) *American dervish* and Ali Sethi's (2009) *The wish maker*. The chief characters in all three books are Pakistanis who either live or have lived in the US. Beyond this, much of the material on the US-based Pakistani diaspora is found in newspaper articles, on blogs and in other more informal sources.

3. Pakistanis in the US: A history and general characteristics

The US-based diaspora has come a long way since 1980, when a mere 30,000 immigrants from Pakistan were US residents (MPI, 2015). Though it has grown in recent years, most of America's Pakistan-born population entered the US before 2000. In fact, Pakistanis began immigrating to the US in large numbers after the passage of the US Immigration and Nationality Act of 1965, which removed quotas on immigration based on national origin – though immigrants from present-day Pakistan have been in the US since the 18th century. These early arrivals were heavily represented in agriculture, logging, railroad construction and mining. This earlier history of Pakistanis and Pakistani-Americans in the US is rich and fascinating. For example, in the early 1900s, hundreds of Punjabi men married Mexican women in California, leading to a distinct Punjabi-Mexican-American community (Najam, 2006).

Nearly two thirds of all Pakistani immigrants in the country are American citizens – the third-highest naturalization rate of a group of 15 diaspora communities studied by the MPI (2015). Breaking down the Pakistani diaspora by generation yields additional interesting discoveries. First-generation Pakistani immigrants in the US number about 275,000. Of these, 63 percent are US citizens (compared to 44 percent for the overall US foreign-born population), 91 percent are of working age (aged 18–64) and only 5 percent are 65 or older. The median age is 40 – comparable to the median age overall in the US, which is about 38, and significantly older than the median age in Pakistan, which is about 23 (MPI, 2015; Kugelman, 2014).

Second-generation Pakistanis in the US – defined by the MPI as US-born with at least one Pakistan-born parent – number about 180,000. More than 60 percent are estimated to have two US-born parents. Second-generation Pakistani-Americans are considerably younger than their first-generation counterparts: nearly 80 percent are below the age of 18, with only 23 percent of working age. The median age of second-generation Pakistani-Americans is nine (MPI, 2015).

Geographically, most members of the Pakistani diaspora live in the states of New York, Texas and California. Houston, Washington, DC, and

Chicago – and above all, New York City – are home to the most Pakistani-Americans. That said, anecdotally speaking, trips to many large and small cities in the US routinely reveal the presence of sizeable Pakistani-origin communities.

The Pakistani diaspora in the US reflects all walks of life. It ranges from physicians, academics and a modest but slowly growing number of state legislators and mayors to race-car drivers (Nur Ali is the first Pakistani to serve in this profession) and Washington insiders (Huma Abedin is a close adviser to Hillary Clinton). There are also many blue-collar Pakistani-American workers. According to US census figures, 'drivers and other transportation workers' constitute the third most common profession among Pakistani-Americans (Bloch, Carter & Gebeloff, 2009).

3.1 A prosperous and well-educated diaspora

The most common occupations of Pakistani-Americans include the affluent careers of medicine, accounting and financial analysis. Overall, 32 percent of the Pakistani diaspora in the US (compared to 31 percent for the US population overall) hold what are classified as professional or managerial jobs. These include fields such as engineering, law, science, education, finance and human resources. Not surprisingly, research shows that the Pakistani diaspora in the US is quite well-off. The AACAJ (2011), drawing on US census data and other US government sources, claims that the median household income of Pakistani-American families is nearly US$63,000. This is considerably higher than for families in America overall (about US$51,000).

The more recent MPI (2015) report yields similar figures – US$60,000 versus US$50,000. It also provides additional striking data on income levels: a third of Pakistani diaspora households report annual incomes above US$90,000, which is the threshold for the top 25 percent of all US households. Remarkably, 18 percent of Pakistani diaspora households have annual incomes exceeding US$140,000 – the threshold for the top 10 percent of US households.[2] Additionally, employment figures for the Pakistani diaspora run largely parallel to those for the overall US population: 63 percent of those aged 16 or over, versus 64 percent for the overall US population, participate in the labor force. The employment rate for those in the labor force is 90 percent for the Pakistani diaspora and 91 percent for the overall population.

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[2] This figure is comparable to that of another highly prosperous diaspora in the US – that of India, for which more than a quarter of households have annual incomes above US$140,000. As affluent as the Pakistani diaspora in the US may be, its Indian counterpart, based on the measures highlighted in these pages, is even more so.

Not surprisingly, the Pakistani diaspora in the US is remarkably well-educated. While the literature differs on the numbers, the bottom line is that, on many levels, Pakistani-Americans are better educated than the overall American population. According to the AACAJ (2011), 55 percent hold at least a Bachelor's degree, which the report contrasts with 28 percent across the US population overall. The MPI (2015) contends that 33 percent of the Pakistani diaspora aged 25 or older has a Bachelor's degree; it gives a figure of 20 percent for the general US population. Additionally, 23 percent of the Pakistani diaspora in the US aged 25 or older has a Master's degree, 'an advanced professional degree' or a PhD, while this figure for the general American population is just 11 percent.

While the high education levels of Pakistani-Americans are frequently noted in academic and popular literature, less attention is given to when and where they received their education. The conventional view is that many Pakistanis left Pakistan to pursue a college or graduate degree in the US and settled here after graduating, thereby contributing to the 'brain drain' phenomenon that has afflicted Pakistan and other developing countries for decades. While this is certainly true, there is ample nuance to the story. Research shows that, in the 1960s and 1970s, many Pakistanis entering the US were already very well-educated, suggesting that they had received their college and perhaps even graduate degrees in Pakistan. There are clearly various educational paths taken by Pakistani-Americans. Some came to the US already holding college degrees; others received them after they arrived. At the same time, there are Pakistani-Americans – both those born in the US and those who migrated from Pakistan – with no college education.

The Pakistani diaspora in the US has earned a reputation as a highly philanthropic and 'giving' community, targeting both the US and Pakistan. This issue is discussed at length by Najam (2006), based partly on a survey of Pakistani-Americans, and reveals some striking data. Overall, Pakistani-Americans donate approximately US$250 million in cash and in-kind contributions, and nearly 45 million hours to volunteer work (equivalent to 25,000 jobs). Of all this philanthropy, 40 percent is earmarked to causes in Pakistan, 20 percent is allocated to Pakistani causes in the US and the remainder is directed to issues with no relation to Pakistan. On average, 3.5 percent of the household incomes of Pakistani-Americans go to charity – slightly more than the US national average of 3.1 percent. According to Najam (2006), Pakistani-Americans' motivation for giving revolves around their desire to help

those in need, to assist friends and extended families, and to fulfil a religious duty to give.[3]

Predictably, remittances from Pakistani-Americans are generous relative to the size of the Pakistani diaspora in the US. Drawing on global remittances data from the World Bank and demographic data from the United Nations, the MPI concludes that, in 2012 (the most recent year for which information is available), remittances to Pakistan from its US-based diaspora were valued at US$1.1 billion out of a total of US$14 billion in remittances to Pakistan from around the world. Only five other Pakistani diasporas – those in Saudi Arabia, India, the UAE, the UK and Qatar – provided more.

3.2 *The limits of affluence*

Given all this, an important caveat is in order: The Pakistani diaspora in the US is not an entirely affluent group.[4] True, there is a preponderance of doctors, financial analysts and other well-compensated professions in this diaspora. True, household incomes tend to be high. True, one does not find low-income areas or slums in the US populated predominantly by people of Pakistani origin and one rarely comes across a Pakistani-American homeless person. Nonetheless, there is another side to this story.

The AACAJ (2011) notes that 15 percent of Pakistani-Americans fall below the poverty line – about the same rate as for the American population overall. Similarly, the unemployment rate for the diaspora – 8 percent for those aged 16 and older – also reflects the rate for the total US population. On several measures, Pakistani-Americans are considerably worse off than the general US population. Only 55 percent are homeowners, compared to the nationwide figure of 66 percent. Their per capita income is about US$24,700, compared to US$27,100 for the total population. About 23 percent of Pakistani-Americans have no health insurance, which ties them with Bangladeshi-Americans for the highest percentage of any Asian-American ethnic group. This is significantly higher than the national figure, which according to some estimates is about 10 percent (down from 15 percent in 2012) (Flores, 2015).

What can we make of this? On the one hand, many members of any immigrant group will face challenges as they adjust to their new home

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[3] For more information on levels of education among Pakistani-Americans newly arrived in the US, see Samad (2013) and Oda (2009). For figures on the philanthropy of Pakistani-Americans, see Najam (2006, pp. 176–179, 137–139).
[4] This section is drawn in part from Kugelman (2012a).

country. While some proportion of Pakistani-Americans were born in the US, the majority (about 65 percent) were not. For much of the community, therefore, the adjustment period is very much in the present. Additionally, one cannot forget about the large number of blue-collar Pakistani-American workers, particularly taxicab drivers. As noted earlier, 'drivers and other transportation workers' constitute the third most common profession of Pakistani-Americans. The New York Taxi Workers Alliance, a union that represents cab drivers in New York City (where Pakistanis are heavily represented), contends that employees earn below the New York state minimum wage for a 12-hour shift as well as the New York City living wage (by 40 percent).

In sum, the Pakistani diaspora in the US may be prosperous and philanthropic, but many of its members are anchored in the working class. These socioeconomic differences mark just one of the ways in which the country's Pakistani diaspora is a diverse one. It is by no means a monolith.

4. Discrimination and harassment: The dark side of the Pakistani-American experience

Relative to Pakistani diaspora experiences elsewhere in the world, Pakistanis in the US are generally in a good place. They tend to be more well-off than those in the UK, for example. A Demos study from 2015 finds that nearly 60 percent of British-Pakistanis live in relative poverty and that many of them "are clustered in low-skills professions" (in contrast to British-Indians, who were found to enjoy lower levels of relative poverty and are more highly represented in high-skills jobs) – findings that Demos attributes to a variety of factors, including the relatively low education levels of immigrants coming to the UK from Pakistan since 1997 and the fact that many British-Pakistanis live in northern England, a region that lacks the prosperity of other parts of the country, particularly the south. Additionally, living conditions and the quality of life among Pakistani-Americans are generally better than those serving as migrant laborers in the Gulf region.

Still, there are problems, including very real concerns about, and documented cases of, harassment and discrimination of Pakistani-Americans. This treatment is largely rooted in anti-Muslim, not anti-Pakistan, sentiment. In the US, awareness of Pakistan is very low (anecdotally, Americans have sometimes been heard referring mistakenly to Pakistanis as Palestinians). The common American's view of Pakistan tends to be shaped by US mainstream media coverage of the country, which can be superficial and even reductive, and much of this media

focus revolves around terrorism and violence in Pakistan. The American public's perception of Pakistan is, therefore, often negative, yet the relative lack of familiarity with Pakistan rules out the likelihood of the development of strong, anti-Pakistan narratives resulting in organized campaigns of discrimination.

Conversely, anti-Muslim sentiment in the US has been stark and extensive in recent years: it was expressed openly and repeatedly on the 2016 presidential election campaign trail. Donald Trump, along with other Republican candidates at the time, such as Ted Cruz, consistently made deeply critical comments about Muslims. Trump's election victory in November 2016 sparked fresh concern about new challenges for Muslims in the US. At the same time, anti-Muslim sentiment in the country spiked amid increasing levels of attacks claimed by the Islamic State terror group in 2015 and 2016 (Stack, 2016). As a result, Pakistani-Americans – even those who may not be Muslim – are invariably affected by the disturbingly high levels of anti-Muslim sentiment in the US seen in recent years.

For the Pakistani diaspora, this ugly side of life in the US can be traced back to the immediate post-9/11 era. As one writer explains:

> Like other American Muslim communities, Pakistanis faced a backlash of discrimination in the aftermath of September 11, including a scattering of attacks on individuals and desecrations of places of worship. Some Pakistani community leaders have complained of being singled out by law enforcement and airport security based solely on their accent, appearance, or national origin (Ciment, 2015, p. 534).

The Southern Poverty Law Center, a US anti-hate crime organization, submitted a list of anti-Muslim hate crimes and bias incidents to the US Senate in 2011. Strikingly, these included eight incidents that targeted Pakistanis over a 14-month period after the September 11 attacks. Discrimination against Pakistani-Americans is often manifested in nonviolent instances as well. Nearly a decade after 9/11, some Pakistani merchants and jobseekers in New York City were found posing as Indians to avoid discrimination. This came several years after Pakistani-American steelworkers in Pennsylvania won a lawsuit alleging that their employer had harassed them repeatedly for their national origin and religion (Siew, 2010; US Equal Employment Opportunity Commission, 2003).

There are no known publicly available, exclusive studies on discrimination and harassment of Pakistani-Americans or Pakistanis in the US. What has been produced on this topic tends to be included in larger studies of discrimination and harassment of Muslim Americans or

Muslims in the US. One of the latest such studies, based on data gathered between March 2015 and March 2016, concluded that an increase in violence against Muslims coincided with the 2016 US presidential election campaign. The report found a surge in anti-Muslim hate crimes at the end of 2015, which happened to be when Trump first called for a ban on Muslims entering the US. There are few references to Pakistanis or Pakistani-Americans in the report, though it is often not explicit about countries of origin when referring to specific victims of anti-Muslim sentiment or actions (see Abdelkader, 2016).

Ultimately, while statistics on the discrimination towards Pakistani-Americans and Pakistanis in the US are elusive, the bottom line is that they do face hardships in this regard, even if not on the levels experienced by Pakistani diaspora members in other parts of the world. Such treatment is, of course, reprehensible, but particularly so because (as I explain later in this chapter), Pakistanis in the US do not pose a terror threat and only on the rarest of occasions do they become terror threats or actual terrorists.

The overwhelming degree to which Pakistanis in the US are law-abiding, peaceful residents was captured in the aftermath of a horrific massacre at a gay nightclub in Orlando, Florida, in June 2016 – the deadliest gun massacre in US history. Omar Mateen, the killer, was an American Muslim, which is unusual for mass shootings in the US. Soon after the tragedy, word emerged that, several years earlier, someone had reported Mateen to the FBI on discovering that he had praised Anwar al-Awlaki, the late Yemeni-American Al-Qaeda leader. The man who reported Mateen to the FBI was Muhammad Malik, a Pakistani-American entrepreneur who came to the US in 1979 when he was six years old. In an essay for the *Washington Post*, Malik explained his decision:

> I had told the FBI about Omar because my community, and Muslims generally, have nothing to hide. I love this country, like most Muslims that I know. I don't agree with every government policy … but I'm proud to be an American. I vote. I volunteer. I teach my children to treat all people kindly. Our families came here because it is full of opportunity – a place where getting a job is about what you know, not who you know. It's a better country to raise children than someplace where the electricity is out for 18 hours a day, where politicians are totally corrupt, or where the leader is a dictator (Malik, 2016).

The words are Malik's, but they could have been written by many of the other 450,000 Pakistanis in the US as well.

5. Contributions to US culture and society

Pakistani-Americans are known for their financial and charitable contributions, but they also do their part in contributing to the broader social fabric of the US – some through single actions, others through long and sustained efforts.

5.1 Some snapshots

The following offer some representative examples.[5]

- Fatima Ali, a rising culinary star, became a top chef at a prestigious New York restaurant, Café Centro. Her specialty, appropriately enough, is Pakistan-spiced Western fare. It is a combination that won her first prize on the American cooking show *Chopped*. In late 2015, she launched VanPakistan, which emphasizes modern Pakistani cuisine.
- Muzaffar Siddiqi is a Texas-based police officer. After the 9/11 attacks, he worked with the Houston police department to strengthen ties with the city's sizable Muslim community. Siddiqi's work attracted the attention of President Barack Obama, whom he eventually met, and it has also inspired other area Pakistanis to join the Houston police force (Imtiaz, 2012). (Houston and the surrounding area has more Pakistani-Americans than any other region in the US outside the New York City area.)
- Shahid Shafi is a well-respected doctor in Texas who has long championed interfaith harmony and religious tolerance. In 2014, he stood for office to become a councilman in his town. "When I ran for office," he wrote in an op-ed for the *Dallas Star-Telegram* in 2015, "many people did not believe that a Muslim had any chance of winning an election in this country in the current atmosphere. I disagreed because I believe that in this country, it matters not where you come from. It only matters where you are going." Consequently, Shafi was elected. "Only in America is it possible for a brown, Muslim immigrant with an accent to win an election," he said (Shafi, 2015).

Pakistani-Americans have also made major contributions to American sports (in addition to Nur Ali, the first Pakistani to serve in the US race-car driver circuit, there is Shahid Khan, the owner of the

[5] Some of these vignettes are drawn from Kugelman (2013a).

Jacksonville Jaguars, a team in the National Football League) and Silicon Valley (Ashar Aziz runs the highly regarded FireEye cyber security firm, the highest ranked Silicon Valley venture capital deals).

5.2 Academia

The Pakistani diaspora's contributions to academia in the US are particularly worthy of attention, both for their high quality and breadth. The list below is meant to convey the wide array of top-notch contributions made by Pakistani and Pakistani-American academics in the country.

- Gul Agha is a professor of computer science at the University of Illinois at Urbana-Champaign. He has also served as a fellow of the Institute of Electrical and Electronics Engineers and is known for his work on the actor model of concurrent computation.
- Madiha Afzal is an assistant professor at the University of Maryland, who also writes regularly for major news outlets in the US and Pakistan. Her work examines links between education and radicalization, including in Pakistan.
- Akbar Ahmed is the Ibn Khaldun Chair of Islamic Studies at American University and was also the first Distinguished Chair of Middle East and Islamic Studies at the US Naval Academy. He has been a leader in interfaith dialogue and, along with Judea Pearl (the father of Daniel Pearl, the Wall Street journalist kidnapped and killed in Pakistan in 2002), he has held public dialogues on interfaith harmony and anti-discrimination. Many of his publications focus on Islam in Europe.
- Ayesha Jalal is Mary Richardson Professor of History at Tufts University. She has also held a prestigious MacArthur fellowship. Her work deals mostly with Muslim identities, colonial history and modern South Asian politics. She is one of the few prominent Pakistani academics in the US – in addition to Adil Najam – to have published books on Pakistan, one of which is *The struggle for Pakistan: A Muslim homeland and global politics*.
- Nergis Mavalvala is the Curtis and Kathleen Marble Professor of Astrophysics at the Massachusetts Institute of Technology and earned widespread acclaim in 2016 when she became the first person to prove Einstein's theory of gravitational waves. Like Jalal, she has also held a MacArthur fellowship.
- Atif Mian is Theodore A. Wells '29 Professor of Economics and Public Affairs at Princeton University. His work studies the

connections between finance and the macroeconomy, and includes the book *House of debt*, which draws on new data to show how a large run-up of household debt sparked the global Great Recession from 2007 to 2009.

- Adil Najam is the dean of the Pardee School of Global Studies at Boston University. He is a leading expert not just on Pakistani-Americans, but also on environmental policy in the developing world, particularly in the context of climate change. He has produced numerous influential academic works, including but not limited to *Portrait of a giving community*.

5.3 International financial institutions

The Pakistani diaspora is well represented on prominent levels in Washington, DC-based international financial institutions such as the World Bank and International Monetary Fund (IMF). Many of these individuals have also held senior positions in public service or the private sector in Pakistan. A small sample follows below.

- Masood Ahmed was the long-time director of the Middle East and Central Asia Department at the IMF. He has also held senior positions at the World Bank. In 2016, he was announced as the new director of the Center for Global Development, a think-tank in Washington, DC that specializes in research on international development.
- Ziad Alahdad is a former director of operations at the World Bank. He was also a World Bank chief of mission and energy advisor in several countries, including Pakistan. Prior to his World Bank career, he held senior positions in Pakistan's natural gas and automotive industries.
- Shahid Javed Burki, an economist who has published multiple books on Pakistan and international affairs more broadly, is a former World Bank vice-president. He has also served as Pakistan's interim finance minister.
- Zubair Iqbal has worked at the IMF for over three decades as assistant director of the Middle East and Central Asia Department. More recently, he has been affiliated with the Middle East Institute in Washington, DC, where his work included research on Pakistan's economy.
- Moeen Qureshi, who passed away in 2016, served as an executive vice-president at the IMF and later as senior vice-president at the World Bank. He was Pakistan's interim Prime Minister for several months in 1993.

5.4 *The diaspora in Texas and Chicago*

Case studies of the diaspora in two very different parts of the US also illustrate the many contributions that Pakistani-Americans make to the country.[6]

5.4.1 Tyler, Texas

Tyler is a small city of about 100,000, located about 150 km from Dallas, Texas. About 100 Pakistani families live in Tyler. Many of them are well-off and live in a fabulously wealthy part of town that could easily pass for the tony Beverly Hills region in California. In effect, when it comes to the socioeconomic pecking order in this small Texas city, Pakistanis are kings of the hill.

During a visit in 2015, my hosts were two Pakistanis – one, a professor at the University of Texas campus in Tyler; the other (his wife), an independent journalist and researcher. Their experiences in Tyler are representative of other Pakistanis in the city and elsewhere across the US. While they favour local staples such as fajitas, they retain culinary links to Pakistan by cooking *parathas* and frequenting a local establishment that offers authentic tea from Peshawar. They also make periodic visits to a halal grocery shop in Dallas to purchase Pakistani kebabs.

5.4.2 Chicago, Illinois

There are few places, if any, that encapsulate Pakistani-American contributions to US politics, culture and economics than Chicago, Illinois. The city is home to nearly 100,000 Pakistanis and part of a major thoroughfare, Devon Avenue, is named Muhammad Ali Jinnah Way.[7] Chicago is also the US headquarters for two of the largest Pakistan-focused NGOs: The Citizens Foundation and the Human Development Foundation. In 2010, Chicago's Pakistani organizations united to organize flood relief funding for Pakistan. Not surprisingly, Chicago has a sister-city arrangement with Lahore (though some say Karachi would be a better match).

A range of Pakistanis in Chicago are at the top of their respective fields:

- The medical community features Teepu Siddique, who teaches at Northwestern University Medical School, conducts research on ALS and has been described by his peers as a future Nobel Prize winner.

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[6] These case studies are drawn in part from Kugelman (2013b, 2015).
[7] For a rich account of this 'Little Pakistan', see MacFarquhar (2006).

- The business world features Mehmood Khan, chief scientific officer and a senior executive at Pepsico. He is also one of the highest-ranking Pakistanis in corporate America. M. Zia Hassan, dean emeritus of the Illinois Institute of Technology's business school, has an endowed chair of business in his name. There is no other such chair named for a Pakistani anywhere else in America.
- There is the Pakistan Club, an initiative of the University of Chicago's prestigious Booth School of Business. Many members are Pakistani-American Booth alums and now highly successful Chicago investors and financiers. One of them, Rizwan Kadir, has worked as a trader for several years and was urged (unsuccessfully) by Pakistani-Chicagoans to run for the US Congressional seat vacated by Rahm Emanuel.

Other Pakistanis in Chicago have opted for public service. Tariq Malhance is the chief financial officer of Cook County, which encompasses Chicago and is the second largest county in the US. Before this, he served as the comptroller of Chicago – making him the highest-ranking Pakistani city official in America. The current comptroller, Amer Ahmad, is another Pakistani. Within the legal realm, Pamela Leeming – a Christian Pakistani-American – is a Cook County judge and the first Pakistani in America to be elected or appointed to a judgeship.

As for architecture, Chicago boasts two of America's most iconic skyscrapers – the Willis Tower (formerly the Sears Tower) and the Hancock Building, both of which were designed by Pakistan-born Fazlur Rahman Khan. In cricket, which is admittedly not an institution synonymous with American culture, Chicago boasts an unusually dynamic cricket scene, sustained largely by the Pakistani-American community. In the 1970s, the US fielded an associate team in the Cricket World Cup. The squad was captained by Masood Chic, a Chicagoan of Pakistani origin.

6. Not a security threat

Admittedly, the story of Pakistanis in Chicago has a dark side. David Headley and Tahawwur Hussain Rana, both imprisoned for their involvement in the 2008 Mumbai terror attacks, are from the city. A Chicago taxi driver, Raja Lahrasib Khan, was charged by the FBI with providing funds to Al Qaeda. In 2010, as these allegations surfaced – and as news emerged of a Pakistani-American's attempt to bomb Times Square in New York – some Pakistanis in Chicago admitted to being embarrassed or apologetic about their heritage ('Pakistani-Americans', 2010).

However, these are anomalies and do not detract from the larger theme at play – Pakistani-Americans making positive, highly visible contributions in a major American city. They are also anomalies in a broader national context. For all the talk of the threat of home-grown extremism and militancy in the US, its Pakistani diaspora does not produce terrorists. Of the more than 450,000 Pakistani-Americans or Pakistanis in the country, only a handful have ever staged or attempted to stage an attack. They include Faisal Shahzad, who attempted to blow up Times Square in 2010; Mir Aimal Kansi, who opened fire in the parking lot of the CIA headquarters in 1993; and Ramzi Yousef, a perpetrator of the first attack on the World Trade Center in New York in 1993. More recently, Tashfeen Malik and her husband, Syed Rizwan Farook, attacked a facility for the disabled in California in 2015.

7. Modest contribution to US politics

The Pakistani diaspora has left a small imprint on US politics in terms of lobbying or representation as elected officials. The number of Pakistani-Americans in state and local politics has grown in recent years, but is still relatively modest (Haq, 2009).

Several explanations may help account for this reality. The first factor is the size of the diaspora. Compared to the Indian, Chinese and Central/Latin American diasporas in the US, all of which have more sizable representation in politics, the Pakistani diaspora simply does not have the numbers. If, however, the Pakistani-American community continues to grow at its current rapid rate, then more of its members might enter the political realm in coming years.

Second, anecdotally speaking, many Pakistani-Americans have said that they are uncomfortable with the idea of entering US politics because of fears of anti-Muslim discrimination. Acquiring a public profile, they feel, would make them more vulnerable to such treatment. Certainly, some members of the Pakistani diaspora in the US have shrugged off such qualms and gone on to enjoy successful careers in public service. Others, such as Shahid Shafi (highlighted above), have used their platforms as elected officials to call for more religious tolerance. Still, these understandable concerns about anti-Muslim sentiment hold many back.

A third factor explaining the relatively small role of Pakistani-Americans in US politics – one that is also tied to the issue of the diaspora's relatively small lobbying presence in the country – is anti-Pakistan sentiment. This is defined less as hostility toward the Pakistani

people and more toward Pakistan's policies. Such sentiment is strong in Washington, DC – particularly on Capitol Hill, where lobbyists target much of their efforts – and deepened after Osama Bin Laden was discovered hiding in Pakistan in 2011. Given this state of affairs, those seeking to advocate on behalf of Pakistani-Americans, for Pakistan or for US–Pakistan relations struggle in the face of such a challenging environment. This difficult climate intensified over the course of 2016 as the US made two key decisions. First, the House of Representatives passed legislation that imposed strict conditions on future military aid to Pakistan ('US House decides', 2016). Second, Washington refused to subsidize the sale of eight F16 jets to Pakistan (Upadhyay, 2016). Both actions dealt a blow to US–Pakistan relations, which had improved considerably since a particularly bad spell in 2011 and 2012.

Many Pakistan watchers in Washington believe that, with the US no longer fighting a combat war in neighboring Afghanistan and US military forces having downsized their presence in that country, America has less incentive to seek a deep partnership with Pakistan. In turn, many Pakistan analysts in the US argue that Washington need no longer be as cautious about upsetting Pakistan and should not, therefore, hesitate to favor sticks over carrots in efforts to get Islamabad to crack down harder against terrorism and violent extremism (see Markey, 2016; Smith, 2016; Khalilzad, 2016). The US decision in May 2016 to launch a drone strike on Afghan Taliban leader Mullah Mansour in Balochistan – the first time a US drone had targeted the province – may have been indicative of a tougher US policy toward Pakistan.

In any case, all these considerations suggest that anti-Pakistan sentiment in Washington could remain entrenched – or even intensify – for the foreseeable future. More sympathetic voices for US–Pakistan relations, particularly in the US State Department and USAID, could well be drowned out by an emerging zeitgeist disinclined to explore deeper partnership with Pakistan. Islamabad is aware of this increasingly difficult environment: in June 2016, media reports surfaced that the Pakistan government had decided to hire lobbyists in Washington to help improve the country's image (Malik, 2016).

Diasporas such as India's simply do not face such challenges on the same scale, which makes it easier for them to engage in lobbying efforts. Indian officials even claim that the India Caucus in the US House of Representatives – a group of Congressmen with a shared interest in India – is the largest country-specific caucus on Capitol Hill ('India-Caucus', 2015). An additional complication in this regard is the lack of unity within the US-based Pakistani diaspora, which hampers its ability to speak with

one voice and, consequently, to lobby as successfully. While some within the diaspora are keen to advocate for Pakistan and US–Pakistan causes, others are staunchly against doing so – and those who do wish to do so often disagree on how it should be done.

All this helps explain why the most prominent and influential Pakistani diaspora organizations in the US, such as the Association of Physicians of Pakistani Descent of North America and the Organization of Pakistani Entrepreneurs of North America, are not political. Some, such as various chapters of the Pakistani American Association, promote Pakistani culture in the US. Others, such as the Pakistan American Business Association, advocate business ties between the two countries.

To be sure, there are exceptions. The American Pakistan Foundation, for example, is meant to spark support for projects boosting US–Pakistan relations and causes in Pakistan. Top officials from both countries, including the former US Secretary of State Hillary Clinton, spoke at the group's launch event in 2009. Other groups, such as the Council on Pakistan Relations, have served as wholly independent lobby organizations, but with relatively limited reach on Capitol Hill.

8. Contributions to Pakistan

Just as the Pakistani diaspora in the US is diverse in a socioeconomic context, it is as well in terms of political outlook. Some Pakistani-Americans, particularly the younger generations born in the US, retain relatively few links to Pakistan and prefer to focus on their lives and identities as Americans. Many others, however, have very strong links to Pakistan and particularly to its political scene. There are radio stations such as Radio Hot Pepper in Dallas that cater to the diaspora population and feature spirited discussions between host and callers on various matters of Pakistani politics.

Meanwhile, major Pakistani politicians attract considerable support and attention among Pakistani-Americans. Several years ago, Imran Khan's party, the Pakistan Tehreek-e-Insaaf, planned a major *jalsa* (political rally) in New York City (although it was eventually cancelled). When former President Pervez Musharraf gave a public address at the Wilson Center in Washington, DC, in 2011, his talk attracted droves of Pakistani-Americans (Kugelman, 2011). Not surprisingly, there are some Pakistani-Americans, particularly lower-income, less assimilated ones, who suggest that they are not sufficiently comfortable in the US and intend to return to Pakistan for good one day (Rehman, 2015).

8.1 Advocacy for social causes

These strong links to Pakistan help explain why many members of the diaspora are heavily involved in advocacy, not necessarily for US-Pakistan relations, but more so for social issues in Pakistan. Across the US, Pakistani-Americans have joined in solidarity with Pakistan after particularly traumatic terror attacks by holding candlelight vigils and calling for more robust Pakistani policies to combat terrorism. Some Pakistani-Americans have said that the 2014 school massacre in Peshawar prompted them to become more involved in campaigns against terrorism in Pakistan. There has also been concern within the Pakistani-American community about brutal attacks on religious minorities in Pakistan (see Constable, 2015).

Tellingly, the Pakistani human rights activist Jibran Nasir has sought to galvanize Pakistani-Americans. In 2015, he made a long trip to the US, speaking on college campuses and to diaspora groups and calling on Pakistani-Americans to help his cause. His hope was that they would decide to actively support anti-terrorism causes and advocate for more liberal policies in Pakistan "instead of simply donating money." His reasoning was simple: "Pakistanis here [in the US] can be more vocal because there is no threat to their life" (Parvini, 2015).

8.2 Returning to Pakistan

Among the Pakistani-American diaspora, many retain sufficiently strong links to Pakistan to visit the country for reasons other than weddings or to see family.[8] Of those Pakistanis who came to the US to go to university or to work, many have ended up staying, while others – including some who grew up in the US or stayed there long – have chosen to return to Pakistan to do something meaningful. Roshaneh Zafar, founder of the venerable Kashf Foundation, is a prominent example. She came to America for her undergraduate and graduate degrees and then returned to Pakistan, not to pursue a career in politics or corporate finance, but rather to work directly with the Pakistani people – in her case, nearly 300,000 low-income women.

There are many others like her. There are also Pakistanis who have had long and successful careers in the US, such as in academia or business, and returned to Pakistan to do similar things. Some Pakistani-Americans – including those who otherwise rarely visit Pakistan – have spent extended periods there to provide relief assistance after floods or other natural disasters. Also of note are those who have established themselves in the US

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[8] This section is drawn in part from Kugelman (2012b).

as entrepreneurs and then gone to Pakistan to donate their products, which range from solar-powered lanterns to IT gadgets. Entrepreneurship is an effective way for Pakistani-Americans to channel their expertise and capital into useful outcomes in Pakistan, particularly because private sector efforts are often more efficient than those tied to governments and the bureaucratic hassles associated with them.

Fortuitously, there are institutions in the US that help build entrepreneurial capacity within the Pakistani diaspora. Pakathon is an organization that seeks to cultivate and mobilize entrepreneurship among young Pakistani-Americans and targets projects related to education, health, disaster relief, violence prevention, energy and agriculture – in effect, some of Pakistan's greatest challenges. Every year, Pakathon hosts a "hackathon," which generally refers to a large gathering of people to discuss possible collaborations: in this case, it entails Pakistani-American students and young professionals developing and pitching project ideas to a panel of Pakathon mentors. The winning teams then present their ideas to a larger audience and compete for funding, the goal being to establish successful for-profit social ventures in Pakistan (Shoaib, 2013).

There are also cases of young US-born-and-raised Pakistani-Americans – often fresh graduates – who are seized with a sudden desire to go to Pakistan and engage in humanitarian work. The motivation driving these returnees ranges from wanting to learn more about, or simply to experience, their heritage and country of origin to taking advantage of employment opportunities that do not exist in the US or contributing to Pakistan's economic development (Abbas, 2009). Regardless of their motivation, their decision to return is an admirable one. Pakistan needs to strengthen its institutions, both state and private, so that there is a greater ability and will to respond to people's basic needs. If diaspora members choose to leave stable and comfortable lives in America and come to Pakistan to help strengthen these institutions, then all the better.

All this said, while Pakistani-Americans have signaled their desire to maintain and even ramp up contributions and assistance to Pakistan, several factors pose challenges in this regard. In his survey of Pakistani-Americans, Najam (2006) finds that many respondents mistrust Pakistan's civic sector, experience practical difficulties – from vague US rules on giving abroad to a dearth of mechanisms to transfer funds to Pakistan – and have insufficient information on Pakistan's philanthropic organizations (pp. 181–182).

9. Contributions to US-Pakistan relations

Both the US and Pakistan governments have long sought to capitalize on this diaspora to help boost relations between the two countries. Pakistani-Americans are, after all, a natural bridge owing to their familiarity with and understanding of both countries as well as to their considerable skills and expertise that can be shared with people in Pakistan.

9.1 Facilitating unofficial, people-to-people ties

In the context of US–Pakistan relations, the greatest value of the Pakistani diaspora in the US lies not in trying to stabilize the political aspects of the official, government-to-government relationship, but rather in facilitating and deepening unofficial people-to-people relationships that can build trust and help boost overall relations (Kugelman, 2012d). Historically, this unofficial side of US–Pakistan relations has flourished even while the official side has floundered. Consider all the educational exchanges over the years (Pakistan's Fulbright program is the largest of any country) as well as the arts (years ago, Hollywood stars flocked to Pakistan to make movies) and business exchanges.

This engagement is not that surprising: despite their many differences, the two countries – from their pious citizens and ultra-partisan politics to their powerful private media channels – are quite similar (Kugelman, 2012c). The Pakistani diaspora in the US is poised to capitalize on all this goodwill-infused private engagement – and to expand it as well. Today, a great majority of US–Pakistan relations are government-to-government, which might help explain why the overall relationship is so often held hostage by mistrust and hostility, sentiments that are far less pronounced in unofficial, people-to-people relations.

10. Recommendations from the diaspora

In 2012, a group of diaspora members participated in a roundtable discussion at the Wilson Center on how Pakistani-Americans could boost US–Pakistan relations through unofficial channels. Some of their recommendations (which were not necessarily endorsed by the entire group) are given below.

- *Basic exchanges*. The Pakistani diaspora could facilitate new partnerships between universities in both countries, with an emphasis on online courses and virtual classrooms to ensure sustained interaction from afar. US government speakers' programs could take advantage of Pakistani-Americans visiting

Pakistan by inviting them to speak at a Pakistani school or community center. Pakistani-Americans could pursue 'sister city' arrangements with their town or city of origin in Pakistan.

- *Knowledge sharing*. Pakistani-Americans have many skills that are in high demand in Pakistan – from IT and accounting to law and human resource management. These diaspora members could offer training seminars, online learning or other resources to students and professionals in Pakistan to help strengthen the country's capacity in such areas.
- *Improved mechanisms for investment*. The Pakistani diaspora could help the US aid community – encompassing the government and private donors – better understand Pakistan by providing information about social welfare networks and social entrepreneurs there. In addition, the US government could help Pakistani-Americans prepare better for investing and giving in Pakistan by publishing lists of reputable, trustworthy civil society groups and other institutions in the country's development sector.
- *Trade and investment cooperation*. Partnerships in this area could boost Pakistan's economy and generate employment and, in so doing, help dampen the appeal of extremism – a major objective of US policy on Pakistan. The Pakistani diaspora in the US could contribute by sharing information on business strategies and management skills and investing directly in Pakistani enterprises. The diaspora could also organize trade and investment delegations to and from the US and facilitate formal engagement between the Office of the US Trade Representative and Pakistan's Department of Commerce. Such interaction might take the form of roundtable discussions on critical areas of need such as energy, agribusiness, ICT, health and education. Finally, Pakistani-American business leaders could fund market research studies that help identify Pakistan's market potential in key sectors and share these opportunities with American firms.

Admittedly, such efforts will face many obstacles. One is a procedural matter: specifically, who will coordinate these activities on behalf of the US government (and Pakistan government) and the Pakistani diaspora? Many Pakistani-Americans would be keen to participate in these efforts and many have already done so independently. As a group, however, they are not the most well-organized community and a likely concern would be how to ensure that those participating in such efforts present a common front. Additionally, as noted earlier, surveys of Pakistani-Americans reveal significant levels of mistrust toward nongovernment and philanthropic organizations in

Pakistan – important players with whom the diaspora would need to engage to carry out the activities mentioned above (see Najam, 2006, pp. 146–147). On the other hand, some of the suggestions above are meant to address the very concerns raised in these surveys.

In the end, these efforts are very much worth pursuing for the sake of US–Pakistan relations and for Pakistan as well. By transferring skills, knowledge and capital to Pakistan, the dynamic and accomplished Pakistani-American community gives back to a country struggling to manage the consequences of brain drain – a phenomenon exacerbated in no small part by the growing ranks of its global diaspora.

Finally, Pakistani-Americans could help improve US–Pakistan relations on a much more basic level simply by explaining Pakistan to America. Indeed, Pakistani-Americans are well-placed to help the US public better understand Pakistan, given that most Americans get their information on Pakistan through media coverage, which tends to be reductive. This could be done by visiting elementary schools to talk about Pakistani cuisine, art and music; by giving talks at libraries and community centers on various Pakistan-themed topics; or even by teaching evening classes at community colleges.

Providing such knowledge would help reduce ignorance and mistrust in the US vis-à-vis Pakistan and ultimately serve as a boon for the US–Pakistan relationship. Given the tensions that engulfed the bilateral relationship in 2016 and the strong possibility, as detailed earlier, that US–Pakistan relations are poised for a period of extended volatility, diaspora-led efforts to promote understanding between the two countries have never been more valuable or worthwhile.

11. Conclusion

The Pakistani diaspora in the US is nowhere close to being the largest in the country, although it is growing fast and making its mark on American culture and society. It is also a strikingly well-educated and well-off diaspora, adding to its significance, even as it is important to acknowledge that many Pakistani-Americans are far from affluent and that they experience discrimination and harassment. Additionally, the Pakistani diaspora in the US does not make a significant contribution to US politics, though it does have a modest presence in the US political scene. Importantly, this diaspora contributes to Pakistan by advocating on social issues and through direct assistance on a variety of levels. This strong level of engagement with Pakistan can and should be leveraged into the broader US–Pakistan relationship. This entails the Pakistani

diaspora serving as a bridge between the two countries and helping increase unofficial, person-to-person exchanges, thereby building greater mutual trust and confidence.

This chapter has sought to provide an overview of the Pakistani diaspora in America – an aspect of the broader Pakistani diaspora on which serious scholarship is lacking. While ample work has been done on Muslim-Americans, both past and present, and while there has been much output on other, larger diaspora communities in the US, there are relatively few serious studies on Pakistani-Americans and Pakistanis in the US outside of newspaper articles and other informal literature. More serious research is of the essence.

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4

The Pakistan–Europe corridor

Fareeha Zafar*

1. Introduction

Migration from Pakistan to Europe has progressed through three clearly defined phases. The first can be linked to the demand for cheap labor in Europe as it recovered from the ravages of the Second World War. Passports became a travel requirement only after the First World War and few additional documents were necessary until the 1960s. This allowed the working class, adventurers and the wealthy from the colonies to move freely.[1] Following the old silk routes, it was possible to drive overland from Pakistan through Afghanistan or Iran across the Middle East and Turkey to Europe with almost no border controls until the early 1970s. Pakistan's western and northern borders were safe and peaceful. The oil boom had yet to occur and Turkey was almost European. For young men, this widened their horizons while providing an economic rationale for immigration: that of ensuring a more secure future for their families.

Unlike the US, which has tended to draw skilled workers via the 'green card' scheme, Europe has attracted low-skill workers. In the 1960s and 1970s, most out-migrants from Pakistan to Europe were from areas with a strong immigrant tradition of sending young men to the UK for employment, such as in Gujrat (Punjab) and Mirpur (Azad Jammu and Kashmir). The success of these early migrants painted an attractive picture of their new homelands. Given that Europe involved greater language barriers, most migrants opted for the UK. The oil price boom in 1973 and the consequent resurgence of Islam in the Gulf, Saudi Arabia and Pakistan increased the impetus to migrate. This, coupled with the

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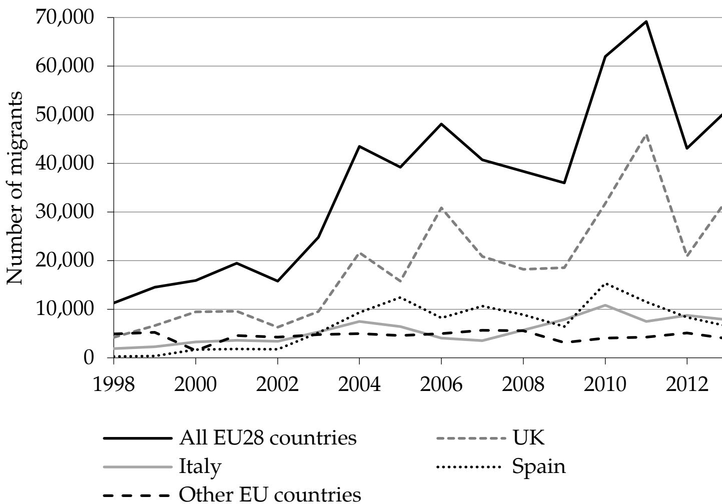
[1] Passports were standardized in 1980.

rapid increase in international travel by land, air and sea, made it necessary to design more rigorous border controls and visa regimes.

The second migratory phase stems from a combination of policy decisions and demographic changes in Europe. The economic prosperity of countries that joined the European Union (EU) in 1993, their ageing population and shrinking workforce created favorable conditions for migrants, both legal and irregular. The Schengen Agreement of 1995, designed to provide freedom of movement for Europeans, also made it easier for migrants from Pakistan to enter these countries. Vihé (2007) points to the arrival of Pakistani workers in Spain and Catalonia as an example.

Estimates show that about a million Pakistanis – or 12 percent of all Pakistani migrants – live in mainland Europe, with another 1.2 million in the UK. Italy, Spain, Greece, France, Germany, the Netherlands, Norway and Denmark are home to large Pakistani communities (Figure 1). Job-related migration is high in countries such as Italy, Belgium, Denmark, Germany, Portugal and the UK, but lower in countries such as France, the Netherlands and Sweden (Abbasi, 2010). Some European countries allowed potential emigrants to apply under a 'green card' scheme that targeted specific skills. This was replaced by a 'blue card' scheme for highly qualified professionals.

Figure 1: Immigration flows from Pakistan to Europe



Source: Based on data from http://ec.europa.eu/eurostat.

The migrants attracted to Europe were not only jobseekers, but also included students and asylum seekers. By the 1990s, this extended to family members seeking to emigrate under reunification policies. This, combined with the periodic regularization of immigrants, paved the way for increased migration under these categories. Others sought illegal routes into Europe and, despite deportations, now constitute the bulk of migrants. Thus, the third migratory phase can be linked to the events of 9/11 and the rise of stringent visa and migration regimes, which account for the shift from legal to irregular migration.

2. Characterizing Pakistani migrants to Europe

Initially, most Pakistanis who moved to Europe were poorly educated, semiskilled or unskilled workers who either became part of the European labor force or established their own businesses. The latter have generally flourished: many now import products from, and operate businesses in, Pakistan (Abbasi, 2010). In mainland Europe, Italy hosts one of the largest Pakistani diaspora communities, which are concentrated in the three textile districts: Brescia in southern Italy near Milan, Carpi in the industrial north and Prato in Tuscany. From not being a country of choice for Pakistani migrants, Italy has become a more desirable destination after immigrants were regularized in the 1990s. Opportunities have emerged for Pakistanis to move from labor to self-employment in communications and services, which includes acting as agents for new migrants. On the downside, migrants are now required to have a work contract and proof of housing arrangements prior to arrival in Italy, which has raised migration costs.

When the postwar period of 'open immigration' from Pakistan to the UK ended in 1971, Spain's more lenient visa process made it the most popular option for many low-skill emigrants as well as for those of undetermined status living in other European countries. The higher cost of living in northern Europe in the 1990s was another reason for this shift. Early migrants to Spain worked in agriculture and low-technology operations. Subsequently, Pakistani migrants became concentrated in Barcelona, in localities with an Afro-South Asian ethnic mix. Most of them run grocery stores and restaurants, minimarts, barbershops, *locutorios* (small businesses that offer pay-per-minute telephone services) and Internet cafes. Barcelona has the largest Pakistani population outside the UK, the majority originating from the city of Gujrat in Punjab. Spain's construction boom in the 2000s and the new airport built in Sialkot (near Gujrat) in 2011, offering direct flights to Barcelona, has led to a significant influx of Pakistani immigrants.

In contrast, Pakistani immigrants to Germany comprise primarily students and researchers as well as highly skilled professionals, including academics, scientists, doctors, engineers, IT professionals and journalists. The German Academic Exchange Service set up in Pakistan has provided generous scholarships enabling many young (mostly male) students to apply to science and technology universities in the country. The Pakistani community here is concentrated in Frankfurt, Berlin and Hamburg.

A common Nordic labor market has been operational since 1954, long before the Nordic region became part of the open European labor market in the European Economic Area. Moreover, during the 1970s, workers recruited from non-European countries such as Pakistan migrated with their families, which has given rise to a second generation of persons of Pakistani descent born in Scandinavia.

In Norway, the first generation of Pakistanis – most of them from Kharian in the district of Gujrat – arrived as guest workers onward from 1967 under a liberal immigration scheme that allowed unskilled 'guest workers' to settle in Norway temporarily. Subsequent amendments to the immigration laws allowed them to settle there permanently. Following stricter immigration laws passed in 1976, in general only family reunifications became possible. Nevertheless, Pakistanis are reported to be the third largest group of migrants after the Poles and Swedes. With higher education levels than the Norwegian national average, second-generation Pakistani-Norwegians have moved onto more professional jobs in politics, higher education and the media and are well represented in regional and city councils, particularly in Oslo. Leirvik (2004) reflects on the increased visibility of Pakistanis and associated concerns of identity and integration in Norway.

Recent estimates place Pakistanis as the fifth largest migrant community in Denmark. The Danish government's 'green card' scheme started in 2008, to cope with the problem of finding suitably qualified people for jobs on offer, allowed non-EU nationals with the stipulated education and work experience requirements to come to Denmark to find work ('Green card a red light', 2012). The absence of guaranteed jobs, outsourcing and rapid changes in the skills required, however, have forced many young men into low-paid, part-time skilled jobs.

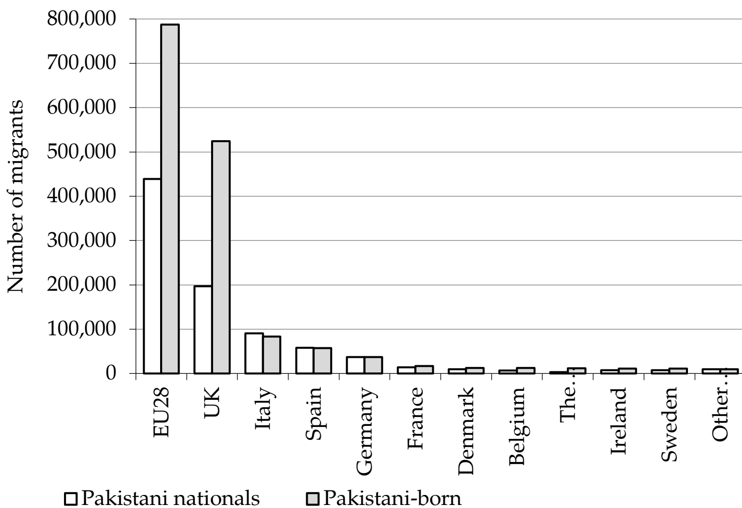
Despite their concentration in the three cities of Amsterdam, Rotterdam and The Hague, variations in place of origin, ethnicity and professional skills have prevented the emergence of a single Pakistani community in the Netherlands. For example, the caste and kinship links of migrants from Gujrat, now settled in The Hague, mean that they have

little in common with the Memons, a trading class from Karachi, now living in Amsterdam. Similarly, the fortune seekers of the 1970s are a far cry from those who sought asylum in the 1980s. This has also given rise to factional politics (see Morgahi, 2012). Those with lower skills and levels of education are similar to their Spanish counterparts working in telephone shops or *belwinkels* and more recently in cab companies.

Early Pakistani migrants to Greece arrived as sailors and shipyard workers in the early 1970s (Leghari, 2009). Subsequently, they filled the gap at lower tiers of the Greek labor market as regular and irregular workers employed as welders, masons, laborers and mechanics. Since most of them were single men, they were not a burden on the country's health, education and other social services. The Pakistani community in Greece is more established and better placed than the more recent arrivals from Syria or Iraq. Greece has become a stepping stone to Europe, the UK and the US, with many migrants becoming illegal aliens in attempts to get across from Turkey.

The stock of Pakistani migrants is almost evenly split between those who have yet to acquire EU nationality and those who already have. This chapter looks at the UK, Italy and Spain as key destinations for Pakistani migrants (Figure 2).

Figure 2: Stock of Pakistani migrants in the EU, 2014



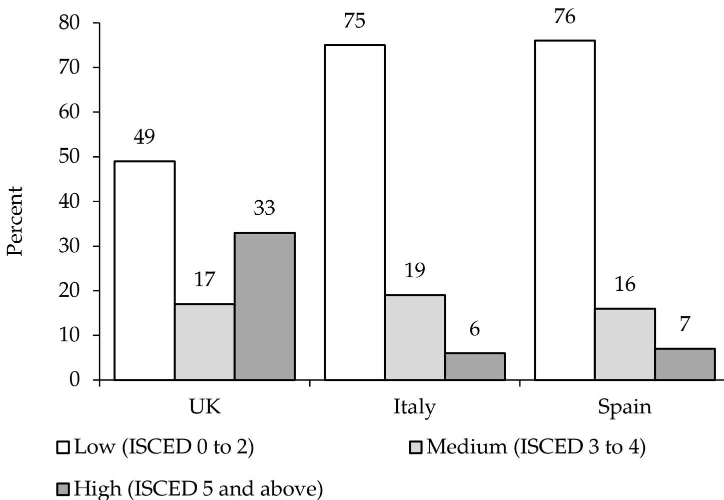
Source: Based on data from http://ec.europa.eu/eurostat.

3. Migration to the UK, Italy and Spain: A comparison

Until the 2000s, there was no restriction on transnational marriages. With a stable migrant population, many women entered the UK under family reunification schemes and, by 2011, constituted almost half of all Pakistani migrants in the country. In Europe, the transient and uncertain status of migrants acted as a deterrent and the census data for 2011 shows that women account for only 32 percent of Pakistani migrants in Italy and even less in Spain.

About three quarters of the Pakistani migrants in Italy and Spain have lower levels of education than their counterparts in the UK. At the other end of the spectrum, the latter has a far larger share (33 percent) of migrants with a higher education, while the corresponding figures for Italy and Spain range from 6 to 7 percent (Figure 3). Consequently, the UK has more Pakistani immigrants in the upper tiers of the workforce, employed as managers and professionals, compared to their counterparts in Spain, who comprise largely technicians and associated professionals, while those in Italy work in less skilled occupations (Figure 4).

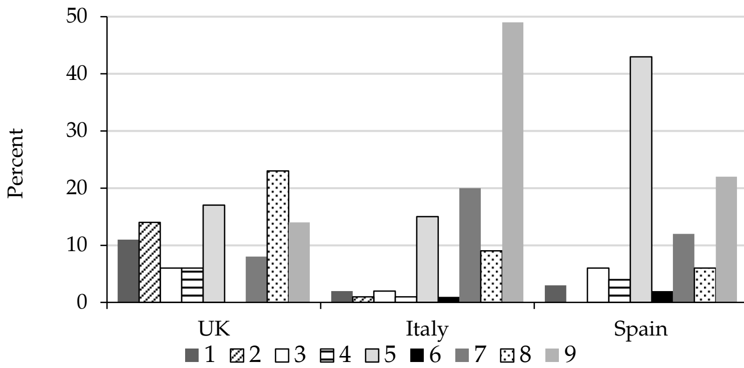
Figure 3: Pakistani migrants, by level of education, 2011



Note: ISCED classifications: 0 to 2 = early childhood education to lower secondary, 3 to 4 = upper to post-secondary (nontertiary), 5 and above = short-cycle tertiary to doctoral.

Source: Based on population census data for the UK, Italy and Spain.

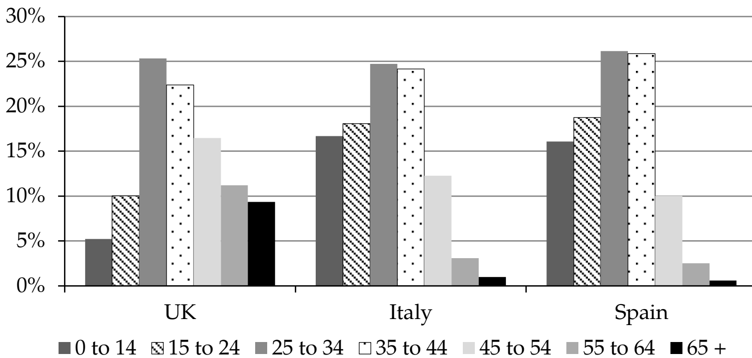
Figure 4: Pakistani migrants, by occupation, 2011



Note: 1 = managers, 2 = professionals, 3 = technicians and associated professionals, 4 = clerical support, 5 = services and sales, 6 = agriculture, forestry and fishery (skilled), 7 = crafts and related trades, 8 = plant and machine operation and assembly, 9 = elementary occupations.
Source: Based on population census data for the UK, Italy and Spain.

That only 5 percent of British-Pakistani migrants below the age of 15 were born in Pakistan indicates a decline in the entry of new migrants from Pakistan (Figure 5). For Italy and Spain, the corresponding figures are 17 and 16 percent. The UK also has more Pakistan-born senior citizens, indicating the presence of second-generation and even third-generation persons of Pakistani origin. There is, however, little difference across all three countries in the population of the 25–44-year age group born in Pakistan.

Figure 5: Migrant population, by age group, 2011



Source: Based on population census data for the UK, Italy and Spain.

As in other parts of the world, including the UK, second- and third-generation Pakistanis in Europe are very different from their predecessors. Most are well-educated, skilled professionals working in medicine or IT and are better integrated with European society. Their desire to retain a sense of Pakistani identity is reflected in regular visits to, and investments in, their country of origin.

For first-generation Pakistani migrants, transnational marriage remains an important pull factor, requiring regular contact with their town or village of origin. Some establish schools, mosques and hospitals there and make political donations during an election, which gives them greater leverage at the community level. However, the country's poor law and order means that many migrants have become increasingly disenchanted with Pakistan, which may change the position of Europe as a major contributor to remittance flows (Faist, Fauser & Reisenauer, 2013).

4. Factors promoting irregular migration

Pakistanis in Europe differ from their counterparts in other regions in three ways. First, the Schengen Agreement allows them to move frequently, quickly and easily between countries. Second, they lie at two ends of the spectrum: highly educated professionals and skilled or semiskilled workers with lower levels of schooling. Third, they also include migrants in transition, which makes it difficult to obtain accurate data on migrant numbers.

The notion of 'step migration' – moving incrementally toward a goal – and the uncertainty of the labor market help explain the irregular legal status of many migrants whose employment contracts are time-bound even as avenues of undeclared work and illegal employment continue to drive irregular immigration (Yousef, 2013). Within the EU, popular pathways of interstate movement include Greece–Italy–France–Spain as migrants move north and northwest, with some hoping to reach the UK or US. The frequent movement of irregular immigrants across the EU using social networks has created transnational social spaces that enable migrants to move back and forth undetected (Faist et al., 2013).

5. Irregular migration networks

Human smuggling has been central to the breakup of the colonial migration system connecting Pakistan to Britain since the 1960s. The British Nationality Act 1981 limited migration possibilities and diverted migrant traffic to Europe, which benefitted from pliant, illegal migrants and from high-fee-paying students. The diversity of these smuggling

networks has allowed Pakistanis to stay illegally in Scandinavia, for instance, for seven to eight years at a time, working in factories and the services industry as cleaners and taxi drivers before applying for residence (Ahmad, 2015).

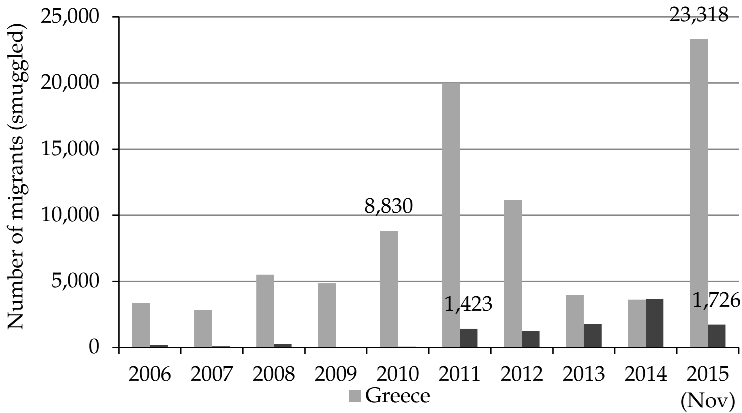
Since 1974, when overseas employment in the Gulf states accelerated, the sheer number of migrants over time has allowed for illicit means of travel. The Prevention and Control of Human Trafficking Ordinance 2002 has not been particularly effective against the global network of travel agents, visa consultants and human smugglers who combine to provide genuine visas for Iran, Dubai and Turkey, from where many migrants then enter Europe (Asif & Hilton, 2016). These networks extend deep into Pakistan's towns and villages.

The shift from air routes to sea routes began in the 1990s as restrictions at airports became more stringent. In travelling overland, in-transit migrants set up nascent communities across Europe en route to the UK, creating nodal points in France, Belgium Holland, Denmark and Norway (Ahmad, 2015). Greece became an attractive location for mass migration (including irregular migration) for several reasons: (i) stricter controls in northwestern Europe since the mid-1970s; (ii) the country's central location and weaker border controls, given its long coastline (68,000 km) and a difficult-to-patrol mountain border (2,800 km); (iii) its proximity to developing countries in Asia, Africa and the Balkans that had emerged as areas of conflict due to geopolitical changes; (iv) improving economic conditions, a low birth rate and demand for low-skilled labor; and (v) the Greek economy's large underground and informal sector, which offered spaces for irregular migration. Over and above migrants from Pakistan, the potentially higher chances of obtaining a Greek residence permit and legal stay in the EU under the prevailing amnesty and immigration laws between 1998 and 2005 led to inflows of Pakistanis living illegally in other parts of Europe.

An estimated 300,000 people migrate from Pakistan each year through irregular channels, including the wide network of migrant smuggling and human trafficking in the country. The United Nations Office on Drugs and Crime (2012) shows that irregular out-migration from Pakistan is enabled chiefly by migrant smugglers. The report claims that most irregular migrants are single men with an average age of 30 and are primarily from northern Punjab, some districts in southern Punjab, Khyber Pakhtunkhwa and the city of Karachi in Sindh. Many head to Saudi Arabia and the UAE as temporary workers, while others take their chances along the route to Western Europe.

Between 2008 and 2012, about 110,065 Pakistani nationals were detained as irregular migrants in the area comprising the EU27, Norway and Switzerland. Pakistan ranks fifth among the top ten countries that account for migrants smuggled into Greece and Italy as refugees, the numbers having risen from just over 8,800 in 2010 to over 23,300 in 2015 for Greece and from about 1,400 in 2011 to over 1,700 in 2015 for Italy (Figure 6). Despite the appalling conditions in detention centers and numerous deaths that occur en route, the numbers continue to rise. Asif and Hilton (2016) estimate that about 71,000 prospective migrants attempt to leave Pakistan annually.

Figure 6: Pakistani migrants smuggled into Greece and Italy, 2006–15



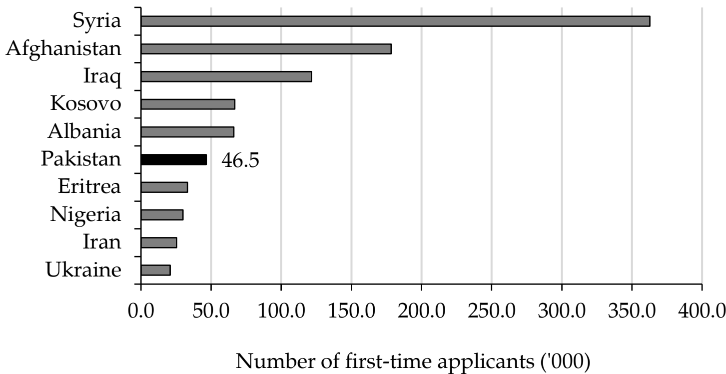
Source: Based on data from the Greek and Italian police. These numbers refer to migrants in general and not specifically to refugees.

Most irregular Pakistani migrants to Europe use the route through Turkey, Greece and Bulgaria, a few transit through Albania and Russia and many go through Montenegro. When Hungary closed its borders in September 2015, many migrants were forced to move through Serbia and Croatia to Slovenia. Pakistan's own border controls are not very effective and a commonly used route out of the country is through Quetta in Balochistan onto Iran and Turkey. Another route is from Jiwani on the Balochistan coast to Muscat in Oman. The Federal Investigation Agency estimates that 500–1,000 prospective migrants cross the Balochistan border every day (Asif & Hilton, 2016), including college graduates, clerks and a small number of seasonal laborers. Arguably, the deteriorating security situation in Balochistan accounts for a large share of the migrant flow.

6. Refugees and asylum seekers

War and political turmoil in the Middle East and North Africa have led to a sharp rise in the number of asylum seekers attempting to enter Europe – even as the EU talks about 'chosen migration'. The civil war in Syria has changed the preferred sea route from the longer central Mediterranean route to the shorter journey to Greece via Turkey. With over 46,000 first-time applicants in 2015, Pakistan ranks sixth among countries with the largest number of asylum seekers applying to the EU (Figure 7). Many are Baloch nationalists, Pakhtuns from conflict-ridden areas in the north of Pakistan, journalists and social activists, those escaping family feuds and enmities, and members of ethnic or religious minorities subject to discrimination in Pakistan (Asif & Hilton, 2016).

Figure 7: Top ten origins of asylum seekers in the EU



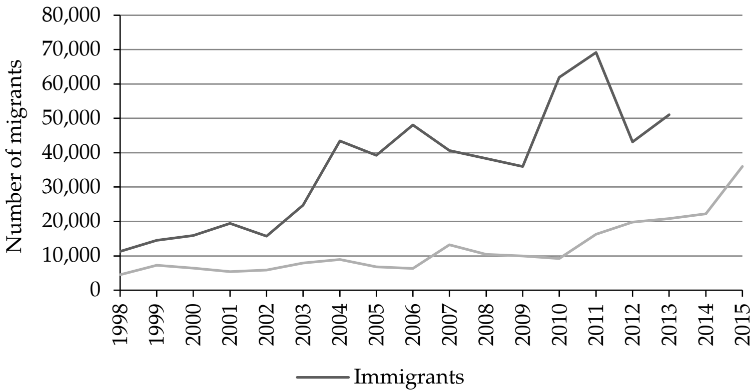
Source: Based on data from http://ec.europa.eu/eurostat.

Officials claim that fewer than 20 percent of illegal migrants from Pakistan are granted asylum in Europe. According to Eurostat data, the number of Pakistani migrants returning from Europe with an order to leave (voluntarily or forced) increased by almost 200 percent between 2008 and 2012. However, of the 168,000 illegal Pakistani migrants who were to have been deported during 2008–14 (under an accord between the EU and Pakistan), only 55,750 left Europe due to insufficient flights, bureaucratic delays and lack of enforcement.

It is worth underscoring the EU's stance on political refugees from Pakistan: in October 2015, the European commissioner for migration, home affairs and citizenship, Dimitris Avramopoulos, said that Pakistan was not considered a dangerous country for returning migrants because it

was under the democratic process (European Commission, 2016). As such, this means that Pakistanis would not qualify as political refugees. The counterargument is that an estimated 60,000 people have been killed in religious and sectarian violence in Pakistan over the last 20 years. The influence of the Taliban in some parts of the country, combined with post-9/11 developments at the regional and national levels, have created precarious sociopolitical conditions for many people. Ironically, the consensus among EU governments that prospective migrants seeking better economic opportunities must also return to their countries of origin has led to an increase in the number of asylum seekers (Fargues, 2015) (Figure 8).

Figure 8: Flow of immigrants and asylum seekers from Pakistan to the EU



Source: Based on data from http://ec.europa.eu/eurostat.

The view that 'asylum seeker' is no longer a viable category indicates an imminent end to asylum policies, as was the case under the Geneva Convention. The process of keeping asylum seekers outside European borders by providing 'internal asylum' in camps or zones within countries affected by conflict and on routes leading to Europe is underway. Transit accommodation as well as reception and detention centers are now common at crossings from Turkey to Greece and Bulgaria.

7. Religion as an identity marker

Given the mix of nationalities of young men seeking asylum from Afghanistan, Iraq, Pakistan, Iran and African countries with Muslim populations, Pakistanis tend to be seen as part of the Muslim diaspora –

this shift in identity has led to widespread racism, xenophobia and ethnic stereotyping (Leghari, 2009). As Islam travels from Pakistan to the West, "it changes from being part of the majority culture to becoming an identity marker for an increasingly self-conscious minority population" (Leirvik, 2004).

As with other minorities in Europe, ghettoization is a feature of overseas Pakistani communities, adding to their isolation and limiting the contribution they might otherwise make to their host country. The Pakistani diaspora is also associated with issues affecting other Muslim communities in Europe, such as the controversy over Muslim women wearing hijab (in France) and the construction of mosques or minarets (in Switzerland). Post-9/11, terrorism and migration have become closely linked in the public discourse.

8. Conclusion

With an estimated annual outflow of about 0.8 million, the future of potential migrants remains uncertain. Not all developed countries, including those in Europe, have signed the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families – a multilateral treaty adopted by the United Nations in 1990 and in force since 2003. The stance adopted by many European countries, quoted by Migreurop (2013), could not be more constrictive: "They should come when and where we want, with the skills and in the quantity we want, and for the time period that we have set, but they should not claim the right to stay." That said, the EU has also made significant progress over the last few decades in enacting stringent laws to counter discrimination based on gender, religious beliefs and ethnicity.

There is no uniform approach to the integration of immigrants in Europe. The Scandinavian countries, for instance, tend to be relatively liberal, while France – given its strong secular culture – has opted for aggressive assimilation. Till recently, most European countries had adopted a laissez-faire approach that treated Muslim minorities as a temporary phenomenon (Abbasi, 2010). With the ongoing refugee crisis, this has changed rapidly. Immigration policies in the EU have become far more stringent. Prospective migrants are required to show proficiency in that country's native language and may be confined to specific residential areas ('Germany moves towards', 2016). Sponsors who want their families to join them must show a specified minimum level of earnings.

Although part of the Budapest Process since 2010, the Pakistan government and the country's media must do more to underline the

perils of illegal migration. For its part, the government should take proactive steps to train Pakistani workers for the highly competitive market for skilled labor in Europe. A starting point includes the following initiatives. The first is the establishment of two migrant resource centers in Islamabad and Lahore (in collaboration with the International Labour Organization and the International Centre for Migration Policy Development) that provide information on legal migration. The second is the Silk Routes RELEC under the umbrella of the Silk Routes Partnership to counter human trafficking and migrant smuggling networks through better cross-border cooperation among the countries in this region, including Turkey.

Pakistan's relationship with the EU is steered in part by the latter's emphasis on democratic government and the protection of human rights. The first Pakistan–EU summit in 2009 signaled a change in relations, moving from trade alone to a more strategic partnership on security, democratic governance, humanitarian and development assistance and other regional and global issues. What this process could benefit from greatly is the potential role of the Pakistani diaspora – an aspect not considered seriously thus far (Abbasi, 2010).

Until now, irregular migrants have borne the brunt of deportation. However, with the escalation of terrorist attacks worldwide and their alleged links to Pakistan in the form of militant training camps or even recent visits home, the future of Europe's Pakistani diaspora – especially those who insist on concessions based on radical Islam or who are on the lower rungs of the economic ladder – is not a rosy one. For the rest, and for the second and third generations, disengagement from Pakistan is almost inevitable.

Meanwhile, the rise of the far right in the US and Europe in opposition to the inclusive policies of globalization does not bode well for immigrants. Emboldened by the success of Brexit in the UK and the election of Donald Trump as President of the US in 2016, right-wing politicians such as Marine Le Pen, Geert Wilders and Frauke Petry have campaigned – albeit unsuccessfully in 2017 – on the basis of strongly anti-immigrant policies, promising not only to curtail in-migration, but also to force out those whom they do not want in their countries. Could this be a second crusade in the making?

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5

Anti-immigration policies: The most serious threat to Europe

Philippe Fargues*

1. Introduction

Thousands of forcibly displaced people; disorderly crowds moving across borders; migrant populations trapped in dangerous countries, waiting for safe passage to their longed-for destinations; inoperative distinctions between economic migrants and refugees; government hostility to immigration; the inability of the international community to deal with migration-related tensions… the list goes on. Almost every day, the migration crisis intensifies, both on the ground as well as in political fora. In Europe, migration has become perhaps the most serious threat to the survival of the European Union (EU). But is it an external threat or an internal one, an attack from abroad by migrants or one from within by politicians manipulating migration statistics?

2. An unprecedented crisis?

'Unprecedented' is the most commonly used qualifier in media reports on the current migration crisis. But in what way is this crisis 'unprecedented'? If one considers Europe, the numbers are staggering indeed. The number of migrants smuggled into Europe by sea jumped from a few tens of thousands per year between the 1970s and 2013 to more than 200,000 in 2014 and close to 1 million in 2015. Likewise, the number of new asylum claims lodged in EU member states increased from 372,855 in 2013 to 562,675 in 2014 and to 1,255,685 in 2015 (European Commission, 2017). Such numbers have not been recorded in Europe since the end of the Cold War.

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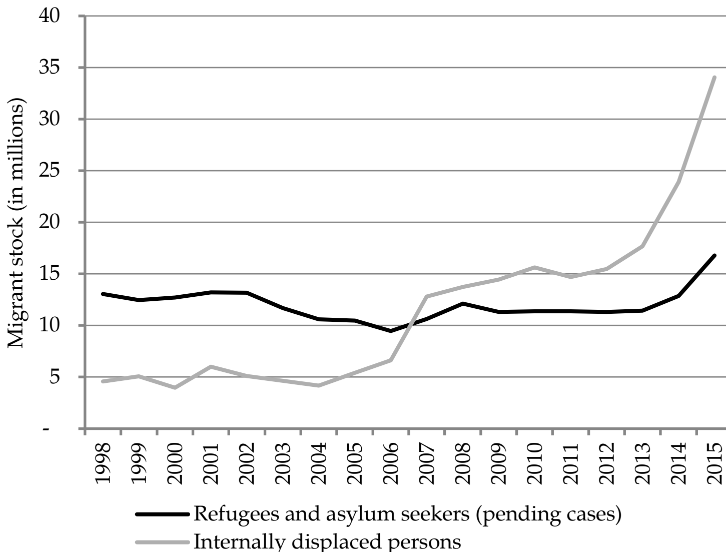
But Europe is not the whole world. Large waves of migrants and refugees have been a recurrent feature since the end of World War II. The 'boat people' of Vietnam, Afghans fleeing first the Soviet and then the US invasions, waves of refugees from the Great Lakes of East Africa… these are just some examples of the sheer scale of cross-border movements the last century has witnessed, while recent world history continues to move to the drumbeat of every exodus.

A closer look at the statistics shows that the increase in cross-border refugees is smaller in relative terms than the change in world population between 1992 and 2015 – respectively, from 12 million to 14 million and from 5.5 billion to 7.3 billion.[1] One should not conclude, however, that the world is safer today than it was 20 years ago. On the contrary, forced migration has increased, but the bulk of this increase has occurred as internal, rather than cross-border, displacement. As Figure 1 shows, the number of internally displaced persons (IDPs) soared from 22 million in 1992 to 33 million in 2015.

Figure 1: Forced migrants at the world level



Source: Author's compilation based on data from UNHCR (2016).

[1] Data compiled by the author, based on United Nations High Commissioner for Refugees (UNHCR) (2016) (on refugee numbers) and United Nations, Department of Economic and Social Affairs (2013) (on world population).

In other words, those fleeing conflict and persecution are increasingly trapped in their own countries, unable to cross the border and unable to find shelter in neighboring countries. The migration crisis, which anti-immigration voices in Europe blame on open borders, is a crisis of borders that are too tightly closed. Yes, the stream of migrants broadcast across the world's televisions, as they walked across the Balkans in the autumn and winter of 2015, seemed never-ending, but that was because a series of closed border crossings had created critical bottlenecks. Had the frontiers remained open, these refugees would have arrived almost unnoticed.

Stepping back from Europe now and looking at the whole world, what *is* unprecedented about the ongoing crisis is its *global* nature. There are three aspects to this. First, similar but unrelated situations have occurred on every continent. For example, in the spring of 2016, closed borders between two states stopped migrant flows – this time, not in the Balkans, but in Central America, when Panama sealed its border with Colombia to halt the flow of Cuban migrants to the US. In 2015, boatloads of refugees by the thousand drifted across the sea in desperate search of a harbor – it was not the Mediterranean, but the Andaman Sea, and the refugees were Rohingya Muslims from Myanmar. Second, there is a worldwide dispersion of refugees from the same areas. For example, Australia has become a destination for boat people arriving from Iraq and Syria after a 15,000-kilometer trek. Third, flows originating in many disconnected parts of the world have converged on a select number of narrow corridors. For example, the Greek police counted more than 130 different nationalities on the dinghies crossing from Turkey to the Dodecanese Islands in 2015.

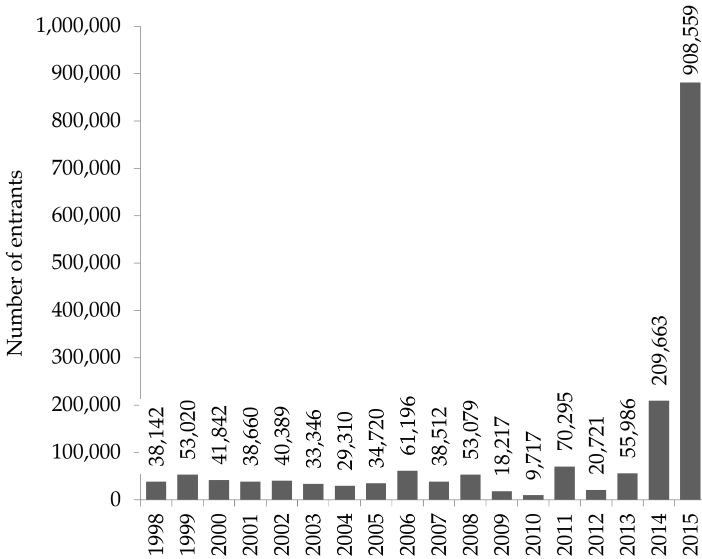
These facts all reflect the same contradiction: While migration is going global, there is no global governance of migration – no universally shared principles, no comprehensive international law and no institution in charge.

3. Insecurity in the Mediterranean

In 2014, the movement of unauthorized entries by sea, which had started 40 years earlier, gained enormous momentum, changed in nature and adopted new routes. First, the number of people smuggled across the Mediterranean jumped from an annual average of 40,000 during 1998–2013 to 210,000 in 2014 and to 1,020,000 in 2015 (Figure 2). Second, the proportion of refugees among these migrants rose from about 30 percent before 2011 to 80 percent in 2015 (Table 1 and Figure 3). In the absence of any mechanism allowing refugees to reach Europe legally (such as

resettlement schemes or asylum visas), those seeking asylum in Europe have only two options: (i) to obtain a visa for other purposes, such as employment, study or family reunion or (ii) to travel without a visa and lodge an asylum claim once (and if) they reach an EU member state. Third, as the number of Syrian refugees soared, the short crossing from Turkey to the Greek islands replaced the much longer and more perilous journey from Tunisia and Libya to Italy, allowing many more to cross.

Figure 2: Unauthorized entry by sea into Greece, Italy, Malta and Spain



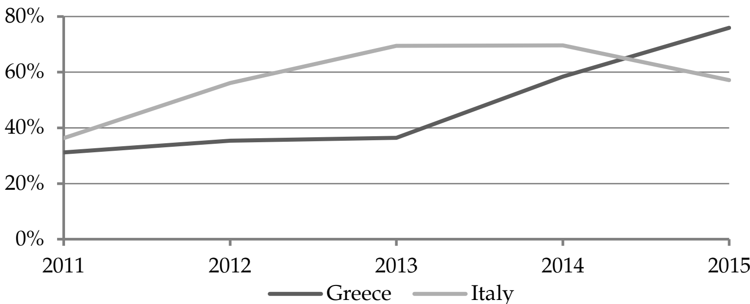
Source: Ministero dell'Interno (for Italy); Hellenic Police, Ministry of Public Order and Citizen Protection (for Greece) (http://www.astynomia.gr/index.php?option=ozo_content&perform=view&id=24727&Itemid=73&lang=EN); Ministerio del Interior (for Spain); Frontex Watch (for Malta); UNHCR (for Spain and Malta, 2015) (http://data.unhcr.org/mediterranean/regional.php).

Table 1: Top ten nationalities of migrants smuggled into Greece and Italy

		Number of migrants per year				
Country of declared nationality	*Refugees as % of total* [a]	*2011*	*2012*	*2013*	*2014*	*2015*
Syria	94.6	947	8,507	18,972	74,461	462,689
Afghanistan	53.3	17,841	18,323	6,924	13,685	186,617
Eritrea	86.6	1,060	2,351	10,406	34,470	37,815
Iraq	66.8	4,514	8,485	1,721	5,522	64,417
Albania	4.4	11,982	12,374	5,497	7,299	16,077
Pakistan	21.4	5,960	807	2,835	8,834	25,044
Nigeria	29.0	28,827	2,874	925	1,674	22,044
Somalia	62.7	1,834	2,355	739	1,701	16,499
Bangladesh	10.9	2,486	417	1,723	9,535	9,090
Tunisia	8.4	2,429	3,944	4,205	7,520	1,023
All nationalities		119,635	90,145	82,684	247,262	952,246
Refugees as % of total [b]		33.5	47.9	62.9	70.9	75.7

Note: a = rate of positive responses to asylum claims lodged in the EU28 during 2011–15, b = expected rate of positive responses to asylum claims lodged in the EU28 by migrants smuggled into Greece and Italy during 2011–15.
Source: Author's estimates based on data from Eurostat (http://ec.europa.eu/eurostat).

Figure 3: Expected proportion of refugees among migrants smuggled into Greece and Italy



Source: Author's estimates based on data from Eurostat (http://ec.europa.eu/eurostat).

While coming from war-torn countries such as Syria, Iraq, Afghanistan or Somalia, the vast majority of refugees did not apply for asylum on arrival in Greece or Italy, although these are obviously safe countries. Instead, they tried to make their way to Germany or Sweden, fueling allegations that they were not asylum seekers but welfare seekers, parasitical on European generosity. Field evidence, however, shows that most of them entered Europe after a long stay in their countries of first asylum – such as Turkey, Lebanon and Jordan – where reduced access to work had exhausted their savings. They had little choice but to move to places where they would no longer depend on international charity, but rather be able to provide for themselves.

On Europe's doorstep, as the Syrian conflict enters its sixth year and Iraq has failed to restore peace and security, forced displacements show no sign of abating. The Middle East is both the source of, and host to, half the world's 20 million refugees (UNHCR and UNRWA combined). Most states in this region are not signatories to the 1951 Refugee Convention or, if they are, have only limited involvement (to host European refugees, as in Turkey's case). Here, refugees are generously welcomed, but as 'guests' – that is, as persons who cannot claim any rights, including the right to reside.

Having offered haven to 4.8 million Syrian refugees, Turkey, Lebanon and Jordan now shoulder a heavy economic burden and risk unforeseeable consequences for their own political stability. Indeed, the influx of Syrian Kurds in Turkey and Iraq has strengthened Kurdish irredentism in both countries. In Lebanon, inflows of mostly Sunni Syrians have overturned the de facto population balance on which the country's fragile political system is built. In Jordan, where half the citizens are themselves refugees from Palestine, the large waves of those displaced from Iraq and Syria have reignited old tensions.

Several European states have welcomed forcibly displaced people from Syria (and other countries) on a large scale. As of September 2016, more than 650,000 asylum claims have been lodged by Syrians in the EU28 since the beginning of the conflict in 2011. This number remains modest compared with the 4.8 million Syrian refugees recorded by the country's neighbors: Turkey, Lebanon, Jordan and Iraq. It is also worth noting that Israel does not accept Syrian refugees. Moreover, after a period during which Europe was divided between open doors and wire fences, the emerging consensus is that further refugee flows should be contained outside the EU. Unfortunately, Europe risks further political destabilization on its external borders by subcontracting the containment of refugee flows to the Middle East (and northern Africa) with Turkey (and perhaps tomorrow, with Libya). Grim developments are already in

evidence, from the authoritarian shift in Turkey to state failure in Lebanon. The security of the entire eastern Mediterranean region is at stake.

4. Europe's demographic predicament

At this point, Europe is entering a period of durable population decline and ageing. Demography will challenge its weight in the world as well as its wealth and welfare – and only immigration can curb these downward trends. If no migration takes place, by 2050 the aggregate EU28 will have a smaller population than Nigeria, while Germany, the region's largest state, will rank 25th in terms of world population share (United Nations, Department of Economic and Social Affairs, 2013). Thus dwarfed, what legitimacy will European nations be able to claim in world affairs and in the leadership of global governance institutions? Moreover, if migration were to stop, the EU would lose 40 million workers over the next 20 years and gain 38 million old-age pensioners (Table 2).

Table 2: Population aged 20 and above in the EU28, by age group: the no-migration scenario

Age group (years)	*Population in 2015*	*Population in 2035*	*Change between 2015 and 2035*
20–44	166,270,730	134,278,929	–31,991,801
45–64	139,362,704	131,283,267	–8,079,437
65 +	95,962,473	133,638,032	37,675,559

Source: Author's estimates based on data from Eurostat (http://ec.europa.eu/eurostat).

A first, well-acknowledged consequence of population ageing is the unsustainability of current welfare systems unless the duration of economic activity is continuously (and considerably) lengthened and/or steady flows of replacement migration occur. A second pernicious (and often unnoticed) consequence is the high risk of skills ageing. Among the workers the EU will lose in the next 20 years, 32 million are young people (aged 20–45) whose up-to-date skills are necessary if the EU is to attain its stated objective of becoming the world's strongest knowledge-based, post-industrial economy.

In trying to maintain a critical mass of recently acquired knowledge and skills, life-long learning is probably not an adequate response and immigration the only realistic solution. Given that migrants tend to be young people – on average, 25 years old when they arrive in Europe, an age at which the individual's potential contribution to the economy is

still growing – they represent an opportunity that should not be missed (Figure 4).

Figure 4: Immigration flows to the EU28 in 2010, by age group

Source: Author's estimates based on data from Eurostat (http://ec.europa.eu/eurostat).

The need for replacement migration is presently overshadowed by high unemployment rates in most of the EU, but the economic crisis is passing even as the demographic predicament continues to grow. The million refugees who arrived in 2015 represent only half the 2 million migrants necessary to maintain the size of the workforce every year. Should the logic of labor markets be applied, not all of them would have been admitted. However, many could still contribute usefully to the receiving economy so long as they are admitted to the labor market on arrival and not after the drawn-out process of refugee status determination. Receiving EU states must quickly add to their necessarily humanitarian approach to refugees a utilitarian consideration. Letting asylum seekers look for work would have a twofold benefit: adding value to the receiving state's economy and, for refugees, enabling more effective inclusion in their new environment.

There is, however, an inherent paradox here. The more a population ages, the more replacement migration it needs – and yet the more reluctant it is to allow immigration. Indeed, in 2015, the proportion of Europeans (at the EU28 level) who expressed negative feelings about immigration from outside the EU was found to increase continuously with age: from 52 percent among 15–24-year-olds to 68 percent among those over 55 (European Commission, 2015).

5. Concluding remarks

The flows of refugees and migrants converging on Europe are pushed by war, insecurity and economic hardship in their countries of origin. At the same time, they are pulled by Europe's rule of law and its prosperity. While Europe has little leverage over the push factors in other continents, it also has no interest in removing the pull factors at home. In any case, global movements of refugees and migrants will continue and – unless its economic, political and social systems collapse – Europe *will* continue to attract some of them.

However, for reasons beyond the scope of this chapter, anti-immigration sentiments now dominate the political landscape. Such sentiments were a decisive trigger in the Brexit vote: the vehemently anti-immigrant Euro-skepticism of the 'leave' campaigners encountered no opposition from any symmetrical, pro-immigration voice on the 'remain' side. Any European political leader brandishing pro-immigration arguments would be risking his or her constituency. Europe must resolve a contradiction: on the one hand, it regards a million undocumented refugees and migrants as unwanted; on the other, it will need twice this number every year to replace the 40 million natives of working age it will lose over the next 20 years.

So, what is the way forward?

First, Europe must not close the door to refugees. For the sake of its founding values, but also for its own security, it must return to a policy of international protection while discouraging refugees from making the unsystematic, perilous Mediterranean crossing. Opening direct channels to asylum seekers via Turkey, Lebanon and Jordan is the way forward. Granting temporary humanitarian visas to refugees would allow them to reach Europe by regular means and lodge their asylum claims. It would save lives and money. By the same token, this step would make two unwanted byproducts of the current system useless: (i) the smuggling business and (ii) the infiltration of refugee flows by terrorists, since forged passports would likely be detected before travel. It would also contribute indirectly to regional security by easing the simmering political tensions linked to the vast presence of refugees in the EU's Middle Eastern neighbor states.

Second, Europe must restore a climate favorable to welcoming the workers its economy needs. The alternative is as simple as this: immigration or decline. The challenge is to include newcomers within the social fabric – this is an investment with a high return in the long term. Likewise, the inevitable demographic downturn will have considerable

repercussions in the long term, but it remains invisible in the period between today and the next election. This is precisely where democracy collides with demography (just as with climate change).

Not many leaders have the political courage to take measures that may prove unpopular with voters if the benefits will be harvested only by the next generation. Pro-immigration policies require public opinion to be well informed, not only about the challenges of immigration, but also the opportunities it offers. What is urgent is to dispel stereotypes and disclose the whole truth about migration: not only cases of failed integration, but also the multitude of untold success stories and the considerable scientific evidence supporting the net benefit of international migration. A world with no migration would be all the poorer for it and, therefore, more unsafe. Persuading the media to incorporate and disseminate this simple reality is a priority that academics and intellectuals must now take on.

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6

The European refugee crisis

Yannos Papantoniou*

1. Introduction

The European migrant crisis or refugee crisis began in 2015 when a rising number of refugees and migrants began making the journey to the European Union (EU) to seek asylum, travelling across the Mediterranean Sea or through southeast Europe. Most came from areas such as western and South Asia, Africa and the western Balkans. According to the United Nations High Commissioner for Refugees, of the roughly 1 million Mediterranean Sea arrivals in 2015, the top three nationalities were Syrian (49 percent), Afghani (21 percent) and Iraqi (8 percent), and most of the refugees and migrants were male adults (58 percent). By the end of November 2015, about 850,000 refugees had crossed the Mediterranean, implying flows well in excess of those observed during the Balkan crisis of the early 1990s. An additional 2.4 million refugees are likely to arrive in the EU during 2017, as compared with the projections published in June 2015.

According to Eurostat, EU member states received about 626,000 asylum applications in 2014 – the highest number since 1992, when some 672,000 applications were received – and granted protection status to more than 185,000 asylum seekers. The number of asylum applications doubled to 1,221,855 in 2015. Four countries – Germany, Sweden, Italy and France – received about two thirds of the EU's asylum applications. Of the total number of people granted protection status in 2014, these four countries account for almost two thirds. Sweden, Hungary and Austria were among the top recipients of EU asylum applications per capita.[1]

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[1] See http://ec.europa.eu/eurostat/data/database

Robert Shiller (2016), a Nobel Laureate of economics and professor at Yale University, points out that

> Today's global refugee crisis recalls the period immediately after World War II. By one contemporary estimate, there were more than 40 million refugees in Europe alone. These "displaced persons", as they were called at the time, were forced to flee their homes because of violence, forced relocation, persecution, and destruction of property and infrastructure. The dire postwar situation led to the creation in 1950 of the United Nations High Commissioner for Refugees. In its 2015 mid-year report, the agency put the number of "forcibly displaced" people worldwide at 59.5 million at the end of 2014, including 19.5 million internationally displaced, which they define as true refugees.

Hatton (2016) finds that, contrary to some expectations, refugee flows are driven largely by political terror and human rights abuses, not economic forces. People in fear for their lives will run to the nearest safe place, not the richest. There is no escaping the moral imperative to help them.

2. Public finances and the real economy

According to most studies, migration is neither a significant gain for, or drain on, public finances. The impact depends strongly on the original "gate of entry" or way of admission, labor market access and, as a result of the former, immigrants' socioeconomic characteristics. The budgetary impact of the influx of refugees is expected to reflect government expenditure on food and accommodation, cash transfers to refugees and, to a lesser extent, increased government consumption related to, among other things, spending on education, health and integration more generally. Despite some indication of additional housing needs, there is no evidence of sizeable extra government investment in this area.

Barring a few countries where the additional cost of hosting refugees may be covered by re-prioritizing spending or by drawing on reserves, such expenditure is expected to increase government deficits, not least given that the euro area's Stability and Growth Pact provides some flexibility in this regard. The refugee influx into Europe is expected to contribute to a looser fiscal stance than in previous projections. In the longer run, the fiscal impact may become more favorable, depending crucially on the timing and extent of refugees' entry into the labor market.

Countries have responded to the emergency by scaling up public spending to process asylum applications and welcome refugees. Supplementary funding has also been made available at EU and national levels to support the countries of origin and transit. As the crisis has unfolded, Germany has projected an additional 0.5 percent of GDP per annum as public spending in 2016 and 2017 to meet the initial needs of new immigrants and to integrate them into the labor market.

In the short run, the additional public spending may act as a demand stimulus. In 2016 and 2017, the additional spending to provide support to refugees could boost aggregate demand in the European economy by about 0.1–0.2 percent of GDP. In the short to medium term, a positive demand shock via higher private and government consumption would initially increase prices and output – supported by relatively low savings and a high propensity to consume among refugees. The magnitude of this shock may also depend on the size of refugees' remittances to their home countries. At the same time, in some countries, the economy may be adversely affected by deteriorating confidence among consumers and businesses. This could reflect concerns that refugees will integrate to the detriment of residents' labor market prospects – to the extent that refugees do not take up unfilled job vacancies – and that the tourism sector in southern European countries receiving large numbers of refugees may be negatively affected.

3. Labor markets

Most studies conclude that the effects of immigration on employment and the wages of native workers are either small or nonexistent. Foged and Peri (2015) show that the generally lower levels of education and experience among immigrants lead native workers to take up jobs that require less manual work, greater specialization and possibly higher remuneration. They point out that

> less skilled native workers responded to refugee-country immigration, mainly composed of low-educated individuals in manual-intensive jobs, by increasing significantly their mobility towards more complex occupations and away from manual tasks. Immigration also increased native low skilled wages and made them more likely to move out of the municipality. We do not observe an increased probability of unemployment, nor a decrease in employment for unskilled natives.

Concerning the winners and losers of the refugee wave, the intake of low-skilled workers will, arguably, put pressure on the wages of domestic

low-skilled workers. This is especially relevant for people who already have immigration backgrounds. Winners will be high-skilled workers, who will benefit from the falling cost of simple tasks. Ceritoglu et al. (2015) analyze the impact of the 2.2 million Syrian refugees on Turkey's labor markets and show that, overall, "the refugee inflows do not have any statistically significant effect on natives' wages even after conditioning the regressions on new hires only."

The fact that the impact of immigration on employment and wages is, on average, negative but very small suggests that the potential downward effect is offset by the additional employment created by economies of scale and spillovers – in conjunction with the upgrading of skills – as well as higher demand for goods and services. This reflects a migration-induced population increase and is supported by considerable research showing a positive correlation between immigration and economic growth.

Specifically, as some refugees enter the labor market, compensation per employee and productivity may be dampened by the increasing number of lower-skilled and lower-paid workers. However, in the near term, inflation may rise by comparison with a baseline – that does not include the impact of the additional refugees – because of higher domestic demand, lower productivity and increasing housing rental prices. Thereafter, the rising labor supply and employment could spur further growth via stronger private consumption and housing investment.

In general, the effects on host country labor markets should build up only very progressively over time as refugees become better integrated. It is a long process for refugees to enter the formal labor market of their host country. They need to obtain asylum and often work permits, acquire language skills and receive professional skill recognition. Owing to legal and practical constraints, it takes at least six months on average before refugees can enter the EU job market. There are also large country differences and, in practice, it can take several years for many refugees to find a stable job. Overall, there is very little real evidence to support the claim that migration crowds out labor or depresses wages. In public debates, the negative or positive effects of migration are generally exaggerated by adversaries or proponents of migration.

4. Migration and labor supply

Europe's demographic transition is beginning to affect its growth potential as well as key parameters of fiscal sustainability such as social security financial balances. In 2012, its population growth rate was 0.2

percent compared to 0.9 percent in North America, 1.1 percent in Asia and 2.5 percent in Africa. The relevant facts, drawn from work carried out by the European Commission, can be summarized as follows:

- By 2060, despite immigration, the population of about half the EU is expected to shrink. Overall, the EU population will grow only slightly before peaking in 2050. Changing fertility, life expectancy and migration will significantly alter the age structure of the population in coming decades. The population is projected to be slightly larger by 2060, but the average age will be much higher than now. The population is expected to rise from 507 million in 2013 to 526 million by 2050. It will then fall to 523 million by 2060. However, there will be no such rise without the projected inward migration flows to the EU.
- Large differences between EU countries are expected, as shown below:

Projected population fall	*Projected population rise*
Bulgaria, Germany, Estonia, Greece, Spain, Croatia, Latvia, Lithuania, Hungary, Poland, Portugal, Romania, Slovenia and Slovakia	Belgium, the Czech Republic, Denmark, Ireland, France, Italy, Cyprus, Luxemburg, Malta, The Netherlands, Austria, Finland, Sweden and the UK

- Turning to ageing, the demographic old-age dependency ratio (people aged 65 or above relative to those aged 15–64) is projected to rise from the current 28 percent to 50 percent across the EU by 2060. This means the EU would move from four working-age people for each person over 65 to about two. Labor force projections show a rise in overall participation rates that is particularly marked among the over-50s. This reflects the rising labor market participation of younger generations of women combined with the expected impact of pension reforms. The gender gap is projected to narrow substantially in the run-up to 2060.
- Despite rising overall participation rates, projected population trends will reduce the labor supply. The total EU workforce (the 20–64 age group) is projected to stabilize between 2013 and 2023, falling by 8.2 percent between 2023 and 2060. This represents a fall of about 19 million workers.

It appears that both the numbers and age composition of Europe's population will suffer in the coming decades as a result of well-

established demographic trends affecting growth and fiscal balances adversely. Migration, if properly managed, could help address these problems by adding numbers, particularly to younger segments of the population and workforce. As argued above, migration is positively related to economic growth. The labor market shocks it may produce seem to be manageable insofar as they can sustain the upgrading of skills and a rising productivity trend.

Migration's main enemies are the social and political reactions originating in the socioeconomic and cultural differences that separate migrants from the native population, as well as short-term disturbance effects – due to the displacement of employed workers – which are then exploited by forces inimical to introducing foreigners into relatively closed social systems. The sudden arrival of large numbers of migrants in the EU in recent months challenges the integration capacity of European societies. The difficulties in absorbing them generate dissent that not infrequently acquires racist overtones while it tends to destabilize European politics by providing fertile ground for the rise of the extreme right as well as other xenophobic parties.

The panicked reactions we have seen – such as suggestions to abandon the Schengen Treaty unifying European borders as well as unilateral moves to close the Balkan corridor, initiated by EU countries under the leadership of Austria, indicate the scale of the prevailing anxiety. EU leaders should resist these pressures and uphold "open society" principles by sticking to a policy that focuses on effective controls and provision of adequate shelter at entry points, an efficient system of allocation among member states and sustained efforts to integrate migrants into the labor market and the educational as well as other social systems.

5. Concluding remarks

The broad picture that emerges from a review of the literature on the European migrant crisis is that, at the present scale (which is no doubt significant, but historically not exceptional), the economic consequences are not dramatic. In the short term, there is likely to be a moderate loosening of fiscal policy, leading to a positive impact on economic activity. The impact on employment and wages is likely to be negative, but very small in the near term. Thereafter, rising trends in actual and potential output will absorb the effects and stabilize the labor markets of the receiving countries.

In the longer term, migration is expected to increase the labor supply, thus encouraging economic growth while easing the financial problems that an ageing population tends to create in social security systems. The task for EU leaders today is to address constructively the legitimate fears of European citizens by managing the refugee flows effectively. This entails introducing adequate controls and an allocation system designed to send new migrants to countries and regions where labor supply deficiencies are more pronounced.

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7

The Pakistani diaspora in the Gulf

Nasra M. Shah*

1. Introduction

In formulating its vision for 2025, the Planning Commission (2014) estimates that at least 7 million persons of Pakistani origin lived overseas in 2013, constituting the Pakistani diaspora. Other estimates suggest that this number may be higher – perhaps 8 million or more, constituting about 4.2 percent of Pakistan's population (Burki, 2013). Of these overseas residents, a very large portion live and work in the Gulf countries, mainly in the six Gulf Cooperation Council (GCC) countries comprising Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the UAE. The GCC region hosts almost 24.2 million foreign workers and their families, accounting for about 48 percent of the 50.4 million persons living in this region (Gulf Research Center, 2017). Of all nonnationals in the Gulf, Pakistani nationals comprise an estimated 3.04 million (12.8 percent). Estimates based on various sources indicate that India has the largest stock of temporary migrant workers in the Gulf, followed by Pakistan, Bangladesh, Egypt and others.

Research on the Pakistani diaspora in the Gulf is almost nonexistent. Some studies, such as Shah and Al-Qudsi (1989) and Al-Qudsi and Shah (1991), which compare the characteristics and relative progress of Pakistani workers, were conducted over 25 years ago. Shah (1998) studies the role of networks among South Asian male workers (including Pakistanis) in Kuwait, while Shah (2013a) looks at second-generation nonnationals (including Pakistanis). Despite these few efforts, no comprehensive studies based on surveys of the Pakistani diaspora in the Gulf have been conducted to date. Most of the work in this area has been

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conducted by researchers based in Pakistan. Arif (2010), for instance, uses the Pakistan government's official database or special surveys of migrant households. The Islamabad Policy Research Institute (2013) has attempted to address the potential and prospects of the Pakistani diaspora in different parts of the world, including the UK and Germany.

My goal in this chapter is to advance the knowledge on the Pakistani diaspora working and living in the Gulf countries. The study is based on official data provided by the Pakistan government and research conducted in the Gulf. The chapter's objectives are to map the Pakistani diaspora in the GCC countries in terms of trends in migration outflows since the 1970s, occupational characteristics, regions of origin within Pakistan and the centrality of the GCC within overall migration outflows. It also documents the government's current efforts to engage with and facilitate the diaspora, based on interviews with government officials, and gauges how selected diaspora members perceive these efforts and their effectiveness. Finally, the chapter discusses why the Gulf diaspora holds special importance and what the future holds in this context.

The Pakistani diaspora in this chapter is defined broadly as including any person of Pakistani origin who lives in a GCC country and maintains affective and material ties with Pakistan. Additionally, s/he may (i) have been born in Pakistan, a GCC country or a third country; (ii) have lived in the Gulf for a few months or for several decades; (iii) hold a valid resident permit (*iqama*) or count as an irregular migrant; and (iv) be a Pakistani national or hold the nationality of another country with (or without) dual nationality for Pakistan. The key differentiating feature is that the person should maintain ties and interaction with Pakistan in psychological, social, economic, political or other terms.

It is important to highlight that migration rules in the Gulf countries typically do not allow permanent settlement and award nationality only to a handful of foreigners. The Gulf countries perceive foreign workers as temporary 'contract workers' rather than 'migrant workers'. The definition and conceptualization of 'diaspora' is, therefore, different from that used by scholars looking at countries that allow foreigners to become citizens and encourage them to integrate with their host environment.

2. Stock, annual outflows and characteristics of Pakistani migrants

This section documents the stock and outflows of Pakistani migrants to the Gulf. It also looks at characteristics such as skill level, distribution by area of origin, gender and marital status, duration of stay and whether migrants are regular or irregular.

2.1 *Stock and annual outflows*

The number of Pakistani migrants in the Gulf can be measured in terms of the stock at a given point in time or in terms of the annual outflow from Pakistan to a designated country. Data on the stock of Pakistanis in each Gulf country is usually obtained from the Pakistan embassy in that country. This information is then used to estimate the total number of migrants in the region. Estimates of the stock of Pakistani nationals in various Gulf countries are given in Table 1.

Table 1: Stock of Pakistani migrants in various Gulf countries, 2010–14

Country	*Estimated number of migrants*	*As % of total stock of migrants*
Bahrain	48,991	1.6
Kuwait	120,040	3.9
Oman	84,658	2.8
Qatar	90,000	3.0
Saudi Arabia	1,500,000	49.3
UAE	1,200,000	39.4
Total	3,043,689	100.0

Source: Gulf Labor Markets and Migration database; UN-DESA (2013); Pakistan embassies in the Gulf.

An estimated 3.04 million Pakistani nationals were living in the Gulf during 2010–14, as mentioned earlier. Of these, about 87 percent were concentrated in two countries, with 1.5 million in Saudi Arabia and 1.2 million–1.3 million in the UAE. According to the Pakistan embassy in the UAE, an estimated 1.3 million Pakistanis were living there in 2015.[1] The predominance of these two host countries also emerges in the annual migrant outflow data collected by the Pakistan government.

Since 1971, the Bureau of Emigration and Overseas Employment (BEOE) within the Ministry of Overseas Pakistanis and Human Resource Development has maintained a database of the number of Pakistani nationals leaving the country every year (annual outflows) after registering with the government authorities concerned. Migrant workers proceeding overseas for work must register with the Protector of Emigrants office in their place of residence in Pakistan, where their passports are stamped and their registration verified by airport officials

[1] Author's interview with Pakistan embassy officials, November 2015.

on departure. Once registered in this database, migrant workers are not recounted unless they return to Pakistan and leave again on a new contract that may require reregistration with the Protector of Emigrants. Persons who continue to live overseas while visiting Pakistan routinely remain part of the cohort to which they were assigned when they first left for the Gulf (or another country) after registration. Pakistani nationals moving to work or live in the Gulf from a third country, however, do not form part of the BEOE database.

The annual outflows cannot be summed to arrive at a cumulative total for a specified period since an unknown number of persons who leave in any given year may return after a few years. There is no data on returnees, but the cumulative outflows provide a general idea of the scale of, and trends in, emigration. The analysis in this section is based on data from the BEOE (2017).[2]

Figure 1 and Table 2 show the annual outflow from Pakistan to all countries of the world and the number of migrants to the Gulf. The BEOE data shows that a total of 8.02 million workers left Pakistan for employment overseas, of which almost 3 million left during 1971–2002 (Table 2). In terms of annual outflows, there is a clear upward trend during 2003–14. In terms of destination, more than 95 percent of the total outflow in each year was to one of the six GCC countries (Figure 1).

Within the overall upward trend, a small dip occurred in outflows during 2008–10, a probable consequence of the global financial crisis. A marked increase in outflows has occurred since 2010, with more than 700,000 workers leaving in 2014. Within the GCC, Saudi Arabia and the UAE have remained the largest recipients since 1971 (Table 2). As a percentage of annual outflows during 2003–14, Bahrain and Qatar received only 1–2 percent of migrant workers each year. With some fluctuations, the outflows to Oman have generally risen, reaching almost 12 percent in 2011, but with a substantial decline in 2013 and 2014. Kuwait accounted for about 11 percent of all workers in 2004, followed by a decline in subsequent years. In 2009, a virtual ban (unwritten) was imposed on hiring Pakistani workers as well as on issuing visit visas to families of Pakistani residents of Kuwait. This has almost halted any work-related migration to Kuwait – a situation that persists today.

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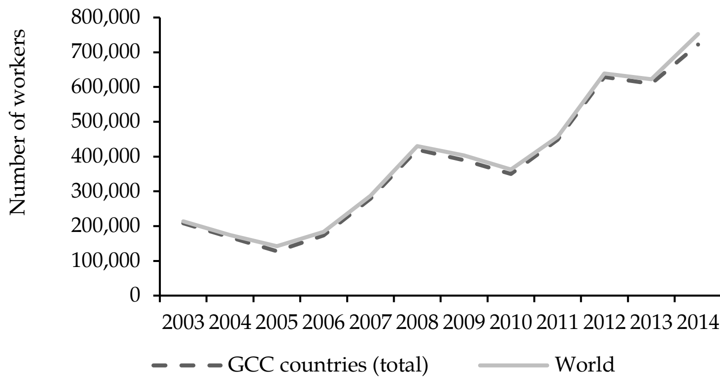
[2] http://www.beoe.gov.pk/migrationstatistics.asp

Figure 1: Comparative annual outflow of Pakistani workers



Source: Bureau of Emigration and Overseas Employment.

Table 2: Percentage annual outflow of Pakistani migrants to GCC countries

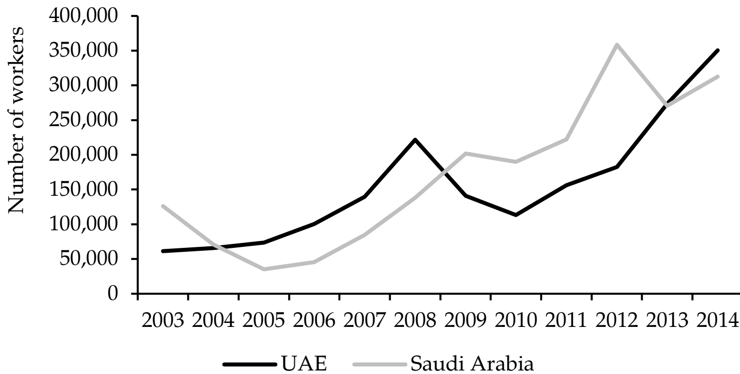
GCC country	*1971–2002*	*2003*	*2004*	*2005*	*2006*	*2007*	*2008*	*2009*
UAE	22.8	29.5	39.3	57.6	58.0	50.0	52.8	36.2
Bahrain	2.3	0.4	0.5	1.3	0.9	1.0	1.4	1.8
Kuwait	3.7	5.8	11.0	5.6	6.1	5.2	1.5	0.4
Oman	7.2	3.3	5.4	6.3	7.3	11.6	9.0	8.8
Qatar	1.8	0.2	1.4	1.7	1.3	1.8	2.4	1.0
Saudi Arabia	62.2	60.8	42.4	27.5	26.4	30.4	32.9	51.8
GCC (total)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
GCC (total number)	2,976,318	207,900	167,400	127,810	172,837	278,631	419,842	389,484

	2010	*2011*	*2012*	*2013*	*2014*	*2015*	*Total*
UAE	32.4	35.0	29.1	44.8	48.5	38.1	34.4
Bahrain	1.7	2.4	1.7	1.6	1.3	1.1	1.7
Kuwait	0.0	0.0	0.00	0.0	0.0	0.0	2.3
Oman	10.8	11.9	11.0	7.8	5.5	5.2	7.9
Qatar	0.9	1.1	1.2	1.4	1.4	1.4	1.5
Saudi Arabia	54.2	49.6	57.0	44.4	43.3	54.2	52.2
GCC (total)	100.0	100.0	100.0	100.0	100.0	100.0	100.0
GCC (total number)	350,147	448,060	628,452	609,478	722,204	522,725	8,021,288

Source: Bureau of Emigration and Overseas Employment.

The relative outflows to Saudi Arabia and the UAE during 2003–14 are given in Figure 2. Outflows to the UAE exceeded those to Saudi Arabia from 2004 to 2008, followed by a decline in 2008–10. Between 2009 and 2013, outflows to Saudi Arabia exceeded those to the UAE and both countries received about the same number (around 270,000) of Pakistani workers in 2013. After 2013, the UAE overtook Saudi Arabia once again as a destination, with 350,522 Pakistani workers heading there in 2014 as against 312,489 to Saudi Arabia. The recent decline in Pakistani worker migration to Saudi Arabia may be due to two factors. First, the Nitaqat campaign launched in 2011 aimed to reduce the number of nonnationals in Saudi Arabia. Second, a regularization campaign and amnesty was carried out during April–November 2013 (De Bel-Air, 2015; Shah, 2014).

Figure 2: Annual outflow of Pakistani workers to the UAE and Saudi Arabia



Source: Bureau of Emigration and Overseas Employment.

2.2 Skill level of migrant workers

The BEOE publishes data on annual outflows of workers grouped by skill level. We assume that the definition of each category has remained comparable over time. As Table 3 shows, for most years since 1971, less than 10 percent of all out-migrants comprised highly qualified or highly skilled persons such as doctors, engineers and academics. The percentage of skilled workers increased during the 1980s and 1990s, accounting for about half of all workers between 1993 and 2002, after which this proportion fell. Semi-skilled workers constituted only 2–3 percent of all workers during most years since 1973; this rose suddenly to 16 percent in 2011 and has remained steady since.

Table 3: Annual outflow of Pakistani workers, by skill level

Year	*% Highly qualified*	*% Highly skilled*	*% Skilled*	*% Semi-skilled*	*% Unskilled*	*% Total*	*Total number*
1971	4.6	25.2	42.4	27.5	0.2	100	3,534
1972	17.3	19.9	41.1	14.8	6.9	100	4,530
1973	7.4	7.8	27.7	0.2	56.9	100	12,300
1974	5.8	3.6	24.4	1.7	64.5	100	16,328
1975	4.3	2.5	38.3	2.0	52.9	100	23,077
1976	2.0	3.7	36.2	1.9	56.2	100	41,690
1977	1.8	3.1	36.9	3.4	54.8	100	140,445
1978	1.7	4.5	41.5	2.9	49.4	100	129,533
1979	1.3	4.4	42.1	2.6	49.6	100	118,259
1980	1.5	3.4	40.2	1.8	53.1	100	118,397
1981	1.6	4.6	39.5	1.8	52.5	100	153,081
1982	1.6	5.4	44.2	2.2	46.6	100	137,535
1983	1.8	5.4	48.4	3.0	41.4	100	120,031
1984	1.5	4.8	44.9	2.9	45.9	100	93,540
1985	1.2	5.2	45.2	3.3	45.1	100	82,333
1986	1.2	6.5	43.5	3.2	45.6	100	58,002
1987	1.2	5.4	41.2	3.0	49.2	100	66,186
1988	0.9	5.8	44.5	3.1	45.7	100	81,545
1989	1.0	6.4	46.3	3.1	43.2	100	95,863
1990	1.0	6.0	46.5	3.2	43.3	100	113,781
1991	1.0	5.4	47.0	3.3	43.3	100	142,818
1992	1.2	6.1	48.9	2.7	41.1	100	191,506
1993	1.2	6.5	50.6	2.5	39.2	100	154,529
1994	1.2	6.2	52.5	2.6	37.5	100	110,936
1995	1.1	6.6	52.3	2.8	37.2	100	117,048
1996	1.5	8.5	50.0	4.5	35.5	100	119,629
1997	1.1	6.2	51.4	2.4	38.7	100	149,029
1998	2.0	8.2	49.8	1.9	38.1	100	100,706
1999	3.4	17.8	40.6	1.4	36.8	100	78,093
2000	2.8	9.5	50.2	2.0	35.5	100	107,733
2001	2.5	8.5	50.1	2.1	36.8	100	127,929
2002	1.8	10.0	50.8	2.2	35.2	100	147,422
2003	1.3	10.3	47.5	2.2	38.7	100	214,039
2004	2.0	8.9	44.3	2.2	42.6	100	173,824
2005	2.6	10.9	40.7	1.9	43.9	100	142,135
2006	3.1	8.9	39.2	1.8	47.0	100	183,191
2007	2.8	7.4	38.6	1.1	50.1	100	287,033
2008	2.3	7.7	41.3	1.0	47.7	100	430,314
2009	1.2	0.8	45.3	0.6	52.1	100	403,528
2010	1.9	8.7	45.7	1.4	42.2	100	362,904
2011	1.5	0.7	37.6	16.0	44.2	100	456,893
2012	1.5	0.7	40.9	16.3	40.6	100	638,587

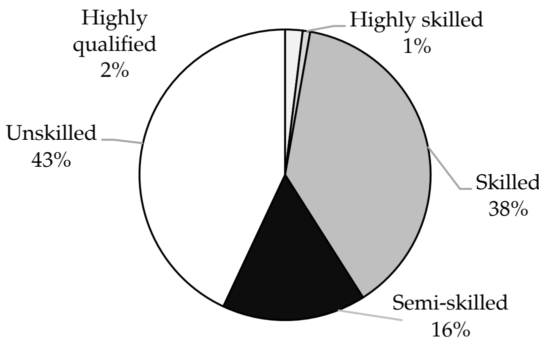
Year	*% Highly qualified*	*% Highly skilled*	*% Skilled*	*% Semi-skilled*	*% Unskilled*	*% Total*	*Total number*
2013	1.9	0.8	42.3	16.5	38.5	100	622,714
2014	2.0	0.8	38.2	16.0	43.0	100	752,466
2015	1.8	0.8	40.8	16.2	40.4	100	540,345
Total	1.8	4.6	43.0	7.2	43.4	100	8,365,341

Source: Bureau of Emigration and Overseas Employment.

It is possible that government training programs provided under the auspices of the National Vocational and Technical Training Commission (2015) and the Provincial Technical Education and Vocational Training Authorities have started to pay off in the form of better-skilled migrants.[3] The above variations in the proportion of skilled and unskilled workers may have also resulted from enumeration or definitional changes, a record of which is not available to me. However, it is worth noting that a sharp decline in the percentage of highly skilled workers occurred in the same years (2011 onward) as the increase in semi-skilled workers.

Unskilled workers constituted the bulk of all workers in the 1970s and early 1980s. Between 1993 and 2002, the relative share of unskilled workers was typically less than 40 percent and has generally remained between 40 and 50 percent since then. In 2014, the last year for which data for the complete year is available, the majority (43 percent) of migrant workers were unskilled, followed by skilled (38 percent) and semi-skilled (16 percent) workers. Highly qualified and highly skilled workers comprised only 3 percent of all workers (Figure 3).

Figure 3: Proportion of Pakistani workers who left for overseas employment in 2014, by skill level



Source: Bureau of Emigration and Overseas Employment.

[3] See www.navttc.org and www.tevta.gop.pk for more detail.

An analysis of major occupations shows that 40 percent of all workers in 2014 were laborers, followed by 11.4 percent working as drivers (Table 4). About 30 percent of workers were hired for skilled jobs such as masonry, carpentry and electrical work, most likely in construction. Overall, what this analysis indicates is that unskilled and semi-skilled workers have formed the largest segment of migrant workers from Pakistan since 1971, which probably reflects the slow pace of educational advancement and vocational training in the country.

Table 4: Pakistani migrant workers who left for overseas employment in 2014, by occupation

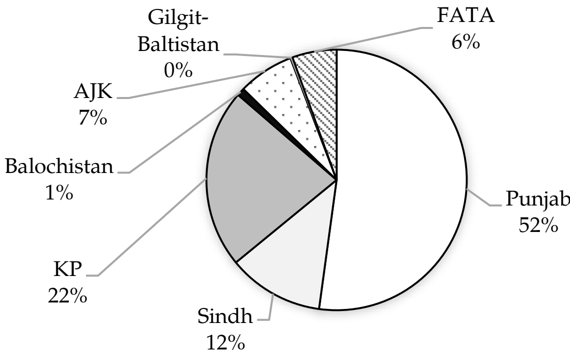
Occupation	*Number of migrants*	*As % of total migrants*
Laborer	301,425	40.1
Driver	85,794	11.4
Other	67,175	8.9
Mason	50,677	6.7
Technician	34,806	4.6
Carpenter	31,093	4.1
Steel fixer	26,422	3.5
Electrician	25,844	3.4
Agriculturist	22,325	3.0
Painter	16,890	2.3
Plumber	16,827	2.2
Salesperson	16,017	2.1
Mechanic	15,467	2.1
Operator	14,806	2.0
Welder	13,604	1.8
Fitter	13,294	1.8
Total	752,466	100.0

Source: Bureau of Emigration and Overseas Employment.

2.3 *Distribution of migrants, by area of origin*

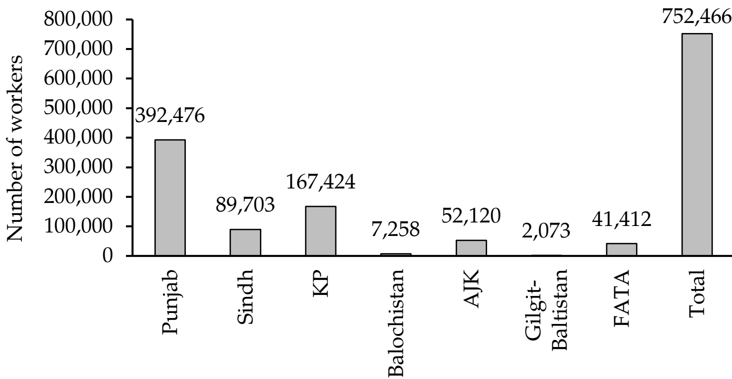
In terms of the geographical origin of migrant workers, the majority (52 percent) of all migrants in 2014 were from Punjab, followed by 22 percent from Khyber Pakhtunkhwa (KP), 12 percent from Sindh and only 1 percent from Balochistan (Figure 4). About 7 percent of all migrants were from Azad Kashmir and 6 percent from the Tribal Areas. The numerical distribution by province/region is shown in Figure 5.

Figure 4: Proportion of Pakistani workers who left for overseas employment in 2014, by area of origin



Source: Bureau of Emigration and Overseas Employment.

Figure 5: Outflow of Pakistani workers in 2014, by area of origin



Source: Bureau of Emigration and Overseas Employment.

The proportion of migrants relative to their composition of the total population of each province/region in 2012 is given in Table 5. Migrants from Sindh and Balochistan represent smaller outflows relative to their share of the national population. For example, Sindh comprised 28 percent of Pakistan's population, but accounted for only 7.3 percent of the total outflow in 2012. The corresponding shares for Balochistan were 6.7 and 0.8 percent, respectively. KP contributed almost twice the percentage of migrants (27.6 percent) relative to its share of the national population (13.7 percent).

Table 5: Outflow of Pakistani workers as percentage of total population of area of origin, 2012

	Population in 2012		*Migrants in 2012*		*Migrants as % of population*
Area	*Number*	*%*	*Number*	*%*	
AJK	2,972,501	1.5	38,833	6.1	1.31
FATA	3,930,419	2.0	29,022	4.5	0.74
KP	26,896,829	13.7	176,349	27.6	0.66
Punjab	92,531,483	47.3	341,874	53.5	0.37
Sindh	55,245,497	28.1	46,607	7.3	0.08
Gilgit-Baltistan	14,41,523	0.7	780	0.1	0.05
Balochistan	13,162,222	6.7	5,122	0.8	0.04
Total	196,180,474	100.0	638,587	100.0	0.33

Source: Bureau of Emigration and Overseas Employment.

Punjab also accounts for a larger share of the migrant outflow (53.5 percent) than its share of the national population (47.3 percent). Azad Kashmir and the Tribal Areas contribute considerably larger percentages to migrant outflows than their share of the population. In terms of the proportion of migrants relative to the population of each region, the figures are much higher for Azad Kashmir, the Tribal Areas and KP than for other regions, as shown in the last column of Table 5. Thus, some regions are more heavily represented in the migrant pool than others, with KP and parts of northern Pakistan (comprising Pakhtun ethnic groups) being exceptionally large sources of out-migration. Some geographical regions weigh more heavily in annual outflows than others, but the relative proportion of migrants from various regions has remained consistent during 1971–2014, with small yearly fluctuations.

2.4 *Gender, age and marital status*

The BEOE does not publish any data by age, gender or other demographic characteristics such as marital status. The bulk of all Pakistani migrants are male and of working age, judging from the type of work most migrants engage in. Earlier surveys from Pakistan and some Gulf countries show that women have historically represented a minority of workers in the Gulf (see Arif, 2010; Shah & Al-Qudsi, 1989). Information on Pakistanis in Kuwait shows that 120,040 persons were living in the country at the end of 2012. Of these, 93,474 were employed, almost 99 percent of whom were male and the rest female (Gulf Research Center, 2017). Another reason for male predominance is the absence of Pakistani female migrants from the category of domestic service. Government rules do not allow the recruitment of women under 35 in domestic service, and this is reinforced by prevailing cultural norms.

In terms of being accompanied by family, a small minority qualify for family visas in the Gulf countries. In Kuwait, for example, only those earning at least KD250 in the public sector and KD400 in the private sector every month may be granted a visa for their wives and children. Most Gulf countries do not publish information on the type of visa status according to the country of origin. In Kuwait, where such information was available for the type of visas held by Pakistani nationals at the end of 2012, about 78 percent were on a work visa and 22 percent on a dependent visa (Gulf Research Center, 2017). We cannot, however, draw any conclusions about the proportion of dependents in other GCC countries based on the Kuwait figures.

2.5 Irregular migrants

An unknown number of Pakistanis living in the Gulf countries have illegal status. This may be for several reasons, such as entering a Gulf country illegally through smugglers or traffickers, overstaying the duration of a valid work visa or being in an irregular employment situation. A typical example of irregular employment comprises those working for an employer who is not their sponsor, as legally required by all the Gulf countries. Information on irregular migrants is not a usual part of the Gulf country databases. A recent analysis of irregular migrants in Kuwait showed that, prior to the last amnesty held in 2011, a total of 7,498 Pakistanis had irregular status owing to expired residence visas. Of these, about 27 percent departed during the amnesty and 13 percent regularized their status; the remaining 60 percent stayed on in an irregular capacity (Shah, 2014).

Saudi Arabia held an amnesty in April–November 2013. A total of 9.9 million regularizations of different types occurred as a part of the amnesty program, including Pakistanis (Fargues, De Bel-Air & Shah, 2015). The BEOE's annual report for 2013/14 states that 950,000 Pakistanis regularized their status in Saudi Arabia during the last amnesty and 56,000 returned to Pakistan (Pakistan, Ministry of Overseas Pakistanis and Human Resource Development, 2014). On deportations of Pakistanis from the Gulf countries during 2009–14, Arif and Ishaq (2015) report the number to be 192,807. As a percentage of the cumulative outflows of 3,138,825 to the Gulf countries, deportees accounted for about 6 percent.

2.6 How long do Pakistani workers and their families stay in the Gulf?

Since the Gulf countries do not publish any data on the duration of residence, we cannot assess how long Pakistani or other nationals stay in the Gulf before returning to their home country or a third destination.

Observation, experience and some recent research in Kuwait and the UAE indicate that, for several migrant workers, the Gulf stay might span their entire life or last many decades. The Public Authority for Civil Information (2014) in Kuwait reports that about 18 percent of all nonnationals (including Pakistanis) were born in the country.

Shah (2013a) conducts a study among second-generation nonnationals, defined as persons who were born in Kuwait and have lived at least half their life in the country. Two groups, one of high school students and the other of working persons, were chosen. The study finds that 16 Pakistani schools have been established to accommodate the educational needs of children whose parents are employed in the country, in addition to such schools providing business opportunities for their Kuwaiti sponsors/owners. Self-administered questionnaires completed by the first group indicate that, among Asian (Indian and Pakistani) students (n = 482), 8 percent of fathers were born in Kuwait and had lived in the country for an average of 28.1(± 8.2) years. Among the group of Asian working persons, the duration of paternal residence in the country was even longer. Thus, for the subgroup of workers who are eligible to bring their families to the Gulf on a family visa, the duration of stay is usually long-term, frequently exceeding ten years. Among the second-generation Asians in this study, about 60 percent strongly considered Kuwait their home. However, such perceptions of belongingness are likely to be conditional on the extent to which nonnationals are conscious that their stay is temporary – unlike Bolognani's (2013) description of Pakistanis in the UK.

Ali (2011) conducts a qualitative study of 53 second-generation residents born in Dubai, from middle-class and upper middle-class families. Most respondents were Asian and had gone overseas to study before returning to Dubai. Their reasons for return included the presence of family members in Dubai and the attraction of finding a good job and a comfortable lifestyle (one to which they had become accustomed while growing up). However, most had either acquired Western citizenship, primarily of the US or Canada, or were planning to do so. Thus, Dubai was a semi-permanent home to such migrants – a home they might have to leave at any time.

2.7 Dual nationals and the Gulf as a 'stepping stone'

Among relatively educated and skilled persons such as doctors, engineers and academics, the goal of many Pakistani families is to secure a passport from a developed country such as Canada, the US or Australia. The example of Kuwait shows that a typical strategy for such families is to use their stay in the Gulf as a means of migrating to a Western country.

Children from these families are sent to international schools (usually American or British) where they acquire the skills needed to enter colleges in the West. In some cases, mothers may join their children once the latter have started college while fathers stay in the Gulf to provide a livelihood for their families abroad. Alternatively, children may be sent overseas while the couple remain in the Gulf. Often, their children will settle in those countries. This segment of the diaspora usually maintains active ties with its home country, owning property there, visiting relatives and participating in philanthropic activities. Moreover, these diaspora members have the money and connections to make substantial investments in Pakistan. As Shah (2013a) notes, their children seem to be emotionally and culturally less rooted in their home country; some do not even speak their native language comfortably.

The phenomenon of using the Gulf or other countries as a stepping stone to more desirable destinations in the West is not limited to white-collar workers. In her study of the multistage migration patterns of Filipino domestic workers living in the Philippines, Hong Kong and Singapore, Paul (2011) describes how these low-capital migrants intentionally follow a step-wise international migration trajectory. Often starting with countries in the Middle East, which offer lower wages but allow easier entry, migrants work their way through several countries until they reach their preferred destination, often in the West. During this process, they collect enough social, financial and other types of capital to facilitate their goal.

3. Official efforts to engage with the Pakistani diaspora

Official statements recognize the Pakistani diaspora as a vibrant, vital force that can play a crucial role in Pakistan's development. In setting its vision for 2025, the Planning Commission (2014) invited selected diaspora members to take part and its report states that,

> One of Pakistan's best resources in realizing these goals is the Pakistani Diaspora. In the case of all fast-developing countries, the Diaspora played a critical role in bringing resources, experience, technology and providing access to markets. Pakistan is blessed with an extremely gifted Diaspora. Overseas Pakistanis shall be offered special incentives to become partners in the development of the motherland by not only investing in core development activities but also becoming actively engaged in their management and governance.

The main avenue for engaging with the diaspora in this vision is to encourage members to invest in Pakistan, in line with international best practices and especially in economic corridors.

Several legislative and administrative measures have been taken to facilitate labor migration and the diaspora since the 1970s, after rising demand for Pakistani workers in the Gulf countries. On 23 March 1979, Ordinance XVIII was promulgated to repeal, modify and re-enact the Emigration Act 1922. The ordinance laid down detailed rules regulating emigration from Pakistan and establishing an administrative structure to enable this. This ordinance has been amended periodically to clarify ambiguities.

In 2009, a comprehensive National Emigration Policy was prepared by the Ministry of Labor and Manpower's Policy Planning Cell and presented to the National Assembly. The key question the policy addressed was: "Despite being a source country for decades and knowing well the demand for expatriate workers in destination countries and sub-regions, why as yet have we not been able to make an effective response?" The report identified and discussed several challenges that might answer this question and recommended 15 priority areas to promote action aimed at increasing emigration (Shah, 2013b). However, this policy document was not presented to Parliament nor been passed to date.

The pro-emigration policy of the government has persisted since the 1970s. Embassies in the GCC countries have specific instructions from the Pakistan government to treat overseas Pakistanis as a priority and support the diaspora as best they can to enhance a sense of ownership among the latter. One step in this regard is the creation of the post of community welfare attaché (CWA) at Pakistani embassies in several countries to promote an increase in the number of overseas Pakistani workers and protect their welfare. A total of 15 welfare attaches have been appointed in various countries, of whom 11 are based in the Gulf countries. Four positions have been allocated to Saudi Arabia, three to the UAE and one each to the remaining four Gulf countries.

Embassies in the Gulf countries have commended the efforts of the Pakistani diaspora. Speaking on the occasion of Pakistan's independence, the ambassador to the UAE, Asif Durrani, said that,

> The Pakistani diaspora in the UAE are wonderful, hard-working people and we are proud of them. Their services have been duly acknowledged by our brothers in the UAE. The community has toiled in this country and earned a good name. With 1.3 million people here, a second and third generation of Pakistanis are now living in the UAE (Khaishgi, 2014).

In November and December 2015, I conducted face-to-face interviews with the Pakistani ambassadors to Kuwait and the UAE as well as the CWAs in these countries to learn how the embassies engaged

with diaspora members and what hurdles this involved. Most officials felt that the embassies provided a satisfactory level of assistance. Among other things, this included helping overseas Pakistanis have their documents (passports and identity cards) renewed and attested and resolving their disputes with employers.

Further interviews revealed that diaspora members faced two central problems. In the Gulf countries, this took the form of unpaid or delayed wages, receiving lower wages than promised at the time of recruitment and sponsors' (*kafeel*) refusal to allow workers to change employers even after their legal period of employment had elapsed. Officials said that the embassy concerned would try and resolve such situations amicably as far as possible. In Pakistan, some diaspora members reported having been subject to fraudulent practices regarding property. The Ministry of Overseas Pakistanis has hired a law firm to intervene in such disputes on behalf of overseas Pakistanis.

Specific measures to assist the diaspora include the provision of a foreign exchange remittance card (FERC) that entitles overseas workers to import certain items into Pakistan without paying any duty. Depending on the amount remitted, migrants are issued a silver, gold or platinum card that determines the duty credit they can claim. In addition, the ministry has established a counter at international airports in Pakistan to assist overseas Pakistanis. The latter are also issued a national identity card for overseas Pakistanis (NICOP) that enables them to purchase and sell property. Migrants can also apply for a NICOP online.

The Overseas Pakistanis Foundation (OPF), which falls under the Ministry of Overseas Pakistanis, has several functions aimed at enhancing migrant welfare. This includes (i) providing financial help to families of deceased workers as needed, (ii) establishing schools for children of overseas Pakistanis in various parts of the country, (iii) ensuring lower tuition fees and that places are reserved for them at designated colleges in Pakistan, (iv) providing assistance at airports, (v) helping procure dues and claims from destination countries and (vi) developing housing schemes for overseas Pakistanis. Migrants must be members of the OPF to avail these services. Any overseas Pakistani aged 18 or above can obtain membership by following the required procedure and paying a fee of PKR2,000. Migrant workers who have already registered with the Protector's office do not need to pay since it is covered under their registration fee.

When asked about the perceived success of the Pakistan government in engaging with the diaspora, embassy officials were cautiously optimistic. They felt that mechanisms for remittances through official

banking channels were satisfactory, but that the government could do more to encourage diaspora members to invest in Pakistan and mobilize their knowledge and skills to the country's benefit. The main constraints to such investment included unreliable domestic energy resources, poor security, tedious bureaucratic structures and inconsistent policies on subsidies for traders and investors.

4. How effectively has the government engaged with migrants?

As part of this study, I also interviewed a small, purposive sample of diaspora members from different socioeconomic backgrounds to gauge their perception of the Pakistan government's efforts to engage with the diaspora. One sample included academics, doctors, exchange company owners and car mechanics and the second comprised six taxi drivers in Dubai. Regardless of socioeconomic background, none of the respondents mentioned any specific efforts made by the government to engage with the diaspora. Their knowledge of OPF schemes for investment varied across both samples, although most appeared to be unaware that such schemes existed.

The group of taxi drivers in Dubai said they were particularly unhappy with the passport and identity card renewal facilities and other services. They felt the consulate staff and infrastructure could not handle the volume of applicants. One participant said that he had to go to the embassy at 3:00 a.m. and stand in line to make sure he was served the same day: "There is no place to sit and people have to queue outside in the heat; those with *wasta* (connections) or those who bribe officials are served out of turn." Moreover, they felt excluded from the social and cultural activities organized by the embassy, saying that such functions were restricted to the "300 VIPs" on the embassy mailing list. As blue-collar workers, they felt neglected despite the substantial contribution – about 70 percent of their earnings – they made to the country in terms of remitting foreign exchange home.

Most respondents said they had never obtained a FERC. A taxi driver who had obtained one soon after arriving in Dubai said he had not bothered to renew the card because customs officials at Lahore airport refused to acknowledge it and he had had to pay duty on items that should have been duty-free under the FERC allowance. Respondents in this group pointed to widespread corruption at all levels as a barrier to the government's ability to facilitate and protect its diaspora in the Gulf.

4.1 *Sending remittances home: A success story?*

Both highly skilled as well as low-skilled respondents reported a consistent and positive improvement in official mechanisms for remitting money home cheaply and quickly: none mentioned facing any specific difficulties. Some observed that it had become easier for families in Pakistan to access remittance funds, even in remote areas, while highly skilled respondents said they found it convenient to make secure electronic transfers from home. However, an unknown percentage of migrant workers still prefer to send money through informal channels or *hundi*, partly because their female household members have less access to banking channels and partly because their families trust this arrangement. Such responses are especially common among migrants from KP.

Based on the small convenience sample, my findings indicate that transactions through hundi have declined considerably. However, Arif's (2010) survey of 548 migrant households in Pakistan indicates that 40 percent of remittances are sent through official banking channels, 29 percent through hundi and about a third through friends or carried by migrants themselves. A conclusive picture of this will emerge only if additional studies are carried out, either in Pakistan or among Pakistanis in the Gulf.

Many private exchange companies have been established in the Gulf, some headed by Pakistanis. The owners/mangers I spoke to were generally happy with the facilities and arrangements in place. The Kuwait government does not impose any limits on the amount of money an individual can transfer when using an electronic source (debit card). Cash remittances are restricted to a maximum of KWD3,000 (approximately US$10,000) per transaction. To date, Kuwait imposes no taxes on remittances.

That said, managers pointed out two problems. First, the rebate they received on each remittance transaction from the Pakistan government had fallen (from KWD1.2 to 0.900 files in Kuwait) and this had seriously reduced their profit margins. Second, as part of the government's anti-money laundering efforts, all commercial transactions had to be made through banks and not exchange companies – a hindrance to traders and businesspersons. Respondents suggested that the government specify which documents were required to verify the authenticity of remitters and their companies, and then continue to allow exchange companies to handle such transactions.

4.2 Philanthropy among the diaspora

Members of the Gulf diaspora make regular philanthropic contributions, often to communities in the areas from which they originate. Such efforts range from small-scale assistance to needy families and scholarships for students to the establishment of schools, clinics and hospitals. One of my respondents in Kuwait – who was instrumental in the establishment of a large, seven-story hospital in Pakistan – indicated the difficulties they had faced during the project. First, having the hospital registered as a charitable trust in Pakistan had entailed considerable bureaucracy and taken many years. Second, the Kuwait government did not allow donors to transmit money to a trust or nongovernment organization. The hospital's funds had therefore been transmitted to trustees' personal accounts and used for construction and refurbishment. Any donations toward its running expenses were still managed through personal accounts.

In additional to philanthropic contributions to Pakistan, migrants from KP have made efforts to safeguard the welfare of their own community in the host country. This diaspora group contributes informally to a small community fund used primarily to help compatriots in case of death or injury. The fund is used to cover the cost of sending a dead body to Pakistan and to help the family of the deceased, as needed.

5. The importance of the Gulf as a migrant destination

The six GCC countries are home to an estimated 3 million Pakistani temporary migrant workers and their families. Over the last four decades, migrants to the Gulf have constituted about 95 percent of all migrants who left the country. The employment of such large numbers is vital for at least two reasons: (i) it eases the pressure on the job market in Pakistan and (ii) migrants remit large sums of money home (the State Bank of Pakistan reports that, of the total remittances received in October 2015, 65.6 percent were from the Gulf).

Policymakers in Pakistan agree on the perceived need to maintain and expand the outflow of migrant workers to the Gulf. In the 1970s, policies and administrative structures were put in place to facilitate and maximize this outflow, and the terminology used for this process reflects the perception of manpower as a commodity for export. This thinking persisted until the latest emigration policy was designed, which identified the constraints to manpower export and put forward solutions. While current policies appear to have the same objectives and thrust, policies addressing the reabsorption of returnees have remained weak – even

absent – since migration to the Gulf began. As discussed below, several factors affect the probability of Pakistan attaining its goal of maintaining and expanding labor migration to the Gulf.

5.1 GCC migration policies, perceptions and attitudes

Overall, migration policies in the GCC countries aim to reduce the number of nonnationals in their population and labor force (United Nations, Department of Economic and Social Affairs, 2013). This directly contradicts the aims and objectives of emigration policies in Pakistan as well as several other labor-sending countries. Some GCC countries such as Kuwait have implemented policies specific to Pakistan, consisting of an unwritten ban on hiring Pakistani workers or granting visit visas to Pakistani nationals.

While the general perception among policymakers and the public is that the presence of foreign workers – including Pakistanis – accounts for rising unemployment among indigenous GCC workers, the validity of this argument has not been tested. The desire to reduce the number of foreign workers has been accompanied by policies that reserve certain jobs for nationals, set employment quotas for nationals in specified sectors and make it compulsory for foreigners in certain occupations to retire. The Nitaqat campaign in Saudi Arabia to ensure that more nationals participate in the private sector is a recent example of the government's serious effort to reduce its foreign workforce.

5.2 Demand for migrant labor in Saudi Arabia and the UAE

Among the Gulf countries, Saudi Arabia and the UAE were home to about 92 percent of all Pakistani migrants in 2014. This heavy concentration of Pakistani migrants in just two countries carries a risk. Should economic, political or other conditions in either country change dramatically, the impact on Pakistan could be overwhelming. The UAE is especially significant since it receives about the same volume of remittances from Pakistan as the latter receives from the UAE.[4] Although I do not have access to information on the types and purpose of remittances from Pakistan to the UAE, it seems reasonable to assume that these might include investments in real estate or business ventures, especially in Dubai, or returns on investment in Pakistan by UAE residents. The magnitude of trade and other economic links between the two countries implies that any drastic changes in one would have a deep and widespread impact on the other.

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[4] Author's interview with Pakistan's ambassador to the UAE, November 2015.

5.3 Declining oil prices

The decline in oil prices from over US$100 to less than US$30 per barrel during 2016 is likely to affect economic growth in the Gulf. Large-scale infrastructure and development projects may be scaled down or suspended, thus lowering the need for (additional) foreign workers. Policies to cut down the number of foreign workers may now be implemented more vigorously and rapidly than in the past. Pakistan should recognize these changes and adjust its own policies to accommodate a reduction in annual outflows to the Gulf in years to come. Furthermore, Pakistani workers may begin to return in larger numbers compared to the last decade, many of them seeking jobs in a domestic labor market that cannot accommodate them easily.

5.4 Trends towards mechanization

One way in which the GCC countries hope to meet their long-term development goals is by upgrading the quality of workers they hire. This is done by demanding better-trained and more productive workers. Increasingly, employers have begun to require proof of certification even for semi-skilled jobs. By introducing greater mechanization, another aim is to reduce dependence on foreign workers.

5.5 Women's labor force participation in the Gulf

One human resource that remains to be fully utilized by the GCC countries is the indigenous female workforce. While women's labor force participation in these countries has risen in the last few decades (Baldwin-Edwards, 2011) and may result in the replacement of some foreign workers, this is more likely in certain sectors such as education and health, where the cultural preference for female workers is greater. It is unlikely that the demand for semi-skilled work, especially in construction or industrial occupations, will be met by indigenous women (or men) in the near term. These sectors will continue to rely on foreign workers, including Pakistanis, although the number of semi-skilled and unskilled jobs may shrink due to the economic downturn caused by declining oil prices.

5.6 Competition with other labor-sending countries

Pakistani workers compete with workers from other labor-sending countries such as Nepal. The number of such countries has risen over time, in turn increasing the competition for jobs since it is less expensive to hire new workers. While this could dampen outflows in the future, Pakistani workers have an advantage in terms of having been among the

earliest migrants to the Gulf in the early 1970s. Many have established long-term relationships with employers and others in their host country. Such social networks will probably remain an important factor in sustaining and encouraging further migration to the Gulf.

5.7 Economic growth and development in Pakistan

Regardless of policies or economic growth prospects in the Gulf, a critical factor that will generate future migrants pertains to economic growth and job prospects in Pakistan. If well-paying and rewarding jobs are created as part of the Pakistan government's new economic initiatives, the number of workers seeking overseas jobs may decline. If the economy stagnates, however, the demand for overseas jobs will rise.

5.8 The 'culture of migration' in Pakistan

For migrants and their families, migration to the Gulf is usually perceived as a success story. Examples of other migrants who can buy land, build houses and spend lavishly on weddings and other occasions are attractive markers of how one's life might improve if one were to secure a job in the Gulf. The pressure to find overseas work is large enough that potential migrants are willing to sell land and jewelry or borrow large sums of money to finance the move and buy a work visa. Politicians tend to use the promise of overseas jobs as a tool to woo voters. A widespread 'culture of migration' has thus taken root in the country, similar to other countries such as the Philippines (International Organization for Migration, 2013). Efforts to move overseas are not limited to the Gulf, as evident from the presence of several Pakistanis among Syrian refugees being smuggled to Europe.

6. Conclusion

Migration to the Gulf has probably been a lifeline for many families and helped alleviate unemployment and underemployment pressures in Pakistan. Remittances continue to be a vital source of foreign exchange earnings and the government is making concerted efforts to increase these inflows. The banking sector's efforts to establish effective mechanisms for the transfer of remittances through official channels are commendable. Migrants have grown to trust official channels to the extent that we can see a visible dent in the incidence of transmission through informal channels.

The annual outflow of workers from Pakistan has risen consistently since 2005, with about 700,000 workers leaving in 2014. Whether this

upward trend will continue depends on several factors, many of which are beyond the control of the Pakistan government. Among the eight factors identified in this chapter, the economic health of the Gulf countries and ensuing development plans is the most critical, given that it may lead to prospective projects being postponed or canceled (some of which has happened already). The impact on Pakistani workers will be especially large, as many of them are engaged in semi-skilled or unskilled jobs and can be easily replaced by workers from a less expensive source country.

In projecting the role of migration-related remittances in Pakistan's future, one must remember the temporary nature of migration to the Gulf. Regardless of how long migrant workers have lived in the Gulf, their stay is bound to the duration of their current contract. At the end of that contract, they (and their families) must leave within a month or risk becoming irregular stayers. As Ali (2011) notes, among second-generation residents of Dubai, some respondents considered it a "pit-stop" where one worked, earned some money and left. Such perceptions are conditioned by the fact that, in "Dubai's economic and social system … no matter how long migrants have been in Dubai they are legally treated like anyone else coming in today and give up any claims on permanence and political rights" (Ali, 2011, p. 556). This social compact prevails in all the Gulf countries and for all nonnationals. Thus, barring a small minority that resettles in a third country such as Canada, the US or Australia, most workers return to Pakistan. The experience and assets they are likely to have gained during their long stay in the Gulf should be harnessed by the Ministry of Overseas Pakistanis through schemes to incorporate returning migrants.

For those who continue to live and work in the Gulf, the Pakistan government must protect their interests. This entails addressing the complaint that embassies provide inadequate, inefficient support to those seeking consular services. Official channels providing quick and reliable remittance transfers should also be strengthened. Blue-collar workers, who form at least 80 percent of the Gulf diaspora, need to be given a greater 'sense of ownership' of the important role they play in Pakistan's development. We also need comprehensive data, both quantitative and qualitative, on the situation and perceptions of this diaspora. Finally, Amjad's (1989) advice is still as valid today as it was 25 years ago: the government should avoid an attitude of 'benign neglect' and focus on careful policy planning and interventions to maximize the benefits accruing from overseas migration.

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8

The cost of migration from Pakistan to Saudi Arabia and the UAE

Rashid Amjad*, G. M. Arif and Nasir Iqbal*****

1. Introduction

The objectives of this study are to measure the costs incurred by Pakistani workers migrating to Saudi Arabia and the UAE and to generate policy recommendations for reducing these costs within this migration corridor – thereby reducing the vulnerability of migrants and increasing the benefits of international labor migration. The study includes an analysis of the various components of the total migration cost to account for the extremely high rents associated with unscrupulous agents involved in this process, besides the legitimate costs incurred. Its findings may prove valuable in setting a baseline against which to compare migration costs in the future and thus judge whether any progress has been made in reducing the exorbitant costs associated with migration to Saudi Arabia and the UAE.

A recent study conducted on migration costs in selected migration corridors (including those to the Gulf countries) estimates that these costs can be as high as a third of what low-skilled workers earn during the two or three years they spend working abroad (Abella & Martin, 2014). Many workers borrow money at high rates from moneylenders to finance their migration and, to repay this crippling debt burden on time, need to work overtime or even take a second job abroad (Abella & Martin, 2014). Some have had to overstay their visa duration, thereby becoming irregular

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migrants, rendering themselves vulnerable to further exploitation and risking imprisonment. The general finding of this and other studies is that the cost of migration is regressive – costs fall as workers' skills and wages increase. The maximum burden of migration costs falls on semi- and unskilled workers who, in most cases, come from households in the lowest income groups.

The study seeks to answer the following questions: (i) What is the average cost of migration from Pakistan to Saudi Arabia and the UAE for low-skilled workers? (ii) How much do costs vary across different categories of migrants and the areas from where they are recruited? (iii) How are these costs distributed among the main components of migration cost? To answer these questions, a survey was conducted in Pakistan in the summer of 2015. This was undertaken as part of a larger initiative launched by the World Bank-led Global Knowledge Partnership on Migration and Development (KNOMAD).[1] KNOMAD's thematic working group on low-skilled labor migration was tasked with developing a methodology to collect recruitment cost data that was comparable across migrant-sending countries, building a database of worker-paid migration costs and developing policies to reduce such costs.[2]

2. Survey methodology

The data on migration costs was collected directly from the migrants who formed part of the survey sample.

2.1 Definition of migrant respondent

A migrant respondent is one who (i) has worked or is working in Saudi Arabia or the UAE; (ii) went abroad (to Saudi Arabia or the UAE) in or after January 2011; (iii) qualifies as a legal migrant worker (was recruited through a regular channel); (iv) returned to Pakistan after completing his job at the time of the survey, is visiting his family in Pakistan on holiday or has returned with a new contract to go abroad soon; (v) has worked or is working in Saudi Arabia or the UAE in a low-skilled occupation; and (vi) has worked or is working in the construction or agriculture sectors of the host country.

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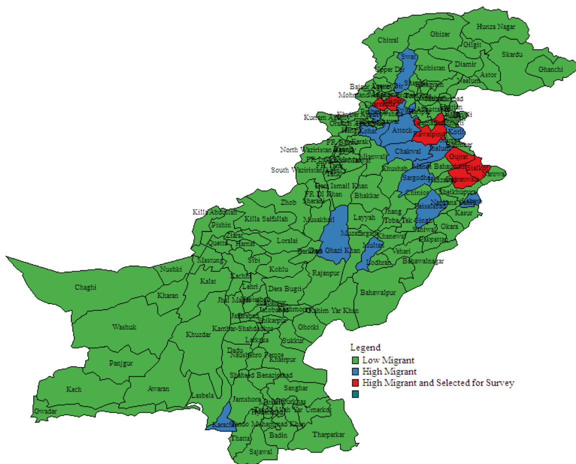
1 KNOMAD is a platform from which to synthesize and generate knowledge and policy expertise on migration and development issues. It aims to identify policies that would reduce the recruitment cost of low-skilled labor migrants and mechanisms to protect them.
2 One of the authors of this study, Dr Nasir Iqbal, participated in the meetings held to develop a methodology for conducting the survey as well as subsequent meetings to discuss the results.

2.2 *Identifying sample respondents*

A key challenge of the survey was to identify respondents as defined above. In doing so, we identified high-migration districts based on the number of migrants who had left for the Gulf Cooperation Council (GCC) countries during 1981–2015. Administratively, Pakistan comprises four provinces – Punjab, Sindh, Khyber Pakhtunkhwa (KP) and Balochistan – and three regions (the Federally Administered Tribal Areas, Gilgit-Baltistan and Azad Jammu and Kashmir). There are more than 146 districts in these provinces and regions. Migration from Pakistan to the Middle East, including Saudi Arabia and the UAE, is not evenly distributed across the country and is concentrated in certain districts. More than 60 percent of Pakistanis had migrated from only 20 districts and were heavily concentrated in central and northern Punjab, KP, Karachi in Sindh, and a couple of districts in southern Punjab.

The survey was conducted in six high-migration districts, including Rawalpindi and Gujrat in northern Punjab, Gujranwala and Sialkot in central Punjab, and Mardan and Charsadda in KP. Karachi, a high-migrant district, was excluded to minimize survey costs, given its distance from the districts where the other surveys were conducted. Dir and Swat in KP were excluded due to the fragile law and order situation prevailing there. Figure 1 shows the concentration of high-migrant districts in Pakistan, along with the selected districts covered by the survey. Although the choice of districts was influenced by cost and security considerations, the sample remains robust in terms of coverage.

Figure 1: High-migrant districts of Pakistan



A purposive or snowball sampling strategy was used to identify the targeted migrants in the six sampled districts. An extensive listing process was carried out with the help of key informants, migrants visiting the offices of the regional Protector of Emigrants and returning migrants. During the first visit, each identified migrant was asked to report or confirm (i) his present address and mobile number, (ii) the year and month of migration and country of employment, (iii) his occupation, (iv) sector of employment, (v) date of return, (vi) purpose of return, and (vii) if visiting, when he planned to go back to the host country. Table 1 lists the number of respondents in each district. Barring Rawalpindi, 150 or more potential respondents were identified in each district and their availability for interview confirmed.

Table 1: Number of respondents listed in each district

District	*Number of respondents*
Sialkot	150
Gujranwala	151
Gujrat	155
Rawalpindi	110
Mardan	151
Charsadda	160
Total	877

Source: Survey data.

2.3 Socioeconomic characteristics of sampled migrants

Table 2 gives the socioeconomic characteristics of the sampled migrants. The average age was 29.2 years, which underscores the participation of young people in overseas employment. Around 42 percent of the respondents were unmarried while 58 percent were married, indicating that many people migrate before marriage and confirming that a large proportion of migrants are young people. Since the survey focused on low-skilled migrants, it is not surprising that their level of education was very low: most were either illiterate or had only completed primary school. On average, respondents reported supporting eight persons on a regular basis, indicating a high dependency ratio.

Table 2: Socioeconomic characteristics of sampled migrants

Indicator	*Value*
Average age of migrant, years	29.2
Marital status, %	
Unmarried	41.9
Married	58.1
Education level, %	
None	10.5
Primary	33.1
Secondary	46.5
Tertiary	10.0
Average number of dependents	8.0

Source: Authors' calculations based on survey data.

3. Migration costs

Table 3 shows that, for a Pakistani worker, the average cost of finding a job and starting work in Saudi Arabia or the UAE is US$3,489. The average cost of migrating to Saudi Arabia is, at US$4,290, considerably higher than that of moving to the UAE (US$2,358). An important reason for this difference is the far higher cost of living in the UAE, especially in Dubai and Abu Dhabi (which is where most migrants find employment). These costs cut into migrant workers' savings and the remittances sent back to their households in Pakistan. Another reason is that many Pakistanis prefer working in Saudi Arabia, which offers better long-term prospects of finding employment once their current contract runs out – the Saudi economy is larger and generates much higher oil revenues than the other GCC countries.

Table 3: Average cost of migration (US$)

Region	*Total sample*	*Saudi Arabia*	*UAE*
Pakistan	3,489	4,290	2,358
By district			
Rawalpindi	3,238	3,442	2,982
Mardan	4,548	4,904	2,590
Charsadda	3,302	3,858	2,432
Sialkot	3,995	4,663	2,853
Gujrat	3,365	4,464	1,863
Gujranwala	2,640	4,278	1,896

Source: Authors' calculations based on survey data.

A district-wise analysis shows that the cost of migration is reportedly highest among workers from Mardan (US$4,548) and lowest among those from Gujranwala (US$2,640). For migrants to Saudi Arabia, the cost of migration is highest in Mardan (US$4,904) and lowest in Rawalpindi (US$3,442). For the UAE, the average migration cost is highest among migrants from Rawalpindi (US$2,982) and lowest among those from Gujrat (US$1,863).

3.1 *Analysis of cost components*

The total cost of migration is divided into 12 components, including the visa fee, agent's fee, transportation (domestic and international), passport fee, medical fee, contract fee and insurance (Table 4). The results show that the visa fee is the major cost component, constituting more than 80 percent of the total cost of migration. The visa fee for Saudi Arabia is US$3,493 (81 percent of the total cost); for the UAE, it is US$1,818 (77 percent of the total cost).

Table 4: Estimated cost of migration, by component

Component	*Cost in US$**			*Cost as % share of total*		
	Total sample	*Saudi Arabia*	*UAE*	*Total sample*	*Saudi Arabia*	*UAE*
Visa fee	2,823.6	3,493.8	1,818.4	80.9	81.4	77.1
Agent's fee	271.3	342.5	164.1	7.8	8.0	7.0
International transport	249.4	248.2	251.1	7.1	5.8	10.6
Inland transport	60.7	73.9	41.1	1.7	1.7	1.7
Passport fee	46.2	48.3	43.1	1.3	1.1	1.8
Medical fee	45.5	60.0	23.9	1.3	1.4	1.0
Contract fee	30.8	27.5	35.8	0.9	0.6	1.5
Other	30.7	33.1	27.1	0.9	0.8	1.1
Insurance	10.9	10.9	11.0	0.3	0.3	0.5
Briefing fee	6.6	5.4	8.5	0.2	0.1	0.4
Clearance fee	0.9	0.8	1.0	0.0	0.0	0.0
Exit fee	0.9	1.1	0.6	0.0	0.0	0.0
Welfare fund	0.1	0.1	0.1	0.0	0.0	0.0

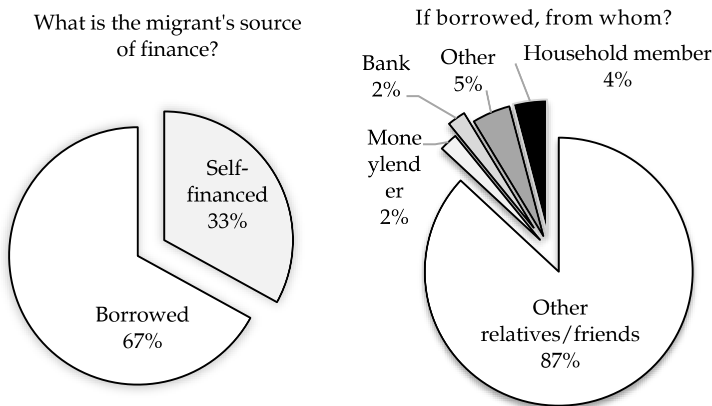
* The sum of the components is slightly different from the total cost reported in the table due to missing values.
Source: Authors' calculations based on survey data.

The second important component of migration cost is the official agent's fee. On average, this is US$271, which constitutes 8 percent of the total migration cost. The agent's fee for Saudi Arabia is US$342 (8 percent of the total cost) and for the UAE is US$164 (7 percent of the total cost). While this component is relatively small compared to the exorbitant visa fee charged, it could be a useful indicator of variations in the official agent's fee and factors that explain these differences.

The third most important component is the cost of international transport. The average airfare from Pakistan to the Middle East is US$249, which makes up 7 percent of the total cost. The average airfare for Saudi Arabia is US$248 (6 percent of the total cost) and for the UAE is US$251 (11 percent of the total cost). The remaining eight components constitute only 6 percent of the total migration cost.

The survey shows that around 33 percent of migrants financed their own migration, while 67 percent borrowed money from different sources to do so (Figure 2): those who borrowed, relied primarily on friends and relatives for a loan. Around 91 percent borrowed either from household members or other friends and relatives. The survey data also reveals that more than 90 percent of such loans were interest-free: less than 10 percent of respondents were liable to pay some sort of interest on the amount borrowed. Various sources are used to finance migration. This includes borrowing from a family member, friend or relative, moneylender, bank or recruiter.

Figure 2: Sources of finance for migrants



Source: Authors' calculations based on survey data.

Table 5 shows that the average migration cost was US$2,922 for those who had self-financed their migration and US$3,790 for those who had borrowed money to cover their costs. However, this difference in cost is not due to the interest charged on the loan and may reflect migrants' inability to raise such funds on their own. The cost pattern appears to be the same for Saudi Arabia and the UAE.

Table 5: Migration cost against different financing sources

Source	*All*	*Saudi Arabia*	*UAE*
Self-financed	2,922	3,926	1,907
Borrowed	3,790	4,444	2,679
Source of finance			
Family member	3,799	3,182	4,347
Friend/relative	3,677	4,404	2,400
Moneylender	4,180	4,171	4,244
Bank	5,030	6,421	2,247
Recruiter	5,038	6,477	2,519

Source: Authors' calculations based on survey data.

4. Fundamental causes of high migration costs

Since visa fees account for the largest share of the migration cost, the critical question is *why* migrants end up paying such high fees. This is not an easy question to answer. The reasons vary depending on the services rendered by – or expected of – the visa provider as well as the fact that these services may be provided by friends or relatives and/or by formal as well as informal recruiting agents. To help answer these questions, we consider the role of the following factors:

- The source of job information and how the 'visa market' in Pakistan functions
- Foreign employment experience
- The wage wedge

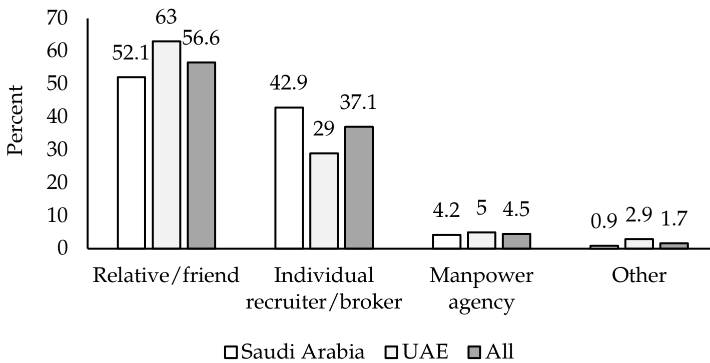
4.1 Sources of job information and the functioning of a 'visa market'

There is a well-established semi-legal market for visas in Pakistan. The cost of different types of visas in terms of destination, duration and skill requirements is fairly well-established in this market and generally known to prospective migrants. The manner, however, in which prospective

migrants access the market is different and the visa costs they eventually incur can also depend on the means or source employed to obtain the visa.

The survey results show that there are three major ways in which prospective migrants access this market. The first is through friends or relatives who know how the market works or can help get them a better bargain; this constitutes 56.6 percent of the total. The second is through individual recruiters or brokers, which accounts for around 37 percent. The third source is much lower at around 4.5 percent and consists of official manpower companies. The results are broadly the same for Saudi Arabia and the UAE (Figure 3).

Figure 3: Sources of job information



* 'Other' includes the Internet, newspapers, government employment service centers and NGOs.

Source: Authors' calculations based on survey data.

The cost of migration varies by this source of job information. It is highest (US$3,776) for sampled migrants who obtained their job information from an individual recruiter or broker. A similar pattern arises for both Saudi Arabia and the UAE. The average migration cost is US$3,435 when the source of job information is a relative or friend and is lower when the source of job information is a manpower agency (Table 6).

Table 6: Sources of job information and associated migration cost

Source of job information	*No. of respondents*	*% Share*	*Average cost (US$)*
Total sample			
Relative/friend	325	56.6	3,435
Individual recruiter/broker	213	37.1	3,776
Manpower agency	26	4.5	2,482
Other*	10	1.7	1,735
Saudi Arabia			
Relative/friend	175	52.1	4,491
Individual recruiter/broker	144	42.9	4,237
Manpower agency	14	4.2	2,666
Other*	3	0.9	2,700
UAE			
Relative/friend	150	63.0	2,204
Individual recruiter/broker	69	29.0	2,813
Manpower agency	12	5.0	2,268
Other*	7	2.9	1,321

* Includes the Internet, newspapers, government employment service centres and NGOs.

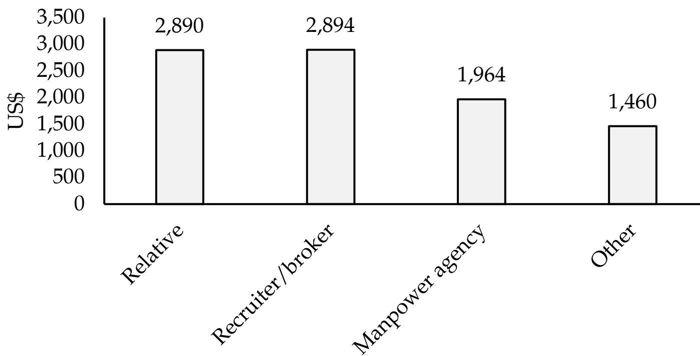
Source: Authors' calculations based on survey data.

These findings provide some insight into the working of the visa market in Pakistan, which can be divided into two types. The first, which offers easier access but at a higher cost, comprises individual recruiters or brokers and relatives or friends. It is interesting to find that accessing the market either through 'recruiters or brokers' or 'friends and relatives' does not significantly change the costs incurred. In the case of the latter, it was not possible to estimate how much these friends and relatives kept for themselves out of the money they had earned through this transaction and how much they had had to pay (as they apparently professed) to others involved in the recruitment chain – both within Pakistan and the destination country – to obtain the visa.

Why do migrants prefer to use these two sources rather than the more formal and officially recognized manpower agencies? This is primarily a question of access: the cost of obtaining a visa through a manpower agency

is lower and, therefore, gaining access to one is that much more difficult. The key difference stems from the visa fee paid by the migrant worker. Figure 4 indicates that friends or relatives charge a far higher visa fee than manpower agencies. However, it is easier to trust – even at an exorbitant price – one's friends and relatives, especially those already working abroad. They are also easier to access. Obtaining visas through agents and brokers may also be more accessible because they are regular players in the visa market and have, over time, built a reputation for delivering the services offered (i.e., a visa) and can thus be trusted.

Figure 4: Visa fees and sources of job information



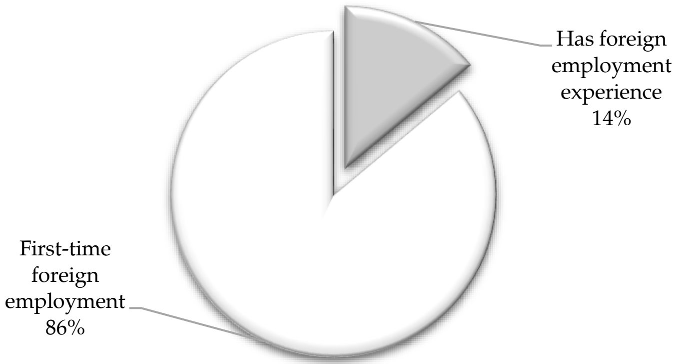
* 'Other' includes the Internet, newspapers, government employment service centers and NGOs.

Source: Author's calculations based on survey data

4.2 Foreign employment experience

Figure 5 shows that around 86 percent of migrants interviewed had no foreign employment experience, while the remaining 14 percent had already worked abroad.

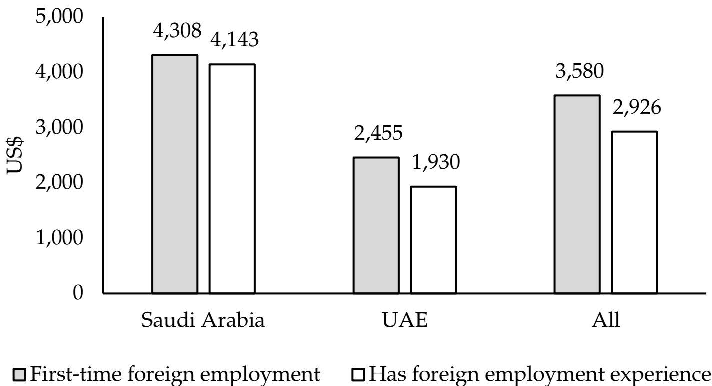
Figure 5: Migrants with foreign employment experience



Source: Authors' calculations based on survey data.

The survey results show that the average cost of migration is lower among migrants with experience of foreign employment – US$2,926 as against US$3,580 for first-time migrant workers. This pattern is similar for Saudi Arabia and the UAE (Figure 6). Clearly, experienced migrants are familiar with the process and in a better position to meet its requirements.

Figure 6: Cost of migration for first-time migrants and those with foreign employment experience



Source: Authors' calculations based on survey data.

4.3 The wage wedge

Table 7 gives the monthly earning pattern of migrants before migrating and during their stay abroad. The average monthly earnings before migration were US$135 for Pakistan overall, with the highest in Gujranwala (US$162) and the lowest in Mardan (US$79). The average monthly earnings abroad were US$443 overall. The average earnings in Saudi Arabia and the UAE were US$480 and US$387 per month, respectively. The data implies that it took almost eight months for migrants to repay the cost of migration; this period was nine months for workers in Saudi Arabia and around six months for those in the UAE.

Table 7: Monthly earnings pattern before migration and earnings abroad

Region	*Earnings before migration in home country (US$)*	*Earnings abroad (US$)*		
		Total sample	*Saudi Arabia*	*UAE*
Rawalpindi	161	586	572	604
Mardan	79	472	497	333
Charsadda	135	360	384	322
Sialkot	161	410	463	307
Gujrat	125	399	428	359
Gujranwala	162	421	576	342
Pakistan	135	443	480	387

Source: Authors' calculations based on survey data.

Wage differentials can also explain why workers incur high migration costs (Abella, Martin & Yi, 2015). The wage differential induces people to migrate for foreign employment: the higher the wage differential, the higher will be the incentive to migrate. The cost of migration is also linked to the existence of a wage differential, that is, the difference between earnings at home (before migration) and earnings in the destination country. Migrants optimize their income, savings and investment strategies according to the employment options and possibilities both in their home and host countries. The wage differential between earnings at home and in the destination country are positively related to migration costs (Abella et al., 2015).

Table 8 presents a quintile analysis of the relationship between wage differentials and migration costs. The wage differential is divided into 10 quintiles ranging from 10 percent to 100 percent. The average wage differential ranges from US$9 to US$888.

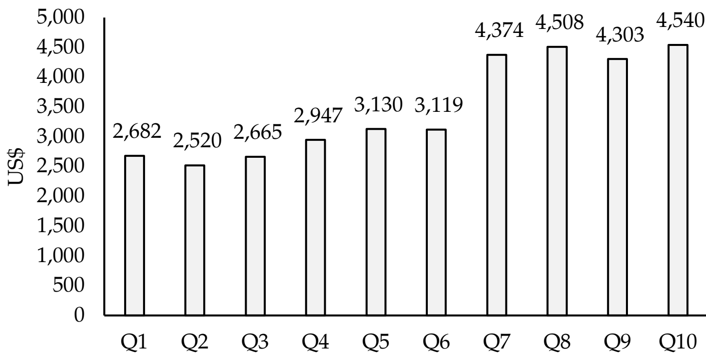
Table 8: Quintile analysis

Quintile	*Observations*	*Mean*	*Min*	*Max*
Q1	62	9	–149	82
Q2	61	111	82	140
Q3	63	160	141	177
Q4	62	196	177	215
Q5	59	242	218	267
Q6	62	307	269	341
Q7	61	390	343	433
Q8	62	471	435	512
Q9	61	579	514	654
Q10	61	888	660	3,060
All	614	334	–149	3,060

Source: Authors' calculations based on survey data.

As the wage differential increases, so does the migration cost. Figure 7 shows that the average cost of migration moves up with increasing quintiles.

Figure 7: Average migration cost along wage differential quintiles



Source: Authors' calculations based on survey data.

It is interesting that the observed overall pattern holds for Saudi Arabia, but not for the UAE (Table 9). However, even in the latter case, the average cost of migration for higher quintiles (Q7 to Q10) is greater than for lower quintiles (Q1 to Q6). Wage differences appear to play a role in migrants' ability to repay the high cost of migration: the larger the difference, the more incentive they have to migrate, even if the cost is high.

Table 9: Average migration cost along wage differential quintiles (US$)

Quintile	*Total sample*	*Saudi Arabia*	*UAE*
Q1	2,682	3,423	2,188
Q2	2,520	3,367	1,892
Q3	2,665	3,572	1,791
Q4	2,947	3,781	2,113
Q5	3,130	3,739	2,204
Q6	3,119	3,787	2,090
Q7	4,374	4,917	3,260
Q8	4,508	4,913	3,421
Q9	4,303	4,874	3,066
Q10	4,540	5,195	2,859

Source: Authors' calculations based on survey data.

5. The dynamics of remittances

The survey asked one question concerning remittances: in the year you have worked in the current country (Saudi Arabia or the UAE), how much money, on average, were you able to send home to your family every month? Table 10 shows that the average monthly remittances were US$278 for the whole sample. The amount remitted varies by district: it is highest for Gujranwala (US$388) and lowest for Charsadda (US$158). A similar pattern emerges for Saudi Arabia and the UAE.[3]

Table 10: Monthly remittances (US$)

Region	*Total sample*	*Saudi Arabia*	*UAE*
Pakistan	278	261	304
By district			
Rawalpindi	336	329	345
Mardan	213	214	207
Charsadda	158	169	143
Sialkot	242	261	197
Gujrat	332	294	390
Gujranwala	388	370	397

Source: Authors' calculations based on survey data.

[3] Total remittances received (monthly remittances multiplied by total duration of stay) present a similar trend.

When we analyze the pattern of remittances with respect to migrants' socioeconomic characteristics, Table 11 shows that remittance flows are higher among married migrant workers, presumably because they have greater financial responsibilities than unmarried workers. This finding is also linked to the level of dependency: migrant workers with higher levels of dependency send back more money than those with fewer dependents. Migrant workers with more than six dependents sent back more, on average (US$357), than those with fewer than three dependents (US$244). Moreover, self-financed migrants remitted larger amounts than those who had borrowed from different sources to finance their migration.

Table 11: Migrants' socioeconomic characteristics and remittances

Indicator	*Value in US$*
Marital status, %	
Unmarried	196
Married	403
Education level, %	
None	441
Primary	180
Secondary	319
Tertiary	401
Level of dependency (persons supported)	
Low (0–3 persons)	244
Medium (4–6 persons)	238
High (> 6 persons)	357

Source: Authors' calculations based on survey data.

We find an interesting trend across different levels of education and remittances: uneducated migrant workers appear to remit the most money home. There are many possible reasons for this. First, uneducated migrant workers are less likely to save or establish a business in their host country, allowing them to send the maximum amount to their families. Second, they may be financially illiterate and thus less reliant on banking services such as a savings account. Third, the dependency rate is higher among uneducated migrants than their better-educated peers, putting greater financial responsibility on the former. The survey results show that 63 percent of uneducated migrant workers had a high dependency rate compared to 43 percent with tertiary education.

6. Job search efforts and opportunity costs

From a policy perspective, it is important to analyze the opportunity cost of migration. Migrant workers bear opportunity costs in many shapes, including the loss of a job at home, a change in occupation and job search time. The survey shows that around 81.8 percent of migrant workers were employed in their home country, of which 48 percent were self-employed and 52 percent employed by others. Around 70 percent were engaged in primary occupations. The average earnings before migration were US$135 in Pakistan (Table 6).

The average time needed to obtain job information was 1.5 months, ranging from less than a month to more than three months. Around 49 percent of respondents said it had taken them a month to obtain this information. Saudi Arabia and the UAE present a similar pattern in this context (Table 12). These findings show that, on average, the opportunity cost of obtaining job information is more than a month or the equivalent of US$135. Around 65 percent of workers said that job hunting had affected their present ability to work.

Table 12: Time needed to seek job information

Time	*Total sample*	*Saudi Arabia*	*UAE*
< 1 month	13.5	11.4	16.8
1 month	48.9	45.4	54.0
2 months	22.7	26.2	17.6
3 months	9.0	10.5	6.8
> 3 months	5.8	6.5	4.8

Source: Authors' calculations based on survey data.

7. Working conditions and protection of workers abroad

The working conditions to which migrants are subject abroad largely determine the overall outcome of the migration experience, including whether it allows workers to accumulate savings – the most important goal (Arif, 2009). This section provides an overview of working conditions in the destination country.

Table 13 traces the pattern of contract enforcement and its implications for payment. The results show that only 41 percent of migrant workers signed a contract before departure; this ratio remains the same across the two destinations. Of those who signed a contract, 60 percent worked under the same contract both in Saudi Arabia and the UAE. Around 65 percent of migrant workers were paid regularly. The

cross-tabulation analysis shows that more than 70 percent who signed a contract and 83 percent who worked under the same contract were paid regularly. These findings have policy implications. Clearly, signing a contract and working on the same contract once overseas is important for regular payment. The government should, therefore, ensure that all migrants sign a contract before leaving the country.

Table 13: Contracts and payment for overseas employment

Contract	*Total sample*	*Saudi Arabia*	*UAE*
Contract signed before departure (yes), %	40.8	40.3	41.6
Working under the same contract (yes), %	59.7	58.4	61.5
Paid regularly (yes), %	64.5	64.3	64.8
Contract signed and paid regularly (yes), %	70.4	71.1	69.2
Working under the same contract and paid regularly (yes), %	83.4	80.5	87.5

Source: Authors' calculations based on survey data.

The survey results show that job source has a significant relationship with signing a contract. Only 26 percent of migrant workers who had obtained a job through relatives or friends had signed a contract. The corresponding proportion for those who had used an individual recruiter or manpower agency was 55 percent and 89 percent, respectively.

The results also point to employers' tendency to change contracts once the migrant worker arrives in the host country. Table 14 shows that migrant workers recruited through a manpower agency were more likely to have worked under the same contract as they were given before departure, relative to those who had relied on an individual recruiter or relatives/friends.

Table 14: Source of job information, education level and contract

Variable	*Contract signed*		*Working under the same contract*	
	Yes	*No*	*Yes*	*No*
Source of job information				
Relative/friend	26.5	73.5	56.5	43.5
Individual recruiter/broker	55.1	44.9	60.5	39.5
Manpower agency	89.3	10.7	68.0	32.0
Other*	63.6	36.4	57.1	42.9
Education				
None	29.2	70.8	36.8	63.2
Primary	34.2	65.9	52.9	47.1
Secondary	46.2	53.8	63.2	36.8
Tertiary	50.0	50.0	74.2	25.8

* Includes the Internet, newspapers, government employment service centers and NGOs.
Source: Authors' calculations based on survey data.

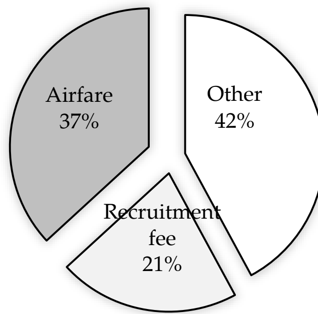
These findings have two implications. First, employment or visas obtained through friends/relatives are considered secure: migrants feel less compelled to sign a contract before leaving the country and are more confident about shifting to a new one even after having signed the original. Second, in the case of overseas employment promotors (OEPs) and the Overseas Employment Corporation, most migrant workers sign a contract before leaving; they are more reluctant to sign a new contract on arrival in the host country as they have paid more for the visa and trust the OEP less than they might a relative/friend. Nonetheless, respondents reported that there were advantages to signing a contract before leaving, including a higher likelihood of employment in the same job for which they had signed the contract and regular payment of wages.

Education has a significant role in contract enforcement. Only 29 percent of workers with no education had signed a contract before leaving, compared to 50 percent among those with higher or tertiary education. This indicates it is important for workers to be aware that signing a contract is more likely to ensure they obtain the job for which they have signed. The survey also shows that only 26 percent of migrant workers changed

employers; among those who had signed a contract before departure, this proportion was only 19 percent.

Very few employers reimburse workers for the cost of the visa and other expenses incurred in the process. Only 3 percent of migrant workers said their employers had reimbursed them for any part of their migration cost. Of these, 21 percent were reimbursed for their recruitment fee, 37 percent for their airfare and 42 percent for other costs – all of which are a small proportion of the total cost incurred (Figure 8). More than 95 percent of workers said they had not been reimbursed for any of the costs incurred. The results clearly imply that employers take no responsibility for reimbursing their workers for any of the cost components of migration.

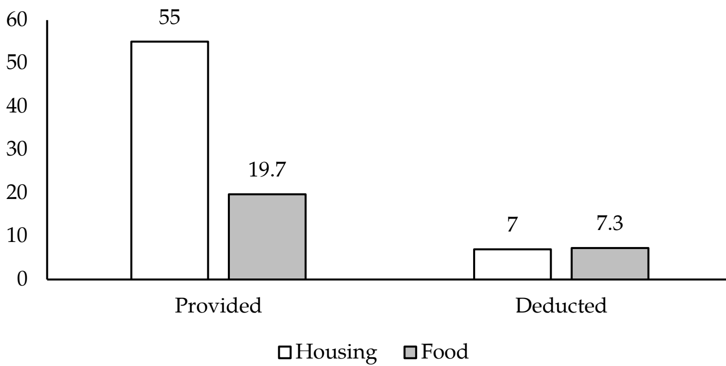
Figure 8: What costs did your employer pay?



Source: Authors' calculations based on survey data.

The survey shows that employers provided only 20 percent of their migrant workers with food and 55 percent with housing. Most workers reported there was no deduction from their wages for this purpose. Some 47 percent claimed they had been injured while at work or fallen ill, but only 25 percent said they were paid during their recuperation period (Figure 9).

Figure 9: Provision of housing and food



Source: Authors' calculations based on survey data.

More than 95 percent of migrant workers reported having been deprived of their basic rights. Only 9 percent were aware of any workers' associations or unions. Of these, 69 percent said they were allowed to join a union; around 82 percent were already union members.

8. Policy recommendations

In their important paper, which includes the results of this survey on Pakistan (together with those of the labor-receiving countries Korea, Kuwait and Spain, and labor-sending countries Ethiopia, the Philippines and India), Abella et al. (2015) observe that, "with technology and government cooperation continuing to reduce remittance costs, recruitment is the new frontier to lower migration costs and increase the pay-off for labor migration." With the cost of low-skilled migration in Pakistan being among the highest in the countries covered by this set of studies, the real challenge lies in suggesting policy recommendations that would help realize this objective.

Drawing on the survey results and our analysis of the visa market in Pakistan, our key conclusion is that improving the system requires not more rules and regulations or a greater role on the part of the government or even stricter penalties, but instead, putting in place measures that would strengthen the existing institutions and enable them to function better. The thrust of our recommendations is, therefore, based on three pillars:

- Curtailing the arbitrary powers of government-run and government-controlled institutions

- Strengthening key players in the visa market, namely the OEPs, to make them more efficient and responsible
- Empowering prospective migrants by giving them the information they need on what they should pay as costs and avenues through which they can register complaints and be assured of a fair hearing.

There is, however, also a need to make foreign employers liable for part of the exorbitant fees charged and to pay for costs for which they are directly responsible, such as airfares. Such measures will need concerted joint action by labor-sending countries with assistance from international agencies such as the ILO.

Policy recommendations at this stage include the following:

The current officially prescribed costs that OEPs are permitted to charge prospective migrants need to be reviewed. If these costs do not fully reflect those borne by the OEPs (including risk against fraudulent job requests from employers abroad), then setting more realistic charges may keep them from resorting to illegal practices to cover their costs. A permanent body should be set up at the Bureau of Emigration and Overseas Employment (BEOE) to review these costs in consultation with the OEPs at regular intervals.

The large dispersion in migrant costs across districts needs careful study. It is possible that these costs reflect the efficiency, effectiveness, honesty and transparency with which the Protectorate of Emigrants functions in these districts. There may also be procedural and other factors that are handled better by some offices than others, the lessons from which can be shared and implemented in districts that face higher costs.

Clearly, there are 'unofficial' and 'illegal' agents working as intermediaries between migrants and OEPs, and some of them may well be working for the latter. It is important to analyze in more detail what tasks they perform and identify ways in which migrants might assume these tasks for themselves. One important finding of this study is that second-time migrants leaving for employment abroad pay a far lower migration cost. Clearly, this must relate to better information on how to fulfil different requirements and to navigating the different steps involved.

With almost a million workers leaving annually for the Middle East in recent years, of which a sizable proportion must be first-time migrants, an effective campaign is needed to give them information on the steps and procedures involved in seeking employment abroad. Indeed, there is a strong case that this should be part of the current school curriculum. Given the very low education levels of unskilled workers, the Overseas Pakistanis

Foundation could run advertisements in the print and electronic media explaining how prospective jobseekers can obtain visas at fair and affordable prices.

The functioning and powers of the BEOE in issuing licenses to new OEPs and regulating their work needs to be closely reviewed. At present, the BEOE has enormous powers, which it can use to cancel licenses as well as fine and even instigate criminal charges against OEPs. Such powers can also be misused and used to extort money from the OEPs.

It is important to empower OEPs so that they are not subject to harassment by either the BEOE or law enforcement agencies such as the Federal Investigation Agency. This could help reduce migration costs in terms of the visa fee charged by OEPs, which would not have to pay government functionaries for doing what should be routine work. At the same time, there should be an independent body – headed by a former judge of the High Court – instituted to hear complaints by the BEOE or migrant workers, prospective and otherwise. This could range from grievances related to fraud to other charges, including the exorbitant fees charged by OEPs. After ensuring that all parties receive a fair hearing, this body could then decide each case accordingly.

Finally, it is necessary to study the visa market in Pakistan in greater depth. While this study has focused on unskilled migrants and the high costs they face, subsequent work should analyze, among other things, how OEPs and other key players and agents function, and the role they play in the visa market.

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9

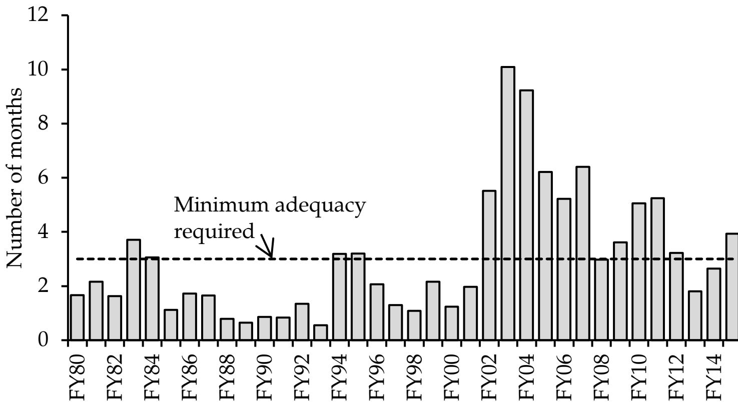
Workers' remittances and the Pakistan Remittance Initiative

Asma Khalid*

1. Introduction

Pakistan's balance of payments (BOP) is characterized by persistently large trade deficits, low inflows of foreign investment and excessive reliance on debt inflows to finance the current account deficit. As a result, the country has rarely, if ever, had adequate foreign exchange reserves on hand (Figure 1).

Figure 1: Adequacy of SBP's liquid foreign exchange reserves



Source: State Bank of Pakistan.

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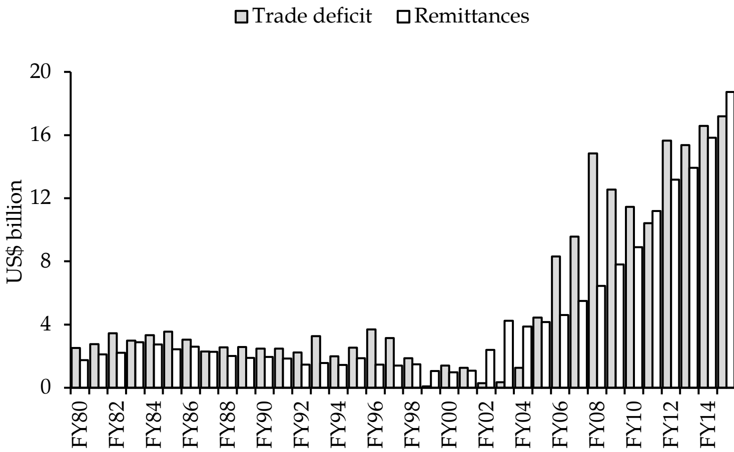
The views expressed in this chapter are those of the author and do not reflect those of the State Bank of Pakistan. The author is grateful for editorial support from Syed Ali Raza Mehdi.

Nevertheless, a key positive development that has changed the structure of Pakistan's BOP is the strong increase in workers' remittances. Growing by over 16 percent per annum over the last decade, remittances have become – in addition to exports – a critical source of foreign exchange earnings for Pakistan. Presently, remittances finance nearly 45 percent of the country's import bill and have contributed significantly to narrowing the gap between foreign exchange inflows and outflows in the interbank market. In FY2015 and 2016, the volume of remittances was large enough to finance the entire trade deficit (Figure 2).

Figure 2: How remittances have supported Pakistan's BOP

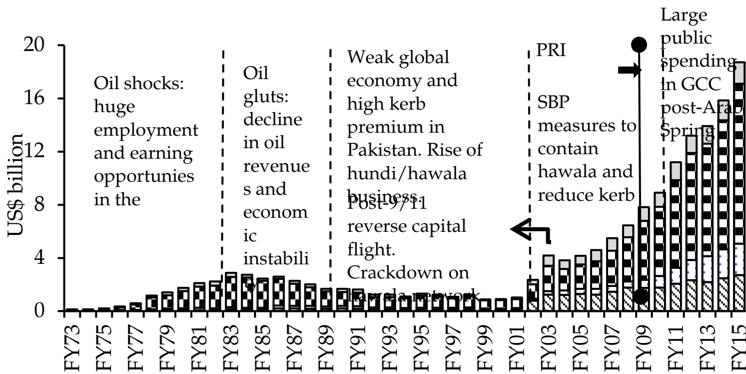


Source: State Bank of Pakistan.

2. Evolution of workers' remittances to Pakistan

As Figure 3 shows, the bulk of remittances to Pakistan comprise inflows from the Gulf Cooperation Council (GCC) countries, indicating that the trend in remittances depends heavily on the region's growth prospects and associated demand for labor.

Figure 3: Official workers' remittances in the long term



Source: State Bank of Pakistan.

2.1 *1970s: Oil boom and influx of remittances from GCC countries*

The migration of Pakistani labor to the GCC countries began in the early 1970s, following a fourfold increase in oil revenues that was allocated to financing the development of modern infrastructure in this region. From 1975 to 1985, the GCC countries experienced an unprecedented increase in their labor force of 7.7 percent a year (World Bank, 2004). Importantly, non-nationals accounted for more than 67 percent of the labor force in 1985, as against 39 percent 10 years earlier. Many Pakistanis migrated to Saudi Arabia and the UAE to avail new employment opportunities; by FY1983, the inflow of workers' remittances had reached US$2.9 billion, surpassing export receipts to become Pakistan's largest source of foreign exchange earnings.[1]

2.2 *1980s: Oil glut and decline in migration*

Global oil prices peaked in 1980 and continued to slide moderately over the next five years. By 1986, oil prices had plunged to half their earlier level, leading to a recession-like situation in Saudi Arabia and other oil-exporting GCC countries. The overall labor force growth in the region fell to 4.4 percent between 1985 and 1995, with a similar decline in the demand for non-nationals (World Bank, 2004). At the same time, the GCC countries began to diversify their pool of immigrant labor such that Pakistani workers were soon competing with Filipino and Bangladeshi workers for jobs. Remittance inflows to Pakistan began to trend downward in FY1984 and this pattern continued over the next decade.

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[1] Export earnings in FY1983 stood at US$2.6 billion.

2.3 1990s: Rise of informal foreign exchange market in Pakistan

Although labor migration from Pakistan continued through the 1990s, official remittances declined steadily with the emergence of the *hundi/hawala* market, which enabled blue-collar workers to remit their earnings to Pakistan through cheaper, more convenient means.[2] The conversion rates offered by money changers – the central players in the hawala system in Pakistan – were more attractive than those offered by commercial banks (the kerb premium).[3] The State Bank of Pakistan (SBP)'s Taskforce on Home Remittances reports that, by the end of FY2001, formal channels accounted for only 19 percent of all remittances to the country.

2.4 Crackdown on informal market post-9/11

Post-9/11, global anti-money laundering (AML) efforts became a swing factor in reviving the growth of remittances to Pakistan. The subsequent boost in official inflows was a result of the widespread crackdown on the global hundi/hawala network as well as reverse capital flight. The SBP also took stern measures to discourage the use of hawala.[4] The immediate fallout was the collapse of the kerb premium, as hard currency supplies outpaced demand significantly.[5] Since then, a negligible kerb premium and robust global economy up until 2008 have supported the flow of remittances to Pakistan. Even after the global

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[2] After the liberalization of the foreign exchange regime in Pakistan, residents were allowed to open and maintain foreign currency accounts with commercial banks. This compensated for part of the fall in remittances because it became more convenient for residents to purchase foreign exchange from moneychangers and deposit it in their own foreign currency accounts.

[3] Following Pakistan's nuclear tests in 1998 and subsequent international sanctions, the central bank began to tap foreign exchange balances in the kerb market to finance the current account deficit (see State Bank of Pakistan, 2002).

[4] In 2002, the SBP brought formal moneychangers into the mainstream financial system by establishing exchange companies.

[5] Following an announcement by the US government that it would track financial transactions suspected of financing terrorist networks, the kerb market was flooded with hard currency. The demand for hard currency in the kerb market was sidelined, as the Pakistani rupee was expected to gain strength (reverse capital flight). Meanwhile, in the interbank market, the US dollar supply increased in anticipation of rupee appreciation (exporters released foreign exchange earnings to avoid exchange losses while importers delayed foreign exchange purchases). Given the improved foreign exchange supply in the interbank market, the State Bank stopped buying US dollars from the kerb market. The central bank was "effectively the largest buyer of hard currency from the kerb market… this step further restrained the upward movement of the kerb rate and diluted the powers of moneychangers that were consistently active in exacerbating the speculation regarding a rising exchange rate" (State Bank of Pakistan, 2004).

financial crisis of 2008, the growth of remittances has remained immune and even gathered pace.

2.5 Global financial crisis and launch of Pakistan Remittance Initiative

The impact of the financial crisis on global remittance flows became increasingly apparent in 2009, as larger host countries such as the US and in Europe experienced substantial job losses. According to World Bank data, after rising 15.6 percent year-on-year in CY2008, global remittance flows declined by 6.2 percent in CY2009. In Pakistan's case, however, remittance growth accelerated, rising from 17.4 percent to 23.8 percent in the same period.

While it is unlikely that Pakistani workers remained immune to the global economic downturn, the surge in remittances during the crisis period – as opposed to a decline – implies that a significant proportion of flows shifted from illegal networks to official banking channels. This trend reflects (i) global efforts to strengthen measures against money laundering and financing of terrorism, (ii) the SBP's proactive management of the kerb premium and (iii) the greater role played by Pakistani commercial banks under the Pakistan Remittance Initiative (PRI) (discussed in detail below).

2.6 The Arab Spring and increase in migration to GCC countries

After suppressing the immediate popular discord of the 'Arab Spring', the GCC governments expanded their fiscal spending significantly, focusing on infrastructure development, public wages and subsidies. For instance, Saudi Arabia allocated 40 percent more to infrastructure spending in FY2012 over FY2011.[6] The increased budgetary allocations to infrastructure translated into greater demand for workers and contributed to hefty migrant outflows from Pakistan.[7] Elevated oil prices during most of this period meant that the GCC governments could finance this change in spending easily. Meanwhile, in economies such as Dubai and Qatar, construction activities related to the Expo 2020 and FIFA World Cup 2022 entered full swing, ensuring that the demand for low-skilled workers remained strong.

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[6] See the statement of the national budget for 2012 issued by the Saudi finance ministry (available from http://www.mof. gov.sa/English/DownloadsCenter/Budget).

[7] The average number of Pakistanis proceeding abroad for work increased to 567,000 per annum during 2010–14 from 289,000 in the preceding five years (Bureau of Emigration and Overseas Employment, 2017).

2.7 *Oil price crash and slowdown in remittance flows*

Globally, cross-border remittances have not fared well in recent years, declining by 1.7 percent year-on-year in CY2015, while flows to developing countries grew by a negligible 0.4 percent year-on-year. Between CY2014 and CY2015, the growth in flows to developing countries fell from 3.2 percent to only 0.4 percent (World Bank, 2016). Overall remittance flows to Pakistan have not declined (as in the case of India and Sri Lanka), but they have clearly slowed down.

The crash in oil prices has been a rude awakening for the GCC governments. Widespread layoffs and delays in salary disbursement by state contractors have been reported in the Gulf, as oil-dependent countries curtail their spending and draw on their significant foreign exchange reserves to shore up their finances.[8] While oil prices have recovered to around US$50 after falling to half that level in January 2016, this is still below the levels needed for the GCC countries to balance their budgets.[9]

In addition, remittances from the US have begun tapering off for many countries, including Pakistan and India. Tighter rules governing global AML and the counter-financing of terrorism have made large commercial banks increasingly risk-averse when servicing money transfer companies (MTCs). The latter have also been brought under this regulatory framework and have had to invest considerable sums in upgrading their technological infrastructure to comply with stringent reporting requirements.

3. The idea behind the PRI

The PRI is a joint initiative involving the SBP and the two ministries for finance and overseas Pakistanis. Its objective is to provide a domestic ownership structure for remittances that makes it faster, cheaper and easier to remit money to the country, effectively countering the competition from the hawala network. Given the difference between the two channels, this poses a number of challenges.

Funds transferred through official channels involve a foreign exchange transaction that is settled either via telegraphic transfer (TT) or

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[8] The extent of the crude price fall has forced countries such as Saudi Arabia to come up with ambitious medium-term plans to diversify their revenue bases away from oil. Based on experience, however, it remains to be seen how actively these plans will be implemented.

[9] In April 2016, the International Monetary Fund worked out a fiscal break-even oil price for Saudi Arabia at US$66.7 – down from US$94.8 in 2015, but still well above prevailing prices.

other cross-border modes such as the SWIFT network. These transactions entail a cost to the institutions involved, which is eventually passed onto the consumer. Remittances sent through the hawala network, however, do not necessarily involve foreign exchange inflows to the country because most transactions are settled in Dubai, with only the rupee counterpart entering Pakistan en route to the intended beneficiary. Even if there is a foreign exchange inflow, it remains outside the banking system unless it is deposited in a foreign currency account and/or sold to an authorized dealer.

Before the PRI was launched officially, a comprehensive analysis of the prevailing remittances system was conducted to gauge the size of the market, identify any 'grey areas' in the system, review various remittance-related products and policies globally, and evaluate previous measures taken to boost remittances to Pakistan. This was followed by a broad strategy developed to achieve greater efficiency and commitment in the financial sector, improve the payment system infrastructure and give remitters, beneficiaries and overseas entities greater incentive to use official remittance channels.

In September 2006, the SBP made several decisions in consultation with financial sector representatives:

- All commercial banks were advised to establish 'home remittance cells'.
- All banks were advised to submit annual strategic plans for mobilizing remittances.
- The SBP Taskforce on Remittances was established to analyze the existing remittances market and suggest how the banking sector might enhance its role in mobilizing additional remittances.

This initial process was restricted by several bottlenecks: the lack of empirical evidence concerning the size of the remittances market in Pakistan, the propensity of workers to remit, the choice of remittance channels, and the consumption patterns of recipient households. Nonetheless, the taskforce set the following objectives:

- Review the existing remittance systems and processes employed by the country's banking sector
- Identify any bottlenecks and perceived barriers to additional engagement with the banking sector
- Review successful practices followed by the financial sectors of selected labor-intensive countries
- Interact with banks to ensure swift delivery of their strategic plans

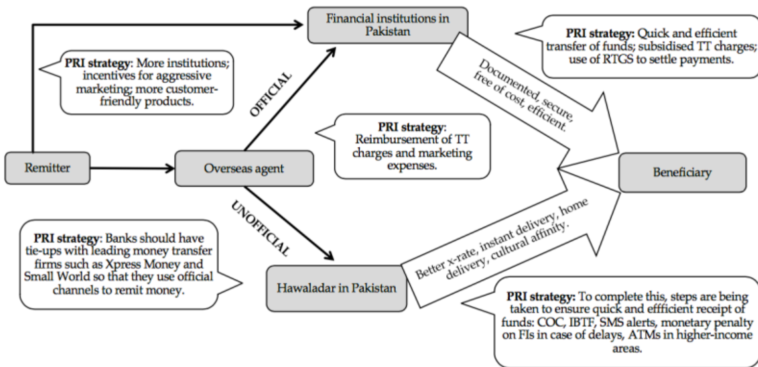
– Develop a framework to help Pakistan's financial sector improve its remittance-related services.

An important finding of this exercise was that Pakistan's financial infrastructure was strong enough to handle large volumes of remittances. Despite the considerable outreach of bank branches across Pakistan (especially in remittance-rich areas), many were not involved in the remittances sector, while even participating banks were apt to use less efficient means of transfer such as demand drafts, which took 10–15 days to be realized. Similarly, the real-time gross settlement system had been operational since 2008, but was not being used to transfer remittances. Finally, the federal government had been reimbursing banks for TT charges (at the rate of SAR25 per US$100), but this scheme was restricted to Saudi Arabia. For official remittances to grow, all that was needed was greater commitment on the financial sector's part towards this segment, a sense of consumer protection and incentives for remitters, beneficiaries and overseas entities to use official remittance channels.

4. Implementing the PRI strategy

The PRI's strategy was to facilitate both the remitter and beneficiary to encourage the use of official channels. As a first step, banks were persuaded to take the business seriously, keeping in view existing margins and potential for growth. Figure 4 illustrates the various steps involved in remittance transfers.

Figure 4: Flow of remittances and PRI strategy



4.1 New institutions, tie-ups and enhanced outreach

A key part of the PRI's strategy was to encourage as many financial institutions as possible to facilitate inward remittances in Pakistan. Initially, five commercial banks were engaged in remittance services; this now extends to more than 20 commercial banks, exchange companies, some microfinance banks and the Pakistan Post Office. About 10,000 new locations offering inward remittance services have been set up since the PRI was established.

The PRI focused on building bilateral relationships with international MTCs such as Western Union, Money Gram and Express Money, encouraging them to use financial institutions to route funds into Pakistan. Domestic banks were encouraged to enhance their outreach worldwide through new remittance-specific arrangements with MTCs and to establish centralized home remittance cells across the country. The success of these collaborative efforts can be gauged from the number of arrangements between Pakistani financial institutions and foreign entities, which has risen from 80 (at the time the PRI was set up) to over 700.

4.2 Payment infrastructure

The country's real-time gross settlement system, the Pakistan Real-time Interbank Settlement Mechanism (PRISM), is now used to transfer and settle interbank remittance transactions as quickly as possible. PRISM enables banks to settle interbank transactions immediately, using their accounts with the SBP, in real time and from their own premises. Similarly, the continuous expansion of the ATM network allows remittance beneficiaries with debit cards to withdraw cash even after banking hours and on public holidays.[10] Recipients can also utilize the integrated and secure payment system infrastructure of alternative delivery channels – including points of sale, interactive voice response services, call centers and mobile banking – to make person-to-person payments.

4.3 Cash-over-the-counter system

The main advantage of sending money through private MTCs is that neither remitter nor beneficiary need hold a bank account: the remitter gives the MTC a certain amount of cash over the counter and the latter delivers this amount to the beneficiary. Given that most working-class Pakistanis in the Gulf do not maintain bank accounts in Pakistan, the SBP

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[10] Since January 2009, the number of installed ATMs in the country has increased by over 215 percent. At the end of December 2008, only 3,523 ATMs were in operation; this had increased to 11,100 by end-March 2016.

has allowed commercial banks to send remittances in the same way: the remitter submits cash at the counter along with his or her passport details; the beneficiary collects this amount at the other end on presenting his or her national identity card and transaction pass code. Almost all major banks now offer this service, which appears to be competing well with informal remittance channels.

4.4 *Incentives for overseas entities*

The PRI found that most overseas entities with remittance-specific arrangements already in place with banks in Pakistan had not marketed these services adequately – another constraint to the official flow of remittances. To encourage more aggressive marketing, the PRI launched a performance-based scheme in October 2009, under which such companies were reimbursed for their remittance-related marketing expenses.[11] This was in addition to the subsidy they received for TT-related expenses (currently, SAR20 per transaction of over US$200). The reimbursement of TT charges, which was initially restricted to the Saudi–Pakistan corridor, has now been extended to all corridors, thus encouraging banks to diversify their outreach efforts.

4.5 *Five-minute interbank transfers*

The quickest way of remitting money through a financial institution is an inter-bank funds transfer. The remitter simply visits any financial institution or MTC that has remittance-related arrangements with a financial institution in Pakistan and provides the beneficiary's account details. The agent then deposits the amount to be remitted in the beneficiary's account, having complied with any rules and regulations related to AML and know-your-customer (KYC), for instance. The transaction is almost instant, which has considerably reduced the turnaround time. Launched in 2012 in the remittances sector, all PRI banks now use this mode to settle remittance transactions.

4.6 *Remittance debit cards*

Commercial banks are encouraged to issue debit cards, known as Pardes cards, that allow beneficiaries to receive remittances credited directly to their cards without having to visit a bank. At the remitter's end, cash-over-the-counter customers can open a virtual account with a participating bank after it has met the necessary KYC requirements. Once

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[11] State Bank of Pakistan circular, 19 October 2009 (retrieved from http:/www.sbp.org.pk/epd/2009/FEC6.htm circular).

the remittance is received, the card can be used as an ATM or debit card, which makes the product more secure. Currently, seven or eight banks offer this service.

4.7 Extended distribution channels

The PRI has identified which areas tend to receive the most inward remittances to encourage financial institutions to expand their services in these areas, either through existing branches or by establishing dedicated home remittance centers. Postal services and microfinance banks, which often have the greatest outreach in rural areas, are also involved in the remittances sector. Recently, the SBP has approved the establishment of a microfinance bank that provides free doorstep delivery of remittances, thus facilitating numerous beneficiary households in the country.

The PRI's efforts to use branchless banking to route remittances has bolstered efforts by the SBP and federal government to promote financial inclusion in the country. The pace of growth in this segment has been phenomenal: the total number of branchless banking accounts nearly tripled in a year, reaching 15.3 million by end-December 2015. Moreover, at least two cellular service providers (Ufone and Telenor) disburse remittances.

4.8 Monetary penalty on delays in disbursement

To protect remitters and beneficiaries from any losses incurred due to delays in the receipt of funds, the PRI has specified that financial institutions must settle remittance transactions within a given period.[12] If the remittance is not paid to the beneficiary as per the stipulated instruction, the latter is entitled to receive PRs0.65 per PRs1,000 for every day that the remittance payment is delayed.

4.9 Complaints and feedback mechanism

In order to provide a reliable 24/7 contact point, the PRI has established a call center that enables overseas Pakistanis and their families (in Pakistan) to track remittances sent through banks and lodge any complaints. The center offers toll-free services to overseas Pakistanis across 12 regions of the world. Additionally, the PRI has its own website (http://www.pri.gov.pk), which provides useful information on remittance services.

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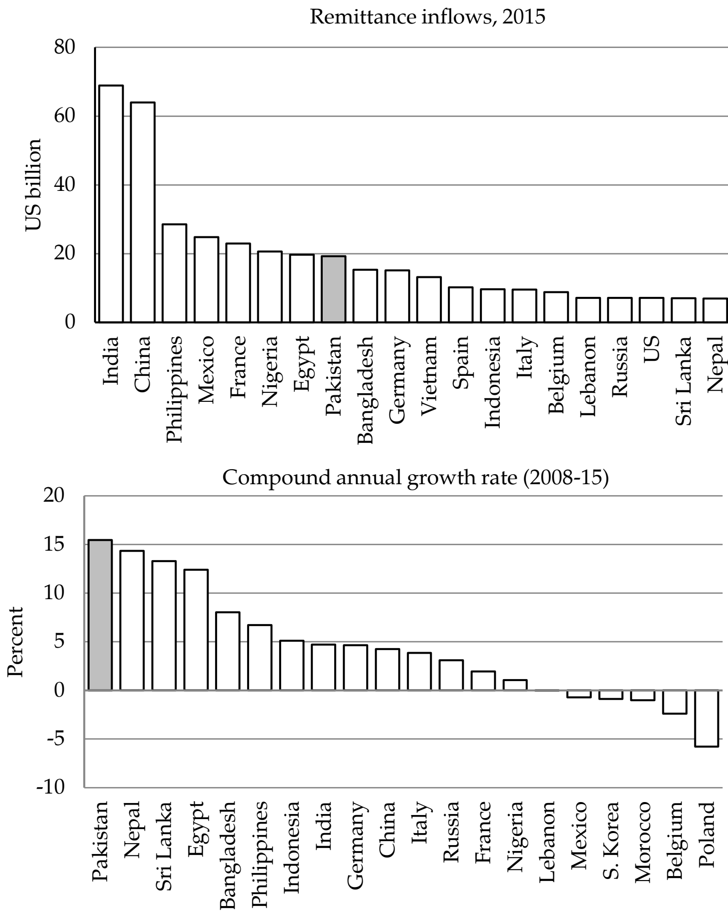
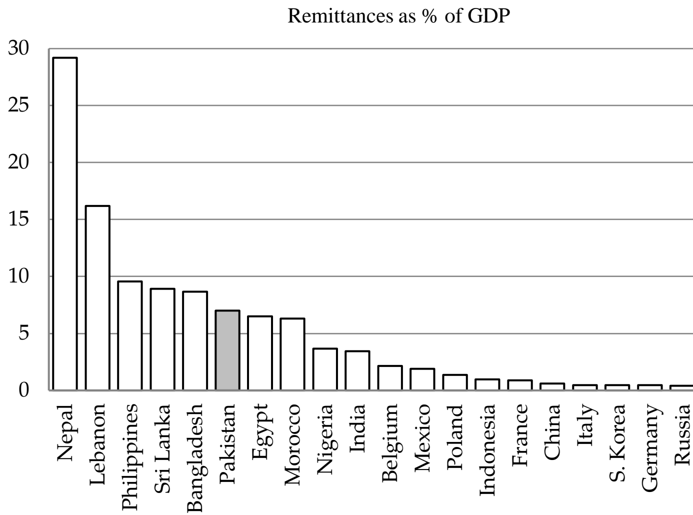
[12] State Bank of Pakistan circular, 22 August 2009 (retrieved from http:/www.sbp.org.pk/psd/2009/C2.htm).

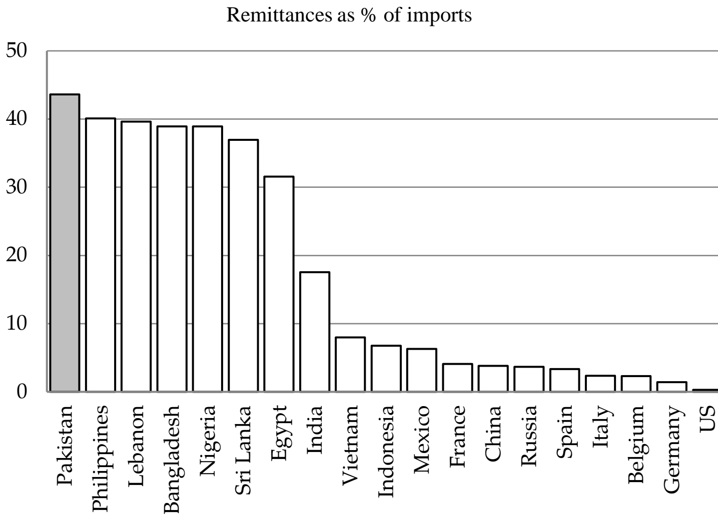
5. PRI in the future

Before discussing the PRI's future role, it is important to gauge where Pakistan stands in terms of relative remittance flows. According to the World Bank, Pakistan ranks among the top 10 countries receiving remittances (Figure 5). This trend is not surprising, given that it is the fifth most populous country in the world. What is striking, however, is that Pakistan has had the highest growth rate in remittances among the top 20 recipient countries since the PRI was launched. Within this group, Pakistan also has the highest ratio of remittances to import payments.

Figure 5: Top 20 remittance recipients







Source: World Bank, Haver Analytics and State Bank of Pakistan.

From a policy perspective, it is important that remittances continue to grow steadily. This will be crucial as the economy pursues a high-growth trajectory, which could potentially increase the demand for imported capital goods and key raw materials. With growing concerns surrounding the country's export performance, Pakistan will likely depend on workers' remittances to finance this additional import burden. Since political conditions globally do not appear to favor overseas migration, it is important to expedite the shift of existing remittance flows from informal to formal channels. This makes the role of the PRI and commercial banks even more important.

Low levels of financial literacy – implying that people are unaware of and/or unwilling to use banking facilities in the country – remain a central challenge from the PRI's perspective. Tackling this requires giving prospective emigrants and associated entities such as overseas employment promoters the necessary information at every step of the emigration process. Employment promoters can then help workers open bank accounts and furnish the documents needed before submitting this information, along with workers' other documents, to the Bureau of Emigration and Overseas Employment (BEOE).

With this in mind, the PRI holds awareness seminars for bank staff, overseas employment promoters and BEOE officials, who in turn conduct training sessions for prospective emigrants to improve their financial literacy. Workers are also shown how to transfer remittances through official channels at the BEOE's seven protectorate offices across the country. The preliminary outcome of these briefings, and the response of different stakeholders, are very encouraging. At present, it is not mandatory for emigrants to hold a bank account before leaving the country – a loophole that the PRI has emphasized must be closed. One way of doing this would be for the ministries of finance and overseas Pakistanis to ensure that migrant workers' passports are not stamped unless they provide proof of valid bank accounts (both their own as well as their intended beneficiaries).

Banks have also been asked to simplify account-opening forms for emigrants without compromising on KYC requirements. The minimum balance requirement should also be waived for these accounts. In addition, the PRI has begun to publicize the benefits of using official channels to send remittances to Pakistan through short films played at designated airport lounges and GCC-bound flights.

While Pakistan has managed to divert a large share of remittances to official channels over the past few years, informal inflows remain

significant. Going by conservative market estimates, commercial banks could potentially tap an additional US$5 billion from the informal market – of which the PRI hopes to attract a large fraction. If it succeeds, this will bolster Pakistan's external sector and eventually boost the country's growth prospects.

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10

The impact of transnational marriages on Pakistani spouses in Britain

Marta Bolognani*

1. Introduction

The last decade of immigration-related legislation in Western Europe is characterized by a trend toward restricting marriage-related migration (Charsley, Bolognani & Spencer, 2017). This affects particularly the descendants of labor migrants and their partners who are now settled in Western Europe as fully fledged citizens, but who may want to marry someone from their ancestral home. Integration concerns underlie these increasingly tight spousal immigration policies (Bonjour, 2010; Bonjour & Kraler, 2015).

Pre-entry English language testing for spouses was introduced in Britain in 2010. In 2011, a Home Office family migration policy consultation suggested several responses to the perceived integration problem of immigrant spouses, including (i) increasing income requirements, (ii) extending probationary periods, (iii) raising the required English proficiency level, and (iv) a Danish-style 'combined attachment' rule. What this suggested was that couples should prove that their 'combined attachment' to the UK was greater than to any other country to qualify for reunification. Clearly, the target here was intra-ethnic minority marriage, given the likely impact on those with significant linguistic, familial and social connections to other countries (cf. on Denmark, Jørgensen, 2012). While the logic of the language requirement with respect to integration may be obvious, the rationale connecting income requirements to integration needs further explanation – family migrants and their sponsors must be sufficiently independent to be able

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to support themselves without relying on state benefits and allow migrants to integrate and play a full part in British society (Charsley et al., 2017). In the end, all but the 'combined attachment' proposal were implemented in 2012. While these measures do not make explicit reference to culture or ethnicity, income and language requirements disproportionately affect those ethnic minority groups with lower-income profiles (Migrant Rights Network, 2012) sponsoring partners from non-English-speaking countries.

The rationale for this trend lies in the popular assumption that transnational marriages are detrimental to integration (see Jørgensen, 2012; Charsley & Liversage, 2015; Bonjour & Kraler, 2015). Although different social actors define integration in different terms, in policy this often has a normative connotation, defining an end-goal – a certain idea of what 'belonging' means (Charsley et al., 2017) – or the equation between socioeconomic success and integration (Ersanilli & Charsley, under review). Such an assumption is nevertheless not systematically supported by empirical evidence (ibid.). Once the encompassing normative view of integration is broken down into interrelated dynamic processes, in different social realms, it becomes harder to make the sweeping statement that transnational marriage is detrimental to Western European societies.

British Pakistanis are often taken as the most obvious example of the problematic aspects of transnational marriage. They are routinely identified as suffering from a weak labor market position and poor educational performance (Modood et al., 1997; Modood, 2003; Platt, 2005; Khattab et al., 2011) and migrant spouses are expected to exacerbate the latter's already poor status in the British social landscape. The migration history of British Pakistanis has a pivotal moment in postwar Britain, where many took advantage of a voucher system set up by the British government to come and replenish the depleted labor force (Bolognani, 2007). Subsequently, a form of chain migration ensued.

More recently, marriage migration has become the privileged means of immigration (Charsley et al., 2017). Over half of British Pakistanis are married to a partner from overseas (Dale, 2008; Georgiadis & Manning, 2011). The British Pakistani population is characterized as particularly problematic in terms of integration by the public discourse in comparison, for example, to the Sikh ethnic population, which ranks second (although by a certain distance) with respect to rates of transnational marriage (Charsley et al., 2017). Concerns over segregation and lack of sociocultural integration heightened after the Bradford riots in 2001 (Bolognani, 2009) and subsequently intensified amid concerns over extremist Islamism in

Britain. This prompted debates over whether 'Muslims integrate less and more slowly than non-Muslims' (Arai, Karlsson & Lundholm, 2011; Bisin et al., 2008, p. 245), with a clear focus on British Pakistanis.

This chapter offers an overview of the ingrained British assumptions about negative and positive variables (barriers and facilitators) in integration processes and compares these to the empirical data findings I collected between 2013 and 2015. Next, I focus on how migrant spouses perceive the barriers to, and facilitators of, integration. By doing so, I want to challenge the approach that looks at marriage migration by measuring its impact solely on Europe to account for the role of all the social actors involved in this social process and the importance of the structural constraints they face. The chapter thus has a double aim: to present rare empirical data on transnational marriages and to focus on the impact of this social process (see Werbner, 1990) on transnational spouses. Including the views of migrant spouses from Pakistan allows one to analyze the complexity of integration processes and present an alternative analysis of the barriers to integration in the UK – as opposed to the common view that migrant spouses are dyed-in-the-wool swamping agents in an allegedly integrated British context. Analyzing their views, furthermore, returns to these social actors a proper place in the process, rather than seeing them as 'assets' or 'goods', which is often implicit in the popular literature on transnational marriage (see the critique by Charsley et al., 2017).

2. Research context, methodology and sample

The Labor Force Survey (2004–14) shows that approximately half the British Pakistani population is married to migrants (48.7 percent of men and 52.1 percent of women). The peak of transnational marriages for this population was in 2000 (ca 10,000 marriages), but since then there has been a steady decrease, so that in 2015, only 5,000 marriage visas were issued. Most such marriages are between cousins or other members of the extended kin group and are usually arranged or 'vetted' (taking place through a formal introduction of the two partners, who get to know each other under supervision). Some are 'love' matches even when between cousins, as the British partner may get to know and fall in love with a cousin during a visit to Pakistan (Charsley, 2013). The Forced Marriage Unit statistics for 2014 point to forced marriages as a minority issue even though Pakistani cases take up most of the unit's caseload (Charsley et al., 2016).

Between September 2014 and June 2015, we carried out qualitative, semi-structured interviews and focus group discussions with 38

Pakistani migrant spouses (15 were interviewed and 23 participated in four different focus groups). Of these, nine were men. We also documented detailed accounts of the migration and integration trajectories of seven more Pakistani spouses through their British Pakistani partner or in-laws.[1] This work was part of a project funded by the Economic and Social Research Council[2] that involved British Pakistani and British Sikhs who had married transnationally, their spouses and their siblings who had married intra-nationally, the idea being to compare their integration dynamics.

The interviews took place in Bradford, Bristol, Birmingham and Greater London. All these cities have a different social context relevant to the aims of the study, depending on the concentration of Pakistanis in certain areas, the level of unemployment and structural opportunities, thus giving our research the scope to compare different milieus. The sample was recruited by word of mouth and continuous stock-taking to ensure that different ages, periods of residence in the UK and genders were represented. The individuals came from a variety of Pakistani backgrounds – Mirpur, southern Punjab, Islamabad and Rawalpindi, Khyber-Pakhtunkhwa and Karachi – and a range of qualifications (from illiterate to postgraduate).

In this chapter, I have adopted a definition of integration as a process, not as a well-defined goal. Here, integration is most importantly about two-sided interaction: between the individual and the social context s/he inhabited. The latter can be described as composed of five domains within which the processes of integration develop: the structural domain, the social domain, the political/civic domain, the cultural domain and the identity domain. In each domain are several variables that I will call "effectors" (see Spencer & Charsley, 2016), which affect the processes either as barriers or as facilitators. These interact with each other. For instance, in the structural domain, the availability of accessible courses in further education – an effector in integration processes – is a facilitator because it has a likely impact on the employability of an individual. On the other hand, employment may be simultaneously a facilitator for structural integration and a barrier to social integration if long working hours and poor working conditions prevent socializing and the creation of social networks. Racism, however, can only be a barrier.

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[1] We also interviewed 28 British Pakistani spouses, who are not, however, the subject of this chapter.

[2] Grant number ES/K006495/1.

3. Effectors in the integration process: a British perspective

This section examines the effectors involved in integration from a 'British' point of view.

3.1 Importing poor socioeconomic prospects

In the debate over marriage migration to the UK, one of the most popular arguments against transnational marriages concerns families' socioeconomic prospects. These are thought to be undermined by imported traditional gendered relations of power and divisions of labor and thought of as antithetic to contemporary European standards of domestic and labor market equality (Timmerman, 2006). It is also often assumed that transnational families will have high fertility rates (Cameron, 2006) and that this will further stretch household resources. When combined with issues of language, this is held as a negative factor in the education and integration prospects of the next generation (Joppke, 2009; Goodhart, 2013, p. 66). Following this economic concern, one of the critiques moved against transnational marriage implies that the 'imported poverty' discussed above will be passed onto further generations. Thus, transnational marriage is thought of as having an intergenerational effect.

3.2 Importing traditional customs at odds with contemporary British culture (especially related to gender)

The idea that transnational marriage furthers the practice of extended family living occupies a special place in this debate: the latter is thought to exacerbate issues such as high fertility, overcrowding and the reproduction of the older generation's social practices. Such arguments exemplify how biased the discussion of these matters can become, not only because they imply one-way responsibility, placing this burden squarely on the shoulders of the migrants, but also because these arguments have no supporting empirical evidence.

In the qualitative data introduced here, it is possible to grasp interesting aspects of the debate. For example, on extended family living, we find an array of statistically 'hidden' arrangements when couples live in proximity to the parents of one spouse, enabling shopping and/or cooking to be shared across households and parents to provide childcare, allowing women to work. Accessing this data shows that living with extended family, at least initially, can enhance the ability of couples to save or invest in business and help those on lower incomes to get by. Therefore, the assumption that extended family living is solely a barrier to integration seems very partial, as the following example illustrates:

> Babar (41, British Pakistani, male, transnational marriage) has an MBA, started a successful business and moved his family (including his mother) to a 'better' area. Wanting their children to go to private school, he and his wife began attending non-'Asian' events (e.g., baptisms of their Catholic friends' children) and hosting dinner parties so that their children would not feel out of place. Babar entered the marriage reluctantly, but now credits it with his success:
>
> "Because I married from Pakistan, which meant I lived at home, because …. my mum was closer to her, so therefore stayed at home, save[d] all our money; my mum and dad paid for everything. I had the encouragement to save up for my own business…. If you had a mortgage and kids and you open your own business, how could you have the courage to do it?"

3.3 Carrying an organic disadvantage with lack of language skills

In the British debate over transnational marriage and integration, the effector 'language' plays a major role. Pre-entry English language testing was introduced for spouses in 2010, as the focus on nurturing economically self-sufficient transnational couples implied that speaking English increased the employability of migrant spouses (Cameron, 2006). This assumption carries a bias against a longitudinal perspective and prioritizes the point of entry over the development of skills over time.

4. Effectors in the integration process: a Pakistani perspective

With such concerns at the policy level, the role and impact of transnational marriages from a Pakistani point of view is generally ignored. Charsley and Shaw (2006) have written, however, on the reasons that can lead to transnational marriages – a strategic explanation that does not always seem as obvious. Charsley (2013) illustrates how these marriages function as important emotional devices: they maintain connections with kin; they are thought to guarantee the 'safest' match, given that many families worry about the history of British-raised partners; they may provide better matches, as potential partners in Pakistan may be better educated or more attuned to 'family' values. Below, I illustrate the main effectors that came into play in various domains across our sample of Pakistani migrant spouses.

4.1 The context of the receiving family

Within the approach that focuses on the impact of migrant spouses on the receiving families and society, and not vice versa, the context of the receiving families is overlooked. In this case, however, the receiving family context proved to be a very important effector. For example, British families whose own members had low levels of education were sometimes out of sync with the career aspirations of better-educated migrant wives.

Education was often considered a desirable attribute in the choice of partner. At the same time, aspiring to marrying an educated woman did not necessarily translate into the British family's willingness to facilitate her pursuing a career on arrival in the UK. Some British Pakistani families assumed that the wife would take on a purely domestic role. Such wives often found other ways to use their education to benefit the family – by helping their less-educated partners with paperwork, for example. In other cases, in-laws encouraged women's work ambitions. These different contexts are illustrated below in the cases of Parveen and Erum.

> Parveen (22, Pakistani, female) is a recently arrived migrant wife. Although studying at university in Pakistan, she had agreed to marry a British Pakistani who had no qualifications, but whom she thought was kind. Her visa arrived before she finished her degree and she came to the UK keen to explore her surroundings, make friends and find a job. Lacking the qualifications to pursue her teaching ambitions, she thought she might find work as a beautician – a relatively common source of income for migrant wives. Her sisters-in-law all worked in a professional capacity, but she found that her in-laws did not want her to work or even visit the city center on her own – fearing that, fresh from Pakistan, she was too inexperienced and naïve. In searching for a bride from Pakistan, the family expected that she would fulfil a domestic role – the good reputation of her family had been more important to them than her educational background and its aspirational implications. However, her education proved to be an advantage to the family, as she was the only person in the household who had the skills and confidence to deal with paperwork.

> Erum (Pakistani, migrant wife, early forties) had a vetted marriage. She and her husband had met (under their families' supervision) and liked each other, but she reported that, after moving to the UK, her husband started losing interest because

> he felt there was too much of a cultural gap between them. They were living with her in-laws at the time, who encouraged Erum to enroll in English classes and college courses and to set up her own business from home. Erum's husband now helps her run her thriving business.

The family context also appeared to be important in the social sphere. Among transnational couples, it is easy to imagine how both migrant wives and migrant husbands might struggle to create social networks, especially at a time that is considered family-focused: often, couples want to have children straightaway. In this context, the willingness and proactivity of the receiving family in facilitating the formation of new social networks is crucial.

Community groups were of long-lasting importance for many Pakistani migrant wives. Where English language courses were available, even the strictest in-laws were likely to facilitate attendance, knowing that it was vital for their daughter-in-law to pass the English and citizenship test.

> On arrival in the UK, says Noor, 33, the most difficult thing for her was having to endure people humiliating her for her accent, even though she was better educated than her sisters-in-law (she had a BA from Pakistan). At the same time, this had a positive effect: it made her more determined to learn English so that she was not treated as a second-class citizen. She asked her in-laws if she could take up English classes: despite being very controlling, they agreed. Through this, she began to spend more and more time at the women's center and built her own family there: sisters and mothers who were like friends, women from different generations who had been through similar things. It all came to an end two years later when she had had enough of the emotional abuse and spoke to the police. Attending the women's center made her more confident and independent of her in-laws. It was there, for example, that she learnt she could dial 999 (for the police) or go to a women's refuge.

While the receiving family may be a barrier to some social processes, structural opportunities, such as access to a women's center, can sometimes make up for it. Unexpectedly, migrant husbands seemed to be at a disadvantage by comparison because their access to community groups was more arduous.

4.2 *Structural effectors*

Overseas qualifications may not be recognized in the UK labor market, making it necessary for migrant spouses to retrain or attend conversion courses to obtain employment commensurate with their qualifications. Since recent migrants are not entitled to student loans, and with family finances stretched by the cost of (i) migration (including the considerable cost of visas and the settlement/citizenship process); and (ii) setting up a new household (unless the couple live with the British spouse's family), higher education was out of reach for most in the first few years after migration. This made migrant spouses more dependent on the receiving family, which is paradoxical if we consider that the new marriage migration legislation in Britain aimed originally at ensuring that migrant spouses would not rely on welfare. However, this dependence can, de facto, stifle their autonomy. Nabeela, a 29-year-old who had been in the UK for two years, was a striking example of the interaction between structural barriers and life-course issues in translating education into employment:

> Nabeela was teaching at a university in Pakistan, having completed her MA with flying colors. Her family were keen for her to develop her career and would have preferred that she stay in Pakistan, but her most eligible proposal of marriage was from a British Pakistani. Arriving in the UK, both she and her husband hoped Nabeela could continue teaching (at a lower level), but discovered that she would have to convert her qualifications or do another degree. Having taken out a mortgage and set up their marital home, her husband could not afford the university fees and Nabeela was not eligible for a student loan. She attends community groups where she hopes she might start teaching informally, but by the time she is eligible for student financing, she is likely to be a mother to small children. She is thus unlikely to undertake further study for many years to come and may never return to the labor market at her pre-migration level.

4.3 *'Bonding capital' and employment*

While integration discourses often stress inter-ethnic social networks – so-called 'bridging' social capital – as a marker or facilitator of integration, for Pakistani participants 'bonding' networks (family members and co-ethnics) play a key role in employment. Here, spousal migrants' position within a British household with pre-existing social connections in the labor market is an advantage in their structural

integration. These networks may also help overcome barriers to migrant employment. One migrant respondent suggested that, while only a few years ago, she could find work in low-skilled occupations (cleaning) quite easily, non-co-ethnic employers now required higher standards of English language fluency for even bottom-of-the-ladder jobs. For migrants in such positions, family contacts provide a valuable route to employment.

Migrant men are often at a disadvantage in making new social networks because of the demands of long working hours. With their wives often also working, the Pakistani migrant-husband couples in our sample were among the most time-poor and frequently reported not having the time for social activities beyond family networks. Social activities were sometimes limited to interaction with other migrants between shifts. This situation is illustrated by the example of Sabiha and her husband:

> Sabiha (42, British Pakistani, transnational marriage) works part-time. She is also kept busy with three children, running the household and keeping an eye on her parents who live a few doors away. Her husband, a taxi driver, works unsociable hours, and when he is off work, wants to rest. The result is that neither have a large social circle, lacking the time and energy to socialize even with extended family, neighbors or colleagues.

4.4 Racism and discrimination

Migrant husbands who were in low-status employment in mixed ethnic workplaces or held ethnic niche roles such as taxi driving, which involve substantial interaction with customers from other ethnic groups, reported experiencing discrimination or racism, which they often understood as an expected aspect of their work. Such experiences did not encourage interethnic socializing. While employment within an ethnic niche limits possibilities for interethnic sociability, it may protect against discrimination (and offer some migrant husbands the possibility of socializing with other migrants between shifts, when long hours inhibit other social opportunities). Those in higher-status occupations also reported experiences of discrimination at work, although these tended to be at an institutional level rather than in the form of verbal abuse. For example, one Pakistani migrant husband reported being given work only with other ethnic minorities:

> Bahadur (40, Pakistani) enjoyed his training in a healthcare discipline at an educational institution in the UK, but was frustrated by the job market, complaining of a vicious cycle in

> which his lack of work experience in Britain prevented him from finding a job in which he might gain that experience. He eventually found work at a local surgery dealing with South Asian patients, but would have liked to work with all ethnic groups and felt humiliated by the suspicion that he had been employed more for his language than professional skills. He felt discriminated against, complaining that Pakistanis were employers' third choice, after British applicants and other Europeans.

A minority of migrant spouses responded to discrimination by setting up their own businesses. Migrant wives who were in employment tended to report greater job satisfaction than migrant husbands. They did not report experiencing discrimination, although some were clearly overqualified for their positions.

This qualitative data points to a stark contrast between the experiences of the two genders: women do not tend to feel discriminated against and racist encounters such as name calling are rare even if they wear religious garb (this may be because most of our sample was in Bradford where the hijab is part of the landscape). Migrant wives of Pakistani origin tend to live in Pakistani areas and thus are less likely to encounter racism, as with Pakistani migrant husbands who tend to work in ethnic niches. On the other hand, migrant spouses of both genders mentioned, in some cases, having experienced discrimination by British co-ethnics.

4.5 Language

Unsurprisingly, English was not the 'mother tongue' for any of our migrant participants, although some had learnt English at school. All now spoke at least some English, but levels of fluency varied. There was often some variation between an individual's level of spoken English, writing ability and listening comprehension – so that, for example, one participant who did not feel confident about responding to interview questions without an interpreter was able to follow the television news in English.

The information on language use provided by participants was not always easily reducible to one 'language spoken at home'. Multiple languages were sometimes used within a household, sometimes for different purposes – prayers might be in Urdu, Arabic or Punjabi; food might be discussed in a South Asian language, but English might be used to discuss personal matters. Household language use was patterned by

couple type, but also family context. Transnational couples tended to speak a South Asian language between themselves, but the British spouse usually spoke English to their children. Among Pakistani transnational couples, migrant wives were more likely to improve their English than British husbands were to invest time in improving their South Asian language fluency. Among migrant-husband couples, the husbands learnt English, but the wives also improved their South Asian language fluency.

Opportunities for migrant spouses to improve their English varied. Language classes were a starting point for most women. Some British husbands suggested that private individual lessons were more effective, but migrant wives often preferred the social environment of a class. Migrant husbands – under greater pressure of time – generally did not attend classes or, if they did, tended to stop earlier on, preferring to learn on the job. Employment in a mixed-ethnic environment provided the most significant opportunities for practicing and improving language ability – even when women worked for only a few hours. Pakistani women, as noted above, were less likely to be employed, while Pakistani men were often employed in co-ethnic environments.

Limited language fluency can be a barrier to gaining employment in other environments, producing a catch-22 situation in which lack of fluency is a barrier to opportunities for improving language skills. Over time, however, many Pakistani migrant women had found opportunities to develop their English language abilities outside work, by chatting with their children and/or neighbors, for instance. Jafar, a Pakistani migrant husband with an Urdu college education from Pakistan, said:

> I was working very hard, but I always got the same money, regardless of the amount of the hours. My English was very poor, but I did not need much English for a packing job. I don't know if my English was too poor, but the new supervisor… started to give me problems. So, I started working on building sites. I learnt all building work here – I was only a farmer in Pakistan. Slowly, slowly, I built up work. Some weeks I would work one day, some weeks four days. I learnt how to do central heating, tiles, bathrooms… I learnt my English from my friends. In Pakistan, I knew a little, but from school. I have English friends from work. English people talk to me about plastering, and I understand quickly, but if they talk about different things, it is difficult for me. I have had a friend from Ghana for a long time, another Jamaican… After two or three years, I started to be self-employed and I am still self-employed. I do plastering and I am taking a course on

> plastering and decorating. I am also doing a course to get a certificate to do central heating and then I will be paid more money… It has been easy for me to make friends and now I make new friends at college: it is easier because I speak more English… I took English classes in 2001 in the evening, but at that time it was a problem with my working hours. The teacher told me that I could not come to class tired: I needed to recharge my batteries first.

4.6 Remittances

Pakistani migrant husbands tended to remit money to family in Pakistan, and the impact on family finances was sometimes cause for tension in their marriages. Migrant wives were not expected to send money regularly to their natal families, unless as gifts or for emergencies. Indeed, in one case, the wealthy parents of a Pakistani migrant woman who had married into a poorer family in the UK paid the couple's travel costs for visits to Pakistan. Men with elderly parents to support and unmarried sisters to marry off tended to feel pressure to remit money to Pakistan.

The Labor Force Survey data shows high levels of employment among migrant husbands – something that was reflected in our interviews with Pakistani migrant husbands, their wives and in-laws. Our interview data also revealed, however, that many husbands were not just working, but could be said to be overworking – the sort of information that is invisible in a quantitative statistical tool and emerges through the in-depth nature of qualitative research. For many Pakistani migrant husbands, the 'dual responsibility' (Charsley, 2016) of earning for their new households and remitting money to family in Pakistan, combined with the low-paid nature of the jobs available to them, meant working long (and often unsociable) hours.

5. Deconstructing assumptions and policy suggestions

Above, I have outlined the main arguments against Pakistani marriage migration that have informed recent policy changes in the UK. These can be summarized as:

- Importing poor socioeconomic prospects
- Importing traditional customs at odds with contemporary British culture (especially related to gender)
- Carrying an organic disadvantage with lack of language skills.

The common thread here is of assuming the existence of a stereotypical migrant spouse of a fixed character and nature. In this context, integration is seen as the duty and responsibility of the migrant spouse, while the role of the British context and the receiving family are both overlooked. By collecting and analyzing the views of migrant spouses themselves, using qualitative tools, it is possible to take a more organic view of the dynamics of marriage migration and integration where multi-way processes and at least three actors (the migrant, the receiving family and the UK) are all part of the dynamics. The qualitative data of this project thus allows us to tackle each of the three assumptions taking a more dynamic approach whereby subjectivity, humanity and agency is returned to migrant spouses. The data of this project challenges their depiction as inherently burdensome objects in the process of marriage migration and provides important policy suggestions.

The *first assumption that migrant spouses from Pakistan import poor socioeconomic prospects* is objectionable because, in the first instance, it places the entire burden of poor socioeconomic status on migrant spouses. The empirical data documenting their experiences, however, makes it possible to see how this perspective turns a blind eye to (in the social domain) the original socioeconomic status of the receiving family and (in the structural domain) to the cost imposed by policy on migration paperwork, the costs implied by delays in visa processing and the lack of emancipatory provisions that might facilitate migrant spouses in their socioeconomic integration (no access to student loans until they have indefinite leave to remain).

That said, we observed some differences between the Pakistani and Sikh respondents in similar situations. Paid employment for women was a longer and more widely established practice among the families of British Indian Sikh participants, with most women's mothers having worked outside the home. Although many of the British Pakistani wives in the sample were in employment, only one British Pakistani woman had a mother who had worked outside the home and this had been the subject of domestic controversy, although piecework such as sewing at home was common in this generation (Shaw, 1988). It is easy to imagine how it may be simpler for a daughter-in-law to take up employment if her mother-in-law had done so herself.

In the Pakistani sample, perceived economic need was described as the primary determinant of whether women worked, so that for example, one husband's success in business led to his wife withdrawing from the labor force. In another example, a British Pakistani woman had given up work on her migrant husband's wishes, but later asked for her job back,

telling her former employer that the family's financial situation meant her husband would be unable to refuse. While there were exceptions, Sikh women participants tended to speak of the long-term value of work and career development overriding short-term childcare costs, while Pakistani respondents were more likely to evaluate working in terms of present economic benefit. We are wary, however, of attributing these patterns solely to cultural differences, as variations in socioeconomic status, the nature of available employment (and difference in opportunities for career development) and the implications of time spent out of the labor market are likely to play significant roles.

Most migrant wives from Pakistan had not been brought up expecting to take up paid employment. Among those who aspired to work, some had received encouragement from their in-laws, while other families were unprepared for such ambitions and did not encourage the wife to work outside the home. This was sometimes the case even in families where other women were in employment. These differing contexts are illustrated by the cases of Parveen and Erum above and by cases of successful migrant Pakistani women entrepreneurs.

Although British Sikh men also spoke of the potential domestic advantages of a wife from India as 'traditional' women who would stay at home and be full-time traditional mothers, the Sikh migrant wives in the sample were all in paid employment. They had not worked in India before marriage (in part because most had just finished their studies), but they had come into families in the UK where working was considered necessary to fulfil the economic aspirations of the family (such as sending children to better schools). This highlights a cognitive dissonance between aspiring to a traditional family and having to bend under the pressure of higher social aspirations.

In the second instance, this perspective ignores the possibility that employment patterns may change over time and life-course, so that some Pakistani migrant wives who had not been employed while their children were young took up part-time work later in life. Spousal migrants simultaneously enter Britain at a stage of the life-course focused on family, with parenthood often following not long after the couple's reunification. In this phase of the life-course, gendered expectations of childrearing and breadwinning responsibilities often constrain both the time and financial resources available for further education/retraining. Where migrant or British spouses managed to undertake further qualifications after marriage, flexible routes back into education (such as evening classes and community provision) were key facilitators. Somehow, the Sikh sample seemed to have less career disruption when

having children – women seemed more willing to either let mothers-in-law look after small children full-time or to make use of nurseries.

Third, this perspective imposes an ethnocentric lens on measuring socioeconomic prospects, with a bias against extended-family living, which is not always synonymous with poor living conditions and can help cut shared costs and improve the household's chances of investing in property or business at a later stage. Finally, this perspective implies that all migrant spouses from Pakistan lack the skills or abilities to engage in the employment market in the UK. While this was true for a number of cases, interviewees also showed an array of skills and abilities and, where skills lacked, a willingness to take up opportunities for education and training if they were offered (both at home pre-departure and on arrival). This points to the importance of structural opportunities rather than to inherent shortcomings of migrant spouses. This was also the case for the Sikh sample. Policy should then allow for more information and signposting for both migrants and the receiving family, so that local services facilitating newcomers – appropriate to the migrant's gender and life-stage – can be easily accessed and its function maximized.

The *second assumption that migrant spouses import traditional customs at odds with contemporary British culture* (especially related to gender) ignores the changes in Pakistani society itself, where education is growing faster than in India, for instance.[3] In the sample presented here, we were often confronted with transnational couples of which the British spouse was more conservative than the Pakistani spouse, for instance. The same was true of our Sikh sample. This observation reinforces the above critique of an approach to the subject that sees the marriage migrant as a source of irreconcilable differences with a stereotyped view of contemporary British society.

The children of the transnational couples we interviewed were more ambitious than their parents, and if they were 16 or above, were likely to work independently of whether they were boys or girls. On the other hand, financial constraints meant that visiting Pakistan was becoming harder and harder for the next generation of transnational marriages. The emphasis on studying Arabic rather than Urdu means that watching

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[3] The total literacy rate in Pakistan is 58 percent. However, among Pakistan youth (15–24 years), the literacy rate is 79.1 percent for males and 61.5 percent for females. Currently, Pakistan invests more in education than India (Barro & Lee, 2013). In the Mirpur district, rates vary. In Mirpur city, overall literacy is 80 percent (no data found by gender), but falls to 64 percent in the villages (see https://www.academia.edu/7840703/Report_and_presentation_on_AJK_administration_in_kotli_mirpur).

Pakistani television is less common despite the popularity of cable channels. Thus, having a parent from Pakistan does not automatically mean being drawn toward the 'homeland'. This may, in the long run, have a significant impact on Pakistan.

Our data brought to light examples of significant remittances (in the shape of business or land investment) that did not necessarily stem from kinship associations maintained through transnational marriage, but rather to the sheer profit appeal of a proposition from an acquaintance. The everyday, more ordinary remittances that migrant-husband couples engage with are directed to particular family members for particular purposes and are not likely to benefit a larger share of the population. Furthermore, such remittances seemed to be the cause of considerable tension between such couples and were not taken for granted any longer – in one case, they were considered grounds for separation.

As for the idea that transnational marriage might serve to further grassroots diplomacy, the children of transnational couples do not tend to have regular contact with their relatives in Pakistan and often have superior, sneering attitudes toward Pakistanis (including their Pakistani parent) (see also Bolognani, 2014). Sikhs, on the other hand, seem to have a much more benign attitude toward their relatives in India and positive associations with Punjab.

Finally, the *third assumption that migrant spouses carry a disabling organic disadvantage with lack of language skills* is objectionable because the original disadvantage can be overcome by structural interventions that take into consideration working conditions in contemporary urban Britain and the life-stage at which marriage migration happens.

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11

Pakistani diaspora communities in Norway: Part of a transnational social field for how long?

Marta Bivand Erdal*

1. Introduction

Pakistani diaspora communities in Norway can be described as part of a transnational social field that spans not just Norway and Pakistan, but also other diaspora countries, including Denmark, Spain, Greece, the UK and US.[1] Most Norwegian-Pakistani families are now part of a history of migration that goes back half a century. Over time, the dynamics of this migration as well as the strength and nature of their ties to Pakistan have changed – themes that run through this chapter.

At the outset, Norwegian-Pakistani diaspora communities were created through chain migration (Khan, 2009; Døving, 2007, 2009), with most migrants originating from the districts of Gujrat and Jhelum in Pakistani Punjab (Aase, 1983). The first generation of children in these diaspora communities were born to Pakistani migrants in Oslo in the early 1970s. Gradually, what had been a male-only migrant community transformed into one of families with children. Since then, these communities have grown both in size and diversity in Oslo and beyond (Østberg, 2003). Thus, while the narrative of Norwegian-Pakistani diaspora communities has been one of chain migration from a cluster of villages in Punjab, with relatively low levels of education and apparent

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I am grateful to my colleague and friend Kaja Borchgrevink for providing insightful comments on an earlier draft, based on her deep knowledge of all things Pakistani – locally and transnationally.
[1] The term 'diaspora' is used here to refer broadly to individuals of Pakistani origin or heritage.

homogeneity, the present community of migrants and their descendants is far more diverse.[2]

The Norwegian-Pakistani diaspora communities live predominantly in the larger Oslo area of eastern Norway, although there are smaller communities in other urban centers too. The total population of 38,000 Norwegian-Pakistanis should be seen in the context of the national population (about 5 million inhabitants), with roughly 1 million living in the larger Oslo suburban region. Of the population of Oslo (about 670,000 inhabitants), about 163,000 are immigrants and 53,000 are descendants of immigrants, making the proportion of people with an immigrant background in Oslo about 33 percent, whereas the average for Norway is 16 percent.[3] The largest immigrant group in Norway by far is Polish – about 100,000 persons. Norwegian-Pakistanis are the country's fifth largest diaspora.

While there is some geographic variation in the origins of this diaspora, the bulk originates from the Punjab. Many have roots in villages in Kharian, further north toward Jhelum, or further south toward Gujrat. Some come from small towns or from the cities of Lahore, Rawalpindi and Islamabad, as well as areas beyond, including Peshawar, Quetta and Karachi. While there is little systematic data on this, there are records of Norwegian-Pakistani families with roots in India, who relocated to Pakistan in 1947. Discussing 'roots' in Pakistan with members of such families brings up other dimensions, relative to those whose families have cultivated the same land in the Punjab for centuries. Many Norwegian-Pakistani families visiting Pakistan choose to spend time with relatives in urban areas in addition to staying in their villages of origin, thus making the question of 'origin' more complex.

The first wave of migrants to Norway included those who had completed undergraduate degrees, diplomas or secondary school. There were also those who had only a few years of primary schooling and could not read or write in Urdu, much less in the Latin script. Analphabetism was, therefore, a challenge among early Pakistani migrants – and still is for some of the older generation, although little has been done to map the extent of the problem both with respect to Urdu and Norwegian. The stigma carried by early migrants who could not read or write remains pervasive. What this serves to illustrate is the

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[2] The number of people born in Pakistan or born in Norway to two Pakistani-born parents, as registered by the Norwegian authorities. The number of Pakistani migrants in Norway who do not have regular status is likely very low.

[3] https://www.ssb.no/innvbef/ (Statistics Norway).

diversity of Pakistani diaspora communities, even among those originating from villages in the Punjab.

This diversity also has linguistic, ethnic and religious dimensions. The diaspora in Norway includes Hindko, Seraiki and Pashto speakers, although most are Punjabi speakers. There is little data on linguistic and ethnic sub-groups among Norwegian-Pakistanis. The question of language is interesting with respect to linguistic diversity and the role of Urdu as Pakistan's national language: descendants of Pakistani migrants may either be learning and using Urdu rather than Punjabi, or speaking only Punjabi at home and neither speaking nor writing Urdu. In terms of religious affiliation, most are Sunni Muslims, but religious minorities include Shiites, Ahmadiyas and Christians. For many Norwegian-Pakistanis, religion matters not only at the individual level, but also as part of a broader culture and tradition, often in a collective sense and in the form of social (and other) networks and institutions (Erdal & Borchgrevink, 2017). In discussing examples and trends among Norwegian-Pakistanis, it is thus important to consider their diversity and the limitations of making sweeping generalizations. The use of the plural – Pakistani diaspora communities – is intended to foreground the multiplicity and heterogeneity of the people and groups that make up these communities.

This chapter draws on a review of the growing body of literature studying Pakistani diaspora communities in Norway, either as such or as part of the country's Muslim population. It also draws on my long-term research engagement with individuals, families and organizations of Pakistani origin in the Oslo area, as well in the Punjab, including migrants and descendants, their relatives and the local communities affected by out-migration and the broader context of migrant integration in Norway.

This research would not have been possible without the selfless and supportive participation of the migrant families I spoke to, both in Pakistan and Norway, or without the stimulating collaboration of Pakistani postgraduates (see Erdal et al., 2016). My insights into the life-worlds of the individuals and families who constitute these Pakistani diaspora communities owe a great deal to an openness to the coproduction of knowledge, valuing the inherently different perspectives that are often brought to bear on what might appear to be a straightforward situation (see Erdal et al., 2015).

2. A transnational social field approach

In discussing Pakistani diaspora communities in Norway, this chapter explores the extent to which they are part of a transnational social field (Levitt & Glick Schiller, 2004). More specifically, it focuses on the question of time – if we conceptualize as 'transnational social fields' the diverse ties between Pakistani diaspora communities and Pakistan as well as other diaspora hubs, then how long is this conceptualization likely to make sense? Is the term 'Pakistani diaspora communities' a meaningful one for the children and grandchildren of migrants? To what extent, if at all, do the life-worlds of migrants and their descendants in Norway remain entangled with their experiences and emotions rooted in Pakistan, and with relatives whose life-worlds are entrenched in Pakistan?

By 'transnational social field', I refer to

> a set of multiple interlocking networks of social relationships through which ideas, practices, and resources are unequally exchanged, organized, and transformed [across nation-state boundaries … Transnational social fields] are multi-dimensional, encompassing structured interactions of differing forms, depth, and breadth [potentially including] organization, institution, and social movement. [Where] ascertaining the relative importance of nationally restricted and transnational social fields should be a question of empirical analysis. The concept of social fields is a powerful tool for conceptualizing the potential array of social relations linking those who move and those who stay behind. It takes us beyond the direct experience of migration into domains of interaction where individuals who do not move themselves maintain social relations across borders through various forms of communication (Levitt & Glick Schiller, 2004, p. 1009; see also Glick Schiller & Fouron, 1999, p. 344).

The idea of exploring migrant practices and their belongingness within the framework of transnational social fields stems from the empirical observation that life-worlds are not delimited by nation-state borders – and, therefore, neither should our analysis of these life-worlds. With the paradigm of transnationalism (Lacroix, 2014, 2015) comes the natural inclusion of both the processes and outcomes of inclusion and integration in the countries of settlement, and the processes and outcomes of engaging and maintaining ties with the countries of origin. In writing on Pakistani diaspora communities in Norway, framed at the outset by these two nationally defined contexts, it is important to remain sensitive

to their analytical relevance and to that of their relationship with each other. This chapter, therefore, seeks to discuss the relationship between Pakistani diaspora communities and Pakistan, their lives in Norway and – given that these aspects are often intertwined and mutually constitutive – how one interfaces with the other.

Section 3 gives a brief history of Norwegian-Pakistani diaspora communities, focusing on their emergence, coming of age and the question of return. Section 4 explores how, and to what extent, describing their ties with Pakistan and the wider Pakistani diaspora as a transnational social field has an empirical basis. This involves exploring a range of practices and links that help sustain transnational social fields, including remittances, house construction and ownership in Pakistan, transnational marriage, transnational families, Islamic charity, religious ties and engaging with development.

Section 5 moves onto the question of integration in Norway, in which the salience of the Pakistani diaspora communities for Norwegian society plays a central role. Section 6 examines how the focus on Pakistani communities has shifted to Muslim communities and discusses this trend from the vantage point of Pakistani diaspora communities in Norway. The concluding section asks whether transnational ties are simply fading over time or if there is a case for arguing that changes *have* occurred, but are not tantamount to fading ties. I provide some examples suggesting that transnational social fields may be materializing in new and perhaps unexpected ways beyond those that characterized the migrant generation.

3. 'When Ali and his cousin stayed on in Norway'

Over the course of chain migration to Norway since the late 1960s and early 1970s, the country's Pakistani diaspora communities have grown decade by decade with the migration of spouses and family members, the birth of children and transnational marriages. By 2016, the Pakistani-origin population in Norway, including migrants and the children of Pakistani-born parents, was about 38,000. The evolution of Pakistani diaspora communities in Norway has thus followed a trajectory that is typical of migrant communities in European destination countries, that is, one starting with male labor migration, such as in Denmark and the UK (Charsley, 2012, 2013; Rytter, 2013).

For most migrants to Norway, the plan was to save money, send remittances (see Section 4.1) and then return to Pakistan. Half a century later, most of the early migrants are Norwegian citizens and live in

Norway.[4] Many families sought to realize the plan to return, especially during the 1990s, often after a prolonged period of family separation or periods of moving between the two countries (see also Erdal et al., 2016). However, many who returned to Pakistan found they could not establish themselves economically and maintain the standard of living to which the family had grown accustomed. Therefore, some families continued to live as split households – typically, the husband would work in Norway and remit money to his wife and children in Pakistan. Other families moved back to Norway permanently in what might be seen as a 'double-return' (White, 2014). Of these, many struggled financially to re-establish themselves in Norway, having already borne the cost of relocating once.

The vast majority, however, postponed going back to Pakistan, in what Anwar (1979) calls the 'myth of return'. To some extent, this sense of return has been realized through visits, but also by maintaining real-life and virtual links to Pakistan. These include travel and transnational ties as well as commitments of a social, economic, religious or political character. With technological change and the increasing use of cell phones and the Internet, both in Norway and Pakistan, means of communication have changed radically from the time that migrants wrote letters home in the 1970s and 1980s. Connections to Pakistan also include virtual links such as access to Pakistani television broadcast by satellite, online news and private connections through social media and Skype (Eide, Knudsen & Krøvel, 2014; Aarset, 2016; Slettemeås, 2014).

Continued migration – and thus the numerical expansion of Pakistani diaspora communities in Norway – was enabled by transnational marriage and other forms of family reunification. In 1975, labor migration from Pakistan ceased when immigration controls were introduced, at which point there were 3,772 migrants of Pakistani origin in Norway. But further immigration continued in practice through family reunification and family formation migration. The number of Pakistani migrants – and later those of Pakistani descent – increased by roughly 10,000 per decade up until 2000, after which immigration declined and natural growth among Norwegian-Pakistani communities continued. Demographically, Pakistani diaspora communities were the largest non-Nordic, non-European population for decades. It is only more recently that higher rates of intra-European migration have led to larger Polish and Lithuanian diaspora communities in Norway.

[4] In 2006, about 77 percent were Norwegian citizens (see Statistics Norway: https://www.ssb.no/innvbef, accessed August 2016).

The demographic makeup of Pakistani diaspora communities thus shifted in the 1970s from a small community comprising males of working age to a more diverse one that included mothers and children. Throughout the 1970s and 1980s, family reunification and family establishment migration continued. By the 1990s, the number of children born to Pakistani parents made Pakistani descendants the largest group of immigrant descendants in Norway. This still holds. As of 2016, some 16,500[5] people – nearly half the population of Pakistani origin (38,000) – are immigrant descendants.

The demographic structure of Pakistani diaspora communities in Norway is rather complex for three reasons: step-wise migration over time, the wide age range of those who arrived in the 1970s and replenishment migration through marriage migrants arriving in the 1980s and 1990s. These diaspora communities include not just first, second and third generations, but also what might be termed 'generation 1.5' and 'generation 2.5', where the latter are often still children and youth. Finally, the complexity of the demographic structure with respect to expectations vis-à-vis integration or transnational ties is also due to the role of mobility between Norway and Pakistan in the form of longer-term stays as well as shorter visits (Erdal et al., 2016).

Over time, the population of elderly Norwegian-Pakistanis has also grown. Ageing among immigrant populations in Norway is still a relatively new phenomenon (Næss & Moen, 2015). There has been some emphasis on the concern that consanguineous marriages carry health risks for children,[6] although the number of such marriages in Norway has fallen in recent years (Grjibowski, Magnus & Stoltenberg, 2009). Meanwhile, problems such as diabetes and 'lifestyle' diseases have gained prominence as public health concerns in the context of their disproportionate effect on communities such as those of Pakistani origin (Mellin-Olsen & Wandel, 2005; Hjellset et al., 2011). A broader perspective of ageing among Pakistani migrants in general and women especially has also led to a reappraisal of the salience of transnational social fields vis-à-vis individuals' life-worlds (Moen, 2009, 2011).

Death is another aspect of the history of Pakistani diaspora communities in Norway. Døving (2007, 2009) finds that their first efforts to organize funerals were closely associated with the management of sudden death among early migrants. To accommodate religious ritual requirements and the financial and practical aspects of transporting the

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[5] https://www.ssb.no/innvbef/ (Statistics Norway).

[6] See, for instance, Shaw (2001) and Charsley (2005) for discussions of the British context.

deceased back to Pakistan, diaspora communities organized funeral associations, the role of which gradually expanded to include community welfare. With the arrival of more women, informal care and social responsibilities were taken on by families, extended families and, in some cases, 'replacement' extended families in the form of friends.

Biraderi or kinship networks are thus as common among Norwegian-Pakistanis as in the UK, where they are not only a feature of community life, but also of politics (see Akhtar, 2013; Shaw, 2000; Werbner, 1990). While biraderi-based organizations and groups also exist in Norway, there is some ambivalence toward them among Norwegian-Pakistanis, especially given the very problem-oriented understanding of caste in mainstream Norwegian society. Nonetheless, these networks remain important for many – and more so among the older generation. This aspect of Norwegian-Pakistani communities remains relatively under-researched, although it is often noted in passing (see, for example, Skybak, 2010).

Any history of Pakistani diaspora communities in Norway must also acknowledge their salience within Norwegian society. Apart from once being the largest immigrant group from outside Europe, they were the first Muslim communities to live in Norway and construct the country's first purpose-built mosques. Moreover, a substantial proportion of people participating in Norwegian public life – politicians, journalists, television personalities and activists – are of Pakistani descent. What this discussion brings out is that Pakistani diaspora communities are making a visible mark on Norwegian society as it negotiates a diverse space of encounters and belonging across markers of difference such as ethnicity, race and religion (Prieur, 2010).

While much attention is drawn to being Muslim, as I will discuss later, there are three other ways in which the impact of Pakistani diaspora communities might be constructed as salient. First, they run numerous restaurants in the Oslo area, usually serving South Asian food, but often branded as 'Indian' or 'Punjabi' rather than 'Pakistani'. Second, cricket, which was initially unknown in Norway until people of Pakistani and South Asian descent began to play, has become visible to the point that the World Cup was aired by the country's national broadcaster (Walle, 2013; Fletcher & Walle, 2015). Third, the annual Oslo *Mela* festival, which celebrates multicultural diversity through music, dance, theatre and food, was initiated by a Pakistani migrant in 2001 and still features among other Pakistani cultural performances in most years. The festival has grown to become an established institution in Oslo's cultural calendar.

4. Maintaining a transnational social field

Pakistani diaspora communities in Norway are strongly interconnected with other diaspora hubs, notably in the UK and Denmark, but also (more recently) in southern Europe (Spain, Italy and Greece) and in the Gulf states (Abdin & Erdal, 2016). Transnational social fields are maintained (or not) through an interlocking set of individual and collective practices, three of which are discussed below: the role of remittances, the role of transnational families and marriages, and the role of religious and development ties.

These practices are set within the context of a structural landscape in which most Norwegian-Pakistanis are Norwegian citizens, many of whom retain formal and informal ties to Pakistan – including ties that are regulated or affected by Pakistani authorities. As I have argued elsewhere, while the lived transnational citizenship of migrants cannot be seen explicitly as an active response to the Pakistani state's diaspora engagement policies, these policies seek to affect the behavior of the diaspora and, as such, there is a space of interaction (Erdal, 2016). Arguably, remittance-related policies, which aim to make the process cheaper and quicker and to build trust in the institutions charged with transferring remittances, have made a practical difference. In other instances, such as the Pakistani origin card, practical considerations matter to diaspora individuals, such as frequency of travel, and the cost and time involved in obtaining a visa for Pakistan. The experienced need for a national identity number in Pakistan is, however, closely tied to land and property ownership, for example (Erdal, 2016).

4.1 The geography of remittances and emigration

Remittances to Pakistan have grown year on year up until 2016, the bulk of which originate in the Gulf states. Remittances from Norway constitute a small proportion of the total, comparable in size to remittance flows from France and smaller than those from Spain.[7] This data refers to formal money transfers and not the sums individuals hand-carry to Pakistan. The official statistics indicate that remittances from Norway have risen – from US$5.74 million[8] in 2001 (an average of US$410 per immigrant) to US$37.84 million (an average of US$1,862 per immigrant) in 2013 (Ahmed & Martinez-Zarzoso, 2016). The relative share of global

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[7] US$22.18 million from Norway, of US$14,157.65 million (July 2015 to March 2016, State Bank of Pakistan).

[8] In current US$ terms. The data is from the State Bank of Pakistan and the calculations from Ahmed and Martinez-Zarzoso (2016).

remittances to Pakistan from Norway has fallen – from 0.5 percent in 2001 to 0.3 percent in 2013, reflecting the enormous increase in remittances to Pakistan, especially from the Gulf countries, but also from many other migrant destinations.

A survey I conducted of remittance recipients in Kharian (Punjab) offers some key insights. Traditionally, households were dependent on the remittances being sent by one (male) breadwinner, but as transnational social fields became more established, the number and locations of remittance senders multiplied (Erdal, 2014b). Of a sample of 664 respondents, the number of senders ranged from 1 to 10, with migrants remitting money from over 30 countries (ibid., p. 124). Apart from going to multiple recipients, these remittances extended beyond the sender's immediate household (Erdal, 2012). The geography of remittances serves to illustrate the spatiality of sustained transnational social fields, which in this case manifest themselves in the form of transnational, interpersonal relationships and exchanges.

The geographies of emigration, on the other hand, are visibly anchored in regions of outmigration, particularly in the form of migrant-built houses (Erdal, 2012). These can be understood as relational places that tie migrants to their communities of origin in economic, symbolic and practical ways.[9] As such, the houses that migrants build in their country of origin are a manifestation of transnational social fields, both in concrete and imaginative terms, ranging from the economies of construction and caretaking to the emotional dimension of belonging – and for nonmigrants, a constant reminder of those who have left, and the possibilities and promises of emigration.

Remittance patterns have also changed in terms of intended use. In the early decades of Pakistani migration to Norway, most remittances were sent to support an immediate household – a wife, children, parents. While there are still breadwinner migrants in Norway who remit to their own households, a substantial share of remittances are sent to individuals, families and collectives (in Pakistan) beyond the household (Erdal, 2012). Sustaining transnational ties with Pakistan is chiefly about family in Pakistan; these ties are maintained through visits, by sending gifts or remittances on important family occasions and preserving emotional ties with the country at the level of identity and belonging.

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[9] See Erdal (2012) for a discussion in the context of the transnational social field spanning Norway and Pakistan.

4.2 *Transnational families and marriages*

Transnational ties are evident through transnational marriages and the ways in which people sustain transnational familial ties, including what might be described as diasporic families across transnational social fields, not necessarily involving people in Pakistan (Charsley, 2012, 2013; Nadim, 2014b). Over the last 50 years, family reunification and marriage migration have spurred the growth of Pakistani diaspora communities in Norway. In the earlier decades, this meant reunification with wives – and often, children – coming from Pakistan. As these children grew older and came of age, having grown up partly in Pakistan and then moved to Norway, their families arranged transnational marriages for them. These could be marriages that had been planned prior to migration as agreements within the extended family, thus reflecting patterns of transnational marriage elsewhere (Charsley, 2013; Rytter, 2013). More recently, trends in transnational marriage seem to be changing (see Henriksen, 2012; Sandnes & Henriksen, 2014), with many diaspora Pakistani parents acknowledging that transnational marriage, especially in arranged matches, has a greater risk of failing. A narrative of transnational marriage as being riskier seems to have been established, marked by key signal stories of bad experiences.

There are also specific gender dynamics in that it is understood that a young woman born in Norway is probably better off on all counts with a husband from the Norwegian-Pakistani diaspora rather than from Pakistan or even another diaspora country.[10] These dynamics are closely connected to how gender is interpreted and lived among the children of immigrants, where there is a natural interplay of influences from parents – at times from their country of origin – and from Norwegian society (Prieur, 2002, 2004). For young men, it is a relatively mixed story, with a stronger narrative of the likelihood that transnational marriage will succeed and that daughters-in-law will make more traditional choices with respect to childcare and work outside the home. Norwegian-Pakistani families who do arrange transnational marriages tend to look for matches that reflect their migratory status, such as with women who have completed their secondary or even tertiary education in Pakistan and who originate from a town rather than a village. This results in a paradox of different statuses and expectations, which may be complicated to negotiate, both for diasporic families and for marriage migrants arriving in Norway.

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[10] See Charsley (2005) for the gender dynamics of transnational marriages in the UK.

The Norwegian social context is an important backdrop to any discussion of transnational marriage, given that the Norwegian economy is founded on two-income households and that it is the norm for both women and men to work outside the home. Moreover, any child has the right to a place in Norway's public, subsidized, high-quality kindergartens from the age of about one. Many Norwegian-Pakistani families choose to live in extended households, with three generations under one roof or in proximity of each other, making it possible to sustain a household without all its adult members working. However, for those born in Norway, the norm and expectation they have themselves is for both women and men to work outside the household after completing their tertiary education (Nadim, 2014a, 2014b, 2016).

4.3 Transnational religious and development ties

Some members of the Pakistani diaspora communities sustain their transnational ties with Pakistan by engaging in development initiatives. Often, these are linked to a specific place of origin (such as in the Punjab), to a particular cause (such as education), to a movement (such as the Minhaj-ul-Quran, a transnational religious organization), or to an area in Pakistan that has been affected by a natural disaster. The Norwegian authorities have also helped fund diaspora development initiatives (Erdal, 2015).

Transnational ties with Pakistan can also connect the diasporic with the religious, such as when transnational Islamic charity intersects with diaspora development engagements (Erdal & Borchgrevink, 2017; Borchgrevink & Erdal, 2016, 2017). Such ties are perhaps more visible in the way that religious leaders and clerics come to Norway from Pakistan or go there to train, thus strengthening existing transnational ties. Mobility in the other direction – from Pakistan to Norway – might also be religiously motivated, in part at least. Some parents who move temporarily to Pakistan or send their adolescent children there for a period, do so because they want the latter to experience a Muslim culture, perhaps in combination with a desire for them to appreciate the opportunities they have in Norway.

Transnational religious movements such as the Minhaj-ul-Quran are also active among Pakistani diaspora communities in the Oslo area, with a dual flow of people, materials, ideas and practices between Pakistan and Norway (Borchgrevink & Erdal, 2017). The case of the Minhaj is interesting because it serves to illustrate the two-way exchange between host and home country as well as the shifting symmetries and asymmetries of this relationship – an example being that of Quranic courses conducted over Skype from Pakistan to Norway (Aarset, 2016).

5. The integration of Norwegian-Pakistani diaspora communities

Over time and the course of integration, Norway's Pakistani diaspora communities have matured at the individual and collective levels. Integration, in the sense of the intuitive adaptation processes that follow migration, has several facets. These include empirical, measurable patterns pertaining to employment, housing quality or marriage, for example; state-level normative policies; and the everyday lived experiences of migrants and their descendants (Erdal, 2013). The integration process for Norwegian-Pakistanis has evolved over time, from the point when there was a small group of newly arrived male workers, to the present where nearly half the community comprises the children and grandchildren of the original migrant generation.

The migrant generation itself has managed well, having established homeownership at similar levels to the national average. Nearly 60 percent of Norwegian-Pakistanis are likely to live in multi-generational households, which is uncommon in Norway (Søholt, 2010). Among the migrant generation, males are active in the labor market at rates close to the average, but the female labor participation rate is significantly lower than the average as well as relative to other migrant groups. Traditional gender roles have often been upheld, although this is changing gradually. For Norwegian-Pakistani women born in Norway, the rate of higher education exceeds the national average and their labor market participation is also far higher than that of Pakistani migrant women (Borg, 2013). This is connected to marriage patterns, where marriage is postponed till women and men are older. Fertility levels among Norwegian-Pakistanis are similar to the national average. However, the mean age among descendants of Pakistani migrants is still relatively low because many migrants arrived as recently as the 1980s or even 1990s, thus creating a complex demographic structure with unclear generational patterns.

Pakistani diaspora communities in Norway have a far higher rate of self-employment than the population overall. Their businesses also appear to have a longer survival rate than the average.[11] This is reflected in the number of Pakistani-owned small shops, restaurants and taxis in a city such as Oslo. The first 'immigrant stores', as they are referred to in Norway, were owned by Pakistani migrants. There are now many such shops owned and staffed by migrants or descendants of Turkish and other origins.

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[11] https://www.ssb.no/innvbef/ (Statistics Norway), retrieved August 2016.

Oslo's numerous Pakistani taxi-drivers include those who own one or more cars and those who simply drive taxis (Abdin & Erdal, 2016). For many Pakistani taxi-drivers, the option of self-employment in this sector is preferable because it allows them to take leave as and when needed to deal with private affairs or spend periods of time in Pakistan. However, the long working hours involved do not offer high salaries. It is not uncommon to find Oslo taxi-drivers with some level of secondary or tertiary education, who have discontinued their education or given up finding work in their field, often in connection with migration and the need for an income. However, among their children, driving taxis provides alternative part-time work and often helps them pay their way through university. Thus, there are generational dynamics at play here. The sector's ethnic composition is also becoming increasingly diverse as new migrant groups take up taxi-driving.

In terms of political integration and presence in the public sphere, especially in the media, Norwegian-Pakistanis have managed to integrate well. In the first 'immigrant novel' published in Norway, the protagonist (the son of Pakistani migrants) recalls being called a 'Paki' during his childhood in the 1980s. Since then, the number of local and national politicians who are either Pakistani migrants or their descendants has increased. The latter, in particular, have challenged the notion that individuals with a minority background should be boxed as 'immigrant voices'. Rather, they have claimed space within the Norwegian public sphere as first-generation nationals, while retaining some roots in Pakistan. Political integration in Norway also has a transnational dimension. Some Norwegian politicians (those without a Pakistani background), for example, have occasionally visited the Pakistani diaspora communities' places of origin during electoral campaigns. The reality of the transnational social field has thus been recognized as part of the political landscape – even that of Norwegian national politics.

A number of media practitioners of Pakistani migrant descent have helped change the narrative of what it means to be a member of Norwegian society. Their efforts bring out the increasing – although by no means full – acceptance of migrant origins. Their insights into Pakistani culture or politics have entered the Norwegian mainstream, the 'Mela' festival mentioned earlier being one such example. Another is the travel show *A Noman in Pakistan* produced by journalist Noman Mubashir and aired by the country's national broadcaster. Other well-known Norwegian-Pakistanis of migrant descent include Shabana Rehman Gaarder, who came to Norway as a small child and is now a comedienne and writer, and Deeyah Khan, a film director and music producer who

has received international prizes for her work, among others, for her recent film *Jihad: A Story of the Others*.

Participating in the public sphere as a person of Pakistani descent, as for many others from migrant backgrounds, can involve challenges (Midtbøen & Steen-Johnsen, 2016). Media portrayals of Muslims, especially in Norway, have become increasingly politicized and tied to the polarization of political debates on immigration and questions of diversity (Bangstad, 2011). This is connected to the more general problem of ethnic discrimination in Norway, such as in the labor market, where job applicants with Pakistani-sounding names may find they have less chance of being called for an interview (Midtbøen, 2015). That said, Pakistani diaspora communities in Norway have fared well on many counts economically, with regard to education levels among descendants and in terms of participation in politics.

While much social life is linked to extended family and kin networks in Norway, there are also other sites of community that are more organized. Religion, to which I return below, is one of these, but sports – and cricket – also provide a key site of community, especially among male Norwegian-Pakistanis (Walle, 2013). More generally, sports provide important opportunities for integration. It is increasingly acknowledged that a black-and-white perception of the route to integration – whereby mixed activities, rather than ethnically divided activities, are necessarily seen as the only means of integration – does not tell the whole story (Walseth & Strandbu, 2014; Walseth, 2016). Finally, taking into account temporal dimensions, it is natural that intergenerational relationships should also change. While many Norwegian-Pakistani families live together as extended units comprising several generations, these may be organized differently across households and there are clear changes in the ways in which intergenerational relations work (Singla, 2005).

As Norwegian citizens – and, increasingly, as citizens born and raised in Norwegian society – Norwegian-Pakistanis engage in local community activities as parents, as neighbors and as residents. The migrant generation, and especially those who arrived when they were considerably older, retain stronger ties to Pakistan, but over time, they have also developed roots in Norway. Those born in Norway have strong roots here, albeit tinged with a sense of precariousness in the face of Islamophobia and racism, but their ties to Pakistan have not necessarily been severed (Erdal & Ezzati, 2015).

In discussing Norwegian-Pakistani communities in Norway and how they are portrayed, we need to acknowledge at least two aspects that tend

to cast a shadow over their integration. First, the 1980s saw the rise of a gang subculture among Pakistani migrant youth, often those who had arrived from Pakistan as children. Such gangs were notorious in Oslo and gang-related violence and killings were not uncommon (Lien, 2013). Their stories and how they affected other young people of Pakistani origin, Norwegian-Pakistani families and their surroundings more broadly, were reported widely in the Norwegian media. Subsequently, several popular Norwegian films portrayed a more diverse perspective of Norwegian society, looking at elements of this gang culture, but also more broadly at the culture of honor – among them, the films *Izzat* and *Import-Export*[12] (Dancus, 2011).

The second aspect is forced marriages – a concern that has perhaps received the most public attention in relation to Pakistani diaspora communities in Norway, prior to the more recent focus on radicalization and violent extremism among Muslim youth (see Bredal, 1999). Forced marriages among Pakistani diaspora communities (and in general) have been targeted through different policy measures for several decades, as in countries such as the UK or Denmark. Campaigns have been put in place, with NGO emergency support, for young girls and boys who fear they may be forced into marriage while visiting Pakistan on holiday, for instance. The issue has been discussed in detail as part of the broader concern over honor-based violence (Bredal, 2014). This includes cases in which women with ties to Norwegian-Pakistani families have disappeared or been killed in Pakistan, amid extensive rumors of the likelihood of associated honor-based violence. Meanwhile, Norwegian-Pakistani communities feel a sense of frustration at the lack of understanding where the tradition of arranged marriage is concerned, which on a global scale is relatively common, but in Norway is often associated with suspicions of the use of force.

6. From Pakistanis to Muslims…

For a long time, Pakistani diaspora communities in Norway were described only as 'Pakistani' – whether as a descriptive or a derogatory term. But in Norway, as in much of Europe, there has been what Yilmaz (2016) calls a "hegemonic transformation" whereby "the workers became Muslims" (ibid.). Most Pakistani migrants arriving in Norway in the late 1960s and onward were indeed (by and large) Muslims, but whether this was their primary identity varied from person to person. For early migrants, there were no mosques, and only with time did any sort of

[12] The film title references the small Pakistani shops found in central east Oslo.

religious infrastructure develop, catering to the need for rites of passage as well as other religious obligations.

The Pakistani Muslim religious landscape in Oslo gradually developed to reflect the heterogeneity of religiosity in Pakistan (Leirvik, 2014; Taj, 2014), with mosques subscribing to various Islamic schools of thought (Linge, 2016). The mosques dominated by migrants and descendants of Pakistani origin include primarily those that follow Barelvi Islam, albeit with differing sufi traditions, but also some with ties to religious movements in Pakistan. There is an impressive purpose-built Ahmadiya mosque in Oslo, indicative of the diversity of these communities, which also include Shiites and a small Christian minority. Mosques and religious groups, however, serve purposes beyond the purely spiritual and – as is the case with migrants globally – many Muslim migrants approach those mosques where they are most likely to find their mother tongue being spoken, to meet people of similar origin. Thus, the Pakistani mosques, in addition to serving religious functions, also play social, cultural and other roles in the wider community.

Norwegian-Pakistanis are associated with Islam not only because they are, to a large extent, Muslim communities, but also because in the public debate over Islam in Norway, it has often fallen on Norwegian-Pakistanis to bear the brunt of critical questions and accusations, and be asked to condemn – on behalf of all Muslims in Norway – any terrorist attacks. As an illustration of this public visibility, the first two secretary generals of the Islamic Council of Norway (a Muslim network across national and linguistic divides) were both of Pakistani descent, thus adding to the relative dominance of those of Pakistani origin among young adults from immigrant backgrounds staking a claim in the country's public sphere.

The hegemonic transformation is not, however, something easily pinned onto Pakistani immigrants or their descendants. The shift from focusing on workers and Pakistanis to Muslims is connected to broader political and cultural processes of change in countries such as Norway. On the one hand, immigration and increased diversity has allowed greater openness to different cultures, religions and languages. On the other hand, the counter-forces uncertain of the implications of such change tend to nourish this uncertainty, first and foremost by inciting a sense of fear related to (perceived) difference (Yilmaz, 2016; Bangstad, 2011). Indeed, racism was a discernible challenge in the 1980s and 1990s, and the strongest efforts to address it occurred after a clearly racist hate crime in Oslo in the early 1990s in which a boy was killed.

Since 2001, however, racism in the form of Islamophobia has become more common. The 2011 terror attacks in Norway, which explicitly targeted a multicultural society, looking to end immigration in general and that of Muslims in particular, might be described as inspired by Islamophobia or neo-racism (Bangstad, 2014). While the attacks targeted the youth camp of the Labour party and government buildings, in the hours before the identity and ideology of the perpetrator became known, there were speculations of Islamist terrorism. Many migrants and descendants of Pakistani origin experienced an existential sense of insecurity during this time: what if the terrorist were indeed an Islamist? (Eriksen, 2015; Bolognani & Erdal, 2017). As it turned out, he was inspired by Eurabia ideologies, targeting Muslims in Europe. Rather than any long-term shift in rhetoric, however, there was a period of lock-down. Arguably, the political climate has remained open to a tone of anti-Muslim sentiment that is beyond the permissible, but this is more a feature of the vast range of online platforms than of the mainstream media.

Meanwhile, migrants and descendants of Pakistani origin – not all of whom are 'practicing' Muslims – retain a link to their Pakistani ancestry. While religion is an important aspect of this for many people, there is so much more to these identity formations, notably involving language and food culture, but also the consumption of popular culture, including Bollywood films and other South Asian reference points such as cricket teams.

7. Fading or changing transnational ties?

Let us return to the question of 'transnational social fields… for how long?'. Half a century on from initial migration, how are transnational ties fading or changing? While the migrant generation was highly active in terms of sending remittances to parents, siblings and even distant family members, it is different for descendants. The 'remittance decay hypothesis' theorizes this temporal relationship, underscoring how, over time, remittances decay as ties fade.

While this is indeed true of the Norwegian-Pakistani case, there is more to the story, as the following examples show. The first case is that of Rahma Islamic Relief, a Norway-based relief organization whose volunteers and supporters come from all strands of Islam and ethnic backgrounds, and include many young people of Pakistani descent. Here, they are active for a common purpose: helping others in need. For all its diversity, the organization works in key diaspora countries of origin, with country offices in Pakistan, Somalia and Morocco. Thus, there are

diasporic development ties to Pakistan that go beyond the migrant generation, in some cases tied explicitly to principles of Islamic charity as a source of motivation (Erdal & Borchgrevink, 2017).

Second, there are some examples of recent collective action among the Pakistani diaspora communities, led by descendants of migrants. In March 2016, a large group of descendants of Pakistani origin wrote a collective op-ed in a national Norwegian newspaper, titled '*Visjonen om et demokratisk land*' [The vision of a democratic country].[13] The column, which traced the history of the establishment of Pakistan and the vision of Jinnah, argued that a secular Pakistani state had been possible just before Independence in 1947. It sought to demonstrate the possibility of combining Islam with tolerance for other religious in a plural, diverse society, all the while acknowledging that this had not materialized in Pakistan according to Jinnah's vision. The situation of its Christian minority is a case in point.

Collective action among Pakistani diaspora communities – specifically linked to developments in Pakistan and transnational ties to Norway – was also evident in 2016 after Mumtaz Qadri, who had assassinated the Punjab governor five years earlier, was sentenced. On the one hand, the imam of a mosque in Oslo reportedly took part in demonstrations in Pakistan supporting Qadri, challenging the death sentence on the premise that the killing was deemed 'necessary' in religious terms. When asked later, the imam was unclear about his position. On the other hand, there were demonstrations that called for upholding the rule of law and condemned the imam and his travels to Pakistan in this context. A transnationally rooted set of activities took place in Oslo whereby Pakistani diaspora communities engaged directly in religio-political events in Pakistan.

Moving away from religio-political fault-lines, a third example is that of a descendant of Pakistani origin who has organized a Pakistani football club for children to be able to come to Norway for the annual Norway Cup. The team's arrival in Norway and their football matches garner considerable attention among Norwegian-Pakistanis, many of whom come to cheer for the team. At some level, this transnational connection and participation in sports allows many to identify with Pakistan.

The question of whether transnational social fields can be sustained raises three analytical points. First, we must acknowledge that there are many forms of interaction across transnational social fields. In some cases,

[13] http://www.dagbladet.no/2016/03/23/kultur/debatt/meninger/kronikk/pakistan/43618418

ties with family may fade. In other cases, they may rekindle, perhaps as friendships between cousins. New forms of interactions may emerge, such as through religious movements.

Second, we need to connect migrant transnationalism to global interaction and ties more broadly. Both are distinctive patterns, but there are key parallels whereby migrant transnationalism can be conflated with global or cosmopolitan ties. When young people born in Norway engage in international solidarity, are we to understand this as international development and humanitarianism, as Islamic charity or as migrant transnationalism? As illustrated in the example above, they are clearly overlapping phenomena. Yet they are too easily categorized under one head, both in research as well as policy.

Finally, the three examples point to the importance of acknowledging the implications of time. Children of Pakistani migrants – who were born in Norway and are Norwegian citizens – see themselves increasingly as Norwegian, fully and equally participating in Norwegian society. Despite the ambivalence among youth related to an Islamophobic climate, there are voices clearly calling for the descendants of Pakistani migrants to see themselves as fully Norwegian, but also to value their Pakistani heritage. The examples above serve to illustrate this final point and to underscore the importance of seeing identities in the plural. One can be fully Norwegian and yet retain meaningful ties to people and places in Pakistan, with some level of Pakistani identification.

Studies of migrant transnationalism and transnational social fields face the methodological challenge of finding ways to study latent, as well as practiced, transnationalism. While more narrowly defined forms of migrant transnationalism – such as remittances to the household – may have declined over time, other forms of transnational connection have emerged (Erdal & Borchgrevink, 2017). These are not so much replacements as they are different transnational ties – sometimes active, sometimes latent – that create a loose web of transnational networks. These, in turn, seem able to sustain what might still be described as transnational social fields, beyond the migrant generation.

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12

The political success of the British-Pakistani diaspora

Parveen Akhtar*

1. Introduction

On 5 May 2016, the son of an immigrant Pakistani bus driver was elected mayor of London, one of the world's most important capital cities. About 44 percent of London's voting population chose Sadiq Khan to head their city. He received 1.1 million votes – more than any other elected politician in British history. Had London's new mayor been born in his father's country of origin, chances are, he would not have made it even as far as local councilor.

In Pakistan, it would be almost inconceivable for a child from a lower middle-class background to end up holding a high political office and running one of the country's great cities. This is not to say that the UK is a paragon of social mobility or equal opportunity. Indeed, the vast majority of the political elite are (and have always been) members of the British social and economic elite. Wealth, pedigree and connections matter – and British politics is not exempt. Moreover, it is safe to assume that, as income disparities continue to widen in the UK, the scope for social mobility will diminish. This chapter provides a collective political biography of Britain's Pakistani diaspora and assesses the shape of future political linkages between the UK and Pakistan.

2. The Pakistani diaspora in the UK

The UK has the second largest overseas Pakistani population after Saudi Arabia: by 2031, an estimated 2.6 million Britons are likely to have Pakistani ancestry. A significant proportion of British Pakistanis are from Mirpur in Azad Jammu and Kashmir (AJK). The Mirpuris have proven to be successful migration entrepreneurs, with more than half

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the area's population having 'managed to establish themselves in the metropolitan world' – what Ballard (2003) refers to as the 'process of reverse colonization'.

Public and policy interest in the Pakistani diaspora increased significantly in the aftermath of the 7 July 2005 terrorist attacks in London, when it emerged that three of the four suicide bombers were British citizens of Pakistani descent. In the 10 years since these attacks, British Pakistanis have retained a strong presence at the apex of public and policy debates. The Pakistani diaspora has evolved in British political discourse from an ethnic or racial community to one viewed primarily through the lens of faith (Akhtar, 2013). Among the diaspora too, there is greater awareness of its religious identity – a consequence of several social and political factors, both nationally and internationally. Nationally, these include faith-based mobilizations against the controversial publication of *The Satanic Verses*, campaigns for the provision of halal meat in school in the 1980s and mobilizations against the wars in Iraq and Bosnia in the 1990s. Internationally, the changing geopolitical landscape in the Middle East – in particular, the tension between Saudi Arabia and Iran in the latter half of the 20th century through to 9/11 and the US-led 'war on terror' – has made many expatriate Pakistani communities far more conscious of their religious faith as an 'identity' marker (Kepel, 2006).

Movement between the UK and the region that is now Pakistan goes back over a century, with members of the economic and social elite travelling to Britain and Europe for education or adventure. Mohammad Ali Jinnah, the founder of Pakistan, was called to the bar of England and Wales in the late 19th century; the poet-philosopher Allama Iqbal read law at Cambridge in the early 20th century. A great many of Pakistan's political leaders were educated in Britain. Iskander Ali Mirza, the country's first president, was a graduate of the Royal Military College, Sandhurst, as was his successor Ayub Khan. Zulfikar Ali Bhutto, who served as Pakistan's ninth Prime Minister as well as its fourth president, graduated from Oxford, as did his daughter, Benazir Bhutto, Pakistan's 11th Prime Minister and its first female head of state.

Two factors mark Pakistan–Britain migration in the period immediately after the Second World War: (i) the sheer number of individuals and families who left AJK as migrants to the UK and (ii) their socioeconomic backgrounds. They were, first and foremost, economic migrants seeking better opportunities in the UK. Many were subsistence farmers and manual laborers, illiterate in their mother tongue, who found work in the factories and foundries of the Midlands and the mills of

northern England. They could not have been more different from the prewar wave of migrants who had come to the UK to study or travel and had more in common with their British upper-class counterparts.

For the post-1945 Pakistani immigrant, coming to the UK represented a dual migration of sorts: from a rural village to an urban city as well as across national borders. The traditional community structure of *biraderi* (kinship) networks was significant in the migration and settlement process, setting in motion a chain of migration that functioned as an 'escalator' – bringing people from the bottom of the socioeconomic scale in Pakistan to the industrialized West. In some cases, their children have moved up the British political escalator. Sadiq Khan's father came to the UK as part of this migration flow and worked as a bus driver; a generation later, his son became a member of Parliament (MP) and was elected mayor of London. Sajid Javid has been an MP since 2010 and served as the secretary of state for business, innovation and skills; his father came to the UK in 1961 with one pound in his pocket and worked at a mill before becoming a bus driver. Baroness Sayeeda Warsi, who was appointed a member of the Cabinet by former Prime Minister David Cameron in 2010, has a similar background. Several other politicians of Pakistani origin – Khalid Mahmood, Shabana Mahmood, Imran Hussein, Nusrat Ghani and Naz Shah – all come from families that migrated to postwar Britain, seeking a better future for their children.

Naz Shah's story is perhaps the most remarkable. Her mother, Zoora Shah, migrated to Bradford in the early 1970s from rural Mirpur to join her husband – an experience common to many thousands of Pakistani women in the 1960s and 1970s. Zoora and her three small children were left destitute when her husband left her. Following a series of desperate attempts to survive, Zoora was imprisoned for the murder of a local drug dealer. Aged 18, Naz Shah was left to look after her younger siblings while campaigning with the Southall Black Sisters for her mother's early release. Her story of struggle and survival against the odds is far removed from the traditional template of many Oxbridge career politicians in Westminster. It is also miles apart from the privilege and exclusivity associated with Pakistani politicians: Naz Shah had no personal wealth or family connections to her advantage, nor had she married into an affluent or influential family. As a second-generation immigrant, she would not have come this far had she lived in Pakistan.

As individual accounts, these illustrate the political success of the children of postwar British-Pakistani migrants, but it would be misleading to read the story of the average Pakistani migrant as one of unbridled success through social mobility. Indeed, as the government-

funded Casey (2016) report observes, British-Pakistani communities have some of the highest levels of unemployment and underachievement in the country, and often live in areas characterized by economic and social deprivation. Transnational marriages are still common among many Pakistani families, highlighting how, for some of the diaspora, the Britain–Pakistan relationship is an important one.

3. Examining the ties between Pakistan and Britain

In an episode devoted to Pakistan, Andrew Marr's BBC Radio 4 program (broadcast on 16 May 2011) introduced the country as follows:

> No country matters more to our security and perhaps to the world than overcrowded, nuclear-armed, Taliban-touched and, in some senses, paranoid Pakistan.

Pakistan is the world's seventh largest country, with an estimated population of 185 million. In terms of development, it is ranked 125th out of 169 countries. A quarter of its population lives on less than 81p a day. Given that it has the highest population growth rate in South Asia, it is estimated that Pakistan's population could double by 2025. Unsurprisingly, therefore, demographic pressure contributes to out-migration. Pakistan relies on out-migration both as a source of revenue – in the form of economic remittances – and employment opportunities for its workforce. While most Pakistanis who leave the country in search of work migrate to the Middle East, many others aspire to start afresh in the UK. With the latter having tightened immigration controls since the 1960s, the majority of recent immigrants from Pakistan have migrated to Britain on the basis of spouse or student visas.

Religion figures significantly in the country's collective consciousness, not least because the genesis of Pakistan was based partly on the claim that India's Muslims would fare better in a homeland of their own. While religion tends to structure social life and social relationships and is deeply embedded in the state, formal religious institutions are not a key feature of religious life in Pakistan and there is no central religious authority. Instead, many key social and political relationships are centered on the family and biraderi, a revised form of which has been sustained in the context of British-Pakistani migrants.

3.1 Biraderi, migration and economic remittances

The biraderi was the principal network that enabled many Pakistanis to migrate to Britain. As young migrants learned more about the opportunities the country had to offer, they sent word back home,

inviting and inspiring their kinsmen to follow suit. This chain migration was facilitated by the need for cheap labor in Britain's booming industrial heartland. Since most migrants had relied on savings and loans from their extended families in Pakistan to finance the process, it was expected that, once they were settled in the UK and started earning, they would send money home to their families. Such obligations of reciprocity were, for the most part, upheld. Additionally, postwar Pakistani migrants tended to arrange transnational marriages for their children with close relatives, which allowed their wider clan to share the benefits of living in Britain by seeking spouse visas.

Economic remittances were, nevertheless, subject to changing economic and political realities. As de-industrialization in the 1980s led to a decline in manufacturing, British mills, factories and foundries – many of which had employed migrants from AJK – shut down. Unemployment made it difficult to send money home and economic remittances fell. As migrant families in the UK felt the pinch, their children sometimes resented the fact that they were living in (often) cramped conditions while money was sent back home to sustain distant relatives. Consequently, transnational marriages became more important as a means of spreading opportunities.

Such practices were not without their problems and often led to cross-generation friction. Children born and raised in the UK wanted more choice in marriage partners and were less inclined to settle for cousins from Pakistan. Believing that such marriages were essentially economic immigration through the back door, the British government has also made it increasingly difficult to obtain a spouse visa. At present, visa requirements include evidence of earning over £18,000 a year; for a community that is disproportionately affected by low wages, poverty and unemployment (Office for National Statistics, 2014), this can be a difficult condition to meet.

3.2 Political linkages

Transnational ties are reinforced by economic remittances, but also – and importantly – by family and marriage ties as well as tourism and political and religious engagement. Levitt (2001) argues that physical migration is no longer required to become part of a transnational community as

> migrants' continued participation in their home communities transforms the sending-community context to such an extent that non-migrants also adapt many of the values and

> practices of their migrant counterparts, engage in social relationships that span two settings, and participate in organizations that act across borders.

Her argument is that transnational communities emerge and endure partly because of social remittances: the ideas, behaviors and social capital that flow from receiving to sending communities. Transnational actors create, and are created by, organizations that come to act across borders. Political, religious and civic organizations arise or are reorganized to meet the needs of their newly transnational members.

First-generation postwar migrants retained an interest in the politics of their homeland. In the early days of migration, this made sense – not least because many migrants believed they would eventually return home. Urdu newspapers such as *Jang* were popular among this generation and helped them keep abreast of the political landscape in Pakistan. Given the tumult of Partition in 1947 and the fact that Pakistan was, then, a country in its infancy, many migrants concentrated on the country they had left behind – and to which, they believed, they would soon return – instead of learning the mores of their host country. Indeed, Ali Arshad, Pakistan's ambassador to the UK, urged Pakistanis to 'vote here, not in Pakistan' during a visit to Bradford in April 1986 (Le Lohe, 1990, p. 58).

As members of the Commonwealth, Pakistani migrants could vote in the UK, but many did not participate in electoral politics for several reasons. Elsewhere, I have identified four broad reasons for the political reluctance of postwar migrants: (i) the 'myth of return': the belief that, as temporary economic migrants, they would eventually return to their country of origin; (ii) unfamiliarity with the host country's political process; (iii) lack of time, given their long working hours; and (iv) greater interest in the politics of their home country (stemming partly from the myth of return). Migrants' assumption that they would return to Pakistan meant that its politics were more important to their future than politics in Britain (Akhtar, 2013).

Like postwar migrants, the British political elite of the time looked on them as sojourners. History proved otherwise. If 'benign neglect' characterized early political attitudes toward migrants (Garbaye, 2005), by the 1970s, things had begun to change. Patterns of migration and settlement led to the creation of ethnic enclaves – constituencies in large industrial British cities with significant British-Pakistani populations. This had implications for local politics. Their political rights – specifically, their voting rights – meant that the migrant Pakistani population constituted a potential interest group for British politicians. From the vantage point of

the Pakistani diaspora, such inalienable rights gave weight to its political claims. This spurred the political emergence of ethnic minority elites and the automatic right to vote became a strong resource for electoral mobilization (Garbaye, 2005, p. 40).

The first concerted effort by British politicians to court the diasporic vote followed the 1974 general election, when Labour appeared to have won some marginal seats in inner-city areas with support from ethnic minorities (Garbaye, 2005; Akhtar, 2013). A Community Relations Commission (1975) report concluded that such minorities had played a significant part in determining the outcome of the election: the swing toward Labour among minorities was greater than that of the electorate as a whole and this was at least partly in response to the party's actions to benefit minorities. Subsequently, each of the main political parties began to court the ethnic minority vote. The Pakistani diaspora, given its concentration in key wards, was suitably disposed to such courting.

4. How British politicians court British-Pakistanis

While the UK's main political parties began to take the power of the minority vote – and particularly the British-Pakistani vote – more seriously, communicating with the latter was not an easy task because the political establishment was apt to see the community as 'impenetrable'. Politicians thus sought to connect with community leaders, who were very often biraderi elders. However, as Shaw (1988, p. 147) argues in one of the first studies of the British-Pakistani diaspora, 'the very concept of community representation is alien to Pakistani villagers brought up in communities where the favors of biraderi members in government positions are often vital to secure justice'. In many rural areas of Pakistan, voting occurs along kinship lines, whereby the biraderi elders decide whom to vote for on behalf of the entire kinship group, which then follows suit.

In the UK, the role of biraderi elder morphed into that of community leader. As such, their position within the British-Pakistani community was strengthened by British authorities and institutions that turned to these 'leaders' in search of interlocutors (Ellis, 1991). Unwittingly, local council authorities perpetuated the patronage system by accepting the role of community leaders and, in doing so, equating biraderi elders with spokespersons for the entire British-Pakistani population. As Ellis (1991, p. 1) observes:

> For local authority officers, there is a tendency to attribute a cohesiveness to supposed ethnic minority 'communities',

> which they would not expect to find among indigenous Whites, and to assume that a small number of 'leaders' speak with authority.

The prestige accorded to such groups and individuals by the British establishment enhanced their status among their own people, often leading them to seek more recognition. This type of leadership is highly personalized: it relies on a network of duties and debts, kinship and village allegiances informed by a tradition of clientelism (Joly, 1987, p. 68).

One of the key spaces in which biraderi elders could act out the role of the community leader was the local mosque. Mosques are important arenas in which community leadership is conceived, contested and legitimized, arguably serving as the Pakistani community's territorial organization (Werbner, 1990). This highlights the complexities inherent in Muslim communities, which reflect class, occupation, generation and gender. Theoretically, mosques are open to all Muslims, but they can (and do) operate all sorts of closure in practice. Male elders tend to claim the mosque – the most 'serious' and 'prestigious' Islamic space – as their own (McLoughlin, 2005, p. 1049). Indeed, this is the 'central forum' in which the 'elite competes to legitimize its status' (Werbner, 1990, p. 311). There have been several high-profile mosque disputes in the UK, some of which were along biraderi lines.

In Britain, the role of biraderi developed in such a way that those able to dispense patronage within their kinship group were co-opted into the political system by politicians eager to exploit this patronage for electoral gain. The literature suggests that the patronage system has endorsed a 'neocolonial' form of politics in which a powerful white figure maintains his position through a network of black intermediaries (Back & Solomos, 1992, p. 7).

The patronage-based political landscape that developed in constituencies with a significant Pakistani population in the 1970s has altered substantially over the last 40 years. Then, patronage politics enabled white politicians to interact with Pakistani community elders, whereby 'native politicians' were seen as the gatekeepers of such 'impenetrable' communities. Today, the difference is that British politicians include British-Pakistanis. No longer content to remain mere gatekeepers, aspiring Pakistani politicians stand for election as local councilors and MPs. There is a paradox to this type of patronage politics (see Akhtar, 2015). On the one hand, the kinship network is patriarchal and hierarchical, thereby excluding women and young people. On the other hand, mobilizations around kinship have allowed Pakistanis to

build their presence in local and national politics – a presence that has symbolic value because it has raised the political aspirations of young, politically inclined British-Pakistanis.

While many young Pakistanis currently active in British politics credit their political careers to the success of Pakistanis before them, the presence of biraderi politics has also turned many people away. The unexpected electoral victory of maverick politician George Galloway in the Bradford by-election in 2012 is testimony to the appetite for political change among the Pakistani community – and especially among younger British-Pakistanis (Akhtar, 2012). Galloway's anti-biraderi rhetoric was a key vote winner among young people who felt deeply disillusioned by politics within British-Pakistani communities (Akhtar, 2013; Peace & Akhtar, 2015).

It is also important to note that many (British-born) third-generation and fourth-generation descendants of postwar Pakistani migrants have little connection with Pakistan. Nevertheless, in the sphere of politics, British-Pakistani politicians in the UK and Pakistani politicians from Pakistan have been keen to maintain linkages between the two countries.

5. Conclusion

A key question that arises from this collective political biography of the Pakistani diaspora in the UK is what the future holds for Britain–Pakistan political linkages. The first British Muslim MP, Mohammad Sarwar, served as the governor of Punjab during 2013–15. Along with Sayeeda Warsi and Lord Nazir Ahmed, he has a significant media presence in Pakistan. Conversely, during elections in British cities such as Bradford, Pakistani politicians visit the country and lend support to British-Pakistani candidates here. An area ripe for further investigation, therefore, concerns the political remittances and circular linkages between the UK and Pakistan. What is the nature of these linkages and how significant are they? What future role might they play in the political landscape of both countries?

Thirty years ago, a Pakistani politician advised the diaspora in Britain to vote in the country in which they lived, rather than in Pakistan. Today, the political landscape has changed dramatically: not only are British-Pakistanis increasingly invested in voting in the UK, but some have gone on to achieve positions in high office – Baroness Sayeeda Warsi and Mayor Sadiq Khan among them. A fundamental point to consider is that most British-Pakistanis who have made a career in British politics come from modest immigrant backgrounds and are a class apart from the

elite in Pakistan who traditionally assume positions of power and influence. Whether London's newest mayor could have reached a similar position in his country of origin remains, therefore, a valid question.

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13

Circuits of knowledge: Learning from the Pakistani academic diaspora and teaching them in return

S. Akbar Zaidi[*]

1. Introduction

Unlike in the late 1990s, we can now differentiate between at least two distinct categories of Pakistani diaspora who are organized around or have links to knowledge production and circulation, particularly in the social sciences.[1] I would distinguish broadly, though not strictly, between those Pakistanis abroad who are making a name for themselves as academics, both in the West and in Pakistan, and the somewhat older, more traditional category of Pakistanis – almost all of them economists – who have been involved in public policy and served the Government of Pakistan whenever invited to do so.

This differentiation recognizes that much has changed in the state of the social sciences in Pakistan in the last two decades or so – an observation that needs further research to be verifiable. In the 1990s, there

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This chapter is a revised and expanded version of the background note prepared for the international conference on 'The Pakistani Diaspora: Strengthening Linkages Between Host and Home Countries' held by CIMRAD at the Lahore School of Economics in February 2016. I am very grateful to Rashid Amjad for his comments. The chapter builds on two previously published articles (see Zaidi, 2002, 2013) and a work in progress: an extended monograph tentatively titled *Still dismal two decades later? Social science in Pakistan today*. Given the absence of research on the influence of Pakistan's diaspora on policy and in the academy in Pakistan, this chapter is an attempt to start a discussion on the subject and, one hopes, to generate interest in diaspora studies in Pakistan outside more traditional fields such as remittances and labor migration.

[1] My interest and knowledge is limited to the broad categories of the social sciences and I do not make any claims about individuals and disciplines outside these (see Zaidi, 2002).

were only a handful of Pakistani academics overseas with reputations as serious scholars, but many who were acknowledged as senior public policy experts, mainly in international financial or development organizations. Moreover, I would argue that there has been robust growth and a sea change, perhaps even a 'boom', in the social sciences in Pakistan of late – although this observation comes with many caveats and questions – where even the old-school Pakistani public policy diaspora experts have now shifted to knowledge production of the academic kind, setting up and heading universities and think-tanks across Pakistan.

After three decades or so of international and local experience as technocrats and senior officials, many older members of the diaspora are now professors, deans, directors, vice-chancellors or rectors at some of the new social science universities set up in Pakistan. This engagement with highly qualified, well-trained and experienced social scientists has encouraged academics and students in similar fields abroad to consider moving (often temporarily) back to Pakistan, giving further credence to the 'boom' argument presented above.

The presence of Pakistani academics in large numbers abroad is a relatively new phenomenon and differs from that of the older diaspora. There was a close relationship between public policy and the Pakistani diaspora in the field of economics from the 1970s and well into the 2000s. Many Pakistani economists and other public policy experts from this period who served the Government of Pakistan at very senior levels – including advisor to the Prime Minister and finance minister, the minister for planning and development and the governor of the State Bank of Pakistan – were part of the country's extensive diaspora of public policy professionals.

In two cases, Pakistani bankers based abroad – one at the World Bank and the other at Citibank – were asked to become Prime Minister, the first directly and the second after serving as finance minister. Clearly, a position at the World Bank carried considerable clout in the eyes of the government (which was often the military) when it came to senior appointments in the public sector. For the most part, these economists and public policy professionals were based overseas when appointed.[2] It

[2] Rashid Amjad makes the excellent point that Pakistan is not in the least unique in this regard. India, for example, has a long tradition of bringing in technocrats from the World Bank and International Monetary Fund or academics from the West. Perhaps the difference between the two countries in this respect is that India has always been a democracy and its technocrats have come to be part of a democratic government, while most Pakistani technocrats in similar positions have been part of a military or quasi-military government. Moreover, many of them left the country once a civilian government took power and are thus described as 'suitcase economists'.

is striking that many of them were invited to return by military dictators to strengthen the hand of the military government then in power. However, a more important political economy reason could be that these technocrats worked better under military governments, outside the muddied waters of electoral and democratic governing in Pakistan. This line of argument does not undermine the fact that some very prominent international technocrats who worked under military dictators stayed on and eventually joined a political party.[3]

2. The changing nature of the state of the social sciences in Pakistan

About two decades ago, a great deal of research was carried out on the state of the social sciences in Pakistan.[4] Most social scientists agreed that the prognosis was poor: not much research of any real quality took place in Pakistan and the little that was undertaken was by the few Pakistani academics who lived and worked in the West. Those who had produced high-quality research in Pakistan while based here were considered an anomaly and their institution's contribution incidental. Many of the best Pakistani social scientists had left for other countries (what is commonly termed 'brain drain'). There was no academic community with which to interact, few academic journals and almost no professional associations. Moreover, many Pakistani social scientists felt that the Western social scientists then working on Pakistan were second-rate scholars at third-rate universities – a fact that did not help the cause of the social sciences in Pakistan either.

Much has changed since then. Unfortunately, there has been no substantive research on the state of the social sciences in Pakistan since the late 1990s. There is clearly an urgent need for hard empirical data on this subject, without which it is not possible to be systematic or precise and one is forced to depend on anecdotes and observations. Nevertheless, there is some basis for arguing that the social sciences have moved forward, despite claims to the contrary by journalists who do not conduct academic research themselves (see Yusuf, 2012). While the state of research and academics in Pakistan is still far from satisfactory, the point is that it has improved considerably.

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[3] For a more substantive discussion on the earlier role of the Pakistani diaspora in public policy, see Zaidi (2013).

[4] There has been some research in the social sciences in Pakistan: the chapter does not, therefore, delve into this issue and concentrates instead on the diaspora aspect. For research on the state of the social sciences, see, among others, Naseem (1998); Naseem, Qureshi and Siddiqui (1998); Haque and Khan (1998); Robinson (1967); and Zaidi (1998, 2000, 2002, 2003).

There are many reasons for this. In 2002, the military government under General Pervez Musharraf set up the Higher Education Commission (HEC), which was tasked with developing Pakistan's higher education in all disciplines. In the last decade, it has provided scholarships and fellowships – many of them in the social sciences – to thousands of Pakistani students both in the country and abroad. The HEC has also sent a few thousand university teachers abroad to complete their PhDs. USAID, which had left Pakistan in 1993, returned in pursuit of the US-led 'war on terror' and has funded hundreds of Pakistani academics and teachers studying for higher degrees in the US. Added to this was the government's overly generous – and perhaps lax – strategy of granting university status to applicants in the private sector, which has resulted in a boom in private university education.[5]

Some private sector universities that were established much earlier, such as the Lahore University of Management Sciences (LUMS), have begun to produce high-caliber students, many of whom continue their education abroad. There was also a noticeable growth in research organizations and think-tanks in Pakistan towards the end of the 2000s. By all accounts, the supply of locally and overseas-trained social scientists has risen. While the quality of output – which this chapter does not examine – is questionable in many cases, the numbers seem to have increased.[6]

3. The new academic diaspora

Research on the social sciences in Pakistan in the 2000s and anecdotal evidence since suggests the following. First, the bulk of high-quality academic research on Pakistan in the past was carried out by Pakistani social scientists working abroad (usually at universities), whose area of expertise was not even necessarily Pakistan.

Second, many of the country's 'brightest and best' economists and social scientists ended up working for international financial institutions and development organizations because they were unwilling to work in Pakistan, whether for financial reasons or given the country's lack of opportunity and its sociocultural and political environment. The first of these factors has changed. As more and more students have completed

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[5] Although many such institutions have been certified as 'universities', their eligibility to qualify as such has been questioned.

[6] A key premise of this chapter is that there has been a revival, even a 'boom', in the social sciences in Pakistan. Is this correct and can it be demonstrated empirically? Clearly, we need an extensive study to reassess the state of the social sciences in Pakistan two decades later.

their education here and gone abroad, there is now a larger pool of Pakistani academics working on Pakistan. Among them, women have become far more visible and mobile, going abroad to study or teach. The general rise of the Pakistani middle class, where women have also made their presence felt at higher tiers of education in Pakistan, has resulted in far greater mobility for both young men and women. This has increased the potential pool of academics at higher levels of learning, both at home and abroad.

Third, post-9/11, there has been greater international interest in Pakistan, with rising demand for Pakistani 'experts' in Washington and London. Many of them are second-generation Pakistani scholars – and even recent migrants – who work for international research organizations in the US and UK. Fourth, many of the earlier crop of Pakistani economists working for international financial institutions have now retired and returned to teach or carry out research in Pakistan. Most of them work at private sector universities, but some are also involved with academics in the public sector. Both have had a positive impact on scholarship and education in Pakistan, helping the social sciences develop further.

Another more recent aspect of this change is that second-generation Pakistani scholars – many of whom grew up in the West – have shown an interest in their heritage and returned to Pakistan to engage with it in terms of teaching and research. Perhaps the most remarkable and visible aspect of the academic diaspora is the emergence of women in the field. A cursory glance at the books being published by Pakistani academics shows that women account for a disproportionately larger share of scholarship than their numbers might suggest. This is clearly a very healthy sign, not just for academics in Pakistan, but also for women's ability to create symbols of greater gender equality in a country considered oppressively misogynistic.

4. Engaging from abroad: The diaspora and us at home

There are several streams of diasporic engagement[7] with Pakistan.[8] As argued above, the first stream comprises those social scientists and economists who, after many years of service in international financial institutions, have returned to Pakistan not in public policy positions, but to teach and conduct research, primarily at private universities. The second stream comes largely through the post-9/11 Pakistani reality, in

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[7] I am not including the diaspora's link with militancy, radicalism, global jihad or terrorism.

[8] For a longer discussion of these ideas, see Zaidi (2013), from which this section is drawn.

which donors and think-tanks focusing on Islam and security have become a booming business.

The third stream is a more conventional one, with continuities from the pre-9/11 world, where senior Pakistani professionals based overseas have been invited to return to the country to work for 'their' government. Another more recent stream includes the growing number of young Pakistani academics who have just completed their PhDs and are now working in the West, many having written their dissertations on Pakistan. This new diasporic or Pakistan-emigrated academic represents an area of growing potential for research and engagement. Moreover, the increase in liberal arts undergraduate colleges and universities in the country has given younger Pakistani scholars who want to return and teach in Pakistan, an option to do so. For once, this new crop of social scientists has found a potential home in Pakistan outside the bureaucratic public sector universities.

5. 'Experts' on Islam and terrorism: Co-opting the native informant

The country's geopolitical location, its associated labels of Islam and possession of nuclear warheads have given Pakistan the reputation of a 'rogue state'. The post-9/11 world has, therefore, seen a boom in policy advice for and on Pakistan – predominantly in the US, but also in other Western countries. Those heading think-tanks and research teams on Pakistan are, in the tradition of a modern orientalism, almost always white men – and occasionally (American) women – increasingly assisted by 'native' informants. The latter belong to the Pakistani diaspora and are either second-generation scholars or recent graduates from a US university, helping their 'team' create a body of knowledge remotely. Often, they speak one or other Pakistani language and are of most use to their US 'counterparts' as translators. Not all Pakistan's diaspora in the think-tank community are younger first- or second-generation emigrants: some are much older, more established Pakistanis who have retired from an international financial institution and decided to stay on in Washington or London and work on Pakistan.

Any sampling of research studies and reports on Pakistan in the international or local press by foreign 'experts' writing in the time of Islam and other crises after 9/11 suggests a strong sense of know-it-all-ness, a self-righteousness that borders on the condescending and orientalist.[9] Such simplistic views are not merely the prerogative of

[9] Their claims tend to suggest a preconceived notion of Pakistan informed by hearsay.

American 'experts' on Pakistan, but are also reproduced by many of its diaspora. Criticizing both, Hussain (2012) rightly argues that

> policymakers and 'experts' tend to speak about Pakistan and its problems in a sensational way, and talk of their work as something that is salvaging a country that is on the verge of collapse. The experts paint everything as good or evil, and expect an end where the good – that is, the US – will ultimately win against all the evil – that is, everything in the 'outside' world ... [M]any of the experts lose their objectivity in analysis and end up making sweeping, generalized statements about Pakistani culture, religion and society. Without nuance, they bash the Pakistan Army and the country's intelligence agencies without giving much in evidence or conducting any serious research. They criticize the massive corruption of the politicians without understanding why they act in such a way.

Much of this applies equally to the Pakistani diaspora serving such think-tanks, who often reinforce superficial and incorrect analyses to be accepted by their employers. Without their support, the authenticity of these think-tanks would be incomplete.

Feminist scholar Afiya Shehrbano Zia argues that the Pakistani diaspora have been complicit in the larger design to refashion Pakistan (and Islam) in an image of Western choosing. Zia (2011) shows that 'collaboration between western academia and Pakistani women at home and in the diaspora has established a body of donor-funded research with an exclusive focus on Islam.' Citing examples from the US and the UK, she implies that this donor-driven agenda seeks to 'rescue' Pakistani women from the more traditional and quotidian forms of patriarchy and oppression. By extension, the same reasoning is applied to women in Iraq and Afghanistan and used to justify more extensive and armed intervention in these countries.

The post-9/11 world has also created a revivalism of identities, particularly Islamic, among the Pakistani and wider Muslim diaspora in the West, many of whom have tried to reconnect with and reinterpret Islam. While some, such as the would-be Times Square bomber Faisal Shahzad, have found this reconnection in violent means, Pakistani scholars in Western academia have argued that Islam needs to be given greater agency in its own naturalized setting.

This revivalism has led to attacks on those fighting for secular and progressive values at home (in Pakistan), while legitimizing Islam for many intellectually born-again Pakistanis who live and teach in the West. Living in Pakistan, it becomes impossible to consider the Jama'at ud Dawa a secularizing force or to see the Taliban as revolutionary, progressive or even anti-imperialist. Despite this, many diasporic scholars have accused their Pakistan-based peers, fighting for progressive, secular values at home, of being 'stooges of imperialism'.[10] Ironically, the former are seen as 'true' native informants who supposedly understand Pakistan and Islam best. As a result, they are co-opted into the larger project of Western apologia for Islam; they also play a critical role in 'explaining' indigenous Islam in Pakistan as well as Pakistan more generally to their (primarily Western) interlocutors. More interesting is the observation that most of these revisionist Islamic scholars among the Pakistani diaspora are women (Saigol, 2016).

6. The missing connection

Although there is no Pakistani diaspora located in India, the new circuits of learning and knowledge among Pakistani scholars in the West have allowed indirect access to scholarship in India. Their interaction with many of the better-known Indian academics at Western universities has led to important intellectual developments among Pakistani academics based overseas as well as in Pakistan. Most have been exposed to, and are familiar with, the conceptualization of subaltern studies, postcolonial theory and other academic developments through scholars such as Partha Chatterjee, Dipesh Chakrabarty, Veena Das, Sudipta Kaviraj and Gayatri Spivak, to name just a few. Moreover, a growing number of Pakistani students completing their graduate and doctoral studies at eminent universities in the US have chosen to concentrate on anthropology, history and postcolonial studies.

With many Indian academics (outside the older discipline of economics) having made a name for themselves internationally, Pakistani scholars have regained the benefit of Indian scholarship – a tradition that had been lost. This new West–Pakistan route to acquiring knowledge has brought Indian scholarship to Pakistan.[11] This new link is best

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[10] See, for example, Toor (2012) and the response by Zia (2015). See also Zaidi (2012).

[11] In the 1980s and 1990s, many Pakistani NGOs and particularly the women's movement had close working links with Indian activists. This produced much collaborative research and many publications. Currently, some institutions in Pakistan, notably the Sustainable Development Policy Institute in Islamabad and LUMS in Lahore, have published research in collaboration with Indian think-tanks.

exemplified by the number of Indian academics (some of them named above) invited to private sector universities in Lahore, Karachi and Islamabad as conference or keynote speakers. It is important to emphasize that the rise of private sector higher education in Pakistan has allowed this access to Indian scholars based in the West. On the other hand, numerous anecdotes highlight the inability or reluctance of public sector universities to do the same. They are actively 'discouraged', even coerced, into abandoning the idea of inviting Indian scholars to Pakistan, given the old security paradigms that still govern the way the bureaucracy thinks, both here and probably also in India.

7. Conclusion

This chapter has tried to engage with some of the issues affecting the state of the social sciences in Pakistan in the second decade of the 21st century, where the emergence and presence of diasporic academics plays an increasingly important role. There is no denying that the social sciences are undergoing a revival in the country and that its diaspora and linkages with individuals and institutions in the West have a role to play in this.

The vibrant presence of the Pakistani academic diaspora triggers numerous questions. It would be interesting to know, for example, what they are working on and for (or with) whom. If the number of Pakistani academics in the West has grown, as the anecdotal evidence suggests, it becomes important to identify these scholars, their areas of research and their networks of knowledge with the local academic community. Is any research taking place in conjunction with their Pakistani counterparts or has the new academic diaspora moved on to themes more suited to the countries in which they are based? Do they still engage with the real, lived-in Pakistan? How have they framed the social, economic, cultural and political discursive space called 'Pakistan'?

Given the recent interest in Pakistan among academics and 'experts' in the West, it is important to understand how the country's diaspora constructs state, society and Islam in Pakistan – which is usually within a security paradigm. This includes the usual suspects, some posing as security experts, as well as many academics based in Pakistan or in the West who have published a large body of research, much of it sponsored by US-based think-tanks. Do these scholars buy into, or help produce, a narrative of Pakistan different from that of their peers who have chosen to retain Pakistan as their intellectual base? The critical question is whether location matters to the type of research being undertaken either by Western scholars or the Pakistani academic diaspora. The different

perspectives used to frame the political economy and the social, economic, cultural and political discursive space called Pakistan, suggests that location is critical to this exercise (Zaidi, 2012).

The presence of think-tanks set up in Pakistan (mainly in Lahore) and supported by academics abroad is a new phenomenon. Some of the US-based Pakistani economists who are part of this collaboration have risen to important positions in US universities: they have made a considerable name for themselves and now channel valuable intellectual capital into the resource-deficient local academia. Does this form of collaboration allow economists abroad – those who know their field very well, but have lost touch with Pakistan – to learn from academics who understand the specifics and nuances of Pakistan's economy?

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14

Transnational business and investment possibilities: The role of Pakistan's diaspora

Tariq Saigol*

1. Introduction

Diasporas play an important role in the economic development of their native countries. They promote trade, encourage foreign direct investment (FDI) (both within and outside the diaspora), create business opportunities, spur entrepreneurship and facilitate the transfer of knowledge and skills to their home country. The argument that diasporas can be seen as a national asset capable of countering the loss created by the emigration of skilled migrants implies that Pakistan could be doing far more to take advantage of its rising stock of overseas labor. In 2015, the Pakistani diaspora remitted about US$19.3 billion to the country, accounting for 7.2 percent of its GDP and 65.3 percent of its exports of goods and services (World Bank, 2017). As other chapters in this book show, remittances have provided critical relief to Pakistan's current account and spurred domestic growth by injecting demand into the economy.

Based on the experience of the Chinese and Indian diasporas, especially those based in the US and the UK, this chapter recommends a series of measures that would help Pakistan make more effective use of its diaspora.

2. The Chinese and Indian experience

While China and India follow very different economic models, both have benefitted substantially from a vast network of overseas workers in terms of remittance flows, greater trade links and the development of

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local human capital. The Indian diaspora, which has more in common with its Pakistani counterparts – a shared history, similar social structures and comparable professional and business interests – offers a number of lessons in this respect.

While the Chinese diaspora has contributed immensely to China's economic development by investing in manufacturing and trade, the Indian diaspora has played a key role in connecting domestic and foreign firms in the services sector. The Chinese experience illustrates how many traditional firms, most of them having started as family-run small and medium enterprises (SMEs), have spiralled into large international operations. The Indian experience shows how new supply chains have engendered innovative business models that emphasize economic learning through investments in education and training.

3. Harnessing the potential of Pakistan's diaspora

Amjad, Irfan and Arif (2013) characterize the Pakistani diaspora as follows. First, migrants account for relatively little FDI. Second, while the bulk of remittances go towards supporting workers' families in Pakistan, some part is spent on purchasing real estate as a form of investment and on philanthropy, especially in the wake of a natural disaster. It is also worth noting that, from the business community's perspective, the perceived lack of transparency in business operations and high rates of corruption have discouraged Pakistan's diaspora from investing in local enterprises.

Based on this assessment and drawing on strategies that have worked well for other countries, Pakistan needs to develop a mutually beneficial relationship with its diaspora. This should involve the following measures:

1. *'Rebranding' Pakistan: The role of the government, the media and donor agencies*. The ruling elite and the national media need to help 'brand' Pakistan as an investor-friendly country. The aim here is to renew the diaspora's sense of identity with Pakistan – a strategy that both India and China have used successfully with respect to their diasporas. In turn, for this to translate into investor confidence, the government must conceive, design and implement policies that enhance business transparency. In this context, well-positioned donors could play an important advisory role – an area that remains underexplored.
2. *Targeting the diaspora in the West*. For the purposes of investment and the transfer of knowledge and skills, Pakistan should focus on

its diaspora in the UK and the US as both China and India have done. The British-Pakistani and American-Pakistani communities are now well entrenched in their respective countries, with many of them living as third-generation migrants. Not only are they likely to have acquired superior skill sets, but many of them are also established in business positions that could support higher investment targets.

3. *Alternative financial instruments*. In the short term, the government could offer its diaspora the option of investing in *sukuk*.[1] This may prove especially popular if the rate of return offered is higher than that on traditional bonds.
4. *Documenting the investment potential of the diaspora*. A prerequisite of engaging constructively with its diaspora is for Pakistan to develop an accurate database documenting not only the extent of overseas migration, but also the human and financial resources of the diaspora. This could be done by setting up a separate, centralized federal department that would work in conjunction with Pakistan's embassies to collect data on its diaspora in every country. Crosschecking this information against key areas of the national economy would: (i) help match overseas Pakistani investors with domestic investment opportunities and (ii) identify a longer-term strategy for engaging with the diaspora, for example, by encouraging FDI (as China has done) or building on its human capital (as India has done).
5. *Potential SME sectors for investment*. Tracing historical investment trends among the diaspora would help identify potential SME sectors and start-ups likely to attract the interest of overseas Pakistani investors.
6. *Transparency, security and returns on investment*. The government must focus on three key factors that will give the diaspora greater incentive to invest in new business in Pakistan: (i) a system of transparent approval that assures investors of the legitimacy of a given venture, (ii) steps to ensure the security of human and capital investments in the country and (iii) higher rates of return on domestic (Pakistan) relative to overseas investment, with money-back guarantees where applicable.
7. *Diaspora bonds and national savings schemes*. Both Israel and India have developed 'diaspora bond' schemes to raise investment (US$11.3

[1] Financial bonds that comply with sharia-based financial principles and are widely used in the global bonds market.

billion and US$32 billion, respectively). In India's case, this has helped immensely in times of national financial need, with the Reserve Bank of India overseeing transactions and issuing the yield of each bond (Nath, 2015). Pakistan could launch similar schemes exclusive to the diaspora through credible state-run financial institutions, which would also help raise investor confidence.

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15

Engaging with diasporas: Lessons from China and India

Piyasiri Wickramasekara*

1. Introduction

Since the 2000s, the migration-development discourse has placed considerable emphasis on the role of diasporas as a resource for the development of their home countries. Countries of origin and international development agencies have also promoted strategies for engaging with diasporas. In this context, the experience of China and India, both of which have emerged as economic powers in the last two decades, is worth analyzing. Despite different political backgrounds, both countries had control regimes for many years. Their diasporas have also played a key role in their economic transformation.

The purpose of this chapter is to highlight the Chinese and Indian experience of engaging with their diasporas and to draw some lessons. We start by addressing some definitional and methodological issues. Next, we examine the indicators of diaspora engagement, focusing on foreign direct investment (FDI), remittances, diaspora skills and knowledge networks, among others. The final section pieces together the lessons to be drawn.

2. Methodology

This section builds a conceptual framework based on evolving definitions of the term 'diaspora' and what engaging with a diaspora means.

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2.1 *Defining the diaspora*

Historically, the term 'diaspora' has been linked to the notion of forced displacement, victimization or alienation (Cohen, 1997; Sheffer, 2003). Cohen (1997) characterizes diasporas in terms of several attributes: (i) dispersal from their original homeland, often traumatically; (ii) alternatively, expansion from their homeland in search of work, in pursuit of trade or to further colonial ambitions; (iii) a collective memory and myth about a homeland; and (iv) an idealization of the supposed ancestral home. He applies a fivefold classification with specific examples: victim diasporas, labor diasporas, imperial/colonial diasporas, trade diasporas and cultural diasporas.

Long-established or mature diasporas can date back centuries, while newer diasporas may be a result of labor migration or refugee flows in recent decades (King & Christou, 2010). The former can be described as mature diasporas with a long history of migration, settlement and integration: these include the Armenian, Chinese, Indian, Jewish and Irish diasporas, among others. Not all migrations (especially temporary) result in the formation of a diaspora, however.

The term 'diaspora' itself has been subject to different interpretations, partly given its association first with anthropological and social studies and then with migration and broader development studies. With increasing globalization and trans-nationalization, it has acquired a broader meaning – referring to persons outside their country of origin and covering diverse groups such as political refugees, migrant workers, ethnic and racial minorities and overseas communities.

The definition adopted by the African Union Executive Council is a conditional one, based on the willingness of the diaspora to contribute to African development: thus, the African diaspora "consists of peoples of African origin living outside the continent, irrespective of their citizenship and nationality and who are willing to contribute to the development of the continent and the building of the African Union" (cited in Wickramasekara, 2009). This diaspora is also described as Africa's "sixth region" (Kamei, 2011).

The terms 'diasporas', 'transnational communities' and 'expatriate communities' are used interchangeably in the literature although there are conceptual differences (Wickramasekara, 2016).[1] As a working

[1] Arab countries prefer the term 'expatriate communities' to 'diaspora', which is historically associated with the dispersion of the Jewish community.

definition, I shall use the description provided by Van Hear, Pieke and Vertovec (2004):

> Diaspora are defined as populations of migrant origin who are scattered among two or more destinations, between which there develop multifarious links involving flows and exchanges of people and resources: between the homeland and destination countries and among destination countries.

While Kaldor (2012) defines the 'near' and 'far' diasporas in relation to conflict situations, these terms assume a new relevance in terms of the strategies China and India have used to engage with their diasporas. For instance, most of the Chinese diaspora (about 70 percent), which is located in Southeast and East Asia, is classified as a near diaspora. The far diaspora refers to Chinese communities that settled in Europe and North America, mostly during the waves of new migration in the wake of increasing globalization. Most FDI inflows to China have been from the near diaspora in Hong Kong SAR, Taiwan (China) and Singapore, among others. In India's case, the near diaspora includes migrants working and living in the Gulf Cooperation Council (GCC) countries. The High-Level Committee on the Indian Diaspora (HLCID, 2001) estimates that about 30 percent of this diaspora comprises skilled and professional workers who may be renewing their visas and living in the Gulf for longer periods than temporary migrant workers.

2.2 *The terminology of engaging with diasporas*

Most early discussions of engaging with a diaspora were framed in terms of how the latter could contribute to its home or origin country. This is reflected in the terms commonly used: "harnessing and leveraging" (Ratha et al., 2011; Ratha & Plaza, 2011), "mobilizing" (African Diaspora Policy Center, 2011), "eliciting contributions from the diaspora" (Ratha et al., 2011) and "tapping, embracing and governing" (Gamlen, 2011). Projecting the diaspora as a development resource or asset or discussing how a country might benefit from its diaspora is based on a unilateral flow of benefits or contributions from the diaspora. This is analogous to the notion of diasporas as a resource that can be exploited at will. As Parekh (2003) observes: "The overseas Indian matters to the mother country only as a cow that can be milked matters to its owner. The NRI [nonresident Indian] is merely someone who will invest in his home country."

Before embracing diaspora communities as the proverbial golden goose, one should note that they are by no means homogeneous and consist of both low-skilled and high-skilled migrants, first and subsequent

generations, those that have regular and those that have irregular status – all of which determine what diasporas can contribute to their country of origin (Wickramasekara, 2009). In this sense, the term 'engaging' with the diaspora is more appropriate because it captures a two-way relationship. Some diaspora groups, for instance, need support from stakeholders in their home country.

2.3 A conceptual framework

I have discussed a framework for engaging with diasporas in Wickramasekara (2009, 2010). A slightly modified version is produced below (Box 1). While this chapter focuses on positive relationships, the two-way relationship between diasporas and their home countries must be emphasized.

Box 1: How diasporas contribute to their countries of origin

A. Positive

- *Economic*. Financial remittances, FDI and investments, outsourcing, trade promotion, exports related to the demand for home country goods, tourism, business networks.
- *Intellectual*. Transfer and sharing of skills and knowledge through diaspora knowledge networks (focus of current project) and other means, advice on economic reforms, transfer of market-based institutions.
- *Philanthropic*. Charity and donations for home country infrastructure and other purposes.
- *Political*. Lobbying, advocacy, mediation, reducing reputation barriers at home and in host countries.
- *Social and cultural* contributions.

B. Negative

- Sustaining conflict in home countries.
- Fueling insurgent movements and terrorism.

In view of this diversity, it is necessary to be selective. Accordingly, I will focus on economic issues, the circulation of skills and policy influence.

3. Population estimates of the Indian and Chinese diasporas

It is generally difficult to obtain accurate estimates of the diaspora populations for any given country, especially when they are meant to include second and third generations. Most estimates are broad figures

with limited information on how they were derived. The lack of standardized definitions and the fact that diasporas receive low priority in data collection exercises make it difficult to obtain comparable estimates across countries. In general, diasporas refer to settled communities abroad, although some countries also consider temporary migrants part of their diaspora.[2]

Estimates of the Chinese diaspora vary from about 30 million to 55 million worldwide. Zhu (2007) gives an estimate of 55 million Chinese migrants spread across 135 countries, but he does not specify the sources of this estimate. Chinese government sources estimate about 50 million Chinese nationals and diaspora members worldwide in 2008, of which 73 percent were in Southeast Asia, 12 percent in North America and 5 percent in Europe (Xiang, 2016).

For policy purposes, diaspora profile information is more useful than these broad estimates. The first attempt to systematically estimate the Indian diaspora was undertaken by the HLCID (2001), which gave a figure of over 20 million. According to the report, 48 countries have a population of 10,000 overseas Indians or more, and 11 countries host more than half a million persons of Indian descent, representing a significant proportion of their total population. Their industry, enterprise, economic strength, educational standards and professional skills are also widely acknowledged (HLCID, 2001, p. v).

The (former) Ministry of Overseas Indians estimated a diaspora population of 28.5 million (as of January 2015), consisting of 11.4 million nonresident Indians (NRIs) or Indian citizens not living in India and 17.1 million persons of Indian origin (PIOs) who had acquired citizenship of another country. Thus, it is safe to say that the overseas Indian population is close to 30 million. As of 31 May 2013, only about 1.3 million had officially registered under the Overseas Citizenship of India (OCI) scheme, which provides registration booklets and visa stickers.[3] According to the UN Department of Economic and Social Affairs (UN DESA, 2015), 16 million Indians were living outside their country of birth in 2015 and comprised the largest diaspora in the world. This seems to be

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[2] For instance, the HLCID's estimate of the Indian diaspora in the Gulf includes temporary migrant workers from India.

[3] See http://moia.gov.in/writereaddata/pdf/Population_Overseas_Indian.pdf. This scheme was introduced by amending the Citizenship Act 1955 in August 2005. It is not a dual citizenship system because it does not confer political or public rights, that is, those "conferred on a citizen of India under article 16 of the Constitution with regard to equality of opportunity in matters of public employment" (see http://www.mea.gov.in/overseas-citizenship-of-india-scheme.htm).

an underestimate, especially given that the same dataset revisions estimate the Chinese diaspora at only close to 10 million (Table 1). It is not strictly correct for UN DESA to use the term 'diasporas' to describe migrants who are defined as persons living outside their country of birth.

Table 1: Diaspora estimates for China and India

Diaspora region	*China*	*As % of total*	*India*	*As % of total*
World	9,546,065	100.0	15,575,724	100.0
Developed countries	5,053,418	52.9	4,305,107	27.6
Developing countries	4,492,647	47.1	11,270,617	72.4
Africa	49,332	0.5	103,582	0.7
Asia	4,968,299	52.0	11,173,058	71.7
Europe	1,042,187	10.9	1,231,390	7.9
Latin America and the Caribbean	118,714	1.2	14,858	0.1
North America	2,815,132	29.5	2,591,284	16.6
Oceania	552,401	5.8	461,552	3.0

Source: Adapted from UN DESA (2015).

The numbers quoted here are far below the broad estimates cited earlier. A likely reason is the definition used for 'global migrants' – those living outside their country of birth or the foreign-born population, which does not include second or third generations born in their host country. For example, the ethnic Chinese diasporas in Southeast Asia – who have lived there for generations – may not be counted as part of the Chinese diaspora. Another reason for the lower estimate is that the UN Statistics Division treats Hong Kong SAR and Macau SAR as part of mainland China.[4]

The generalizations of the distribution of diasporas in Table 1 also suffer from problems of definition. The table shows that 72 percent of the Indian diaspora lives in developing countries, as against 47 percent of the Chinese diaspora. These numbers might also reflect more recent migration, however. A recent study of the Indian diaspora in the US gives an estimate of 2.6 million Indian immigrants and their children (the first and second generations) living in the US (Migration Policy Institute, 2014). Of these, 69 percent are first-generation migrants.[5]

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[4] I am grateful to Professor Ronald Skeldon for pointing this out.

[5] Addressing the US Congress on 8 June 2016, Indian Prime Minister Narendra Modi remarked that "connecting our two nations is also a unique and dynamic bridge of three million Indian Americans" ('Modi praises Indian Americans', 2016).

4. A comparative analysis of the two countries

Table 2 provides an overview of the economic and migration profiles of China and India, with information on Pakistan for comparative purposes. The table shows that China is ahead of India and Pakistan in terms of per capita income, GDP growth and human development indicators. While China is an upper middle-income country, both India and Pakistan fall within the lower middle-income group. All three are net-emigration countries.

Table 2: Economic and demographic profiles of China, India and Pakistan

Indicator	*China*	*India*	*Pakistan*
Population, 2014 (million)	1,364	1,295	185
Population growth, 2005–14 (average annual %)	0.5	1.4	2.1
Labor force, 2014 (million)	865	497	65
Surface area, 2014 (thousand square km)	9,563	3,287	796
GNI per capita (Atlas method), 2014 (current US$)	7,400	1,570	1,400
GDP growth, 2011–14 (average annual %)	8.0	6.5	3.8
HDI rank, 2014 (out of 188 countries)	90	130	147
Stock of emigrants, 2013 (million)	9.56	13.88	6.2
Second-generation diaspora in Australia, Europe and the US, 2012	662,000	1,023,600	410,500
Stock of immigrants, 2013 (million)	1.11	5.34	4.08

Note: GNI = gross national income, HDI = human development index.
Source: Adapted from the World Bank (2016), UN DESA (2015) and UNDP (2015).

Sahoo, Nataraj and Dash (2014, p. 160) rightly observe that,

> while it is natural that China and India will be compared to each other, they do not easily lend themselves for comparison. Reason for it is multifarious starting from different cultural more to political system. Except huge population, little else is similar. Indicators/numbers will not reflect it correctly. Policy aim and ease of its implementation are two key elements that separate these two giants. China due to its centralized political system can move ahead with reforms with speed and ease which is difficult to replicate in decentralized structure of India. Nonetheless, we have a lot to learn from China example and modify it to suit our need.

4.1 What China and India have in common

It is interesting to note that the HLCID (2001) has examined the case of the Chinese diaspora with a view to drawing lessons and observed some similarities and disparities. Several other studies have also addressed this: see, for example, Elie, Lieber and Lutringer (2011); Huang and Khanna (2003); Zhu (2007). Both countries have a long history of emigration and immigration, with similar patterns and waves of emigration during the 19th and 20th centuries. While traders and indentured labor under colonialism formed the bulk of emigrants in the 19th century, both countries have experienced large waves of professional migration since the 1950s.

Both countries have rich cultural traditions dating back many centuries and their diasporas are characterized by their attachment to, and nostalgia for, the country they left behind. Overseas Chinese traditionally consider themselves temporary absentees: indeed, the term for overseas Chinese, '*huaqiao*', means 'sojourners' or 'travelers' (HLCID, 2001). The metaphor of 'fallen leaves' that are supposed to return to their roots when they get old is also used in relation to overseas Chinese (Zhu, 2007, p. 289). Meanwhile, the HLCID (2001, p. v) describes the Indian diaspora in the following terms:

> They live in different countries, speak different languages and are engaged in different vocations. What gives them their common identity are their Indian origin, their consciousness of their cultural heritage and their deep attachment to India.

Zhu (2007) points to the "striking similarity between Indian and Chinese diaspora communities" in terms of "their strong nationalism and their influence on their host nations' foreign policy towards their motherland" (p. 287). Both India and China carry a colonial legacy: India gained independence in 1947 and the People's Republic of China was established in 1949. Both countries had strong inward-looking polices and witnessed decades of heavy state intervention in economic matters, while their diasporas were viewed with suspicion and sometimes envy (Elie et al., 2011). For China, the end of the Cultural Revolution and the liberal economic reforms introduced in 1978 by Deng Xiaoping marked a turning point for the country. India took longer, ushering in major economic reforms in 1991, following a serious debt crisis. Unlike China, its economic reforms were crisis-driven (Sahoo et al., 2014). In both cases, however, these reforms enabled the Chinese and Indian economies to integrate with the global economy (Zhu, 2007) and created a more positive perception of the role of the diaspora.

Another commonality is that temporary migrant workers are only a small proportion of the total estimated diaspora. Both countries experienced the increasing migration of students to developed countries such as Australia, Canada and the US – this cohort become a major scientific and intellectual diaspora. NRIs and overseas Chinese are seen as "relatively successful and wealthy immigrants in the West" (Zhu, 2007, p. 286). With globalization, China and India have also emerged as important global economic powers. The HLCID (2001, p. 304) recognizes these new diasporas in the US as follows:

> Indian Americans and Chinese Americans are one of the most successful ethnic groups in the Silicon Valley leading to the acronym IC being used for Indian and Chinese engineers rather than integrated circuits! This is not accidental, as education and learning have been at a premium in their respective ancient heritages.

Both diasporas are prime examples of brain circulation countering the traditional 'brain drain' hypothesis, such that skilled professionals abroad become "brain banks" instead (Wickramasekara, 2003). Both have central and provincial/state-level governments that engage with the diaspora and both give flexible citizenship rights – not dual citizenship (Xavier, 2011). India's OCI cards restrict political rights in India for expatriates. There are calls for dual citizenship in China, but under the country's nationality law, expatriates lose their Chinese citizenship when they become naturalized abroad (Yan, 2016).

4.2 Where China and India diverge

Researchers are equally emphatic on the differences between China and India that have a bearing on their diasporas. The HLCID notes that these differences stem from historical factors (2001, p. 317). Zhu (2007) identifies the following differences: (i) historical, (ii) cultural, (iii) institutional, (iv) economic development models and (v) geopolitical differences.

To start with, the two countries have adopted different economic development and political models. India is the world's largest democracy, while China follows a socialist framework and one-party rule by the Chinese Communist party, although it has promoted the market economy to emerge as a global production warehouse or manufacturing center (Fallows, 2007). China has followed a manufacturing-led growth strategy, while India has focused on services export-based development. Domestic resistance to economic reforms

was stronger in India and its entrenched bureaucracy meant that even the intended reforms were not followed through.

Another difference is that China has long had a large business and trade diaspora in Southeast Asia, comprising 70 percent of its total diaspora. The HLCID attributes this to “a much longer and more varied history of emigration and the different class origins of the sojourners” whereby the Chinese diaspora “built up powerful business (or ‘bamboo’) networks that controlled significant sectors of the economies in Southeast and East Asia” (2001, p. 305). Overseas Indians did not have as great an advantage in terms of family networks, other social networks and connections, and accumulated capital. Their success was, therefore, tied to “individual merit in the highly competitive structures of modern multinationals” (HLCID, 2001, p. 305).

China has been competing with Taiwan (China), which has also made aggressive attempts to woo the Chinese diaspora. There is no such political pressure on India to win the support of its diaspora (Zhu, 2007). The HLCID (2001) compares the extent to which the two countries are willing to embrace their diasporas as a key resource. China, for instance, had already created an environment conducive to attracting overseas investment, whether from its diaspora or others. Zhu notes the importance of offering material benefits in affecting the diaspora’s decision to invest in its home country: “Like all business people, diasporas who invest in their homeland also want to make money” and in this context, China’s “huge markets, cheap labor and resources provide the necessary conditions for their activities in their homeland” (2007, p. 287).

At the same time, the attitude of resident Indians and Chinese to their respective diasporas has been different: while China initiated reforms that supported its diaspora, the Indian diaspora was initially resented for its success – to the point that NRIs were referred to ironically as ‘not-required Indians’. In this context, Khanna (2008) asks why “the Chinese like their brethren who settle overseas, while Indians apparently do not.” His reading is that

> India’s tendency to shun its diaspora must rank as among the most disastrous decisions made by a nation in modern times: disastrous in the sense that a successful group of people is willing to give time, money, energy, and good will to their country of origin and is being pushed away. Fortunately, this situation has been changing in India in the last 4 to 5 years.

There are two other differences between the countries: (i) the extent and type of government involvement and (ii) the nature of openness. China follows a top-down approach where the government often plays the role of entrepreneur – in most cases, very efficiently. In India, it is mostly the private sector and civil society that handles entrepreneurship with little government intervention (Khanna, 2008). Moreover, accession to the World Trade Organization in 2001 broadened China's 'opening up' policies and encouraged continued FDI inflows into the country.

5. FDI performance: Has China fared better than India?

There has been considerable interest in the differing performance of FDI inflows into China and India and the role of their diasporas in this process: see, for example, Chand (2015); Khanna (2008); Sahoo et al. (2014); Sinha, Kent and Shomali (2007); Sweeny (2010); Tsai (2010); Ye (2014). Most studies attempt to explain why China has been more successful in attracting FDI than India.

5.1 Comparative FDI inflows

It is important to note that there is a wide divergence between UNCTAD and World Bank data on FDI inflows to China. The discrepancy has widened in recent years, as seen in Table 3 and Table A1 in the Appendix (showing a longer data series), to the point that the World Bank estimate is more than double that of UNCTAD. For India, the two series are closer together. Although the two organizations do not clarify why this should be so, a possible explanation is that the World Bank and UNCTAD data comes from two different sources.[6] The World Bank (and International Monetary Fund) figures are from balance-of-payments accounts while UNCTAD obtains its data directly from the relevant FDI approving/monitoring agencies. Most studies use the UNCTAD figures and this chapter uses the same series.[7]

[6] Although I wrote to the relevant sections at UNCTAD and the World Bank asking them to clarify this discrepancy in data, I did not receive the courtesy of a response.
[7] I am grateful to Professor Premachandra Athukorala at the Crawford School of Public Policy, Australian National University, for clarifying this.

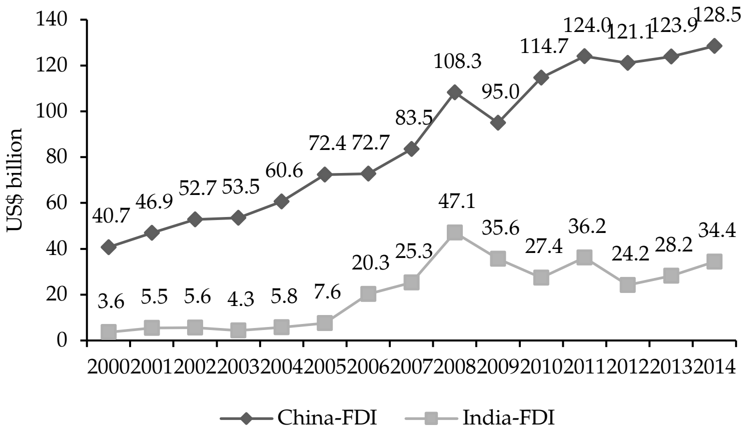
Table 3: Recent FDI inflows to China and India, by data source

	UNCTAD WIR (in US$ million)		*World Bank WDI (in US$ million)*	
Year	*China*	*India*	*China*	*India*
2011	123,985	36,190	280,072	36,499
2012	121,080	24,196	241,214	23,996
2013	123,911	28,199	290,928	28,153
2014	128,500	34,417	289,097	33,871

Source: Adapted from UNCTAD (2015) and World Bank (2016b).

Figure 1 shows the distribution of FDI inflows to both countries for the period 2000–14 and demonstrates that China has been more successful than India in attracting FDI. Although India has picked up to some extent since the mid-2000s, the Chinese FDI inflow remains about 3.5 times that of India.

Figure 1: FDI inflows to China and India, 2000–14



Source: Adapted from UNCTAD (2015).

Some researchers argue that recorded FDI figures overstate actual inflows because of the practice known as 'round-tripping' whereby capital that leaves the country re-enters as FDI. In the case of China, estimates of roundtrip capital vary from 20 to 40 percent (Sahoo et al., 2014; Tsai, 2010). Tsai (2010) argues that a good estimate of roundtrip capital is a third of total FDI inflows. This also applies to India where FDI may not be as foreign as it appears: as Sampath (2016) observes, "India's biggest source of FDI is India itself, money departing on a short holiday to

a tax haven and then routed back as FDI". Indian 'black money' is routed through Mauritius, Singapore and other countries, with Mauritius accounting for 34 percent of the FDI to India during 2000–14. Even accounting for this factor, "the great divergence in FDI" (Tsai, 2010, p. 389) between China and India is striking.

5.2 China and FDI

China has been a top FDI destination since it launched economic reforms in the late 1970s. As the HLCID (2001) points out, this was because China created an environment conducive to attracting investment. In this sense, the most important lesson it offers is that the overall economic environment and incentives for investment – an expanding economy, sound infrastructure and sensible labor policies – ultimately ensure sustained investment, whether domestic, diaspora-based or foreign. Creating such conditions not only encouraged overseas Chinese to invest in China, but also attracted other investors. Moreover, China maintains the same incentives for attracting FDI regardless of source (HLCID, 2001, p. 317).

Initially, a range of investment-friendly policies, a large potential market and the possibility of low-cost production acted as drivers of global investment (Sahoo et al., 2014). China's rapid growth, especially in manufacturing, was also a catalyst in attracting FDI. What is of interest to the present discussion is the role of its diaspora in these flows. The consensus is that Chinese diaspora networks were a key driver of FDI liberalization. For instance, in the 1990s, two thirds of China's FDI came from four Chinese economies – Hong Kong SAR, Taiwan (China), Macau SAR and Singapore. As of mid-2009, this figure was 54 percent (Tsai, 2010). About 65 percent of Chinese electronics produced for export is handled by Taiwanese companies. Foxconn – the world's largest electronic component manufacturer based in China – is a Taiwanese company.

According to Zhu (2011), sources of foreign investment in China are closely related to the distribution of overseas and non-mainland Chinese, based on studies in the Fuqing and Jinjiang municipalities of the Fujian province. He points out that Taiwan and the Philippines rank as the second and third most important sources of foreign investment for Jinjiang province, following Hong Kong SAR. This, he adds, is

> closely related to the fact that there were a million Taiwan people with Jinjiang origins, and that 69 percent of the nearly 1 million overseas Chinese from Jinjiang or of Jinjiang origin were living in the Philippines. Similarly, Indonesia ranked as

> the second most important source of foreign investment for Fuqing, and this is closely related to the fact that among the 268,365 overseas Chinese who were from Fuqing or of Fuqing origin in the early 1990s, 73 percent of them were living in Indonesia (Zhu, 2011, p. 4).

Sinha et al. (2007) underscore the lessons that India can learn from China in attracting FDI more effectively. These include creating a congenial business climate, carrying out further structural changes to the economy, promoting special economic zones in coastal areas (modelled on the Chinese practice), providing economic freedom for companies to grow, expanding openness in trade policies and engaging with the diaspora to develop its economy. To some extent, India has already adopted these policies.

5.3 India and FDI

Ye (2014) carries out a comparative and historical analysis of FDI liberalization in China and India and explains how the return of diasporas has affected such liberalization in these countries. Her conclusion is that diasporas, rather than Western economies, were responsible for bringing the benefits of globalization to both countries. In China, diasporas contributed to the bulk of FDI inflows. In India, returning diasporas promoted Western investment at home. The result was that diasporic entrepreneurs helped build China into the world's manufacturing powerhouse, while the Indian diaspora facilitated India's success in software services development.

Table 4 gives the share of the diaspora in total FDI inflows. China has maintained a high share throughout, with about 54 percent of ethnic FDI coming from the four Chinese economies in 2009. In India, the NRI share of FDI fell sharply in 2000/01. The average for 1992 to 2001 was about 14 percent.

Table 4: FDI share of the Chinese and Indian diasporas

Year	*Chinese economies* % share of FDI*	*Year*	*India (NRIs) % share of FDI*
1992	80.7	1991/92	46.2
1995	68.0	1995/96	33.6
2000	49.9	2000/01	3.0
2006	50.0	Average	13.8
2009	53.7		

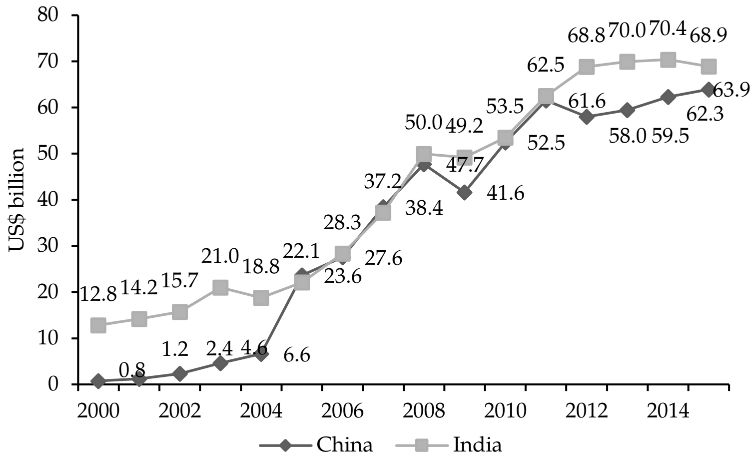
Note: * = includes Hong Kong SAR, Macau SAR, Taiwan (China) and Singapore.
Source: Adapted from Tsai (2010, p. 399, tables 5 and 6).

India has been a pioneer in promoting diaspora investments by issuing diaspora bonds in 1991, 1998 and 2000, which guaranteed NRIs a higher return than they would have earned in their host countries (Afram, 2012, p. xiii). The Indian government has also decided to treat investments by overseas Indians as domestic investment and as FDI (Mishra, 2015).

6. Remittances to China and India

Figure 2 shows the inflow of remittances to China and India during the period 2000–15. India is clearly ahead of China in terms of remittance receipts although the gap has narrowed substantially since 2005. It must be stressed that these are officially reported figures for remittances coming through formal channels, even through informal channels such as *hawala* remain important. Some studies estimate that the hawala market in India could account for as much as 30–40 percent of the recorded remittance transfers (Afram, 2012).

Figure 2: Inflow of remittances to China and India, 2000–15
(in US$ billion)



This begs the question why India is better at receiving remittances than China. Dilip Ratha argues that "the explanation is part statistical, part historical and part cultural – but mostly economic" (cited in Bellman, 2014). Chinese families are better off than the families of Indian migrant workers in the GCC region and do not need remittances for survival. Overseas Chinese are more likely to send money home for investment purposes than for household consumption, which is reflected in the larger

FDI inflows to China than to India. Ratha also holds that the remittance decay hypothesis – the tendency of remittances to decrease over time the longer migrants stay in their host country – does not apply as strongly to India because Indian families living abroad tend to maintain closer ties with their home country and for longer. The diversity of occupations among overseas Indians, ranging from low-skilled labor to highly skilled professions such as computer programming, is another factor to consider (Ratha, cited in Butt, 2015).

That said, these arguments are perhaps less relevant now that China has moved closer to India in terms of the volume of remittances received. Between 2004 and 2005, there was a phenomenal rise in remittances to China from about US$6.6 billion to US$23.6 billion. Since then, this volume has risen steadily and come closer to Indian remittance inflows. While the reasons for this sudden jump are not clear, it may partly be due to changing definitions or improved measurement.

6.1 Remittances to China

Remittances have not received the same attention as FDI in China's case, probably given the relatively low inflows received until the mid-2000s. A good part of these remittances come from the Asia-Pacific region, the US and Canada (Table 5), while remittances from Chinese communities in Europe are far lower (Butt, 2015). Recent Chinese policy has paid more attention to remittances, taking steps to improve the financial infrastructure needed to support these inflows and to introduce remittance services in rural areas through bank branches and banking agents. Technological innovations in payment processes have also been introduced ('National remittance plan', 2015). The sharp rise in remittances since 2004 may be due partly to this improved policy environment as well as better measurement. In 2015, China was the second largest recipient of remittances.

Table 5: Top ten remittance inflows to mainland China, 2014

Corridor	*Volume*	*Corridor*	*Volume*
	US$ billion		US$ billion
US	16.3	Australia	2.9
Hong Kong SAR	15.6	Singapore	2.8
Japan	4.2	Macao SAR, China	2.2
Canada	4.2	Italy	1.1
Republic of Korea	4.1	Spain	1.0

Source: World Bank bilateral remittances data from China (2015).

6.2 *Remittances to India*

India is the world's largest recipient of remittances and, in this context, has been more successful than China, although the gap between remittance flows to China and India has narrowed substantially since 2005 (Figure 2 and Table A2 in the Appendix). A large proportion of these remittances come from low-skilled temporary migrant workers in the Gulf. Afram (2012, p. xiii) explains why remittances have increased, although his analysis is more relevant to NRIs than to low-skilled migrant workers in the Gulf:

> In addition to the improvements in the data collection methods on remittances of recent years, several factors account for this remarkable increase in workers' remittances over the past 15 years. First, in the 1990s, migration of skilled Indian labor to North America increased significantly, particularly among information technology (IT) workers. Second, this increase in immigrant labor coincided with better incentives to send and invest money, relaxed regulations and controls, more flexible exchange rates, and gradual opening of the capital account after 1993. Finally, NRIs have responded well to several attractive deposit schemes in India.

Table 6 highlights the share of different destinations in total remittances to India. The Gulf countries account for the largest share – close to 37 percent of all remittances. North America comes a close second with about 34 percent, followed by Europe at 12 percent. It is worth noting, however, that many skilled workers in the Gulf maintain bank accounts in the US or Europe, and the reported flows might not reflect the true origin of all remittances.

Table 6: India's sources of remittances, 2009–13

Region	*2009/10*	*2010/11*	*2011/12*	*2012/13*
Gulf countries	30.6%	36.9%	36.9%	36.9%
North America	29.7%	34.3%	34.3%	34.3%
South America	4.1%	2.6%	2.6%	2.6%
Europe	19.5%	12.2%	12.2%	12.2%
Africa	3.2%	2.9%	2.9%	2.9%
East Asia	4.2%	6.7%	6.7%	6.7%
Other	8.7%	4.4%	4.4%	4.4%
Total	100.0%	100.0%	100.0%	100.0%
Total remittances, US$ million	53,636	55,618	66,129	67,627

Source: Adapted from the Reserve Bank of India (2013).

The Reserve Bank of India classifies remittances according to the period of stay. As Table 7 shows, 44 percent of remittances are from temporary workers who have lived in their host country for less than three years. This tabulation is not, however, that meaningful because it clusters all migrant workers who have lived overseas longer than three years into one category. Even temporary contracts can last up to five years. NRI deposits are also an important source of remittances. Table A3 in the Appendix gives a cumulative figure of US$103 billion for 2014.

Table 7: Distribution of remittances from NRIs, by duration of overseas residence

Duration of overseas residence	*Percentage of remittances*
Less than a year	7
1–2 years	12
2–3 years	25
More than 3 years	53
All of India	71

Source: Reserve Bank of India (2013).

7. The circulation of diasporic knowledge and skills

The new waves of migrants from both China and India have given rise to large scientific and intellectual diasporas – which policymakers see as their 'brain banks abroad'. As the *Economist* puts it, "An increasing number go home, taking with them both knowledge and contacts. Indian computer scientists in Bangalore bounce ideas constantly off their Indian friends in Silicon Valley" ('The magic of diasporas', 2011). Similarly, in China, "returning students are often referred to *ashaiku*, or 'Sea Turtle,' a term that means a returnee to China who has studied or worked overseas… They are well-educated, young, hold degrees from foreign universities, often in the sciences, and they represent the brains China needs to power its continued growth" (Fuller, 2014).

Since 1978, more than 2.6 million Chinese students have gone abroad to study. According to education ministry estimates, about half return to China (Fuller, 2014). The government has focused on encouraging the return of this talent pool, which is thought to represent a 'scientific diaspora' of some 400,000 people (Kee, 2014, p. 255). Returnees with foreign passports or the right of return to their adopted countries thus engage in circular migration and become what Saxenian (2007) calls the "new Argonauts". Additionally, the "links formed by mainland China's large scientific diaspora and its increasing output of high-quality research make it an emerging center of international collaboration" ('China's

diaspora', 2015). In 2014, scientists from mainland China collaborated with counterparts in 94 other nations, making it one of the most connected countries on the nature index.

India's case is captured best by Khadria (1999), whose book on the out-migration of Indian knowledge workers draws attention to their immense potential. He focuses on the second-generation impact of India's 'brain drain' and how this has metamorphosed into 'brain gain' and the circulation of skills. The Indian IT industry is a prime example of the positive spillovers of diaspora roles. As Naujoks explains, the sector is "widely regarded as a showcase for this triple-benefit formula" (2013, p. 16). Both the diaspora and returnees have influenced the remarkable success of the IT industry in several ways. Returnees from the US have boosted the local IT industry by setting up IT companies in Bangalore and Hyderabad, among others, while the US-based Indian diaspora collaborates with local companies in Silicon Valley through subcontracting relationships. This interaction helps promote confidence in India as a reliable pool of human resources. It also encourages other business ventures and entry into the Indian market among entrepreneurs. Deepak Ghaisas, former head of Indian operations at Oracle Financial Services, observes that "the Indian connection … helps to push business to India and it usually works out, as they don't have to sell India in terms of location. India is already established as a destination for the IT industry" (cited in Jose & Khanzode, 2009).

Hugo (2010) examines the role of the Chinese and Indian academic diasporas in Australia and concludes that they have a great deal to offer their home countries. In both cases, his survey underscores the strong ties between the diaspora and its homeland. More than half the respondents were in contact with their home country more than twice a week and visited at least once a year. Between 80 to 90 percent said they visited their families in China/India regularly. The survey also reveals strong professional linkages between the academic community and its home country, with a significant proportion of Chinese and Indian academics saying they "intend to return home at some stage. This suggests that there is considerable scope from the homeland perspective of enhancing the flow of information and encouraging technology transfer. It means that there is also considerable scope for policy intervention to enhance, strengthen and develop those linkages to increase their impact" (Hugo, 2010, p. 113).

The depth and range of this interaction does not necessarily apply to all migrant communities. A large survey in Toronto, for instance, finds that transnational contact among Chinese and Indian migrant

communities is limited and most likely to occur among newly arrived immigrants who have few family members in the local area where they seek social support (Fong, Cao & Chan, 2010). This survey covers migrants of all types, however, and not necessarily academic or scientific diasporas.

8. Influencing economic reforms and change at home

Both diasporas settled abroad and returning migrants have influenced economic reforms at home in the last two to three decades, particularly in the case of India. In China, where returnees were often discredited during the Cultural Revolution, the new generation of returning professionals has helped the country integrate with the global economy through the transfer of skills, overseas experience and work ethics, and social capital and remittances (Wang, 2013). Over the last decade, about 500,000 Chinese have studied abroad and returned – many now dominate the think-tanks advising the government and are moving up the ranks of the Communist Party ('Weaving the world', 2011).

The Indian diaspora, notes Bhagawati, "is a conduit for values that promise egalitarianism" and has the resources and "activism [needed] to promote social change in India" (2010, p. 9). Among the foreign-educated and employed Indians who returned to their home country are former Prime Minister Manmohan Singh and Montek Ahluwalia – people who played a key role in bringing economic reforms to India in the early 1990s, particularly in dismantling protectionist controls and measures and paving the way for more open trade policies. The Indian diaspora's success has also played an important role in improving India's relations with the West, particularly the US.

9. Government policy

Arguably, China has been more successful than India in engaging with its diaspora at the policy level. Khanna (2008), for instance, refers to "China's excellent 'diaspora management', which he compares to "India's embarrassing 'diaspora mismanagement'."

9.1 China's approach to engaging with its diaspora

China has taken a strategic two-track approach to engaging with its diaspora by distinguishing between ethnic Chinese and overseas Chinese professionals (the new diaspora). Xiang (2016) points out that the country has employed policies focusing simultaneously on liberalization and proactive intervention.

The first step was to formally recognize the Chinese diaspora. The constitution was amended in 1982 to recognize overseas Chinese and returnees as a special group. At the same time, major institutional reforms were carried out, including the establishment of the Overseas Chinese Affairs Office in 1978. This was then decentralized to the provincial, municipal, county and (in some cases) township and village levels. The All-China Federation of Returned Overseas Chinese (*quanguo guiqiao lianhehui*) was also re-established to support returning migrants and their families (Zhu, 2007). The aim was to mobilize overseas Chinese to contribute to China's development through mechanisms such as special economic zones, preferential laws and patriotic appeals. The State Council's Regulation on Encouraging Overseas Chinese, Hong Kong, and Macao Compatriots to Invest in the Mainland (issued in 1990) is an example of a specific law in this respect (Zhu, 2007).

At the policy level, China has focused not so much on encouraging its new diaspora to return, as on giving the latter incentive to engage with its home country. Zweig, Fung and Han (2008) point to the shift from 'return and serve the motherland' (*huiuo fuwu*) to 'serve the motherland' (*weiguo fuwu*), which reflects the growing emphasis on skills and knowledge circulation. They argue that building a transnational academic community has helped counter the 'brain drain' from China. Another important feature that Xiang (2016) identifies is the role of multiple actors, different formats and channels of communication, and diverse mechanisms that give returnees an incentive to engage with their home country. Thus, policy priority has shifted from financial investment to technology transfer, capacity building, rights protection and the role of the diaspora in an increasingly globalized China.

Several talent schemes to attract skills from overseas have been implemented and devolved from the center to the provincial and lower levels. These include the Thousand Talents Program (2008), Thousand Young Talents Program (2010), Thousand Foreign Experts Program (2011), Special Talent Zone and Ten Thousand Talent Plan (2012) (Wang, 2013). By August 2012, 35 industries in 31 provinces and municipalities in China had launched a total of 2,778 local talent plans such as the Beijing Haiju Program, the Jiangsu Seagull Program and the Guangdong Pearl River Talent Plan. Under these programs, more than 20,000 high-level professionals have been recruited from among the Chinese diaspora (Wang, 2013).

Public-private partnerships are another innovative feature. State and local governments run their own high-profile recruitment drives, while science and business parks have been established to attract talent. By

2015, China had more than 305 science parks and some 63,000 returnees had set up over 22,000 enterprises (Xiang, 2016). Several web portals for liaising with the diaspora also exist, including China Scholar Abroad, the China Diaspora Web and province-level websites, among others.

9.2 India's approach to engaging with its diaspora

In this context, India's point of departure has been the HLCID (2001) report, which led to important policy changes. Based on its recommendations, the Ministry of Overseas Indian Affairs was established in 2004. In 2016, it was merged with the Ministry of External Affairs. Another diaspora-related institution is Pravasi Bharatiya Divas or Nonresident Indians Day, which has been celebrated every 9 January since 2003 to connect India to its vast diaspora and bring the latter's knowledge, expertise and skills onto a common platform. At the first meeting of the diaspora forum in 2003, the Indian Prime Minister invited overseas Indians

> not only to share our vision of India in the new millennium, but also to help us shape its contours. We do not want only your investment. We also want your ideas. We do not want your riches, we want the richness of your experience. We can gain from the breadth of vision that your global exposure has given you.[8]

To address the needs of second-generation Indian migrants, the government has initiated a diaspora youth program (Know India Program) that had reached out to 729 young people by 2015. While India has stopped short of granting dual citizenship, it has issued PIO and OCI cards since August 2005, which give registered cardholders a multiple-entry, multipurpose Indian visa for life, albeit without voting rights. Following the example of China and Taiwan, India has also established special investment incentives for returnees such as investment parks in Bangalore and Hyderabad. Other programs address issues related to gender and the diaspora, provide welfare support to overseas Indian women and help PIOs trace their roots in India.

10. Lessons from China and India

The analysis brings out the different roles played by the Chinese and Indian diasporas, given the strategic focus on manufacturing and services in the two countries, respectively. As Huang and Khanna (2003) note,

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[8] http://archivepmo.nic.in/abv/content_print.php?nodeid=9002&nodetype=2

"With the help of its diaspora, China has won the race to be the world's factory. With the help of its diaspora, India could become the world's technology lab." Steady economic growth, political stability and a business-friendly climate may also be more important in spontaneously attracting the diaspora than deliberate government programs. Moreover, rapid growth has, in both cases, created opportunities for diaspora investment and engagement. That both countries have large diaspora populations implies that smaller economies might not be able to emulate their success in this respect. That said, Kuznetsov (2006), a World Bank expert on diaspora strategies, argues that even a small number of overachievers among the diaspora can act as catalysts in promoting home country development.

The HLCID (2001) draws two key lessons for India from the Chinese experience (Box 2): (i) creating an overall policy environment and incentives that are conducive to investment and (ii) creating a problem-free environment for foreign investors. Both measures would facilitate investment, whether by residents, foreigners or the diaspora.

Box 2: Lessons from China for India

The HLCID (2001) points to the necessity of deep and meaningful economic reforms to generate rapid growth: The most important lesson from China is that it is the overall economic environment and incentives for investment – an expanding economy, good infrastructure and sensible labor policies – which ultimately ensure sustained investment, domestic, diaspora-based or foreign (p. 317).

In addition, the HLCID emphasizes the importance of creating a problem-free environment for foreign investor[s], which includes, inter alia, assured power supplies, water connection, special housing, easy land acquisition policies: China has adopted legislation and created high-powered state organs to this end. Simultaneously, it has decentralized authority to the lowest possible administrative unit to offer incentives to the foreign investor. As a result … [the overseas] Chinese investor finds that all his concerns are expeditiously addressed. A similar twin approach of raising the level at which policy is decided at the center, while delegating and decentralizing the actual implementation to local administrative units could be attempted in India (pp. 317–318).

Another relevant question is whether regime type makes a difference. As Zhu points out, "Up till now, China has done a better job than India in obtaining the support of overseas Chinese for China's economic growth, and yet China is not a democracy. Students of political systems may ask: Does regime type matter? Or perhaps government policies, not government types, are more relevant in this

situation?" (2007, p. 294). This argument misses the point, however, that respect for diaspora rights – including mobility and the right of return – must be ensured both in the home and host countries for the best possible outcomes.

In China, the center and provinces clearly play a complementary role in engaging with the diaspora. As Sahoo and Pattanaik (2014, pp. 22–23) point out, despite "its centralist reputation, much of what the Chinese state does is mainly designed to support initiatives led by diasporic communities and to provide a macroeconomic regulatory framework" that gives the diaspora incentive to engage with its home country. They also argue that "more regional diaspora strategies have emerged, nested inside this national framework." In India's case, however, states such as Kerala have been slow to respond to diaspora-related challenges. Further comparison of the two countries indicates that acknowledging the diaspora's role and offering flexible citizenship rights are important strategies in this context, although dual citizenship rights are not critical (neither China nor India offer dual citizenship rights). In both cases, the ethnic and cultural ties that bind the diasporas to their countries of origin have benefited China and India.

Finally, another lesson that emerges is the need to demonstrate concrete action and outcomes rather than merely underlining diaspora gatherings and knowledge networks, which may not be sustainable per se (Wickramasekara, 2009). In both cases, focusing on the skilled diaspora has shifted attention away from the needs of other diasporas – low-skilled and temporary migrant workers – whose vulnerability and need for protection deserves priority. While the HLCID (2001) pays attention to protecting low-skilled workers in the Gulf, subsequent policy measures in India have not reflected this.

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Appendix

Table A1: FDI inflows, by data source (in US$ million)

	China		*India*	
Year	*WIR*	*WDI*	*WIR*	*WDI*
1990	3,487	3,487	237	237
1991	4,366	4,366	75	74
1992	11,008	11,156	252	277
1993	27,515	27,515	532	550
1994	33,767	33,787	974	973
1995	37,521	35,849	2,151	2,144
1996	41,726	40,180	2,525	2,426
1997	45,257	44,237	3,619	3,577
1998	45,463	43,751	2,633	2,635
1999	40,319	38,753	2,168	2,169
2000	40,715	38,399	3,588	3,584
2001	46,878	44,241	5,478	5,472
2002	52,743	49,308	5,630	5,626
2003	53,505	49,457	4,321	4,323
2004	60,630	62,108	5,778	5,771
2005	72,406	104,109	7,622	7,269
2006	72,715	133,273	20,328	20,029
2007	83,521	156,249	25,350	25,228
2008	108,312	171,535	47,102	43,406
2009	95,000	131,057	35,634	35,581
2010	114,734	243,703	27,417	27,397
2011	123,985	280,072	36,190	36,499
2012	121,080	241,214	24,196	23,996
2013	123,911	290,928	28,199	28,153
2014	128,500	289,097	34,417	33,871

Note: WDI = World Development Indicators, WIR = World Investment Report.
Source: Adapted from UNCTAD (2015) and World Bank (2016).

Table A2: Inflow of remittances to China and India (in US$ million)

Year	*China*	*India*
1982	616	2,622
1983	542	2,662
1984	403	2,293
1985	271	2,472
1986	407	2,243
1987	166	2,663
1988	129	2,317
1989	76	2,610
1990	124	2,382
1991	207	3,294
1992	228	2,896
1993	108	3,527
1994	395	5,855
1995	350	6,224
1996	1,670	8,763
1997	4,586	10,334
1998	344	9,477
1999	530	11,122
2000	758	12,845
2001	1,209	14,229
2002	2,354	15,707
2003	4,620	21,015
2004	6,640	18,753
2005	23,626	22,125
2006	27,565	28,334
2007	38,395	37,217
2008	47,743	49,977
2009	41,600	49,204
2010	52,460	53,480
2011	61,576	62,499
2012	57,987	68,821
2013	59,491	69,970
2014	62,332	70,389
2015	63,938	68,910
As % of GDP, 2014	0.6	3.4

Source: World Bank remittance inflows data matrix (April 2016).

Table A3: NRI deposits outstanding (in US$ million)

Year (end-March)	*Amount*
1997	20,393
1998	20,369
1999	20,498
2000	21,684
2001	23,072
2002	25,174
2003	28,529
2004	33,266
2005	32,975
2006	36,282
2007	41,240
2008	43,672
2009	41,554
2010	47,890
2011	51,682
2012	58,608
2013	70,822
2014	103,844
2015	115,163

Source: Reserve Bank of India (available from https://www.rbi.org.in/scripts/PublicationsView.aspx?id=16593).

16

Migration and development: Some key lessons

Manolo Abella*

1. Introduction

This short essay looks at what we know about the possible links between migration and development and draws out some of the key lessons they offer. Although few would dispute that underdevelopment and lack of employment opportunities are among the principal drivers of emigration, the subject has not escaped controversy because of more recent interest in the possibility of reverse causation – meaning, how migration and remittances contribute to the growth and development of origin countries. While historical and other evidence to support this claim is still fragmentary, the impressive growth of remittance flows to developing countries has already aroused much attention and generated optimism about the potential role these inflows can play – with the help of appropriate policies – in supporting and promoting the development of many poor countries.[1]

For the millions of individual migrants and their families, migration may already mean rising out of poverty and the chance to invest in a more secure future for themselves and their children. From a country perspective, however, the benefits for some must be weighed against the possible costs to others. National authorities must have a keen understanding of the larger consequences of people's mobility and what role, if any, policies can play to tap the potential contribution of migration to development.

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[1] Various issues related to the subject and particularly to migrant remittances have been on the agenda of the annual Global Forum on Migration and Development since 2007.

2. Emigration pressures

We first review some of the common understanding about the main determinants of emigration pressures and how such pressures increase or abate with development. The interaction between economic conditions and demographic trends is often vital to understanding emigration pressures. Accelerated population growth in countries with high levels of poverty and unemployment are conditions that seem common among major countries where emigration pressures have risen. However, these may not be enough to trigger actual movements since migration – especially across borders – requires resources. Development itself, as indicated by rising per capita incomes, must take place for this potential to be realized.

Similarly, information about opportunities in terms of destination must also be accessible – and this is usually provided by earlier migrants. Development economists who have looked at the migration phenomenon identify the following determinants of migration pressures: (i) accelerated population growth, resulting in a surge in younger cohorts of the population; (ii) rising per capita incomes, as one must be able to afford the investment required to migrate; (iii) a widening income gap between the origin and destination countries; (iv) the cumulative effects of earlier migration leading to the growth of social networks that facilitate the movement of new migrants; and (v) the opening up of migration opportunities in destination countries.[2]

Hatton and Williamson (1994), who examine mass migration from Europe between the second half of the 19th century and the first quarter of the 20th century, are among the first to show evidence of the link between migration and the factors listed above. They identify as key determinants the accelerated population growth in European countries of origin in the two decades before this mass movement, the cumulative effects of earlier movements and the structural movement of rural labor out of agriculture. The factors underlying the mass movement of contract labor from Asia to the Gulf states since the mid-1970s have yet to be adequately studied, but it is widely assumed that the principal determinants are the differences in labor market conditions between Asian source countries and the Gulf states. Except for Saudi Arabia, the latter had very small populations when oil money enabled them to embark on substantial spending on infrastructure.

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[2] For a comprehensive review of migration and development issues, see Lucas (2005).

The gap in earning opportunities that was created between the Gulf states and labor-rich countries such as India, Pakistan, Bangladesh and farther-off countries such as the Philippines and Indonesia clearly offers much of the explanation. The tightening of labor markets in Malaysia and Thailand on account of rapid economic growth since the 1970s undoubtedly explains why these countries did not become major sources of labor. As Lucas (2005) points out, these countries transitioned from being migrant sources to migrant destinations. In addition to economic determinants, social networks facilitated the movement of South Asians to the Gulf (Amjad, 1989). For a millennium, people from the Subcontinent have been traders and merchants with settlements in what were then small fishing and pearling villages in the Gulf. During the British colonial period, educated Indians were brought in to serve in civil administration.

The migration phenomenon speaks volumes about the hard choices facing most of the world's poor. Impoverished farmers have been observed to invest what for them are large amounts of money and take enormous risks in their search for a better livelihood. They do so evidently because the pay-off on migration is higher than on any other options they have at home. This is true of rural people moving to the cities and more so for those who manage to go abroad. As several observers conclude, workers who move from a poor country to a rich country can experience immediate, lasting and very likely increases in earnings amounting to hundreds of percent (see Clemens et al., 2008; Gibson & McKenzie, 2012).

Ortega (2009) estimates that migrants who come from countries with a low human development index (HDI) gain as much as US$13,736 in annual income by moving to an OECD country. As to be expected, those who have moved from countries with a high HDI do not gain very much by moving (a difference in annual income of only US$2,480). The gain, on average, for those moving from a medium-HDI country to an OECD country is about fourfold. These comparisons will have to be interpreted with caution, given that unobservable factors may be positively correlated with migration. Ortega uses an estimation procedure that seeks to make the subject populations more comparable. The recent World Bank and International Labour Organization (ILO) surveys reveal that Pakistani migrant workers who reported incurring migration costs equivalent to more than nine months' earnings in Saudi Arabia were still ahead of those

who had invested at home, so long as they could work abroad for two years or more (see Abella, Martin & Yi, 2016).[3]

3. Impact on the labor market

What is the impact of migration on the labor market? Are there consequences that policymakers need to consider with a view to minimizing negative outcomes? What does research reveal about these impacts? In labor-surplus countries, emigration is not expected to have a significant impact on the labor market, especially on wages. However, at the household level, the added income from remittances can free younger household members from income-earning activities to pursue further studies; some may engage in home production or prefer to stay out of the workforce because higher incomes tend to push up their "reservation wages". It is safe to assume that the overall supply of labor will be unlikely to constrain growth.

Studies commissioned by the OECD Development Centre conclude that the effect of emigration on real wages at the national level are indeed small in most countries (see O'Connor & Farsakh, 1996). The impact may be concentrated in certain sectors, such as in construction. In Pakistan, wages in the construction sector rose by 41 percent between 1978 and 1983 – a period of booming migration to the Gulf states – while real wages nationwide increased by only 25 percent (Knerr, 1996).

Emigration may, however, have a "knock-on" effect by stimulating internal migration. In Kerala, the outflow of migrants to the Gulf stimulated in-migration from neighboring regions to replace those who had left for abroad. Wage differentials between skilled and low-skilled occupations appear to have increased in the Philippines (Rodriguez & Horton, 1996), while the opposite may have happened in Sri Lanka because of the migration of domestic service workers. In the case of Honduras, a developing country with high unemployment, Gagnon (2011) uses cross-sectional data to estimate the impact of a 10 percent increase in emigration on wages. He finds that wages also increase by 10 percent, but that the effect diminishes over time. In a study on Lithuania, a small country that experienced a large outflow of workers after joining the European Union, Elsner (2010) finds that, with emigration, the wages

[3] The Global Knowledge Partnership on Migration and Development (KNOMAD)/ILO survey of Pakistani workers reveals that they pay an average of US$3,970 to migrate to Saudi Arabia where they earn an average of US$433 a month compared to average earnings of US$150 at home. It hardly pays to work abroad if the contract is only for a year, but since most stay for two years, their total expected earnings of US$10,392 abroad are a better pay-off compared to alternative investments at home.

of young workers increased by 6 percent, whereas the wages of older workers decreased by around 1 percent.

Empirical investigations into the impact of migration pose special challenges for several reasons. Migration is a dynamic process involving actors who are very likely self-selected: movers are more ambitious, more willing to take risks and have better skills and abilities than nonmovers. Referred to as "unobserved variables", they are impossible to control for if one is working with cross-sectional data to compare certain observed parameters on migrants with those on nonmigrants at one point in time.

Ideally, one should be able to isolate the impact of the act of "moving" from other variables by looking at changes in the situation of the same individual before and after migrating, and comparing these with "stayers" with the same observable characteristics. Researchers rarely have the option of using experimental or longitudinal data, which would allow one to follow the same sample units over a long enough period to assess changes. The closest one gets is to work with panel data in general-purpose surveys.

4. Emigration of the highly skilled

Among the earliest concerns about the impact of emigration is so-called "brain drain", which continues to stimulate debate because of the recognition that the quality of human capital is the most important determinant and predictor of development. The very negative consequences on health services due to the exodus of health professionals from some of the poorest African countries has prompted Commonwealth countries to adopt what are now known as "ethical recruitment" principles. Nevertheless, some scholars have argued that migration has positive externalities and may lead to "brain gain" because the prospect of finding better-paying jobs abroad motivates more people to acquire more education and skills. Since not more than a few are able to emigrate, those who remain expand the country's educated workforce.

Migration usually involves the two ends of the skills spectrum – many at the bottom and many at the top. Some skills are hard to replace because the possibilities for substitution are limited. The existence of labor surplus is, therefore, not a guarantee that emigration will not create shortages. At the same time, a rise in wages for occupations in demand abroad may trigger a supply response that redounds to the benefit of the origin society. The Philippines, for example, has lost many medical professionals to emigration, but the ratio of remaining doctors and nurses to the population remains equal to that in developed countries because

many more young people invested in a medical education (Katseli, Lucas & Xenogiani, 2006). Very large numbers of software engineers left India to work in Silicon Valley in the US, but this also led to a rapid expansion of engineering programs in India, multiplying the number of qualified IT workers in the country.

The fastest growing cohort of migrants today comprises highly educated young people going to developed countries for further studies. The pool of potential international students has expanded greatly due to rising incomes and the growth of tertiary education systems in developing countries. In 1999, the Chinese central government adopted a "great leap forward" in tertiary education such that, today, no fewer than 33 million young people are enrolled in higher education institutions compared to a mere 7.4 million in 2000 (Li & Xing, 2010). Since 1950, the number of international students is estimated to have doubled every decade; the pace may be accelerating because of the expanding pool of tertiary education graduates in emerging economies when more education suppliers are entering the market.[4] By 2014, the number of international students worldwide may have reached 5.2 million. From 1998 to 2006, the number of Indians who went abroad for study nearly tripled. Experts predict that there will be at least some 8 million international students by 2020 – a number more than the total population of Switzerland, Norway or Ireland.

5. Impact of remittances

The World Bank estimates that migrant remittances reached US$582 billion in 2015, of which US$432 billion went to developing countries, involving some 244 million migrants. The early literature on remittances had an unmistakable skepticism about dependence on these flows largely on the premise that, unlike earnings from merchandise exports, they were unsustainable. However, more recent studies point to the stability and indeed the continuing rise of remittances to developing countries. Aside from helping improve a country's external balance, remittances have reduced poverty directly by lifting many recipient households above the poverty line and indirectly through the effect of increased consumption or investment across the economy. Other indirect effects, such as easing capital constraints and reducing the investment risks associated with exchange rate instability, are cited in the literature. For East Asian

[4] The UNESCO Institute for Statistics (2014) estimates that the number of college students globally will rise from some 182.2 million in 2011 to 260 million by 2025. See also Abella (2015).

countries, the relationship between remittance flows and per capita incomes is clearly positive (Ahsan et al., 2014).

The relationship between remittances and economic growth has been extremely difficult to prove and has spawned a lively debate among economists. One of the issues is the likelihood of two-way causality between remittances and growth. While remittances may stimulate growth, it is also often the case that low economic growth leads more people to emigrate. This in turn leads to more inflows of remittances. There is still no agreement on how to resolve the problem of endogeneity (see Barajas et al., 2009).

There are many complexities involved, ranging from the fact that the growth of the remittance-receiving country is affected by factors such as trade with the migration destination country to problems in specifying appropriate instrumental and control variables, and to questions about the reliability of remittances data. Earlier studies, some by the World Bank and others by independent scholars, have arrived at different conclusions: some research indicates a positive but small impact of remittances on growth, others find a negative but small impact, and still others find the link ambiguous. Ziesemer (2006) finds, for example, that remittances have a higher impact in countries with per capita incomes below $1,200.

It is possible that the impact depends not just on the size of remittance flows, but also on the presence of conditions that allow remittances to be used more efficiently. These conditions include high levels of educational attainment, the existence of high-quality institutions, the depth of the financial market and price stability. The level of financial development appears to matter, according to several recent studies such as Ramirez and Sharma (2009), Giuliano and Ruiz-Arranz (2009) and Rioja and Valev (2004). Interestingly, remittances have a positive impact on growth in financially less developed economies, but not in others, possibly because, as one study hypothesizes, they act as substitutes for the financial sector in the former (see Barajas et al., 2009).

6. Impact on poverty reduction

There is now ample evidence that migration and remittances alleviate poverty. In one of the first significant investigations of the impact on poverty, Adams and Page (2003) looked at the experience of 74 developing countries and found that, on average, a 10 percent increase in international remittances as a share of national GDP led to a 1.6 percent decline in the share of people living in poverty. In Latin America,

remittances are estimated to have reduced poverty head counts in six of the eleven countries for which data was available (Acosta et al., 2008). A one-percentage point increase in the remittances-to-GDP ratio reduces moderate poverty by 0.37 percent and extreme poverty by 0.29 percent. Acosta et al. also examine how migration affects inequality and find that, in the absence of migration, the Gini coefficients would have been much higher in Haiti (by 7.7 percent), Guatemala (by 2.9 percent) and El Salvador (by 2.1 percent). However, they also find that remittances added to inequality in Mexico and the Dominican Republic. Equally surprising is that the largest inequality and poverty-reducing effects are not necessarily where the lowest income groups receive remittances.

Where remittances are likely to have a large impact on poverty and inequality is the Philippines, one of the highest remittance-receiving countries in the world, with an estimated US$28 billion in 2015. A study by Ducanes (2011) uses a fixed effects regression model with varying specifications and a sample panel of some 8,000 households to test for the impact of remittances on poverty, inequality and labor supply.[5] Households that were able to send a member overseas for work were two to three times more likely to climb out of poverty (based on per capita income) than other households. Moreover, had it not been for overseas migration during 2007 and 2008, inequality would have risen in 2008.

7. Role of diasporas in the development of their home countries

In a study for the United States Agency for International Development, Johnson and Sedaca (2004) examine how émigré and diaspora communities serve as an important source of foreign direct investment (FDI), trade linkages, knowledge and technology transfer. They find that, aside from philanthropic activities, diasporas have also been prominent in a range of activities, with important developmental impacts on their countries of origin. Examples include:

- Diaspora entrepreneurs acting as "first movers". These include people who moved early into a promising or struggling sector in their country of origin, creating a momentum that catalyzed growth in industries that might otherwise have been unable to attract sufficient conventional FDI. An estimated 70 percent of the FDI that flowed to China after the political and economic reforms of the mid-1970s came from overseas Chinese. In tandem with these investments, numerous overseas Chinese professional associations

[5] Ducanes has constructed the panel from three linked sources: annual income and expenditure surveys, annual poverty surveys and labor force surveys from 2006 to 2008.

all over the US and other parts of the world were actively engaged by the Chinese government in knowledge exchange

- Diaspora portfolio investors in private investment vehicles and sovereign bonds who inject vital capital and budgetary resources for private sector expansion and the development of economic infrastructures.
- Web-based diaspora networks facilitating the transfer of knowledge from professionals abroad back to their homeland. Examples include the Lebanese Business Network, which operates an online marketplace and a business matching and industry information database, identifies opportunities and creates links between Lebanese entrepreneurs, business diaspora and international businesses. Similarly, ArmenTech, established in 2000 by a group of Armenian-American high-tech entrepreneurs and executives, is helping to transform Yerevan into a high-tech hub in the same way the Indian diaspora has brought IT business to Bangalore. The Silicon Valley Indian Professional Association consists of over 2,300 members who are highly qualified engineers, corporate managers, legal and financial experts, business people and other professionals. Most of them are actively involved in the high-technology industry and hail from almost every major company in Silicon Valley (see Saxenian, Motoyama & Quan, 2002; Biao, 2006; Kapur, 2001).

Diaspora communities have, likewise, become an important market for borrowing from their origin governments, especially in the form of sovereign bonds. An example is the Resurgent India Bond, which the government sponsored in the late 1980s through Indian banks acting in fiduciary capacity to nonresident Indians (NRIs). Some US$4.2 billion in these bonds were sold to NRIs and used for infrastructure development. In 2000, another sovereign bond was floated – the India Millennium Deposit – which raised US$5.4 billion from the diaspora (Johnson & Sedaca, 2004). Nonmarket factors have evidently played a role in the emergence of the diaspora as the chief investor in these bonds.

The size of diaspora communities is important, but their education and skills are clearly more so – and these are associated with higher incomes. It also matters if they are concentrated in certain economic sectors and whether they are in new industries or mature industries. The income gap and, more importantly, the technological gap between the host and destination countries are crucial. As Kapur (2001) points out, an immigrant from Ghana to the US is likely to have different effects on

his/her home country than an immigrant from Ghana to Nigeria. The overall conditions in the home country, especially the level of democracy and governance, are also key factors determining the propensity of the migrant to contribute to development.

8. Transferring technology and creating knowledge networks

Aside from playing a role in establishing new industries in their countries of origin, some diasporas have also organized networks to promote the transfer of skills acquired abroad. One of the best-known diaspora knowledge networks, South African Network of Skills Abroad (SANSA), connects skilled people living abroad in contributing to South Africa's economic and social development. The network has over 2,000 members in more than 57 countries, with expertise in hundreds of specializations, active in several professional sectors, predominantly business and academia (Johnson & Sedaca, 2004). Individuals' profiles, including their fields of interest and areas of specialization, are available through a database system that also includes information on research projects in natural sciences, engineering, technology and health sciences as well as information on research and professional associations and conferences. SANSA members help South African graduate students enter training programs in laboratories, connect foreign researchers with South African counterparts, transfer technology to South African institutions, transmit information and the results of research, facilitate business contacts, and initiate research and commercial projects.

In 1999, Moroccans living in southwestern France organized the Savoir et Développement to facilitate the transfer of scientific and technical know-how to Morocco. A database was built on Moroccan competencies abroad that focuses on very practical and concrete projects linking Moroccan scientists abroad with those working in Morocco (Bouoiyour, 2006). The aim is to help Moroccan enterprises – especially small and medium firms – become more profitable through innovation, creating networks of competencies in different fields or sectors, linking small and big business, and establishing collaborative work with national research organizations.

Another way in which diaspora communities have contributed to the development of their home countries is through the activities of hometown associations (HTAs). There are many such examples, especially among Latin Americans in the US, Moroccans in France, Ghanaians in the UK and many others. Originally organized to facilitate remittances among senders from the same place or town of origin in Mexico, these HTAs developed spontaneously over time to fulfill other

functions, from social exchange to philanthropy to political influence. In 2003, there were 2,000 such HTAs organized by Mexican migrants in the US (Orozco, 2004). Many of these HTAs have raised funds to embark on modest projects – on average under US$10,000 a year for projects such as building and paving roads and extending services such as electricity, sewage treatment and healthcare to the entire community. The Mexican federal government has inserted itself into these partnerships through a range of formal and informal relationships that culminated with the Citizen Initiative Program – a matching-grant program also known as Iniciativa Ciudadana 3x1. Orozco (2004) estimates that, in 2002, Mexican HTAs had donated US$30 million for projects they judged to be of great value to isolated, vulnerable communities with underserved populations.

While the potential contribution of diasporas to the development of their home countries can be immense, as shown in China and India, conditions must be created to promote their active engagement. Policies to reduce barriers to engagement include resolving information asymmetries and legal complexity, increasing the transparency of bidding procedures and similar transactions and addressing enforcement failures. The government and private law firms, for example, could work together to build an easy-to-use information and tools portal for investors. They could also build on potential investor desire to join 'angel groups' as an avenue for improved sourcing, financial leverage and due diligence. Finally, projects promoted must be seen as attractive investments, not charitable ones.

9. Lessons learned

Despite the horrendous conditions that often characterize migration, millions of people – especially those living in poor countries or those suffering from violent civil conflict – still see migration as their main avenue for escaping poverty and finding some security. The wide gaps in conditions and economic opportunities between countries continue to serve as powerful incentives for migration and are narrowing too slowly to reduce emigration pressures. In origin countries, most people see enough evidence around them to indicate that migration pays off. Few would ask if those who migrated are already "self-selected" and are bound to be better off, even if they had stayed in the first place. How much migrants gain from migration is, however, also affected by the existence of labor market institutions that make the required investments very high. In some countries, intermediaries in recruitment rob migrants of much of what they can earn.

The experience of the more successful economies shows that, with rising per capita incomes, sooner or later a migration transition does take place. Staying at home is not an "inferior" good, so more people opt to stay on reaching a level of income that offers sufficient comfort and security for the family. Such threshold income is not the same for all countries and may not even be unique to any one country. It might occur at much lower levels of income than for others, since income is obviously not the only determinant of propensities to migrate. Demographic, political and social determinants may be more important factors than income levels in some countries. Geography evidently matters: propensities are always likely to be high in small, isolated island countries where fewer opportunities exist for livelihood and other pursuits, while they can be released as internal movements in large continental countries.

Migrant remittances to developing countries have proven to be more stable than previously assumed, and even more so than earnings from exports of commodities that suffer from severe price fluctuations. These flows tend to be counter-cyclical – rising when countries face a worsening external balance and weakening currency or when struck by a natural calamity. They contribute directly and significantly to lifting many families out of poverty whose investments in education also enrich that country's stock of human capital. By contributing to macroeconomic stability, remittances also create conditions conducive to investment and can serve as leverage to enable a country to borrow at lower rates in foreign capital markets. They are, however, unlikely to be enough to stimulate overall development unless conditions and institutions exist that can channel remittances to productive uses.

Migration, especially of the highly skilled, can entail high social costs when it reduces the productivity of others, but may also motivate many more people to invest in education and training than the number who will eventually leave. Highly skilled migrants abroad are the best conduits for transferring knowledge and technology from foreign countries and have often been instrumental in attracting capital and business networks once conditions at home stabilize. This calls for origin governments and other sectors to engage with their diasporas by creating the policies and infrastructure needed to tap into these knowledge and capital resources.

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Appendix

Table A1 shows that a 10-percentage point increase in remittances as a share of GDP leads to a one-percentage point increase in per capita GDP growth in the receiving countries.

Table A1: Impact of remittances on per capita GDP growth in receiving countries

Variable	*1*	*2*	*3*	*4*	*5*	*6*
Remittances	0.05	0.12	0.09	0.05	0.15	0.10
	(1.58)	(2.14)**	(2.3)**	(1.57)	(2.7)***	(2.53)***
Remittances sq.				0.00	0.05	(-0.03)
				(-0.33)	(-2.13)**	(-1.44)
Initial GDP	0.00		(-0.02)	0.00		(-0.02)
	(0.05)		(-0.2)	(0.03)		(-0.16)
Investment	1.02	1.17	1.16	1.02	1.23	1.18
	(5.93)***	(5.82)***	(6.4)***	(5.91)***	(6.12)***	(6.51)***
Openness	0.19	0.50	0.32	0.19	0.48	0.31
	(1.96)**	(2.78)**	(2.22)**	(1.96)**	(2.25)**	(2.12)**
Inflation	0.01	0.00	0.00	0.01	0.00	0.00
	(2.33)**	(0.54)	(1.04)	(2.34)**	(0.43)	(0.97)
Human capital	0.00	0.00	0.00	0.00	0.00	0.00
	(-0.69)	(-0.57)	(-0.42)	(-0.66)	(-0.14)	(-0.19)
Observations	199	199	199	199	199	199
Countries		26	26		26	26
F/Wald test	7.21	9.73	48.35	6.17	9.04	50.96

Note: dependent variable = annual GDP per capita growth. Columns (1) and (4) = OLS. Columns (2) and (5) = fixed effects. Columns (3) and (6) = random effects. T-statistics given in parentheses. *, ** and *** = 10, 5 and 1 percent level of significance, respectively.

Source: C. Vargas-Silva, S. Jha & G. Sugiyarto. (2009). *Remittances in Asia: Implications for the fight against poverty and the pursuit of economic growth* (Working Paper No. 182). Manila: Asian Development Bank.

17

Engaging diasporas in development

Ibrahim Awad*

1. Introduction: An analytical framework

Diaspora engagement policies are the measures and practices adopted by countries of origin intended at their nationals having migrated to other countries for employment or other gainful activity. Descendants of these nationals are also targeted through these engagement policies. The objectives of such policies are to engage migrants and their descendants in the development of their countries of origin or that of their ancestry. These objectives are in line with the prevailing discourse on migration and development. Since migration is considered to contribute to development, there is a strong case that conditions should be created with a view to facilitating and maximizing this contribution. This requires countries of origin to put in place measures that channel this contribution.

Capturing financial remittances and investments from the diaspora (see Brinkerhoff, 2012), remedying the consequences of brain drain and benefiting from the skills of the diaspora have been the focus of policy measures and of considerable research interest. Research on diaspora engagement has focused on policies adopted by specific countries (see Kleist, 2013). Efforts to conceptualize diaspora engagement policies were also made. Filipovic et al. (2012), working essentially on polices to engage the Serbian diaspora, consider that the diaspora-motherland partnership is closely related to institutional frameworks, socioeconomic settings, the political milieu as well as issues of perception, images, trust and social identification in both home and host countries. They are of the view that

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the development of diaspora strategies is essential because it demonstrates how state agencies, policymakers and individual citizens themselves have begun to think beyond national borders and to make efforts to build nonterritorial forms of organization.

Boyle, Kitchin and Ancien (2009) propose a conceptualization that goes beyond specific countries or policy areas. They describe a diaspora strategy as an explicit and systematic policy initiative or series of policy initiatives aimed at developing and managing relationships between homelands and diaspora populations. They describe this as an "overarching framework for providing a level of coherence to the range of diaspora policies devised and implemented by a variety of agencies." They also design a diaspora wheel for policymakers who formulate and implement diaspora strategies. The wheel includes eight policy spokes around a set of five challenges at the hub, through which some spokes overlap with others. Within each policy spoke, a set of key considerations and critical measures are identified. Challenges at the center include rationale, definitions and institutional design. Others are research capacity and knowledge, returnees, philanthropy/remittances, business networks, and citizenship beyond the border. The key considerations and critical measures encompass promoting and facilitating passage home, maximizing/harnessing sustainable donations and remittance flows, expanding quantity and quality of information flow between the diaspora and homeland, and protecting rights and responsibilities of overseas citizens.

Gamlen's (2006) effort at conceptualization is broader. For him, there should be a solid foundation on which diasporas can rely to exercise rights. It is only when diasporas have rights and exercise them that they can contribute to development in different forms. At the bottom are policy measures meant to build the capacities of the state concerned. Above them, intermediate policy measures are aimed at extending rights and creating a sense of nation, beyond the territory of the state. The rationale of these intermediate policy measures is to make the engagement of migrants and descendants possible and effective. In other words, without the intermediate policy measures, migrants and their descendants would not be forthcoming in responding to measures at the top level designed to attract their contributions to development. The concept of the "nation beyond the territory of the state" is significant. It denotes an extension of nation state beyond one of its constitutive elements, its territory. This is an important innovation in conceptualizing states and by way of consequence of the international state system that encompasses them. The concept of nation-state beyond territory permits

Gamlen (2006) to use the term of obligations on migrants that are extracted by the state.

Figure 1: Diaspora engagement policies

Attracting contributions	Financial contributions	Mobilizing symbolic capital	Promoting interest groups
Extending rights	Political incorporation	Protection of labor and social rights	
Capacity Building	Symbolic nation-building	Institution building	

Before elaborating on the measures at the three policy levels indicated by Gamlen, two interrelated observations are in order. In proposing diaspora engagement polices, the assumption about the correlation between migration and development is not questioned. The implication is that all policy measures enhance the contribution of diasporas to development. At most, there may be some negative effects of migration, such as possible brain drain, which should be reduced and which would in any case be compensated by brain gain. However, few questions are raised in respect of continued dependence on remittances and on labor migration. What is not realized is that after a prolonged period of labor migration, dependence on remittances and on sending workers abroad to ease pressures on the domestic labor market has continued unabated in many countries. The second related observation is that some policy measures, most particularly extending rights, should not only be considered from the perspective of policies aimed at the contribution of migrants to the development of their home countries. Nationals have the right to the protection of their states, irrespective of the economic contributions they make to their country's development efforts. In this perspective, extending rights can be viewed as parts of larger migration policies in which protection is primordial.[1]

[1] On labor migration policies relating to the rights of migrant workers, see International Labour Organization (2010).

2. Capacity building

2.1. Nation building beyond the territory of the state

Producing a homogenous national 'diaspora', with close ties of allegiance to the home state is the first goal of engagement policy measures. The aim is to increase the emigrants' sense of belonging to a transnational community of co-nationals, to the nation beyond territory of the state, and to boost the profile of the state within this community. Emigrants are sometimes celebrated as heroes. At other times, they are hailed as an offshore part of the national population or an extra administrative district of the state's territory. Teaching national language and history among diasporas, observing national celebrations and cultural events are measures utilized by home states to build the symbolic nation. States also convene conferences where they establish patronage relationships with emigrants.

Inclusive rhetoric and symbols

Rhetoric and symbols are measures through which policies include diasporas in the national communities. They may take the form of national-day celebrations and/or annual awards for some diaspora members. Education is a socialization tool most often used for inclusiveness purposes. India is a good example. Around the world, Indian embassies and consulates, on the annual national diaspora day, the Pravasi Bharatiya Divas, the contributions of overseas Indians are celebrated. The Pravasi Bharatiya Samman Awards are high government distinctions given during the celebration held in India to members of the diaspora who have furthered India's interests.[2] Brazil too started in 2014 to also grant awards to members of its diaspora at annual ceremonies held in the headquarters of its Ministry of Foreign Affairs. Mexico equally uses awards to recognize the contributions of its diaspora and to build their national sentiment.

Cultural promotion and education

Cultural promotion activities are given priority in diaspora engagement policies. They are important constitutive elements of the nation beyond territory. In Pakistan, the Ministry of Overseas Pakistanis and embassies hold events for emigrants to ensure that they remain culturally connected to the homeland. In India, the three-week 'Know

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[2] See http://www.mea.gov.in/pravasi-bhartya-kendra.htm

India Program' introduces the past and present of the country to diaspora youth. In Brazil, The Brazil Cultural Network promotes Portuguese as a Language of Heritage for the Brazilian Communities Abroad. It supports projects that foster learning and using Portuguese by descendants of Brazilians.

In China, the Overseas Chinese Affairs Office (OCAO) of the State Council maintains links with the diaspora through cultural programs. Cultural links are also promoted at the local level. The OCAO of the Shanghai municipal government promotes cultural ties with the diaspora, particularly through language-strengthening initiatives. Pakistan and other countries have opened schools for children of their emigrant communities that follow home curricula and teach national language. In Morocco, teaching Arabic to children of Moroccans living abroad is a priority measure in policies of engagement with emigrant communities. Teaching is provided both in person by hundreds of teachers appointed in host countries and online. Egypt has schools in countries with large concentrations of its migrants and organizes annual examinations at its embassies for children of its diaspora fully or partially following national curricula.

Conferences and conventions

Conferences bolster the identification of diasporas with home states. They are places where inclusive rhetoric and symbols are diffused. In some countries, the national law may provide that the state organize such conferences. In Egypt, Article 2 of the Egyptian Emigration Law provides that the ministry concerned with emigration affairs shall hold and organize conferences and seminars inside and outside the country to consider and solve Egyptian migrants' problems, acquaint them with the affairs and national issues of their homeland, and know their opinions and suggestions. In Brazil, between 2008 and 2013, four conferences were held as part of a "Brazilians of the World" initiative. In some cases, conferences may be focused on a specific issue such as the consultations about the proposed UN post-2015 development agenda organized by Morocco in 2013.

2.2. Institution building

Institution-building is about the establishment of institutions capable of formulating and implementing policy measures aimed at diasporas. These are institutions for the 'governance' of the diasporas. They vary between ministerial and sub-ministerial levels. Institutions include organs that perform specific functions. Factors such as the

temporary or settlement nature of migration, the skill level of emigrants and their geographical distribution affect the architecture of institutions. In setting up such institutions, a first step should be to study the diaspora and its composition. Different institutions may carry out the same function, depending on the political and administrative systems of the states concerned.

Ministerial and sub-ministerial institutions

Pakistan, Egypt, India and Morocco among other countries have established ministries dedicated to governing and engaging diasporas. In Pakistan, the Ministry of Overseas Pakistanis works with the Ministry of Human Resource Development to carry out its external employment promotion function.

Often, ministries disappear and reappear. In Egypt, after having been merged with the Ministry of Manpower for over two decades, the Ministry of State for Migration and Egyptians Abroad reemerged in September 2015. In Morocco, the ministry charged with the Moroccan community residing abroad was first established in 1993. It later vanished only to resuscitate in the governments formed since 2007.

In theory, ministries perform similar functions in the different countries where they exist. Broadly, and depending on the structure of the specific country's migration and diaspora, these functions revolve around the promotion of overseas employment for their nationals, the protection of migrant workers, providing services to migrant communities, reinforcing ties with the diaspora and attracting their contributions to development. It is noteworthy that whether in Bangladesh, India, Morocco, Pakistan or Sri Lanka, titles of Ministries refer to overseas and residing abroad communities or to external employment, which are the two main concerns of countries of origin. Egypt is the only country where "migration" is included in the title of its ministry.

Sub-ministerial level institutions may perform the same functions carried out by ministries. In the Philippines, the Philippines Overseas Employment Administration (POEA) functions under the Department of Labor and Employment (DOLE). Its governing body is chaired by the Secretary DOLE. Importantly, this body includes in its membership representatives of Filipino migrant workers and of the private sector. The Migrant Workers and Overseas Filipinos Act of 1995 determined the policies of overseas employment that POEA has to formulate and implement. Also under DOLE, the same Act created the Overseas

Workers Welfare Administration to protect and promote the welfare and well-being of Overseas Filipino Workers and their dependents.

In Latin America, agencies and administrations concerned with migrants and diasporas are overwhelmingly organs of ministries or secretariats of foreign affairs. In Brazil, a position of Undersecretary General for Brazilian Communities Abroad was created in 2007. In Mexico, the National Coordination for State-Level Migrant Affairs Offices (CONOFAM), as its name indicates, coordinates state-level migrant affairs offices. The Institute of Mexicans Abroad, under the Secretariat of Foreign Affairs, the National Institute of Migration, under the Secretariat of the Interior, and the Council of Mexican Federations in North America, under the Secretariat of Labor, are other institutions concerned with migration in Mexico.

Information

In order to establish relevant institutions and to formulate appropriate policies, reliable information on the volume, destinations and characteristics of migrants should be available. Statistical offices and administrations are the institutions supposed to produce this information through censuses and specialized surveys. However, in many countries this information is not periodically collected, if at all. Data produced by and in cooperation with the statistical offices of host countries can also provide home countries with needed information. Administrative sources of information are usually held by ministries of foreign affairs and interior or home affairs. For example, in Pakistan, the Bureau of Emigration and Overseas Employment under the Government maintains a record on migrants that are employed or are seeking employment in the host countries.

Consular and labor attaché services

Governments establish consulates in important foreign ports and cities and provide consular services to protect their nationals' interests. The 1963 Vienna Convention on Consular Relations regulates the status of consulates and the services they provide (United Nations, 2005).

The nature of consular services differs according to host country. Egypt, where a section for consular affairs and Egyptians abroad is headed by an Assistant Minister of Foreign Affairs, provides an example of the differences. In the sponsorship system, GCC countries, where the majority of Egyptian migrant workers are temporarily employed, consular services include a most important protection function. In

contrast, in OECD countries in Europe, where labor laws in principle protect all workers, Egyptian consulates are more concerned with cases of irregular migration. In Tunisia, consular services in European host countries intervene in cases of discrimination that occur despite legal provisions on equality of treatment (Awad & Selim, 2017).

Labor attachés and counselors are an institution that plays a most important role in support of labor migration and in extending protection to migrant workers. Pakistan, as well as Bangladesh, Egypt, India, Sri Lanka and the Philippines have networks of labor representatives. Functions of labor attachés and counselors are quite comparable, even though variations exist according to the administrative systems and legal orders in different countries.

3. Extending rights

With the extension of rights and attracting migrants' contributions to development, citizenship becomes 'transnationalized'. Citizenship entails the exercise of civil, political and social rights. Extending these rights is not unproblematic. States weigh their advantages and disadvantages. In Gamlen's words, "fear of the exile vote deters many home-states from extending political rights, financial costs are a disincentive to extending social rights, and fear of interfering in the domestic matters of sovereign host-states makes home-states reluctant to protect 'their' emigrants' civil rights" (2006, p. 10).

3.1. Incorporating migrants in the nation beyond territory

For Gamlen (2006), upgraded membership in the home-society is a primary incentive for emigrants to become involved in transnational activities. Thus, the rationale behind politically incorporating emigrants is that it induces their goodwill, which will in turn protect steady flows of remittances and investments. Symbolic incorporation involves concessions given to migrants: nationality, voting and representation, and running for office. The scope and depth of policy measures adopted by different countries of origin to incorporate their emigrants vary. Measures for the political incorporation of temporary migrant workers who cannot settle in their countries of employment and migrants who are established in their destinations are different.

Origin states may involve members of their diasporas in national affairs without fully incorporating them. They may grant diasporas the minimum amount of political rights needed to help them achieve the result they pursue. Such concessions include providing emigrants with

personal identification cards and descendants of long established diasporas with long-term visas. They also take the form of advantages such as special exchange rates, tax exemptions or exemption from military duty. Duty free allowances at return and preferential interest rates for bank deposits are other concession policy measures. Special membership concessions to emigrants are provided by a good number of countries including China, Ghana, India, Korea, Mexico, Pakistan, the Philippines and Turkey.

Dual citizenship

According to Gamlen (2006), legalizing dual citizenship takes special membership concessions one step further. The right to dual citizenship may be granted unconditionally. In some countries prior permission is required, such as in Egypt. In others, such as Pakistan, dual citizenship is allowed with specific countries only. Citizenship of host country allows emigrants to maximize the benefits of migration, which should have positive repercussions for the development of home countries. Some countries allow dual citizenship but do not grant voting rights to their beneficiary nationals. These include India, Ireland, Ghana, Greece, Korea, and several Latin American states.

Voting rights

Diaspora members exercise voting rights, when they have them, through different methods. According to the Institute for Democracy and Electoral Assistance (IDEA), 51 countries allow their emigrants to mail their votes. These include Australia, Austria, El Salvador, Germany, Hungary, India, Ireland, Italy, Japan, Malaysia, New Zealand, Norway, the Philippines, Poland, Spain, Sweden Switzerland, Thailand, the UK and Zimbabwe. Other countries allow electoral participation of emigrants only in person. This method is split in two. Some countries, such as Austria, Hungary, Argentina, Brazil, Colombia, Colombia, Egypt and Syria allow emigrants to vote in their country of residence at an embassy or consulate. Other countries allow electoral participation but only upon return of the emigrants to cast their votes. Such states include Israel, Nicaragua, Pakistan, and Turkey. Seventy-one countries do not allow external voting at all, which include Afghanistan, Congo, Morocco, Nigeria, Oman, Taiwan and Tanzania.

Political representation

Some countries take political participation a step further than just extending voting rights to diaspora members. The Dominican Republic

allows expatriates to run for public office, even if they reside outside the country. Others reserve congressional seats for diaspora communities. According to IDEA, these countries include Algeria, Colombia, Croatia, Ecuador, France, Italy and Portugal.

3.2. Extending protection of labor and social rights

Protecting the labor and social rights of emigrants is primordial for the "nation beyond territory" to exercise derived 'thin' sovereignty over the diaspora. Policy measures for the extension of this protection are essentially meant for migrant workers in temporary employment.

Extension of social rights raises issues of policy design and cost. Host states may not favorably see the incursion of home states in the sovereign implementation of laws and policies in their own territories. A tension may exist between extending the protection of civil and political rights to emigrants and the need to keep friendly relations with host states, which may be explained by the wish to keep their labor markets open. Protection can be extended either unilaterally or through bilateral agreements or memoranda of understanding between home and host countries. The Philippines provides a good example of unilateral protection.

The Filipino government closely monitors the emigration process through stages of recruitment, deployment and protection of overseas workers. Pre-migration training to working and social conditions in host countries, pension plans, life and medical insurance, tuition assistance, pre-departure and emergency loans for the emigrants or their families is among Filipino protection measures. Recruitment is left to private agencies, but the Filipino government regulates them to further the protection of migrants. The agencies have to be Filipino-owned and meet capitalization requirements. They must not charge workers placement fees exceeding one month's salary.

The government of Egypt also intervenes at various stages of the labor migration process, including during recruitment, the actual period of external employment and after the migrants' definitive return. Licensing and renewing the licenses of private recruitment agencies, and checking and vetting external employment contracts are among Egyptian policy measures. Training in languages, and familiarizing them with cultures and laws of host countries are other measures aimed at allowing Egyptian migrant workers to exercise their labor rights and to further their protection. In host countries in the Middle East, Egyptian labor

counselors provide support to migrant workers when disputes arise with their national employers.

In contrast to Egypt, most Tunisian migrant workers are in European Union (EU) countries, where labor laws provide equal protection to all workers. When cases of discrimination arise, the Tunisian state covers the costs of judicial proceedings. Otherwise, labor attachés connect Tunisians abroad with legal advisers with expertise in the fields of personal status, social rights, and labor laws (Awad & Selim, 2017). In Pakistan, the Bureau of Emigration and Overseas Employment provides pre-departure briefing and manages mandatory insurance coverage for emigrants. Given the vast number of Pakistani workers in Gulf Cooperation Council (GCC) countries, these are significant policy measures.

Entering into bilateral labor agreements with host countries is another means of furthering the rights and protection of migrant workers. In addition to expressly stipulating for protection and welfare, by facilitating access to the formal labor market and by providing legal channels for migration, these agreements reduce exploitation (van Ginneken, 2013, p. 214). Bilateral agreements may promote the development of human capital through the acquisition of occupational skills and ensuring that trained workers return to their home countries thus avoiding 'brain drain'. The ILO Model Agreement on Temporary and Permanent Migration, annexed to the Migration for Employment Recommendation (R. 86, 1949), identifies the elements that parties to bilateral agreements should agree upon in order to further the protection of the rights of migrant workers.

Bilateral social security agreements are further means of protecting the rights of migrant workers. They avoid that migrant workers pay social security contributions in two countries and usually provide for accumulation of periods of contribution and for the portability of benefits to home countries. Morocco with 18, Tunisia with 17 and Egypt with six, such agreements are examples of countries that have entered into social security agreements with a view to furthering the protection of their migrant workers.

4. Attracting contributions of migrants to development

After rights are extended to emigrants, origin countries can make claims on their material and symbolic capital. Origin countries devise broadly three sets of policy measures to attract migrants' contributions and to productively channel them. The first set of measures is aimed at attracting and making good use of financial remittances. This also

includes measures for attracting diaspora investments. The second set of policy measures bears on the human capital accumulated by emigrants. Measures under this set aim at attracting the contributions of highly skilled migrants to development to reduce the effects of brain drain and increase brain gain. The third set of policy measures aims at mobilizing diasporas so that they act as interest groups in countries of destination. This is the most problematic set of policy measures. Like the right to protection of emigrants, host countries may not view favorably the setting up interest groups and exploiting them to the advantage of origin countries. The viability of these policy measures depends on the nature of political systems in host countries. Liberal systems should be open to the operation of interest groups constituted by immigrants in support of their countries of origin. Conservative systems may not.

It is difficult to establish causality links between policy measures and the response of migrants. Many intervening variables are at play. Political stability, economic growth and other public policies may be more significant than measures specifically aimed at diasporas and migrants. For particular categories of migrants, such as temporary low-skilled migrant workers, attracting their remittances, for example, is not problematic, irrespective of the efficiency of policy measures. These workers come from low-income families and remitting a large part of their earned income is one key consideration in their migration scheme. They may not even have another choice. In some destinations, such as the GCC countries, they can neither own property nor be accompanied by their families. They are compelled by these migration conditions to send remittances back home irrespective of their governments' policies.

4.1. Policy measures aimed at attracting financial contributions

Some countries impose mandatory transfers but the largest part of financial contributions is voluntary. Hence, a stable macroeconomic framework is essential. Having the choice, diaspora members will be reluctant to transfer savings and make investments in conditions of currency volatility or unpredictable economic policies. A variety of policy measures have been devised by countries of origin to attract financial contributions.

Mandatory payments

Mandatory payments come in different forms and can be viewed as a tool under the expanded citizenship theory. Some countries such as the US, Switzerland and Libya impose tax on citizens residing abroad. Other countries opt for a more subtle mandatory payment system such as fees

for registering for work abroad. One example is the Philippines, which made it difficult to find external employment without the use of an employment to whom agency emigrant workers pay placement fees.

Attracting remittances and investments

Remittances are the most tangible benefit of migration. Perspectives on remittances and the role they play in development vary. In some cases, remittances do not lead to developmental investments and just increase consumption as opposed to production in beneficiary states. In others, remittances even reduce incentives cases to work and thus reduce labor market participation rates. Arguments are made that increased remittances broaden income distribution gaps thus furthering inequality in developing countries. Some views decry dependence on remittances, the sustainability of which is not ensured. In contrast, the other side of the debate emphasizes that consumption leads to increased demand, which in turn stimulates production. In terms of inequality, a counter-argument is that the income gap that broadens at the beginning is reduced with time as low-skilled workers from poorer families join migration flows. Hugo (2003) also argues that remittances are more evenly distributed among developing countries than foreign direct investment (FDI) and overseas development assistance (ODA), the other sources of external financial flows. With regard to increased dependence, Keely and Tran (1989) argue "like any other industry labor export needs to be managed with care to avoid dependence". Irrespective of this conceptual debate, in policy terms, there is consensus among countries of origin on the need to attract remittances.

In order to attract remittances and investments, the State Bank of Pakistan, through the Pakistan Remittance Initiative, has taken measures to remove barriers to their flow and to improve access of overseas Pakistanis to banking facilities that have further facilitated transfers (see also Chapter 9, this volume).[3] Pakistan has lifted restrictions on foreign ownership of assets, on opening foreign currency accounts and on convertibility into Pakistani rupees and vice versa. Sending foreign exchange abroad is also permitted. Pakistan's Board of Investments has dedicated a special cell at its head office to facilitate and support Pakistani diasporas' investments. Having liberalized its banking system, India has devised measures to attract remittances, such as foreign currency accounts, bonds, special savings and investment schemes for its non-resident population. Emigrants can move their capital back and forth. To

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[3] See http://www.pri.gov.pk/products/

increase its reserves of foreign currency, India has devised special deposit schemes for non-resident Indians (see Rajan, 2015).

Other countries have also liberalized their banking regulations and attracted diasporas savings' and investments. Ethiopia and Turkey created foreign currency accounts for non-resident nationals. Ethiopian and Turkish banks accept deposits in most convertible currencies and offer emigrants preferential interest rates. In Ethiopia emigrants can open accounts either in person or by post. In Turkey, emigrants can open accounts in person in any bank in Turkey or in branches in host countries (Naujoks, 2009). In Egypt, in 2016, in an attempt to quell liquidity pressures the Central Bank in conjunction with government-owned banks launched US dollar certificates for Egyptian emigrants at attractive interest rates (Agunias & Newland, 2012).

Special economic zones

To promote investment many countries have created special economic zones (SEZs) where commercial, tax and labor laws are more favorable to investors than those applied generally in their territories. Investors are given tax breaks or tax cuts to attract them to the economic zones. SEZs are examples of general policy measures, which have resulted in beneficially attracting diasporas' investments. This is the case in India, China and Taiwan. In 2005, India passed the SEZ Act. By 2016, it had over 200 SEZs ranging from the IT sector and pharmaceuticals to aerospace and jewelry. In China, SEZs vary in function and scope. Some are designated geographical spaces where special policies support investments and economic development. Others include free trade areas, technical innovation areas and zones that facilitate experimentation and innovation.

4.2. *Mobilizing symbolic capital*

Countries of origin aim at benefitting from the symbolic capital accumulated by diasporas to increase the knowledge content of their development processes. Knowledge transfer to countries of origin is realized through two types of programs: setting up associations of highly-skilled migrants (HSMs) and temporary short-term returns.

Setting up HSM associations and networking

In an increasingly interconnected world, networking and associations of HSMs, such as engineers, physicians, scientists, economists play a significant role in the transfer of knowledge both among diaspora

communities and back to home countries. The knowledge these associations help transfer is at times associated with FDI. In Pakistan, associations like the Association of Physicians of Pakistani Descent of North America (APPNA) and the Association of Pakistani Scientists and Engineers of North America (APSENA) have provided expertise to Pakistan in information and communications technology (ICT), genetic engineering, nano-technology and in water resource conservation and desalination methods. The Organization of Pakistani Entrepreneurs and Professionals (OPEN) is active among the diaspora facilitating the establishment and development of Pakistani American entrepreneurs and professionals in Silicon Valley.

Other countries that have made good use of HSM associations are China and India. After first focusing on commercial projects, networking and associations of overseas Chinese professionals became instrumental in the transfer of knowledge to China. In India, overseas professionals have formed associations and virtual networks to share knowledge and maintain ties with their home country. In the US alone, there are 224 such associations such as the National Association for Indian American Associations and the American Association of Physicians of Indian Origin. The Indian case reveals how transfer of knowledge enhanced human capital and resulted in employment creation in India, such as in the ICT industry. Many Indians having established companies in Silicon Valley subcontract work to companies based in India, thus becoming links between the home country and international markets. Associations and social networks abroad, by creating a reputation for nationals of the concerned countries, become important assets at the international level. This is clear in the case of the ICT industry and India. Members of the diaspora become 'reputational intermediaries' able to create business opportunities in their country of origin, to enforce signed contracts and to enhance the business profile of their countrymen (Leclerc & Meyer, 2007).

Temporary, short-duration returns

Temporary short-term returns entail the temporary return of migrants to their home countries for consultancy, fellowships or research assignments. This form of knowledge transfer is exemplified by the United Nations Development Programme's Transfer of knowledge Through Expatriate Networks (TOKTEN) Program that has been operating since the 1980s. While the TOKTEN program mobilizes HSMs under the United Nations umbrella, some countries have their own temporary return processes aimed at reinforcing national development efforts, at transferring skills and know-how and at reversing the adverse

effects of brain drain. For example, the Pakistani-Descent Physician Society of Illinois, under the umbrella of APPNA runs and funds temporary free health clinics in different parts of Pakistan.

China resorts to short-term consultancies by members of the diaspora. China's National Innovation System (NIS) focuses on the quality of higher education institutions. Through the NIS, China aims at establishing innovation centers in universities with a view to enhancing local capability for innovation and reinforcing Chinese competitiveness. In doing so, it relies on gathering overseas Chinese talent from top universities worldwide.

4.3. Promotion of interest groups

Mobilizing emigrant communities and diasporas in support of home countries' political objectives and stances is another set of major policy measures. Such initiatives are undertaken to further home country interests in host countries.

Co-opting emigrants

Co-opting diaspora communities for development purposes, or for achieving political goals rests on the assumption that they share common sets of interests with states of origin. States make use of their diasporas through "leveraging powerful expatriates to upscale their concerns into global-scale arenas, and by exerting control on urban-scale transnational dynamics through closer engagement with migrant civil society." In Turkey, the government has attempted to use its emigrant community to promote its political goal of joining the EU. It launched campaigns among its emigrant communities to encourage better education, in the belief that the more established and influential the 'Euro-Turks' are in EU-countries, the better they may represent Turkey and Turkish interests (Ostergaard-Nielsen, 2003). Turkey urges emigrants to vote in particular directions in elections in host countries. It also encourages diaspora communities to lodge protests against politicians and to express disapproval to EU governments that have been critical of certain Turkish policies. Media in Turkish language abroad play a role in running the campaigns aimed at diasporas. The overall goal is to create Turkish lobbies in EU countries.

Mexico attempts to control migrant nationals and to co-opt them for political activities through ensuring that all migrant associations and institutions include state representatives. The Greek lobby in the US illustrates how diasporas may act as interest groups. Unlike in Europe and other host countries, the US political system allows for political interest to

be articulated by specific ethnic communities. Interest groups can legally further the objectives of countries of origin or ancestry. Many Associations were developed from the early years of Greek migration to America. Ethnic Greek interest groups have lobbied actively in the US for home state foreign policy objectives such as through organizing mass demonstrations during the Turkish invasion of Cyprus (Grammenos, 2011).

Organization of conferences

Special conferences are means to set up networks of diaspora communities and to constitute them as interest groups. Since 2003, India has hosted annual diaspora conferences known as Pravasi Bharatiya Divas. These conferences are specifically designed as platforms for interaction between overseas Indians, the Indian government, and interested segments of the Indian society, such as businessmen and cultural and charity organizations. The Egyptian government also resorts to the organization of such conferences, but only occasionally. In summer 2013, after the political changes the country experienced, a conference for emigrants was convened to garner support to the new authorities and to prod the diaspora community to contribute to development in Egypt.

5. Conclusion

The three levels at which policies of engagement in development are implicitly based on the assumption that home countries need to demonstrate loyalty towards emigrants and diasporas before these emigrants and diasporas show their own allegiance to home countries. This is a natural assumption given that, in respect of emigrants and diasporas, home countries lack, to different extents, the primary attribute of states, which is the exercise of legitimate power in their territory to impose on citizens to follow a certain course of action. The status of migrant workers in the host country is also important in determining the extent of legitimate action available to the state in the home country. For temporary migrant workers who cannot claim long-term residence and naturalization and must return, the home country will preserve a larger part of its attribute to exercise legitimate power.

In the absence of imposition by the state or obligation on the emigrants or diasporas, it is only through incentives that they can be engaged in development in home countries. Because the absence of obligations to varying extents, the incentives will vary. They will also carry diverse degrees of importance for the different categories of emigrants and members of the diasporas. Policy measures of nation-building beyond the territory and of political incorporation will be more

pronounced in the direction of long-term established diasporas and emigrants in settlement immigration countries than for temporary migrant workers whose links to the home country remain strong. In contrast, for the latter, the protection by the state of labor and social rights will carry more importance in determining the level of their engagement with the home country.

Policy measures to attract contributions to development are multiple. They are tailored to cater for different categories of emigrants and members of the diasporas and to draw benefits from their varying financial, skill and political resources. Measures to attract investments and skills should be mainly directed to members of long established diasporas and emigrants in host countries, whereas those concerned with remittances and reducing their costs will be essentially meant for migrant workers. Attracting political resources will be conditioned by the nature of political systems in host countries.

The effectiveness of policy measures to attract contributions to development is conditioned by the resources allocated to their formulation and implementation. It also depends on the solidity and efficiency of the two lower levels of extending rights to emigrants and members of the diaspora and of building capacity in home states. This proposition needs to be further tested.

Political and economic stability is also critical for attracting contributions to development. In the absence of a stable macroeconomic framework, diaspora members will be reluctant to transfer financial resources or to make investments in home countries. This brings out the importance of general macroeconomic and regulatory policies and not only of measures especially targeted at diasporas.

Diaspora engagement policies have now reached a considerable degree of diversity and maturity. However, their effectiveness in attracting contributions to development needs to be measured. Bringing evidence to support causality links between engagement policy measures and their outcome still requires considerable empirical research.

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Index

A

Abu Dhabi, 5
academic diaspora, 37
Afghan refugee crisis, 92
Afghan Taliban, 62
African countries, 86
Afro-South Asian ethnic mix, 77
Afzal, Madiha, 57
Aga Khan Rural Support Program, 30
age of migration, 1–21; dynamics of, 3; need for more research on, 20
ageing and funerals, 203
Agha, Gul, 57
agricultural migrants to the US, 32
Ahluwalia, Montek, 274
Ahmed, Akbar, 57
Ahmed, Masood, 58
Ahmed, Nazir, 233
Akhtar, Ayad, 49
Ali, Fatima, 56
Ali, Nur, 56
All-China Federation of Returned Overseas Chinese, 275
Al-Qaeda, 55, 60
American Association of Physicians of Indian Origin, 317
American Muslims, 54
American Pakistan Foundation, 63
American University, 57
Amsterdam, 78–79
Annual National Diaspora Day, 306
anti-immigration sentiments, 99
anti-money laundering, 128, 164
anti-Muslim, 53–55; hate crimes, 54–55
anti-Pakistani, 53
anti-immigration policies, 88; in Europe, 91–100
Al Awlaki, Anwar, 55
Arab Spring, 165; increase in migration, 165
Armen Tech, 295
Armenian-Americans, 295
Arshad, Ali, 230
Asian American Center for Advancing Justice, 48, 52
Asian-Americans, 48
Association of Pakistani Scientists and Engineers of North America, 317
Association of Physicians of Pakistani Descent of North America, 63, 317
asylum seekers, 27, 30, 32, 77, 85–86; applications to the EU, 84,

86, 91; asylum visas, 94; welfare seekers, 96; for work, 98
Australia, 27, 263; points-based system, 33; 'boat people', 93; voting rights, 311
Austria, 32, 103; voting rights, 311
Avramopoulos, Dimtris, 85
Azad Kashmir (also Azad Jammu and Kashmir), 7, 25, 28, 29; Pakistani migrants from, 119–121, 139, 225
Aziz, Ashar, 57

B

Bagai, Leona, 48
Bagh, 29
Bahrain, 31, 111, 114
Balochistan, 30, 62; migrants from, 139
Bangalore, 272
Bangladesh, 111; workers from, 163–164
Bangladeshi-Americans, 52
Barcelona, 77; Gujrat-origin workers in, 77
Beijng Haiju Program, 275
Belgium, 76, 83
belwinkels, 79
Berlin, 78
Bhimber, 29
Bhutto, Zulfikar Ali, 226
bilateral labor agreements, 313
bilateral social security arrangements, 313
biraderi (kinship networks), in the UK, 227, 228–229, 231–232; politics, 233; in Norway, 204
Birmingham, 180
'blue card', 76
blue-collar labor immigration, 32
'boat people', 92
Boston University, 58
Bradford, 180
'brain banks', 263
brain drain, 48, 239; to the US, 50
Brazil, 309
Brescia, 77
Brexit, 3, 88
Bristol, 180
British, culture, 15; economy, 7; government, 7; politicians, 231
British Indians, 53
British Muslims, 8, 40
British Nationality Act 1981, 82
British Pakistan Foundation, 41
British Pakistanis, 7, 41; size of, 7, 25, 225–226; poor, 8; middle class, 8; stereotyping of, 8; peaceful and pragmatic, 8; political participation, 16; permanent residence, 32; age structure, 81; occupations, 81; first generation, 230; second generation, 81; third generation, 81; fourth generation, 233; transnational marriages, 178–179; married to migrants, 179; forced marriages, 179; political success, 225–234; mayor of London, 225; historical ties, 227; unemployment and under-achievement, 228; ties between Pakistan and Britain, 228–229; ethnic enclaves, 230; votes, 231; career in British politics, 233; investment in Pakistan, 251
Budapest Process, 88
Bureau of Emigration and Overseas Employment, 28, 113–114, 116, 126, 174
Burki, Shahid Javed, 58

business and investment, 17; lack of transparency, 17, 250–251; possibilities of, 249; rebranding Pakistan, 250; transfer of technology and skills, 250

C

Cambridge University, 226
Cameron, David, 227
Canada, 26, 123; size of Pakistani diaspora, 26; immigration regulations, 33
Capitol Hill, 62, 63
Carpi, 77
cash-over-the counter system, 169
Catalonia, 76
Center for Global Development, 58
chain migration, 32; points-based system, 33, 197; Norwegian-Pakistani community, 197; Norway, 201–203
charitable donations, 36
Charsadda, 139; sample survey, 139; monthly earnings, 149; monthly remittances, 151
Chic, Masood, 60
Chicago, 59
China, National Innovation System, 218
Chinese diaspora, 18; estimates, 259–260, near and far-off, 18; support policies, 19; in the US, 47, 249; lessons from China, 255, 262–263; comparison with India, 262–264; FDI, 265–268; remittances, 269–270; knowledge and skills, 272–274; influencing economic reforms, 274; government policy, 274–276
Chinese-Americans, 263
CIA headquarters, 61
circuits of knowledge, 17; women academics, 17; private and public universities
Citibank, 239; former official serving as Prime Minister, 239
citizenship, 33
Clinton, Hilary, 63
colonial corridor, 6
commercial banks, 167; home remittance cells, 167
Commonwealth, 230
Community Relations Commission Report 1975, 231
community welfare attaches, 125
consanguineous marriages, 203
contract workers, 3; size of, 12
Cook County, 60
cost of migration, 137; to Saudi Arabia and the UAE, 137–159, 291–292
Council on Business Relations, 63
Councilor, Pakistan Relations, 63
Cricket, 60; in Norway, 204, 211
Cruz, Ted, 54
cultural identity, 3
'culture of migration', 13, 132; in the Philippines, 132

D

Dallas Star Telegram, 56
demographic changes, 76; in Europe, 76
Demos, 53
Denmark, 27, 76, 78, 83, 197, 201
diasporas and development, 17–19; lessons from India and China, 18, 294–296, 303–321,

ministerial and sub-ministerial institutions, 308
diaspora bonds, 251
diaspora communities, 23
diaspora, definition of, 23, 24, 25, 256–257; engaging with diasporas, 257–258, 303, 305; African diaspora, 256; 'near' and 'far', 257
diaspora studies, 3, 4; new approaches to, 34–35
Dir, 29
discrimination, 61; in the US, 9; in the UK, ethnic, 211
Dodecanese Islands, 93
Doha, 5
Dubai, 5, 83, 133, second-generation residents, 123; interviews, 127; real estate or business ventures, 130; Expo 2020, 165
duration of stay, 122; in the Gulf, 122
Durrani, Asif, 125
duty-free allowances, 311

E

economic immigration, 229
economic migrants, 91
economic remittances, 24; from the EU (excluding UK), 27, 229
Egypt, 111, 307, 319
Egyptian Emigration Law, 307
EI Salvadorian diaspora, 47
Emigration Act 1922, 125; modified, 125
emigration pressures, 288–290
ethnic stereotyping, 87
Europe, 32, 76, 92, 93; irregular migration, 82, 91; demographic predicament, 97–99, 107, 109; unsustainable welfare system, 97; skills ageing, 97; replacement migration, 98; labor market shocks, 108; integration capacity, 108
European corridor, 10–11, 26–27
European labor market, 78, 99, 106–108
European refugees, 96
European Union, 27, 28, 76, 83, 84, 96–97; laws to counter discrimination, 87; survival, 91, 94; asylum applications, 103; negative perception of immigrants, 98
European Union refugee crisis, 11, 103–109; political and media role, 11; economic and labor market impact, 11; open society, 12
Eurostat, 85, 103
Expo 2020, 165
Express Money, 169
extended families, 204; 'replacement' extended families, 204
extending rights to migrants, 310

F

Faisalabad, 29
families left behind, 4
family marriages, 15; UK legislation on, 15, 177–178
family reunification, 33, 78, 80, 207
Farook, Syed Rizwan, 61
Federal Bureau of Investigation, 55
Federal Investigation Agency, 84
Federally Administered Tribal Areas, 139

female labor force participation, 131; in the Gulf, 131; among Norwegian-Pakistanis, 209
female workers, 121; in the Gulf, 121–122
FIFA World Cup, 165
forced marriages, 179; in Norway, 212
Forced Marriage Unit statistics, 179
foreign currency accounts, 315–316
Foreign Exchange Remittance Card, 126, 127
France, 27, 32, 76, 83, 103
Frankfurt, 78
future migration flows, 13; to the Gulf and Saudi Arabia, 13

G

Gaarder, Shabana Rahman, 210
gender dynamics in Norway, 207
'Generation 1.5', 203
Geneva Convention, 86
German Academic Exchange Service, 78
Germany, 27, 32, 76, 78, 96, 97, 103; voting rights, 311
Ghaffar-Kucher, Ameena, 48
Ghana, 295
Ghani, Nusrat, 227
Ghaisas, Deepak, 273
ghettoization, 87
Gilgit, 30
Gilgit-Baltistan, 30, 139
Global Knowledge Partnership for Migration and Development, 138
global remittance flows, 165
globalization, 3
Great Lakes, Africa, 92
Greater London, 180
Greece, 27, 32, 76, 79, 83, 84, 96, 197
Greek economy, 83
Greek islands, 94
'green card', 32; IT specialists in Germany, 38; Europe, 76; Danish, 78
Guangdong Pearl River Talent Plan, 275
Gujranwala, 139; sample survey, 139; monthly earnings, 149; monthly remittances, 165
Gujrat (Punjab), 29, 75, 77, 79; sample survey, 139; monthly earnings, 149; average remittances, 151; Norwegian-Pakistani diaspora, 197–198
Gulf and Saudi Arabia, 11–13, 25; contract workers in, 12
Gulf Cooperation Council, 111, 257; migration rules, 112, 130; size of Pakistani diaspora, 113; flows, 114–116, 129–130, 165; skill levels, 116–119; gender, age and marital status, 121–22; duration of stay, 122; Pakistani embassies, 125; female labor force participation, 131; remittances, 162–163; increase in migration to, 165
Gulf diaspora, 133
Gulf, 75; duration of stay, 122; schooling, 124; step-wise migration, 124

H

Hafizabad, 29
halal meat, 226
Hamburg, 78
Hamid, Mohsin, 49

Hart-Cellar Act 1965, 32
Hassan, Zia, 60
Headley, David, 60
H-I-B visa, 37
Higher Education Commission, 38; setting up of, 240
High-Level Committee on the Indian Diaspora 2001, 257, 259, 262–264, 267, 276, 277
hijab, 87
Hindko, 199
Holland, 83
home town associations, 296; Mexican, 297
homegrown extremism, 61
'homeland', 35
Hong Kong, 124, 257, 267
honor-based violence, 212
human development index, 289
human rights, 32
hundi and *hawala*, 14, 164; hawala network, 166
Hungary, 103; voting rights, 311
Hussain, Altaf, 37

I

Illinois Institute of Technology, 60
International Monetary Fund, 58
Immigration Reform and Control Act 1986, 33
Import-Export, 212
India, 198, 289; voting rights, 311
India Caucus, 62
Indian diaspora, 18, 62, 249; size of, 18, 259–260; remittances, 18, 269–271; official support, 18; in the US, 48; knowledge and skills, 272–274; comparison with China, 262–264; FDI, 265–267, 268; influencing economic reforms, 276; voting rights, 311; IT industry, 273
Indian Americans, 263
Indonesia, 289
informal foreign exchange market, 164; crackdown on, 165, 175
Institute for Democracy and Electoral Assistance, 311
integration processes, UK perspective, 181–182; socioeconomic prospects, 181; importing traditional customs, 181; lack of language skills; Pakistani perspective, 187–189; receiving family, 183; structural effectors, 185; 'bonding capital', 185; employment, 185; racism and discrimination, 186–187; language, 187–189; remittances, 189; deconstructing assumptions, 189–193
integration, 180; definition of, 180
interlocking networks, 200
'internal asylum', 86
internally displaced persons, 30, 92
International Centre for Migration Policy Development, 88
International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families 1990, 87
international financial institutions, 58
International Labour Organization, 88, 158, 289

International Organization for Migration, 23
international schools, 124
international social capital, 36
international students, 292
Iqbal, Allama, 226
Iqbal, Zubair, 58
Iran, 75, 83, 86
Iraq, 79, 86, 93, 96
Ireland, voting rights, 311
irregular migration, 82; networks, 82–84; Albania, 84, Bulgaria, 84, Greece, 84, Montenegro, 84, Turkey, 84, Russia, 84, Serbia, 84, Croatia, 84, Slovenia, 84, Quetta, 84, Iran, 84, Jiwani, 84, Muscat, 84; brunt of deportation, 88; the Gulf, 122
Islamabad, 28, 198
Islamabad Policy Research Institute, 112
Islamic Council of Norway, 213
Islamist groups, 37
Ismaili community, 29
Italy, 27, 32, 76, 77, 79–82, 84, 94, 96, 103; occupation and age profile, 80; voting rights, 311
Izaal, 212

J

Jalal, Ayesha, 57
Japan, 27; voting rights, 311
Javid Sajid, 227
Jeddah, 5
Jhelum, 29; Norwegian-Pakistani community, 197–198
Jiangsu Seagull Program, 275
Jinnah, Mohammad Ali, 226
job search, 153
Jordan, 96, 99; Syrian refugees, 96

K

Kadir, Rizwan, 32
Kansi, Mir Aimal, 61
Karachi, 28, 30, 198
Kashf Foundation, 64
Kaviraj, Sudipta, 244
Kerala, 278
kerb market, 164
Khan, Ayub, 226
Khan, Deeyah, 211,
Khan, Fazlur Rahman, 60
Khan, Imran, 63
Khan, Shahid, 56
Khan, Mehmood, 60
Khan, Raja Lahrasib, 60
Khan, Sadiq, mayor of London, 225, 227, 233, 234
Khanewal, 29
Kharian, 78; remittance recipient survey, 206
Khuzdar, 30
Khyber Pakhtunkhwa, 28, 32; origin of migrant workers, 119–121; philanthropic contributions, 129; 139
kinship networks, 16; in the UK, 16
KNOMAD, 138; see also Global Knowledge Partnership for Migration and Development
knowledge networks, 294
Koenig, Angela, 48
Kotli, 29
Kurds, 96
Kuwait, 12, 31, 111, 114; families, 12, 13; size of Pakistani diaspora, 32, 114; female Pakistanis, 121–122; irregular migrants, 122; duration of stay, 123

L

labor markets, 105–107; migration and labor supply; in the European Union, 106–108
Laden, Osama bin, 62
Lahore University of Management Sciences, 240
Lahore, 198
Leaming, Pamela, 60
Lebanese Business Network, 295
Lebanon, 96, 99
Le Pen, Marine, 88
Libya, 94
literature festivals, 39–40
Lithuanian diaspora, 202
'Little Pakistans', 40
low-skilled workers, 13
Luce-Cellar Act 1946, 32

M

Mahmood, Khalid, 227
Mahmood, Shabana, 227
Malaysia, 27; My Second Home policy, 34; voting rights, 311
Malhance, Tariq, 60
Malik, Tashfeen, 61
Mangla dam, 29
Mansoor, Mullah, 62
Marr, Andrew, 4, 228
Mardan, 29; sample survey, 139; monthly earnings, 149; monthly remittances, 151
Massachusetts Institute of Technology, 57
Mateen, Omar, 55
Mavalvala, Nergis, 57
Mediterranean Sea arrivals, 103; Syrian, 103; Afghani, 103; Iraqi, 103
Memons, 79
Mexican diaspora in the US, 47
Mexico, 309; CONOFAM, 309, 319
Mian, Atif, 57
middle class, 2; link with migration, 30
Middle East, 3, 25, 31; skilled and unskilled workers, 30
Middle East Institute, 58
migrant-built houses, 206
migrant smuggling, 83; to the EU, 91
migrant rights, 20, 311–312
migrants' spouses in the UK, 177–193; pre-entry requirements, perceived barriers, 179; interviews with, 180–181; receiving families, 183–184; 'bonding' networks, 185–186; migrant husbands, 185–186; response to discrimination, 187; language, 187–188; poor socioeconomic status, 190–191; differences between Pakistani and Sikh, 190–191; lack of skills, 192
migration and development, 19, 314–319; impact on domestic labor market, 19; engaging with diasporas, 19; key lessons for, 287–298; impact on labor market, 290; emigration of highly skilled workers, 291; impact of remittances, 292; impact on poverty reduction, 293; development of home countries, 294–296; technology and creating knowledge, 296; lessons, 297–298; extending rights, 312–314
migration costs, 13, 137; Saudi Arabia and the UAE, 137–159; average costs, 143; cost components, 142; financing, 144; average migration costs, 151; cost to employers, 156

migration crisis, 91
migration flows, 13; future to the Middle East, 13
Migration Policy Institute, 38, 47, 260
migration to the UK, 6–8
Migreurop, 87
Minhaj-ul-Quran, 208
Ministry of Overseas Indian Affairs (former), 259, 276
Ministry of Overseas Pakistanis and Human Resource Development, 5, 113, 306–307
Mirpur, 6, 29, 75, 225; Mirpuris, 225–226
Mirza, Sikander, 226
Money Gram, 169
Moroccans, 296, 307
money trading companies, 169
Mubashir, Noman, 210
multi-generational households, 209
Musharraf, Pervez, 63; setting up HEC, 240
Muslim Americans, 54, 69
Muslim community, 40
Muslim diaspora, 86–87
Muttahida Qaumi Movement, 37
Muzaffarabad, 29
Myanmar, 93

N

Najam, Adil, 48, 58
Nasir, Jibran, 64
'nation beyond territory', 310
National Assembly, 125
National Emigration Policy 2009, 125
National Identity Card for Overseas Pakistanis (NICOP), 126
national savings bonds, 251
National Vocational and Technical Training Commission, 118
Netherlands, 27, 32, 76, 78
networks, 34, 39
'new Argonauts', 272
New York, 53; cab drivers in, 53; discrimination, 54
New York Taxi Workers Alliance, 53
New Zealand, voting rights, 311
Nigeria, 97
Nitaqat campaign, 130
Nordic labor market, 78
North American corridor, 8–10
North Waziristan, 29
North Western University Medical School, 59
northern England, 7
Norway, 27, 32, 76, 78, 83, 84, 197–199
Norwegian Pakistanis, 14–15, 197–216; activities, 211; gangs, 212; political integration, 210; the media, 211; local community origin, 197, 198, 204; size, 198; languages, 199; religion, 198–199, 208; demographic structures, 203; remittances, 205–206; gender dynamics, 207; religious and development ties, 208; labor force participation rates, 209; women, 209; families and marriage, 207; integration, 209–212; Pakistani-Muslims, 212–214; changing transnational ties, 214–216
nonresident Indians (NRIs), 263, 268, 269, 271, 295

O

Obama, Barack, 56
Office of the US Trade Representative, 67
oil prices, 3; spike in, 25; decline in, 131; boom, 163; glut, 163
'old' and 'new' diaspora, 34
Oman, 26, 31, 111; size of Pakistani diaspora, 26, 31, 114
Oracle Financial Services, 273
Organization of Pakistani Entrepreneurs and Professionals of North America (OPEN), 63, 317
origins of Pakistani diaspora, 28
Orlando, 55
Oslo, 78, 197, 198, 199; Oslo Mela, 204, 208; Norwegian-Pakistani taxi drivers, 210
Overseas Chinese Affairs Office, 307
Overseas Citizenship of India Scheme, 259
Overseas Employment Corporation, 155
overseas employment promoters, 155, 158–159
Overseas Pakistanis Foundation, 126, 158–159
Oxford University, 226

P

Pakathon, 65; 'hackathon', 65
Pakistan American Association, 63
Pakistan American Business Association, 63
Pakistan philanthropic organizations, 65
Pakistan Real-Time Interbank Settlement Mechanism, 169
Pakistan Remittance Initiative, 165–175, 315–316; idea of, 166; implementation, 168; incentives 170; interbank transfers, 170; remittance debit card, 170; penalty, 171; complaints, 171; future of, 174–175
Pakistan Tehreek-i-Insaf, 63
Pakistan, 1, 75, 86, 111, 149, 228, 230, 242, 289; human development, 16; 'culture of 'immigration', 132; remittances, 161–175; balance of payments, 161; economic and demographic profile, 261
Pakistan Fulbright program, 66
Pakistan-American Booth Alumni, 60
Pakistan–Europe corridor, 75–88
Pakistani academic diaspora, 237, 246; economists, 239; public policy professionals, 238; differences with India, 238; serving military dictators, 239; brain drain, 239; new academic diaspora, 240
Pakistani Awami Tehreek, 37
Pakistani Christians, 33
Pakistani diaspora in the Gulf, 111, 133; stock and outflows, 111–121; gender, age and marital status, 121–123; irregular migrants, 122–123; dual nationals, 123–124; official engagement with, 124–128; remittances, 128; philanthropy, 129; migrant destinations, 129–130; GCC migration policies, 130; demand in Saudi Arabia and UAE, 130; oil prices, 131;

women's labor force participation, 131; competition, 131–132; 'pit-stop', 133
Pakistani diaspora, size of, 1, 23, 11; demand for domestic goods, 17; pragmatism and resilience, 20; links, 24; tertiary degrees, 30; in the Gulf, 111–133; in Norway, 200; political success in the UK, 225–234; viewed through lens of faith, 226; academics, 231–246
Pakistani economists, 37; after retirement, 241; US-based, 246
Pakistani migrants to Europe, 77; characteristics, 77–79
Pakistani students, 244
Pakistani-Americans, characteristics, 8–9; income levels, 8, 50; professionals, 8–9, 26, 50; poverty, 9, 51; on the East Coast, 9, 33, 47–69; discrimination and harassment, 9; philanthropy, 34, 48, 51–52, 64, 65; history and general characteristics, 49–50; organizations, 37, 48, 51–52, 64, 65, 53–56; presidential elections, 5; size, 47, 61; as American citizens, 49; first generation, 49; age profile, 49; second generation, 49; median age, 49; geographical distribution, 49–50; blue-collar occupations, 50, 53; education levels, 51; home owners, 52; born in the US, 53; compared to the Gulf, 53; contribution to US culture and society, 56–58; academics, 57–58; in Texas and Chicago, 59; contribution to politics, 61–62; contribution to Pakistan, 63; returning to Pakistan, 63
Pakistani-Chicagoans, 60
Pakistani-Americans, contribution to US-Pakistan relations, 66; trade and investment, 67; knowledge sharing, 67; not a security threat, 60; lack of unity, 62; unofficial people-to-people relationships, 66; investment in Pakistan, 251; social scientists, 240; working in international financial institutions, 240; women, 241; post-9/11, 241–243; second-generation scholars, 241; 'experts' on Islam and terrorism, 242
Pakistani-Descent Physician Society of Illinois, 318
Palestinians, 53
Palestine, 96
Pashto, 199
Pepsico, 60
Peshawar, 29, 198
Petry, Frauke, 88
philanthropy, by the Pakistani-American diaspora, 34; the Gulf diaspora, 129
Philippine Overseas Employment Administration, 308; voting rights, 311
Philippines, 124; workers from, 163–164, 289; Department of Labor and Employment, 308; Overseas Workers Welfare Administration, 308
Planning Commission, 37
Polish diaspora, 202; voting rights, 311
political remittances, 16

Poonch, 29
population-to-migration ratio, 30
Portugal, 76
Prato, 77
Princeton University, 57
private sector universities, 240
property prices, 36
Protectorate of Immigrants offices, 113, 114
proximity networks, 31
Punjab, 28, 197, 198; origin of migrant workers, 119–121, 139
Punjabi, 199
Punjabi-Mexican-American community, 49

Q

Qadri, Tahir-ul, 37
Qatar, 26, 111, 114; size of Pakistani diaspora, 26, 114
Quetta, 30, 198
Qureshi, Moeen, 58

R

racism, 87; racism and discrimination in the UK, 186–187
Radio Hot Pepper, 63
Rana, Tahawwar Hussain, 60
Ratha, Dilip, 269
Rawalpindi, 29; sample survey, 139; monthly earnings, 149; monthly remittances, 151
Refugee Convention 1951, 96
refugees, 85–86, 91,
religion, 86–87; as an identity marker, 86
remittances, 24, 35–36, 249; total, 2, 292; from Saudi Arabia, 3; official flows, 14, 35, 126–127; hundi and hawala, 14, 35, 126; economic growth, 17; from the UK, 25; from the UAE, 26; charity, 36, 'success story', 128; Pakistan to the UAE, 130; global remittance flows, 165; top 20 recipients, 172–173; Pakistan Remittance Initiative, 165–75; remittance-related politics, 205; from Norway, 205; from France 205; from Spain 205; economic remittances, 229; impact of remittances, 292–293; impact on poverty, 293; attracting remittances, 315–316
Resurgent India bonds, 295
reunification policies, 76
'reverse colonization', 226
Rohingya Muslims, 93
Rotterdam, 78
Royal Military Academy at Sandhurst, 226

S

Sarwar, Mohammad, 233
Saudi Arabia, 3, 26, 75, 111, 130, 137, 225; size of Pakistani diaspora, 113; flows, 114–115; irregular migrants, 122; Nitaqat campaign, 130; cost of migration, 133–159; average costs, 141, 150; cost components, 142–143; financing costs, 144; wages and earnings, 151; working conditions and protection, 154–157; cost to employer, 156; remittances from, 163
Scandinavia, 78, 83
Schengen Agreement 1995, 76, 82, 108
school massacre in Peshawar, 64

Seraiki, 199
Serbian diaspora, 303
Sethi, Ali, 49
Shafi, Shahid, 56, 61
Shah, Naz, 227
Shahzad, Faisal, 61
Shiller, Robert, 104
Sialkot, 29, 77; airport, 77; sample survey, 139; monthly remittances, 149, 151; monthly earnings, 149
Siddiqi, Muzaffar, 56
Siddique, Teepu, 59
Silicon Valley Indian Professional Association, 295
Silicon Valley, 39, 57, 263, 273, 317
Silk Routes, RELEC, 88
Sindh, 28, origin of migrants, 119–121, 139
Singapore, 124, 257, 267
Singh, Manmohan, 274
social integration, 15
social mobility, 225–227
social remittances, 14–15, 39
social sciences in Pakistan, 238–240
Somalia, 96
South African Network of Skills Abroad, 296
Southall Black Sisters, 227
South Korea, 27
South Waziristan, 30
Southern Poverty Law Center, 54
Spain, 32, 76, 77, 79–82, 197; age and occupation, 81; voting rights, 311
special economic zones, 316
Spivak, Gayatri, 244
split households, 202
sports, 211; cricket, 211
State Bank of Pakistan, 161; Taskforce on Home Remittances, 161–167
'step-migration', 82; pathways, 82, 124
Swabi, 29
Swat, 29, 139
Sweden, 76, 96, 103; voting rights, 311
SWIFT codes, 166
Switzerland, 84
Syria, 79, 93, 96; civil war, 85, 96
Syrian refugees, 94, 132

T

Taiwan (China), 257, 264, 267
Taliban, 244
taxi drivers, 210
Technical Education and Vocational Training Authority, 118
Thailand, 27; voting rights, 311
The Hague, 78, 79
The Satanic Verses, 226
think-tanks, 246
Times Square, 61
TMT Ventures, 39
Toronto, 273
Transfer of Knowledge through Expatriate Networks, 318
transnational affiliations, 37
transnational existence, 14
transnational marriages, 15, 82, 177–193; restrictions on, 177–179
transnational social fields, 200–201; definition, 200; mainstreaming, 204
Tribal Areas, 28, 29; origin of migrant workers, 119–121
Trump, Donald, 3, 54, 88; bar on Muslim immigrants, 55
Tufts University, 57
Tunisia, 94
Tunisian migrant workers, 313

Turkey, 79, 83, 93, 94, 96, 318; 'Euro-Turks', 319; foreign currency accounts, 316
Tyler, Texas, 59

U

UK, 5, 15–16, 23, 76–77, 79–83, 177–193, 197, 201; Home Office Family Migration Policy, 177; language requirements, 177; income requirements, 177–178; detrimental to integration, 178; deconstructing assumptions, 189–193; legislation on migration, 32; voting rights, 311
United Arab Emirates, 111, 130, 137; size of Pakistani diaspora, 113; flows, 114–115; duration of stay, 123; cost of migration, 137–159; average costs, 141, 151; cost components, 142–143; financing costs, 144; wages and earnings, 149–150; working conditions and protection, 153–157; cost to employer, 156; remittances from, 163
United Nations Conference on Trade and Development, 265
United Nations Development Programme, 318
United Nations High Commissioner for Refugees, 103; creation of, 104
United Nations Office on Drugs and Crime, 83
University of Chicago, 60
University of Maryland, 57
US B-1 visa, 33
US Equal Employment Opportunity Commission, 54
US H1-B program, 33
US Immigration and Nationality Act 1965, 49
US Immigration and Naturalization Service, 32
US mainstream media, 53
US presidential election, 55
US State Department, 62
US, 7, 47, 79, 123, 197, 263; voting rights, 311
USAID, 62
USEB-5 investment visas, 34
US-led war on terror, 29
US-Pakistan relations, 63, 68

V

Vienna Convention on Consular Relations 1963, 309
Vietnamese 'boat people', 92
Vietnamese-Americans, 47
visa fees, 147
visa market, 144–147, 149
Vision 2025, 111; Pakistani diaspora, 124; special incentives, 124
voting rights, 311

W

wage wedge, 149–151
'war on terror', 226
Warsi, Sayeeda, 227, 233
web-based diaspora, 295
Western Europe, 177; immigration-related legislation, 177
Western Union, 169
Wilders, Geert, 88
Wilson Center, 66

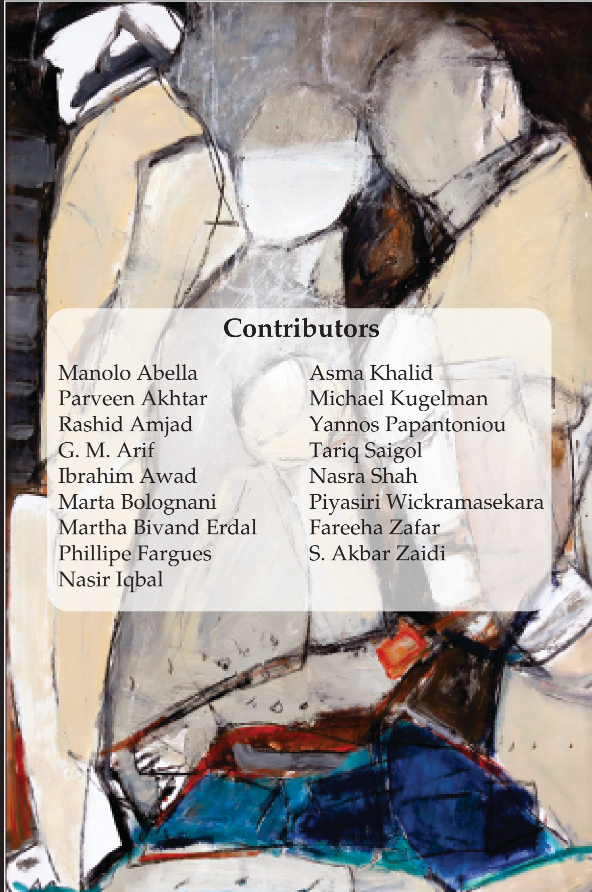
workers' remittances, 161–75; evolution and trends, 162–166
working conditions and protection, 153; in the UAE and Saudi Arabia, 153
World Bank, 58, 265; former officials serving in Pakistan, 238, 289; remittance estimates, 292
World Trade Center, 61

X

xenophobia, 40, 87
Xiaoping, Deng, 262
Yorkshire, 41

Z

Zafar, Roshaneh, 64
zakat, 36
Zia, Shehrbano Afiya, 243
Zia-ul-Haq, 32
Zimbabwe, voting rights, 311
Zoroastrians, 33



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