Chapter 1
Scope of the Study and Statement of the Problem

1.1 Introduction: Networking by Expatriates

The flow of professional, technical and other workers from developing to developed countries is an integral component of international migration. As global restructuring processes accelerate, so does international migration. People from various backgrounds migrate to developed nations despite restrictive immigration policies in the host countries. Over the years, these immigrants have successfully settled and established themselves in their new homes. Simultaneously, they have also been able to maintain contact with their native land through different means. Rapid growth in telecommunication technologies has played an important role in this process. Due to large scale migration, expatriates started establishing informal networks to meet new people and establish themselves in a new culture. The continuous networking by the expatriates has led to the formation of formal associations in the host countries. These associations are generally structured in terms of their roles, activities, vision and mission and have been playing an important role in the lives of expatriates such as preservation of culture, art, ethnicity, and help establish professional relations with the host countries. It seems there has been a gradual increase over time in the number and size of these associations in almost all the destination countries (Vertovec, 2002). These associations are of different types and Meyer and Brown (1999) categorize them into four types: student/scholarly networks, local associations of skilled expatriates, expert pool assistance through TOKTEN, and intellectual/scientific diaspora networks.

There have been some discussions and debates about the possible roles of expatriate association vis-à-vis the home country. Some researches have indicated that developing countries should explore opportunities for the development of their economies through the Diaspora (Meyer 1997; Saxenian 2000 and Lowell & Findlay 2001). This relatively nascent option proceeds from a different strategy i.e., 'return
option. This strategy acknowledges that many of the expatriates are not likely to return since they have built their professional as well as personal life in the adopted country. However, they may want to engage with the development of their country of origin because of cultural, family and other ties. In such cases, the objective is to create links through which they can be mobilized for their nation’s development, without necessitating their return.

These networks have emerged spontaneously and independently of each other. Depending on their size and expertise, associations of expatriate specifically high skilled professionals may play multi-sectoral roles in the development processes of the home economy. International technology transfer by immigrants can boost the economy of the home country while members can also help through their involvement in education and health sectors. Education and health are vital to economic development since these are important determinants of human capabilities. Expatriates can contribute to these areas through social, human and venture capital and make a difference to the lives of people in their homeland as indicated by new literature (Lee, Kien and Venugopal (not known); Brown 2000; Levitt 1998 and Chaparro 2004). Shah and Menon (1999) also foresee a promising perspective in the approach of the ‘diaspora option’ since immigrants can build ties with each other. The home country may be able to benefit not only from their individual embodied knowledge but also their socio-professional networks. Brown (2000)

---

1 The return option, first implemented in the 1970’s, encouraged their highly skilled expatriates to return home. There was an assumption that return option to succeed, home countries have to be in a position to offer to the expatriates the salaries and infrastructure comparable to their host countries.

2 Nussbaum has elaborated on this aspect and classifies capabilities into three types. Basic capabilities are the innate equipment of individuals that is the necessary basis for developing more advanced capabilities. While Internal capabilities are states of persons that are sufficient conditions for the exercise of the corresponding function (given suitable complement of external conditions). Internal capabilities build on pre-existing basic capabilities by processes such as exercise, education and training. Many internal capabilities require a more structured educational environment. And last, combined capabilities are defined as internal capabilities plus the external conditions that make the exercise of a function a live option. She stresses that the aim of public policy is the promotion of combined capabilities; this requires two kinds of efforts (1) the promotion of internal capabilities (by education or training) and (2) the making available of external institutional and material conditions (Nussbaum 2000).

Based on capability approach, expatriates could be actively engaged in development of internal capabilities due to their enhanced social and human capital.
cites an association, SANSA (a South African network of high skilled professionals) of highly skilled expatriates involved in various projects and programmes in their homeland. Similarly, CINA located in the US, (Chinese Information and Technology Association) is investing in China to bridge the technology gaps (www.cina.org). It appears that these associations have been successful in bringing venture capital to their home countries. Having been mainly initiated by expatriates and not by their respective home governments, such efforts have been few. However, they have been instrumental in strengthening their psychological affiliation and backward linkages with the home countries (Meyer 2001).

Indian expatriates too have established such associations overseas, and these associations have different purposes. Some of these associations try to fulfill an individual’s emotional and cultural needs in a foreign land while others are formed to share ideas and provide a common platform to solve professional problems. The overwhelming number and size of associations, more than a thousand Indian immigrant associations in the US alone, have led to the formation of bigger associations called umbrella or network (see for example www.gopio.net). The umbrella association generally provides support in terms of pushing for policy changes by working as mediators between the home/host country and the expatriates’ associations. The umbrella network also works with the host countries for the betterment of expatriates. It is evident from the structure of these associations that they are notably different from one another. Professional associations of expatriates have played a crucial role in the lives of the Indian population in the United States by providing opportunities for interaction and helping each other. In the cultural associations, people from similar cultural and social backgrounds get together and celebrate festivals, organize musical and cultural events, national conventions etc. These associations cater to the social and cultural needs of immigrants and act as safety valves for social adjustment problems of the immigrants (Boyd 1989; Saxenian 2002). For migrants, networks are crucial to find jobs and housing,

3 GOPIO is an umbrella association of People of Indian origin which has chapters all over the world. The association was founded at the First Global Convention of People of Indian Origin in New York in 1989. The initial thrust of GOPIO was fighting human rights violation of people of Indian origin. In recent years, it has advocated, with support from the home country, favourable policy changes for PIOs and also dual citizenship. It also takes up cases of harassment and humiliation in the host country.
for transfer of goods and services, capacity building as well as psychological support and continuous exchange of social and economic information. The associations often guide new immigrants into or through specific places and occupations. Local labour markets have also been linked through specific networks (Portes 1995). Interestingly, occupation or profession bases associations have been formed by the expatriates to fulfill their professional needs. It seems these associations also contribute to the home country’s development since occasionally these organizations get involved in human capital formation activities in the home country through sharing of knowledge and training.

1.2 Conceptual Framework

Tilly (1990), in the context of networks and migration, says that ‘networks migrate’, and furthermore, ‘the effective units of migration were (and are) neither individuals nor households but sets of people linked by acquaintance, kinship and work experience.’ Boyd neatly sums up much of the network approach to migration: ‘Networks connect migrants across time and space. Once begun, migration flows often become self-sustaining, reflecting the establishment of networks of information, assistance and obligations which develop between migrants in the host society and friends and relatives in the sending area. These networks link population in origin and receiving countries and ensure that movements are not necessarily limited in time, unidirectional or permanent’ (Boyd, 1989: 641). Portes (1995) proposes that migration itself can be conceptualized as a process of network building, which depends on and in turn reinforces social relationships across space. Migration is a process that both depends on and creates networks.

A network can be defined as ‘a structure of relationships among actors of a specific sector or territory’ (Hakansson, 1987). The conceptual paradigm of a network assumes that it consists of three basic elements, viz., (a) actor, (b) activities and (c) resources. Actors are the ones who perform activities and control network resources. There are two types of activities: ‘transaction activities’ related to resource generation, and ‘transformative activities’ that connect various actors and strengthen their relations.
'Resources’ are exchanged among actors in the network in the form of finance, human and information. These networks may be classified into the following types:

- Networks based on objectives such as development networks and commercial networks
- Networks based on types of relation like horizontal networks and vertical networks
- Networks based on content of transactions such as networks of research and development.

Lin (1999), reflecting upon the networking approach, points out that, with a few exceptions, it is merely an identification of relationships established by actors of social and institutional networks. The approach is limiting which does not venture into the dynamics of actors’ relationships that control activities and resources. Normally, it is used as a metaphor of collaboration and cooperation. Almost 20 years ago, the sociology of science and technology has proposed a new conceptual framework with the actor-network theory (ANT) which considers the potential and competencies of the actor in creating a black box of associations. ANT is a process of ideas used, tools and methodologies adopted in the creation and solution of decisions (Callon, 1986). As per ANT, network allows people to gather experience and ideas from each other and work as a resource and move on rather than continuously questioning it.

So far, this approach has not been used to study networks of expatriates. Therefore, the new approach i.e., networking, through ANT examines the concept of ‘diaspora option’ of brain gain in the present study. This approach signifies the importance of networking of expatriate communities in general while focusing on high skilled professionals and their future potential because individuals’ abilities and the activities of professionals generate results when they are linked to one another. The diaspora option offers an effective system to facilitate the transfer and exchange of

4 The ‘diaspora option’ focuses on backward linkages of expatriates with the home country. It states that knowledge, expertise and vision of expatriates can be utilized for the development of the home country without their physical presence (Meyer, 2001). This option is based on network approaches where a network can be defined as a regular set of contacts or similar connections among individual actors or groups.
information between network members and their counterparts in the country of origin. To encourage this, necessary element in any network is intermediaries or incentives to 'cement' the linkages between actors in the network where network members must reap certain benefits from their participation in the network.

Through Actor Network Theory, this study aims to examine the professional association of Indian expatriates formed in the US. It analyses the networking among expatriates as well the role of actor (member) within a network or association and how it defines the activities and approach of professional expatriate associations. The role of expatriate associations in the circulation of knowledge, ideas and skills will also be studied. It further explores the impact of networking on members.

1.3 Scope of the Study

Over the past few decades, a considerable amount of research has been done on international migration. However, mobility of talented immigrants between home and host country still remains an area that needs to be looked at more closely. For example, migration of Indian professionals to the United States is one of the areas which have been studied widely by researchers where issues like reasons for brain-drain, motivational factors, favourite destinations, remittances, skilled and unskilled migration, have been studied in detail. Yet circulation of knowledge and the role of networks is relatively under researched. It is in this context that the study examines the role and operational dynamics of the professional associations of Indian expatriates in the US and tries to understand how and to what extent these associations contribute to India’s development. It also attempts to understand how highly skilled immigrants build long distance socio-economic ties with their home countries. The study explores and analyses the role of various actors and activities in a model which seeks to explore the dynamics of the immigrant associations and how their networking impacts the Indian economy. The study also evaluates the stock and variety of these networks and classifies them on the basis of origin and objectives.
1.4 Objectives of the Study

The following are the objectives of this study:

a) To estimate and analyze the strength of networking among Indian professionals in the United States;

b) To examine the structure, role, objectives and activities of the professional expatriate associations in the US;

c) To understand the operational dynamics and the interrelations among the networks of highly skilled professionals;

d) To examine the linkages of the associations of professionals with India and their approach towards India's development; and

e) To identify the possible areas of contribution by the networks to India's development.

1.5 Research Questions

This study seeks to answer the following research questions:

Q1. What is the stock of Indian immigrant networks/associations in the US and what are their sizes?

Q2. How are the professional associations different from other types of expatriate associations?

Q3. In what way do the professional associations of different occupational groups differ from each other in their roles and activities?

Q4. How does The Indus Entrepreneurs (TiE), a professional association of expatriates, function and take part in the development process of India? What factors have led to the formation of such a network among professionals?

Q5. How significant is the participation of a network of highly skilled professionals such as TiE in activities related to human capital formation and utilization?

Q6. What could be the possible future policy implications in the home country for ensuring contribution of the professional expatriate associations like the TiE?
1.6 Research Methodology

1.6.1 Sample Design and Sample Selection

1.6.1 (a) Design of the study: The study deals with various aspects of networking among the Indian professionals in the US and India which require information on wide-ranging issues such as the factors responsible for networking, reasons for contribution and impact of networking on Indian professionals. A case study approach has been adopted for the purpose of understanding the intricacies of the roles and dynamics of a professional association of Indian expatriates in relation (a) to its internal functioning and (b) to the home country's development. For this purpose, The Indus Entrepreneurs (TiE), an expatriate association, was chosen after carrying out a pilot survey. Four associations were selected initially for a comparative study. Since three of them did not respond and cooperate, the scope of the study was limited to only one association. TiE being the one of the strongest expatriate associations in the US, with a sizeable membership spread across the world, and seemingly one that has made some impact on Indian entrepreneurship, was an obvious choice for the case study. Location of a TiE chapter in Delhi and its cooperation were additional factors in its selection.

In TiE, three types of actors---founder members, charter members and associate members were our main subject of enquiry. There were mainly four dimensions to the enquiry---purpose, activities, means of contribution and impact made on the Indian economy. Within these aspects, various other micro variables like entrepreneurship and high skilled professionals, education and types of entrepreneurship, social entrepreneurship and role of expatriates were also examined to study the dynamics and networking processes. These aspects were examined qualitatively as well as quantitatively. Efforts were made to understand how various Indian entrepreneurs had benefited from TiE.
1.6.1 (b) Selection of Sample: A stratified random sampling\(^5\) was done and a total of 50 samples were taken. Number of samples can be considered satisfactory as the total number of members of the association is only 116.\(^6\) Efforts were made to cover association members from different strata including founder members, chartered members and associate members apart from the secretariat and the coordinating office of the TiE-Delhi.

1.6.2 Data Tools

1.6.2 (a) Two types of data were used for the study: primary and secondary. Questionnaire, interviews, observation method and document analysis were used to collect primary and secondary information.

- **Structured Questionnaire** was developed to gather information from members of TiE-Delhi.
- **Interviews** were held with key functionaries of TiE-Delhi and TiE-Global, the founder and chartered members so that the background, mission and objectives of TiE could be understood better.
- **Observation Method** was used to analyze various events of TiE held in Delhi. This gave an opportunity to understand the usefulness of programmes conceptualized for the members by TiE-Delhi. It also helped in understanding the members’ expectations from TiE as an organization.
- **Desk review** of various unpublished materials of TiE was done to understand the association of expatriate Indians. A secondary source of data was collected through document analysis approach. For this purpose, literature on various expatriate associations was collected through their newsletters and websites. Also, articles in books, journals and the internet

---

\(^5\) A stratified sample is obtained by taking samples from each stratum or sub-group of a population. When we sample a population with several strata, we generally require that the proportion of each stratum in the sample should be the same as in the population. Stratified sampling techniques are generally used when the population is heterogeneous, or dissimilar, where certain homogeneous, or similar sub-populations can be isolated (strata).

\(^6\) Since 2004, membership of TiE-Delhi has increased due to their aggressive efforts to broaden the membership base. According to the TiE-Delhi secretariat, it is nearly 400 at present.
1.6.2 (b) Formulation and Field Testing of Questionnaire

A semi-structured questionnaire was prepared to collect information from active members of the TiE-Delhi. Some of the important dimensions were: role, objectives, participation, association with TiE, area of contribution by expatriates, means of contribution and impact on their work. The questionnaire included both open-ended and close-ended questions to understand the issues concerning the expatriates' involvement and their roles in the development of India. The survey tool had very few 'dichotomous' items since study intended to explore the nature of relationship among members. These items were not suitable for the study. Many items were of 'likert' scale to understand the effectiveness of the activities and program which were followed by open ended questions to explore the reasons behind the chosen scale so that in-depth understanding could be obtained. The questionnaire also gathered background information of the respondents like, name, age, sex, education, occupation, etc to understand the characteristics of the sample. The tool was field tested to understand reliability and effectiveness with selected members of TiE.

1.6.3 Process of Data Collection

After the preparation of the questionnaire, a preliminary study was conducted with a few respondents to measure the viability and effectiveness of the questionnaire. This preliminary study suggested that some additional indicators were necessary to understand the dynamics of association with members in meaningful way. The questionnaire was improved upon and structured better. Adequate time was spent on each respondent in order to collect reliable, relevant and accurate information. The minimum time spent with one respondent was about 2 hours. This approach helped in the collection additional information as the respondents opened up. Secondly, founder members of the TiE were interviewed with open-ended questions at the time of the TiE-Delhi annual event. The founder and chartered members shared information and understanding about
the TiE-global and Delhi and its future outlook. The final survey was conducted in the year of 2006. The information was further updated in early 2009 to understand the changes.

1.6.4 Data Analysis

Data analysis was taken up after completion of the fieldwork. During the study, information from primary large scale data sets of Reserve Bank of India and Ministry of Overseas Indian Affairs, GoI; US Home Security data, US census data and IOM were collected which was further analysed to gather stock of Indian migrants globally as well as in the U.S., their engagement with the home country, growth rate, etc. Yea wise data was gathered for understanding the pattern of migration and their relationship with the home country. It was presented in the table and graph form for better understanding. Secondary data was also gleaned from journals, books, seminar-papers and newspaper clippings to understand phenomenon of networking vis-à-vis expatriates as well as other aspects of international migration.

The data collected from field survey through ‘semi-structured questionnaire’ was analysed. The questionnaire had quantitative and qualitative items. The content analysis was done items related to quantitative which were further coded and presented in cross-tabulation as per respondents’ age, education and occupation background. The qualitative information was also used to substantiate the quantitative data sets. The questionnaire also had multiple choice items and ‘likert scale’ items which were coded as per scale and choice and presented in the table and matrix. There were very few dichotomous items in the questionnaire as study is exploratory in nature. This kind of items was not most suitable for the present study. Bar diagrams, pie-charts, line diagrams and tables were used for statistical representation to understand members’ background, their education and relationship with TiE, areas of expertise, engagement with expatriate members and activities of the association. Content analysis was done for quantitative data related to primary and secondary sources. It included understanding the background of expatriate association, types of association, inter-relationship, and engagements of members with the home country and identified areas of further engagement.
The content analysis of information collected through observation method, events and programs, and direct interview with functionary of TiE were also done to understand the relationship and engagement of the respondents in TiE’s program. Interview with functionaries were primarily has helped in setting the context and understanding the background of the organization.

1.6.5 Research Experience and Limitation

The present study encountered problems at various stages. Some of the important issues are listed below:

- Various events of TiE-Delhi and Pravasi Bhartiya Diwas-2003 and 2004 (PBD), annual event of government of India were used to collect data from the founder members of TiE. TiEcon, an annual event of the TiE, offered a good opportunity to interact with a number of members from across the world.

- There is dearth of sufficient and relevant information on the concerned subject. Not many libraries in India have information on expatriate Indians, networking or their associations. Therefore, this study to some extent is dependent on the material available on the internet. Websites like those of the Organization for Economic Co-operation and Development (OECD), International Organization of Migration (IOM), Public Policy Institute of California (PPIC), Centre of Immigration Studies, New York were scanned to collect relevant papers. Some of the organizations/institutions were contacted to access unpublished and restricted work.

- Initially the study hoped to do a comparative study of selected associations of Indian expatriates. However, lack of response and cooperation limited the scope of this study. Efforts were made to gather information by meeting functionaries of the Indian immigrant associations while they were in India. Many of the associations were very secretive about their activities and organizational structure and not interested in revealing information.
1.6.6 Operational Definitions Used in the Study

**Knowledge Society:** The Knowledge Society refers to a system---economic, social, cultural and political which is dependent primarily on knowledge and expertise of professionals or skilled workers. Such a society perpetuates national development through human capital formation.

**Expatriate Network:** A set of expatriates living in the host country, form an organization which helps the members in their professional and cultural lives. These networks are general as well as focused in nature. The different nomenclatures are used to address these types of association and one of the commonly name is ‘Home Town Association’ (HTA).

**Professional/Scientific Association:** The association, whose membership is given to skilled occupations in the host country, will be considered as ‘professional association’. The members are generally highly educated and use this platform for sharing of knowledge, ideas and problems.

**Social Capital:** It comprised of networking, ideas and experiences of individuals irrespective of their background.

**Actor:** An actor could be a human or non-human entity who plays a major role in the formation, structure and activities of any network. Their role is significant and success of the network is dependent on this.

**Diaspora Option:** The option of brain circulation has been used as a conceptual framework in the study and focuses on return of skill and knowledge to the home country through networking. It signifies the importance of networks and their impact on the various sectors of economy.
1.6.7 Organization of the Study

The dissertation is divided into eight chapters apart from preface, bibliography and appendices.

Chapter 1 Scope of the Study and Statement of the Problem

Chapter one is divided into nine sections. The main sections are brain gain approach, conceptual framework, scope of the study, objectives of the study, research questions and methodology.

Chapter 2 Review of Literature

This chapter reviews the existing literature on theoretical and empirical aspects of international migration and networks. It is divided into four sections. The main section—the theoretical framework—analyzes the theories of international migration. The second section focuses on empirical studies related to the role of networks in migration.

Chapter 3 Indian Expatriates and the Home Country: Size, Skills and Engagements in USA

This chapter presents the global spread of Indian expatriates and focuses stock and flow of Indian expatriates mainly to the United States. It is divided into three main sections covering issues related to the presence of highly skilled professionals and Indian students and H-1B Visa holders. It also studies their relationship with the host and home country.

Chapter 4 Indian Expatriate Associations in the United States: An Overview

The associations of Indian expatriates formed in the U.S. have been studied in this chapter. It investigates various types of Indian expatriate associations formed on the basis of their mission, objectives, membership, size and scope. It further examines the inter-linkage among associations.
Chapter 5  The Indus Entrepreneurs (TiE) – A Case Study of Networking among Entrepreneurs in India

This chapter presents the case study of a professional Indian expatriate association, The Indus Entrepreneur (TiE). It further examines the association’s structure, mission and objectives, profile of members and its activities. It also studies the relationship with Indian economy.

Chapter 6  Understanding the Networking Activities of TiE

The dynamics of networking among the educated and their involvement with the home country has been analyzed in this chapter. The chapter is based on primary field survey and presents the findings of the study. The chapter is divided into five sections dealing with: sample characteristics, respondents’ views on their association with TiE, roles of TiE, networking with Indian immigrants, impact of networking on respondents’ business, association of TiE with other bodies, expectation, role and benefits from TiE.

Chapter 7  Indian Expatriate Associations and their Relationship with the Home Country

This chapter provides a macro perspective on the engagement of professional expatriate association with the home country. The chapter is divided into two sections. The first section focuses on the relevance of networking and its importance and the second section examines the impact of expatriates’ involvement with the economy, social development and policy advocacy. It explores areas of the economy including social infrastructure where expatriates can contribute significantly in the future.

Chapter 8  Conclusion

This chapter presents main findings of study along with policy implications, limitations and concluding observations.