Chapter 1: Introduction

Section 1

In the second half of the twentieth century, many countries have benefited themselves by acknowledging and utilizing the potentials of their respective diasporas. China and Israel were able to capitalize on the inflowing support from their respective diasporas to the maximum; traditional financial support in the form of remittances and private transfers was prudently utilized by them for various developmental purposes.¹

The diasporic communities and entrepreneurs of a nation can play a crucial role in the economic development of their home country in various ways such as remittances, commercial activities, investment, skill circulation, networking and exchange of experiences. This thesis tries to study the entrepreneurial dynamism of and analyse various problems faced by the Indian entrepreneurs in the UAE. The contribution made by the Indians in the UAE proves that they are “global players”. They carry with them not only financial assets, but also energy, talent, business ideas, etc. There is a need to understand their global connectivity that has enriched them in various fields giving them a competitive edge over the others.

India has not been successful in utilizing the true potential of its diasporas because since the early decades of the twentieth century the Indian economy has been functioning within an “inward looking” and an anti-market model of development. In order to attain sustained rapid growth, India needs to adopt a broader policy, allowing for more economic and political freedom. The slow growth rate has adversely affected the employment scene in India, and due to the lack of funds not much could be spend on anti-poverty programs either.² Critics may argue that India has already established itself as a world power and its growth rate is about to touch double digits, however, in reality, the Indian economy has not been capable of fully cascading the advantage of this growth down to its nuclear units or, even, to the society at large.³ Poverty has been reduced, but not considerably enough. According to Bhagawati and Arvind Panagariya, the “type” of growth matters a lot in poverty reduction. Rapid growth in unskilled-labour-intensive industries that can create more opportunities for the poor has been neglected by India.⁴
There are currently 1.75 million Indian expatriates in the UAE who remit a huge amount in foreign exchange—nearly $2 billion—annually through regular banking channels.\(^5\) A substantial part of this remitted amount could be utilized for poverty reduction and for many other productive purposes provided India succeeds in motivating the Indian diaspora to become developmental partners through appropriate incentive schemes for investment. These remittances mostly get used for consumption purposes in India and rarely go towards productive investment, yet this inflow has a significant positive multiplier effect on the economic growth and the investment pattern in India. According to Zachariah, Mathew and Rajan, “the larger the remittances the higher is the percentage decline in poverty.”\(^6\) Thus such a huge amount of money sent in by the Indian diaspora/diasporic entrepreneurs has a significant direct poverty-reducing and welfare-increasing effect.

The study tends to suggest appropriate incentive schemes designed for the recipients in order to mobilize these resources towards promoting enterprising growth in the low-skill-labour-intensive industry. In the following chapters this thesis will analyse in detail the contribution to the home as well as the host nation, other than remittances, made by these Indian diasporic entrepreneurs living in the UAE—the establishment of various enterprises in India as well as in the UAE, creation and catering to the demands of nostalgic trade, increase in export volume, and the enhancement of the bilateral relationship between India and United Arab Emirates. According to Prakash Jain, “globalisation has significant bearing on the formation of the Indian diaspora.”\(^7\) Margaret Walton-Roberts adds, “In the case of India, a significant cause and effect of globalisation are the million of emigrants, both temporary and permanent, that work beyond Indian borders.”\(^8\) With globalization, the number of emigrants has increased in the UAE, resulting in an increase in remittances. The volume of investment and trade across the border between India and the UAE has also increased. This study wants to highlight the Indian diaspora and entrepreneurs in the UAE as assets valuable to India.

The non-resident Indians in the United Arab Emirates are one of the wealthiest business communities in the Gulf region. According to the 2003 World Wealth Report of Merrill Lynch, there were 47,000 millionaires in the UAE and 52,000 in 2004; amongst whom, as was counted in 2003, there were 8,000 NRIs. As we have seen, the total amount remitted through official channels to India by the Indian diaspora in the UAE has been recorded to be nearly $2 billion per annum.\(^9\)
The Indian diaspora and entrepreneurs in the UAE have played a crucial role in attracting FDI, promoting export of domestic products, creating joint ventures, etc. Thus they ought to be seen as global agents. Keeping these Indian entrepreneurs in the UAE at the centre of discussion, this study wants to iterate that any policy recommendation for economic development should incorporate entrepreneurship. Thus Indian entrepreneurs and the Indian diaspora of the UAE can actively partner with India in its developmental strategies.

Since the end of the Cold War, the meaning and significance of the term globalization has been an important topic of debate among scholars. No one can deny the fact that globalization has had some negative consequences in certain cases, increasing poverty, inequality, ecological degradation, etc. However, it will be unfair to discount the positive impacts that globalization has brought along with it. Proponents of globalisation argue that it has increased environmental consciousness which has resulted in the adoption of various programmes working towards environmental sustainability. In many cases global communication has facilitated the solution of humanitarian problems. Critics may argue that it has not resulted in an ideal economic order, but it has to be acknowledged that in some respects globalization has definitely promoted human welfare. But according to the 2006 Globalisation Index jointly published by A.T. Kearney and Foreign Policy magazine, the nations of Singapore, Ireland, Switzerland, USA, Netherlands, Canada and Denmark are the most globalized, while Egypt, India, Indonesia and Iran are the least globalized among the listed countries.10

Participation in a global economy can propel a country towards more success. Globalization has strengthened the ties among the nations. It has facilitated migration, the transmission of various ideas, trade, investment, remittances, technology transfer, and creation of newer types of organizations. As stated by Jean Dreze and Amartya Sen, “There is a worrying image of seclusion that has been invoked in many old Sanskrit texts in India (in Hitopadesh, Ganapath, Prasannaraghava, Bhattikavya, among others). This is the story of a frog that lives his whole life within a well and is suspicious of everything outside it. This ‘kupamanduka’—the well-frog—has a worldview, but it is a worldview that is entirely confined to that well. The scientific, cultural and economic history of the world would have been very limited had we lived like well-frogs.”11 The cited
analogy can only urge us to try and better understand the process and in doing so the benefits of globalization.

Globalization has brought the world much closer together, resulting in more transnational migration, transnational corporations, etc. Amartya Sen’s advice to the Indian economy is to keep the “well-frog” attitude at bay. The benefits of globalization need to be seen through a broader perspective, such as the resultant interdependence among nations, and the broadened horizon of international trade and investment. According to Jean Dreze and Amartya Sen, “Over thousands of years, globalisation has shaped the progress of the world, through trade, travel, migration and dissemination of knowledge.”\textsuperscript{12} Living in an open society, it is much easier to take advantage of greater opportunities at a global level. Due to globalization, a huge number of entrepreneurs, professionals, traders, various skilled, semi-skilled and highly-skilled labourers were enabled to migrate to different parts of the world, particularly to the Gulf region, in search of better jobs, which Prakash C. Jain called “a piggyback ride on globalisation”.\textsuperscript{13} No doubt there are negative issues related to globalization, but if there is political will they can be avoided through proper utilization of the benefits from globalization which can be harnessed for the betterment of the underprivileged.

This study intends to draw the attention of researchers and policy makers in India towards the Indian diaspora/diasporic entrepreneurs in the UAE. These diasporas/diasporic entrepreneurs are a product of this global process as well as key role-player in this process. According to Prakash C. Jain, “Thanks to globalisation, the Indian entertainment industry which includes film, music, fashion, theatre, has expanded tremendously in the 1990s… the audience includes not only the non-resident Indians but also the Arab masses.”\textsuperscript{14} The Indian diaspora in the UAE has popularized Indian food, fashion and jewellery in the UAE market. They have an immense potential which can be harnessed for the benefit of India and the UAE. The study attempts to establish that though they may not be the main agent in this process but their potentials can certainly be utilized towards reduction of poverty, social inequalities and regional disparities. This is an area to which the Indian policy makers need to pay proper attention.
Objectives of the Study

In recent times, various studies have been conducted into the potential of the various diasporas, however, there has been a “knowledge gap” on the part of the Indian policy makers that has resulted in poor assessment of the contribution made by the Indian diaspora/diasporic entrepreneurs in the UAE in various fields such as investment, remittance, trade, generation of employment, social network, etc.

There is an urgent need to tap the development potentials of Indians living in the UAE. Some reasons have been given below to show why. Firstly, the evidence suggests that the amount of remittances sent by them to India is quite high. Secondly, India should try and make the most of the available advantage in the UAE market, thanks to the Indian entrepreneurs in the UAE who can readily act as agents in this process. Thirdly, it is necessary that every state in India should make an endeavour to acquaint their people with the achievements of the Indian entrepreneurs in the UAE; they can be future role models to entrepreneurs in India as well as play a key role in the “cross fertilization of ideas”.

One can agree with the remark by Prakash C. Jain that this ignorance about the UAE-resident Indian diaspora is “a major gap in our understanding of a segment of worldwide Indian diaspora that has so far been least researched.” The main objective of this study is to shed some light on the various aspects of the Indian diaspora in the UAE, with special focus on the Indian entrepreneurs within that diaspora. In the following chapters we shall discuss in detail their successes, the challenges they faced and the role they have played in the growth of the Indian economy. An attempt has also been made to articulate the important hypotheses supported by this research that in the end may give some scope for further research in this field.

Review of Literature

A body of literature on diaspora and entrepreneurship is presently available. However, it is necessary to note that there is no literature available on the Indian entrepreneurs in the UAE, besides the pioneering work, titled *Non-Resident Indian Entrepreneurs in the United Arab Emirates* by Prakash C. Jain. Migration and developmental literature is presently dealing with the contribution of diaspora to various developmental activities and addressing various possible ways to maximize the potential of diasporas.
De Haas\textsuperscript{17} analysed various strategies developed by the host countries that target the diasporas to make them contribute more towards the development of the host countries. He put together case studies from Netherlands, United Kingdom, France, Belgium, Germany, Italy, and Spain. His study suggests that it is necessary on the part of the governments to reduce the cost of remittance. A good investment climate will channelize the remittances towards productive investment. This study further suggests that “brain circulation” programmes and setting up of small enterprises with support from the governments will increase the interest of the diasporas in becoming a partner in development; that collective developmental projects led by diasporas should be encouraged by the government; that the “co-founded projects” introduced by the Dutch government is an example of successful governmental support to network and capacity building amongst the diasporas and should be followed by other governments. Hence, the governments should acknowledge the “unique strength of diasporas”.

Ratha\textsuperscript{18} stresses that workers’ remittances are an important source of developmental finance for developing countries. This study argues that the inward flow of remittances will bring about a positive impact on the growth, investment and income distribution for the recipient countries. It analyses various measures which can be implemented by the industrialized and developing countries to increase the inflow of these remittances. According to this study, a country can attract more remittances by encouraging international migration. It also remarks that remittances are the second largest source of direct income after FDI. The policy recommendations suggested by this study are: a) the need to create a strong financial infrastructure; b) policy improvement regarding foreign exchange control; c) reduction of remittance transaction costs through creation of competition among the money-transfer agents; d) easy access to banking service through migrant workers; e) better investment climate in the recipient country.

Johnson and Sedaca\textsuperscript{19} have given a detailed representation of the various diaspora mechanisms which can be utilized for reduction of poverty and generation of growth, provided the diasporic community is allowed to act as a key stakeholder. They have analysed diaspora-related developmental programmes from the standpoint of remittance, diaspora business linkage, collective remittance for community development, and diaspora-driven trade, investment, and knowledge-transfer mechanisms. Johnson and Sedaca see the diaspora as the “first movers” who can
generate investment in their home country. Emphasizing the knowledge-transfer mechanism, they comment that professional diasporas can share their knowledge with others through their network. They further advise that various financial instruments such as investment funds, sovereign diaspora bonds, etc., be introduced to mobilize the diasporic resources towards public and private sector. The authors conclude that proper utilization of the above can help produce more benefit from the diasporas.

**Lowell and Gerova**\(^{20}\) shed some light on important diaspora mechanisms such as “optimal brain strain, return migration, financial instruments, entrepreneurial investments, hometown associations, migration and trade, and professional diaspora networks. The study presents some case studies from India, Taiwan, China and Korea, and on the basis of these it argues that returning migrants bring with them various new skills learnt in another country. The study emphasizes the urgent need for systematic cataloguing of various mechanisms through which the diaspora can foster development. The study argues that low-, medium-, and highly-skilled expats can create enterprises. The low-skilled expats have a greater interest in entrepreneurship as it provides them with an alternative to low-paid jobs. On the other hand, highly-skilled entrepreneurs normally engage themselves in capital-intensive business and bring heavy returns to the home country. The medium-skilled entrepreneurs generate many technological innovations by transferring their knowledge. The study also comments that most of the existing literature on this subject ignores the level of skill and gives feedback which is not always acceptable. The main challenges to investment by the diaspora are an unstable economy and political climate and lack of appropriate protection. This study concludes that there is a need for further research on the contributions of the diaspora to economic development assessed through live field studies rather than dated, static information derived from the existing body of literature.

**Hugo**\(^{21}\) opines that modern transportation and communication systems have minimized the distances between nations. This has facilitated the quick flow of information between diaspora and potential movers resulting in an increase in foreign direct investments (FDIs) and improved reception of various kinds of developmental assistance from the migrants.

**Orozco**\(^{22}\) provides a broad presentation of the multifaceted impact of the diasporas on economic development. He has conducted his research in the Latin
American and Caribbean countries and lists a set of five “T”s related to all diasporas of the world—tourism, transportation, telecommunication, trade (nostalgic), and transmission of remittance. Tourism, to which the diasporas contribute a lot, is the major money-making source for all developing countries. The regular visits paid by the diasporas to their homelands generate money for the home as well as the host country. They also visit holiday destinations like the non-national tourists. Orozco mentions that the US airlines generate a lot of money from such travelling. Diasporic travel has also facilitated changes in transportation infrastructure—airports, bus services, taxis, etc. The regular telecommunication of the diasporic groups with their family and business associates have greatly benefited the telecommunications sector. The diasporic group prefers the taste of its own cultural food, household items, etc., and this demand for nostalgic goods gives rise to the nostalgia trade. As a result, now there are many ethnic stores all over the world catering to such demands. Finally, the most important contribution is the remittances sent to families back in the home country.

Kathleen Newland and Erin Patrick\(^{23}\) state that the diaspora may prove to be an important resource for poverty reduction and suggests that it is necessary to encourage such trans-nationalism where the diaspora can act as the engine of economic development. Remittance can be put to use to finance education and women’s empowerment. In order to increase development and the impact of remittance, USAID should consider a strategy which should include both regulated and non-regulated MFIs as remittance agents as these institutions have the maximum capacity to fulfil the different financial needs of remittance-receiving households. The unregulated NGOs have successfully rendered many services to the households, helping to further increase the developmental impact of remittances. There is a need to increase the government’s institutional capacity to address the issues related to remittances and the monetary institutions transferring these remittances. Thus a concrete policy should be adopted for maximum utilization of remittance for development.

Kathleen Newland and Hiroyuki Tanaka\(^{24}\) suggest that diasporic entrepreneurship can contribute a lot to the home country in terms of creating business, generating employment opportunities, stimulating innovation, strengthening social capital, and mobilizing political and financial capital. This study found an incapacity on the part of the major developing countries to take advantage
of opportunities from their diasporic entrepreneurs; very few countries were successful in attracting investments from their diasporic entrepreneurs. Not all among these entrepreneurs have the capacity to contribute to economic development. This study categorizes entrepreneurs as being of two types: “necessity entrepreneurs” and “opportunity entrepreneurs”. Necessity entrepreneurs, often unable to find any other work, create small businesses to satisfy their own demands and have little power to contribute towards the economic development of their home country; they, however, help reduce the “overt unemployment” situation back home by migrating away for work. Opportunity entrepreneurs on the other hand exert a direct positive impact on the economic development of the home country with their capacity to recognize and take advantage of newer markets in the world. The study suggests that government programmes should include not only the “value-adding firms”, but should consider both types of entrepreneurs. The study also suggests that pro-diaspora government policies, good governance, favourable social and cultural attitudes towards entrepreneurs, easy access to financial institutions, can trigger investment motivation among these diasporic entrepreneurs. Governments, various institutions, diasporic organizations and civil society groups can work together to help diasporic entrepreneurs remove obstacles in the path of investment and encourage further investment.

Lucas\textsuperscript{25} notes that the most important asset possessed by the diaspora is their transnational social network. The capability of the diaspora to generate opportunities and transfer knowledge depends on the frequency and quality of their interpersonal interactions. Lucas attached more value to the education and skill levels of the diaspora which give them the capacity to increase trade through their network and act as leaders, motivating others to invest in their home country.

Prakash C. Jain\textsuperscript{26} has carried out a pioneering piece of research in his book, titled *Non-Resident Indian Entrepreneurs in the United Arab Emirates*, already referred to, that gives a clear understanding of the non-resident Indians in the UAE, who are among the richest business communities in the Gulf. Jain argues that the contribution of these successful Indian entrepreneurs in the UAE towards India has been immense, however, they have not got the attention due them from policy makers as well as researchers in India. Since 1970, these entrepreneurs have made a fortune by investing in the UAE within a business climate that is supportive towards entrepreneurial growth. He acknowledges the role of the first wave of Indian émigrés
who laid the foundation for this process of success. He further comments that this
diverse and talented group of Indian entrepreneurs in the UAE has made immense
contributions to various fields in the UAE. In this work Jain also appreciated the
institutional network laid down by the old as well as modern entrepreneurs that has
helped foster the bilateral relationship between India and UAE.

Furthermore, in his article “An ‘Incipient’ Diaspora: Indians in the Gulf
Region” Jain represents the sociological characteristics of the Indian migration to
the Persian Gulf region. Following Myron Weiner he characterises the Indian
diaspora as an “incipient diaspora”. He states that these diasporic Indians are not
immigrants in the true sense, however, they continue to stay in the Gulf for a long
period of time without any citizenship rights; their process of migration has been
“transitory and circulatory” in nature. He defines the relationship between India and
the UAE as “symbiotic”. Indians depend on the UAE for economic gain, whereas the
Arab states are dependent on Indian labourers who are law-abiding, docile,
hardworking and disciplined. He finally comments that the status of Indians in the
UAE is as non resident Indians (NRIs).

K.C. Zachariah, E.T. Mathew and S. Irudaya Rajan have represented a
historical account of emigration from the state of Kerala. They observe that ever
since 1970 a large number of Keralites have been migrating to take up various
opportunities in the Gulf states. The effect of this migration has brought about
changes in the economic, political, social and religious lives of these people. The
authors admit that lack of data on external migration from India has limited the scope
of research in this field. This study was based on usual methods of migration
analysis, for example, cross tabulation, regression analysis, etc. It recommends
reduced negativity towards migration and advocates policies favouring it to enhance
the developmental impact of migration. This study narrows down the various Indian
migratory trends to the basic two: short-term or long-term migration. The short-term
prospects need an urgent enhancement of skills by the Keralite workers, whereas for
the long-term prospects, the study suggests the adoption of a more globalized
outlook by the educational system in Kerala.

of Indian Labour Diaspora in the UAE” is a survey-based research study on the
Indian labour diaspora in the UAE. The study was conducted through three major
cities—Dubai, Abu Dhabi and Sharjah and clearly portrays the employment and
working conditions of Indian emigrants in the UAE. It describes the various facilities enjoyed by them, and gives a brief presentation on the employment structure in the UAE wherein the tertiary sector is predominant. The paper also analyses other important aspects such as the immigration policy of the UAE and the future demand pattern of labour in the UAE.

**Fatma Al-Sayegh** gives an interesting representation of the merchant’s role in Dubai’s developmental process in her article on how the merchant class operated in the Gulf since the pre-oil era. Taking Dubai as a case study, she examines not only the economic role played by these merchants but also some other roles assumed by them. Dubai, also known the “city of merchants”, was dominated by Indians and Iranians before the twentieth century. Possessing a strong financial power, this merchant class was the main financier to the pearling industry thriving on the Trucial coast, and hence they enjoyed a special position in society. They were a part of the advisory board—majlis. This article gave an interesting and detailed account of the rise of this merchant class in the Gulf, their involvement in the decision-making process in the pre-oil era, and their key role in designing the future of the Arab-Gulf states.

**Myron Wiener**, in his “International Migration and Development: Indians in the Persian Gulf,” demonstrated the first systematic approach towards representing the diaspora in the Persian Gulf. Weiner here comments that the small oil-producing states, including the United Arab Emirates, solved their man-power and labour shortage problems by recruiting temporary workers from outside. These Gulf states, which are mostly monarchical, did not however give permanent resident status to migrants. The monarchy’s fear of probable “political erosion” dues to the migrants was the main reason for this strategy. Weiner also states that these states in turn favoured their own nationals and tribes to the maximum with their state welfare programs. This study gives a clear description of the migrants from south Asia and India. Weiner criticizes the developmental programme undertaken by the Gulf States in this article, and in doing so observes the social order through a divide: the consumption-oriented native population; and production-oriented migrant population. The migrants, an indispensible part of the Gulf economy, stay within their own social group as they are not permanent residents and are considered subordinate to the nationals. Despite all the negative factors associated with their temporary stay, the lucrative opportunities attract the migrants to this region. Finally
Weiner comments, the fate of the Indian diaspora depends a lot upon on the Indo-Gulf relationship.

**Anand Mullo**’s *Voices of the Indian Diaspora* is a unique collection of contemporary as well as classical Indian diaspora literature from all over the world.\(^{32}\) Mullo in this book emphasizes the huge potential possessed by these Indian diasporas. Some of the suggestions he articulates in this book for India on its road to becoming a world power include the need for visionary leadership, development of social infrastructure, improvement in work culture, education, and individual and social responsibility. He advises the network of diaspora to take into consideration the various objectives and successes of the Global Organisation of People of Indian Origin (GOPIO). The latest information regarding various issues and political situations in many countries such as Fiji, Trinidad and Tobago, Guyana, has found representation in this book. Mullo also analyses the various reasons behind the successes and failures of the Indian diasporas in their host countries and states his belief that the success of PIO (People of Indian Origin) is dependent on a good and close diasporic community. He advises the diasporas that in order to rediscover their Indian-ness, they should derive inspiration from their immigrant forefathers and try to acknowledge their struggle and contribution. In order to develop a closer link between India and themselves, he further advises, they should look at themselves through the “diasporic mirror” which will enable them to withstand various challenges.

**Ram Buxani** is a famous Indian businessman belonging to the Sindhi community who has been residing in Dubai for many decades. *Taking the High Road*,\(^{33}\) his autobiography, reflects the spirit of entrepreneurship inherent amongst people from the Sindhi community. According to Buxani, the extraordinary skills possessed by the people of this community, their courage, tenacity and determination is what made them, as he states, “people destined to succeed”. He characterizes the Sindhis as a truly an international community, one that does not suffer from any biases relating to caste, race, religion and nationality. He appreciates the role of the Sindhi women who provide emotional support and keep intact the cultural identity of India. He comments that there are many issues related to non-resident Indians that need to be tackled by the government. The attitude towards the NRIs, according to him, was not favourable as they were projected as “selfish, loud and unpatriotic”, however, he acknowledges, since the wake of liberalization and globalization in
India, attitudes towards the NRIs have started to change. He mentions his contribution in abolishing the Estate Duty in India. This autobiography gives a thorough account of the transition of Dubai towards modernization, besides the struggles and suffering faced here by the early wave of Indian diaspora.

**Research Questions**

On the basis of the review of literature that has been presented above, the study will address the following specific questions:

- What is the type of Indian diaspora to the UAE?
- What type of challenges did the emigrants face?
- What special attributes do they have which have made them so successful?
- What sort of contribution did they make towards India as well as UAE?
- What sort of policy from the home and host countries can maximize the utilization of their potentials?
- What role did they play in enhancing bilateral relations between India and UAE?
- In what respects can the Indian diaspora/entrepreneurs in the UAE be a valuable asset to India and can they be utilized successfully as partners in development?

**Main Hypotheses Used in the Research**

The main research hypothesis revolves around the Indian diaspora/entrepreneurs in the UAE. They are potential development resources to India. This study argues that they can play a significant role in the process of economic development in India and examines how their potentials could be fully utilized for furthering development by India. Broadly speaking, the following two hypotheses can be stated:

- Firstly, being an incipient diaspora, the Indian diaspora in the UAE can potentially be a part of the developmental process in India.
- Secondly, the Indian entrepreneurs in the UAE are a strategic asset to India.

Based on a field study in the UAE and an assessment of the role played by Indian diaspora/diasporic entrepreneurs in the UAE, it appears that their collective
nationalistic attitude is stronger than the Indian diasporas in other countries, as they are only too aware of the temporary nature of their stay in the UAE. They are engaged in various philanthropic activities, and in need they have always stretched out their helping hands towards India. Appropriate policies geared towards them will probably bring about desired results. Efforts will be made in the following sections to see whether or not the two hypotheses mentioned above are correct.

Section 2: Methodology and Research Strategy

Survey Questionnaire and Case Studies
The field study took more than a year. In order to gain accurate information the author conducted interviews with the Indian diaspora and a few entrepreneurs in the UAE. The research strategy included a structured questionnaire, with open-ended questions permitting the entrepreneurs to express their views. This face-to-face exchange of views and the ensuing discussions helped bring to the surface a lot of inside information regarding many issues which were originally not included in the questionnaire. Thus, these face-to-face interviews certainly enriched the quality of this study.

Formal questionnaires were initially sent out to many, individuals and companies, through e-mails, only a few of those that were returned were completed correctly. To avoid this problem, and to gain the correct opinions, the questionnaire was restructured in another format. The main difficulty faced was to get the approval from the owners of the firms. Some of the companies responded with various excuses to avoid participating in the survey, whereas many of the companies did not reply at all. Again, with those firms that agreed to the interviews, it was very difficult to get an appointment. Many times interviews got postponed because the owners were busy with other activities or out on overseas tours. However, by and large most of the owners were willing to express their views during the interviews. Every effort was made through personal contacts and friendly channels to reassure them. Despite constrained resources, useful data was collected in the end. This study managed to gather the required information from the semi-structured and multiple choice questions, as well as the relatively open-ended interviews.

While the main aim of the questionnaire-based survey was to gather opinion from a large sample of people, the case studies provided a deeper understanding of
the issues related to the present study. The material for the case study was gathered through direct and in-depth interviews, company profiles and published documents. Five case studies have been presented as role models later in this thesis. Face-to-face communication with the owners and visits paid to the workplaces provided extra information related to the study.

In order to check the reliability of materials collected from the survey and for the case studies, they were rechecked with published sources such as:

a) Company profiles and annual reports;
b) Directories;
c) Published biographies of entrepreneurs;
d) Reports and articles from Newspapers—such as Gulf News, Khaleej Times.

The study put more emphasis on qualitative analysis than on quantitative analysis. In order to gain variety in opinion, potential respondents were chosen from various sectors. The required data was collected amidst various constrains. The empirical findings of this thesis has been presented later, in the sixth chapter. Since the aim of the study is to align the resources possessed by the Indian diaspora/diasporic entrepreneurs with the economic growth of India, some emphasis is laid on the requisite policy formulations to support such an alignment.

**Other Sources of Information**

Every effort has been made to collect information and data from various reliable sources such as official publications, reports on seminars and conferences, etc. many of which were attended by the author in her own capacity. At the initial level, the study relied heavily on the questionnaires and matter gathered from interviews, however, later on, in order to gain further qualitative information, a number of informal contacts were made by the author at various levels such as the Chamber of Commerce, the Ministry of Information and Culture, the Indian Embassy, the Emirates Centre of Strategic Studies and Research (ECSSR), the Cultural Foundation of UAE, etc. Other sources include:

a) Members of various social organizations in the UAE such as the Indian Social Centre, Malayalee Samajam, Kerala Social Centre, etc.
b) Extensively searched literature such as various articles, surveys, academic journals, reports, bulletins, directories and periodicals.

c) Field visits to a number of industrial areas such as Mussafah in Abu Dhabi, the Free Trade Zone (FTZ) in Dubai, etc.

**Scope and Limitation of the Research**

The most important problem the researcher faced was in collecting the various information and data regarding target population. Unfortunately data and information is very limited in the UAE. During research the author found that there is a lack of comprehensive data in this field. Most of the available documents are in Arabic; even the Chamber of Commerce of Abu Dhabi deals with everything in Arabic. Hence, the study had to rely heavily on face-to-face interviews and surveys on Indian diasporas. During these face-to-face interactions, some direct questions were asked to gather as much of quantitative information and personal views as was possible. The study acknowledges the fact that the findings are constrained, however, special care was taken to represent the data so as to best serve the purpose of this study.

Moreover, the author was entirely self-sponsored. The geographical area of survey included three main cities in the UAE—Abudhabi, Dubai and Sharjah. Being a lady researcher, the author faced many problems working against the backdrop of a traditional Muslim society where the women have to abide by a lot of restrictions. In order to minimize the magnitude of such limitations, the author had to depend on relatively fewer case studies than she would have wished to enrich the study.

**The Survey Sample**

The survey participants were chosen at random, although the main intention was to gather a variety of information from people belonging to various disciplines to get a wider coverage. The entrepreneurs were selected from various backgrounds. This study does not claim perfect representation of the entire Indian diasporic population present in the UAE. In the end, the selection was made by the author keeping in accordance with the element of convenience. The various associated limitations shall keep the author from claiming the study as a statistically correct report. About the major issues represented in this study, the majority was reached through a broad consensus. This is so because most of the respondents based their views and ideas not only on their present experiences in the UAE but also, their past experiences in
their country of origin which helped them analyse every question in an appropriate way. A detailed account of the findings of the survey has been presented in the following section.

**Conclusion**

The main objective of this thesis is to explore the potential of the Indian diaspora/diasporic entrepreneurs in the United Arab Emirates, as well as to investigate into their contributions towards their home and host country. This study intends to fill in the gap that keeps us from fully understanding the roles they play and can potentially play with respect to India and the UAE. The empirical findings from the field research conducted in the UAE in the form of a questionnaire survey were deduced with an intention to better understand their importance as well as their hopes, and in doing so, help India to devise favourable policies to optimize their contributions and also align them as partners in development. This thesis, in its entirety, also hopes to broaden the scope for further research.

**Endnotes**

3. Ibid., 19.
4. Ibid.
12 Ibid.
14 Ibid., 38.
15 Ibid., inside front cover jacket flap.
16 See endnote 5 for publication details.
26 Jain, *Non-Resident Indian Entrepreneurs*; see endnote 5 for publication details.
28 Zachariah, Mathew and Rajan, *Dynamics of Migration in Kerala*; see endnote 6 for publication details.


