



## **CARIM INDIA – DEVELOPING A KNOWLEDGE BASE FOR POLICYMAKING ON INDIA-EU MIGRATION**

Co-financed by the European Union

### ***Instruments of engagement: Assessing India's PIO and OCI Schemes***

**Sohali Verma**

CARIM-India Research Report 2013/21



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**CARIM-India**  
**Developing a knowledge base for policymaking on India-EU migration**

**Research Report**  
**Thematic Report**  
**CARIM-India RR2013/21**

**Instruments of engagement:**  
**Assessing India's PIO and OCI Schemes**

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## **CARIM-India – Developing a knowledge base for policymaking on India-EU migration**

This project is co-financed by the European Union and carried out by the EUI in partnership with the Indian Council of Overseas Employment, (ICOE), the Indian Institute of Management Bangalore Association, (IIMB), and Maastricht University (Faculty of Law).

The proposed action is aimed at consolidating a constructive dialogue between the EU and India on migration covering all migration-related aspects. The objectives of the proposed action are aimed at:

- Assembling high-level Indian-EU expertise in major disciplines that deal with migration (demography, economics, law, sociology and politics) with a view to building up migration studies in India. This is an inherently international exercise in which experts will use standardised concepts and instruments that allow for aggregation and comparison. These experts will belong to all major disciplines that deal with migration, ranging from demography to law and from economics to sociology and political science.
- Providing the Government of India as well as the European Union, its Member States, the academia and civil society, with:
  1. Reliable, updated and comparative information on migration
  2. In-depth analyses on India-EU highly-skilled and circular migration, but also on low-skilled and irregular migration.
- Making research serve action by connecting experts with both policy-makers and the wider public through respectively policy-oriented research, training courses, and outreach programmes.

These three objectives will be pursued with a view to developing a knowledge base addressed to policy-makers and migration stakeholders in both the EU and India.

Results of the above activities are made available for public consultation through the website of the project: <http://www.india-eu-migration.eu/>

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## **Abstract**

In the contemporary scenario, the phenomenon of dual citizenship is increasingly viewed by policymakers as a possibility that needs to be negotiated; ranging from simple pragmatic tolerance to active engagement. The increasing acceptance of some elements of the concept by countries of origin is to harness the social and capital clout possessed by Diaspora communities. In this context and in view of domestic political and security constraints; along with an objective to address the long standing demand of the overseas Indian community for recognition of their identity, Government of India articulated the People of Indian Origin (PIO) card and Overseas Citizenship of India (OCI) schemes in year the 1999 and 2005 respectively.

The two schemes, novel and unique in their dimensions serve as a cornerstone of India's Diaspora policy and are instruments to facilitate India's engagement with its overseas community. The objective of the research study was to review the two schemes in the backdrop of dual citizenship and to assess if they can be considered as substitutes for the concept. The research paper undertook an empirical study with assistance from GOPIO to assess the perceptions and motivations of the Diaspora, the benefits availed and if the two schemes facilitate the overseas Indian community's linkages with India.

The paper suggests that the PIO and OCI card schemes, barring some of the implementation constraints, appear to be fulfilling the expectations of overseas Indians by complying with the criterion for beneficial entitlements as laid down for dual citizenship. The two schemes though mainly viewed through the "mobility" lens, have also played a substantive role in strengthening India's bond with its overseas community. The paper also presents few recommendations for the design of a single facility with the possible merger of the two schemes.

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# 1. Introduction

## 1.1 Overseas Indian Community and demand for Dual Citizenship

The contemporary overseas Indian community is the culmination of migratory movements and consequent settlement of Indians in various countries over different time-intervals and due to multifarious circumstances. Mercantilism<sup>1</sup> manifested in the early voyages of Indian merchants for trade or business to far away shores, coercive mobilisation of people under the indentured and Kangani system during colonialism, globalisation, internationalisation of higher education and the resultant international migration have together led to the growth of the overseas Indian community.

A significant outflow of Indian migrants began in the 19<sup>th</sup> century in response to the labour shortages that were experienced across colonies due to abolishment of slavery by 'Slavery Abolition Act' passed by British Parliament in 1834. Poor peasants were abducted and forced to move<sup>2</sup> to neighbouring British colonies such as Burma, Ceylon (Sri Lanka), British Malaya. Kapur (2010) highlights that the distant colonies, such as Trinidad and Tobago, Guyana, Fiji, along with Dutch and French colonies i.e. the Reunion Island, Guadalupe, Martinique, Mauritius and Suriname also became primary destinations.<sup>3</sup> Furthermore there was a simultaneous free mobility of traders, clerks, bureaucrats and professionals mostly to east and south Africa and later to other colonies where indentured migrants had settled.<sup>4</sup> The descendants of these indentured migrant labourers in turn overcame challenges and established themselves in their respective countries.

The post-independence wave of migration in the 20<sup>th</sup> century involved migration of students and highly-skilled Indian professionals to the developed countries of the West such as North America, while the semi-skilled and low-skilled moved to West Asia and the Gulf in 1970s in the wake of Oil boom.<sup>5</sup> Since then, there has been an augmentation in the number of students, skilled and semi-skilled Indians moving to various parts of the world including Australia, Canada, New Zealand and Singapore (Kapur 2010).

At present, the "Indian Diaspora" comprising around 27 million spans across 110 countries<sup>6</sup>, is the world's second largest overseas community and reflects diversity and heterogeneity in its social, cultural, religious and ethical attributes.<sup>7</sup> The community has gained tremendous success and has made economic contributions to their host countries, besides integrating in the local societies.<sup>8</sup>

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<sup>1</sup> The genesis can be traced to the development of sporadic settlements of Indian merchants and traders who migrated to distant lands in Iran, Afghanistan, Central Asia and Russia; in search of new markets and at times due to imperialist intentions. In similar vein, the military expeditions of the kings of South India led to the appearance of sizeable Indian communities in South-east Asia (Moosa, 2010:152; Levi 2002).

<sup>2</sup> See Swarup 2009.

<sup>3</sup> Kapur 2010: 52.

<sup>4</sup> Ibid. pg. 52.

<sup>5</sup> Government of India, High-Level Committee Report on Indian Diaspora, pg. xii, available at <http://indiandiaspora.nic.in/contents.htm>

<sup>6</sup> Ibid.

<sup>7</sup> Annual Report 2010-11, Ministry of Overseas Indian Affairs, pg.1, available at [http://moia.gov.in/writereaddata/pdf/Annual\\_Report\\_2010-2011.pdf](http://moia.gov.in/writereaddata/pdf/Annual_Report_2010-2011.pdf)

<sup>8</sup> Ibid, pg. 2

India as a nation-state has manifested a never changing, evolving or rather “turbulent” set of perceptions and responses to its community of overseas Indians. For instance, on one hand in the pre-independence era, relationship between the overseas community and India as a colony was very dynamic wherein leadership and support was sought from the community who played an active role in “out-door” freedom struggle, on the contrary post-independence and the consecutive significant years were marked by ambivalence from both sides as the overseas Indian community also differed in their opinion of India and let time and political circumstances mould their views and the level of their engagement with the country of origin.<sup>9</sup>

The Government of India created a High-Level Committee on Indian Diaspora (hereinafter HLD Committee) which submitted its report in 2002.<sup>10</sup> Drawing from the recommendations provided in the report, institution such as Ministry of Overseas Indian Affairs and platform such as ‘Pravasi Bharatiya Diwas’ (PBD) were established. In similar vein, People of Indian Origin (PIO) and Overseas Citizenship of India (OCI) card schemes were formulated.

***“[e]xpressions of interest or concern and indicators of involvement from India varied over time, according to India’s own position in the world and/or the particular sections of India and Indian society involved.”<sup>11</sup>***

–Lal V. Brij et al, 2006, Encyclopedia of Indian Diaspora, Oxford University Press, pg.18

In the HLD report, the Committee highlighted that PIOs from Australia, Europe, New Zealand, North America and Singapore have often demanded dual citizenship rights for purposes of practical convenience or with the desire to maintain strong linkages with their country of origin and to consolidate emotional and cultural bonds of their future generations with India.<sup>11</sup> The HLD Committee, therefore, advocated in favour of granting dual citizenship; however with “appropriate safeguards”<sup>12</sup> for the specific members of the overseas Indian community, “who satisfy the conditions and criterion laid down in the legislation to be enacted to amend the relevant sections of the Citizenship Act 1955”<sup>13</sup> so that a mutually beneficial symbiotic engagement can be established. This strategic decision, according to the report, would facilitate the Diaspora’s contribution to India’s social, economic and technological transformations and national development. Engagement with the overseas Indians would also enable the country to harness the human capital possessed by PIOs in terms of skills and expertise (Kapur 2003) and also help in removing obstacles in their travel to and from India thus fostering a greater sense of belonging.

The Government of India in acknowledgement of the HLD Committee’s recommendations initially declared at the Pravasi Bharatiya Diwas in 2003 that dual citizenship will be granted to selected PIOs resident in certain regions (Kapur 2003). The GOI however, later retracted from granting dual citizenship.

## 1.2 The Rationale for the Study

The grant of dual citizenship involves many policy and practical considerations. India’s views on what constitutes national identity, conceptual and definitional problems related to “who is of Indian origin”,<sup>14</sup> pragmatic, real politik implications and security concerns (Kapur 2003) all militate against granting dual citizenship. The PIO and OCI schemes are therefore India’s middle ground in diaspora

<sup>9</sup> Ibid.

<sup>10</sup> See official website of the High-Level Committee on Indian Diaspora <http://indiandiaspora.nic.in/>

<sup>11</sup> Government of India, High-Level Committee Report on Indian Diaspora, chapter 24, pg 510

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> Kazmin (2009).



policy. These schemes allow the overseas Indians to keep “*one foot in Canada and couple of toes in India*”<sup>15</sup> conferring advantages such as long term visas and several other economic, educational and cultural benefits but refusing them political rights to vote and to hold public office.

The proposed research study therefore is an attempt to understand the complex mosaic of interconnections and India's relationship with its overseas Indian community vis-à-vis the concept of dual citizenship, the metamorphosis of its engagement with its Diaspora over a period of time and its contemporary status. The paper undertakes an overview of instruments designed by Government of India to engage with overseas Indians in a two-way, mutually beneficial, symbiotic relationship. The focus however is on the study and assessment of PIO and OCI card schemes. In analysing India's approach to its overseas community, the paper also attempts to capture the responses of those who are on the other end of this relationship through an electronic survey carried out with the support from GOPIO “Global Organisation for People of Indian Origin”.

Thus the specific aim of the research paper is to review the two schemes in the backdrop of dual citizenship i.e. to first showcase the benefits offered by dual citizenship and subsequently to do a comparative analysis of the same with those offered by PIO and OCI schemes instituted by India and to understand if the two schemes are adequate enough to enable a sustainable engagement between India and its overseas community and if there is any need to expand the utility of these instruments, along with an attempt to capture the perceptions and the expectations of the overseas community from India. The other objectives of the paper are to:

1. Understand the principal driving factors motivating overseas Indians to apply for the card.
2. Assess their perceptions of the benefits offered and expectations from India in terms of the two schemes.
3. Evaluate if the schemes act as a catalyst in establishing Diaspora linkages with India.

Furthermore, the research paper will have a special focus on the engagement of overseas Indians resident in European Union with India.

### 1.3 Methodology

The study entails both primary and secondary sources of data. An electronic survey was conducted comprising a small sample size of approximately 200 respondents who hold PIO or OCI cards and are resident in 9 major regions such as North America, Caribbean & South America, Oceania, Africa, Middle east, far East, Europe, UK and South east Asia. The survey was undertaken with the support from Global Organisation for People of Indian Origin (GOPIO)<sup>16</sup>. Interviews with some of the office bearers of important Diaspora associations and delegates who attended the PBD 2012 were also conducted.

“The different political phases in India- the sensitivities of the nationalist struggle, the winning of independence, the trauma of partition and the creation of the Republican Constitution of the Indian Union- engendered important changes in India's relations with the Diaspora.”

*Kudaisya, G., 2006, The Encyclopedia of Indian Diaspora, Part V: Indian Leadership & the diaspora, ed. Brij V. Lal et al, Oxford University Press, Pg. 82*

<sup>15</sup> Paranjape, <http://www.makarand.com/acad/OneFootinCanadaandaCoupleofToesinIndia.htm>

<sup>16</sup> The Global Organisation for People of Indian Origin (GOPIO), founded at the First Global Convention of People of Indian Origin in 1989. It is a nonpartisan, non-sectarian global organization engaged in working for the well-being of Non-resident Indians (NRIs) and People of Indian origin (PIOs).

## 2. Historical overview: an Account of India's engagement with Overseas Indians

### 2.1 The Pre-Independence Era: Recognition of Collective Identity

The nascent stage of India's relationship with its community of overseas Indians was brimming with sympathy and solidarity for those "brethren"<sup>17</sup> who were either forcibly uprooted by the British and transplanted in distant lands under the indentured labour system or who voluntarily escaped economic hardships inflicted upon them due to agrarian crisis and mass unemployment caused by British colonial policies.<sup>18</sup> Although India's affinity with overseas Indians dates back to 1800s, an essential "ideological link"<sup>19</sup> between Indian leaders and overseas Indians was formulated only in early 20<sup>th</sup> century (Kudaisya, 2006: 82) when the intellectual elite class who had the privilege of traveling abroad witnessed the racial atrocities being inflicted on migrants.

Two major factors aided in catalysing the "emotional bond"<sup>20</sup> between India and its overseas Indians – one, absence of fragmentation or dissolution of identity in terms of "who is Indian" which forged a "collective identity"<sup>21</sup> and second, the mutual anti-colonial sentiment against British subjugation. As highlighted by Kudaisya "for the INC leadership, the cause of Indians overseas was an extension of the anti-imperialist struggle in other parts of the empire."<sup>22</sup>

Gandhi's return to India in 1915 and his active participation in freedom struggle further sensitised local Indian residents about the plight of overseas Indians. At this stage, leaders as well as the general public had become receptive towards issues pertaining to "*pravasis*" (overseas) and the strong sentiments for the welfare of overseas Indians had developed. Consequently, demands for the welfare of overseas Indians and abolition of the indentured system rose, first in relation to Fiji and then in other British colonies (Kudaisya, 2007: 83).

Formal relations between India and overseas Indians occurred in the early 1920s, when the Indian National Congress (INC) began affiliating with diaspora associations and organisations for overseas Indians "enabling them to participate in and contribute to the deliberations to its annual sessions."<sup>23</sup> A major milestone however was achieved, when in 1929, the INC established an "overseas department"<sup>24</sup> under the direction of Shri Jawaharlal Nehru. The objective of the department was to be "vigilantly aware of all the legislations and enactments that adversely or otherwise affect Indian settlers abroad."<sup>25</sup> Moreover, eminent political leaders played a pro-active role in undertaking visits to take note of the conditions of overseas Indians abroad. The sphere of focus was not limited to indentured labourers only; nationalist leaders also extended their support to merchants and traders when their interests were being discriminated by colonial powers.<sup>26</sup>

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<sup>17</sup> See Presidential Address of Shrinivas Iyenger to the Guwahati session of Indian National Congress in 1926, as cited in Kudaisya (2006).

<sup>18</sup> Moosa, 2010: 152.

<sup>19</sup> Kudaisya, 2006: 83.

<sup>20</sup> Ibid. pg. 82.

<sup>21</sup> Lall, M.C. 2001.

<sup>22</sup> Kudaisya, 2006: 82.

<sup>23</sup> Ibid., pg. 83

<sup>24</sup> Ibid.

<sup>25</sup> Ibid.

<sup>26</sup> Ibid.

## 2.2 Post-Independence: Who is Indian?

The thread of overarching affection and intimacy with overseas Indians exhibited by nationalist leaders during freedom struggle was strained as 'nouveau' conditions of Independence, Partition and formation of an "Indian" identity unfolded.

On 18 March 1946, prior to independence, Nehru stated that "India cannot forget her sons and daughters overseas. Although India cannot defend her children overseas today the time is soon coming when her arms will be long enough to protect them."<sup>27</sup> He ignited the hopes of overseas Indian community in Singapore for 'achievement of an Indian citizenship' by assuring them that "when India attains independence, she would immediately decide who her nationals were and Indians overseas would be Indian nationals unless they choose to be otherwise."<sup>28</sup> However, in view of the Partition which led to "one of the largest and fastest mass migration in world history"<sup>29</sup> notions of citizenship and sovereignty were crystallised soon. Citizenship could not be framed on the basis of birth, since millions of people chose their territory in accordance with their religious identity.<sup>30</sup> Moreover, Kapur (2010) explains that an enormous number of "North-Indian Muslims who migrated to Pakistan began to return, and the Indian government rushed an emergency permit system to stem the tide."<sup>31</sup> Considering such conditions, post-Independence, India needed to develop a more concretised identity as a nation-state as it framed its citizenship laws.

Therefore, India embraced territorial nationalism post-independence and adopted the concept of citizenship by territory. Article 5 of the Indian Constitution of 1950 highlighted that "[a]ll those born in the territory of India or those with parents born there can claim Indian citizenship".<sup>32</sup> However the final formulation of the citizenship laws rested in the hands of the Parliament, as mentioned by Dr. Ambedkar "[t]he business of laying down a permanent law of citizenship has been left to the Parliament... to determine by any law that it may deem fit".<sup>33</sup> Parliament took eight years to complete the task (Kudaisya, 2007: 84).

India did not allow dual citizenship in the Citizenship Act of 1955. Amendments to the Constitution clarified that "[n]o person shall be a citizen of India by virtue of article 5, or be deemed to be a citizen of India by virtue of article 6 or article 8, if he has voluntarily acquired the citizenship of any foreign State."<sup>34</sup> With non-recognition of dual citizenship, India finally cut the umbilical cord of identity with which it was attached to its overseas community. The ensuing decades were marked by indifference demonstrated by India vis-à-vis the community of overseas Indians who were advised "to expect no substantial assistance from India."<sup>35</sup>

India under the leadership of Prime Minister Jawaharlal Nehru, in the Cold War era, followed the principles of neutrality by championing the Non-Aligned Movement. It remained at a distance from the 'Power Blocs' and expressed fraternity with newly independent African and Asian States (Kapur 2010) where large number of overseas Indians were residing. However in order to cultivate positive bilateral relationship with these countries, India adopted a non-interventionist policy vis-à-vis overseas Indians (Lall, 2001: 89) lest it should be seen as interfering in their internal domestic affairs. Nehru was not oblivious to the distressed situation of overseas Indians but his "response was ambivalent since he was involved in the concerns of overseas Indians but did not want to infringe upon the sensitivities and

<sup>27</sup> Ibid, pg. 84.

<sup>28</sup> Ibid.

<sup>29</sup> Ghosh 2007: 53-85.

<sup>30</sup> Kudaisya, 2007.

<sup>31</sup> Vazira Fazila-Yacoobali Zamindari, 2007.

<sup>32</sup> Constitution of India, 1950.

<sup>33</sup> As cited in Government of India, High-Level Committee Report, 2002: 514.

<sup>34</sup> Ibid.

<sup>35</sup> Moosa, 2010.

sovereignties of other countries.”<sup>36</sup> He was firm in stating that overseas Indians must “identify themselves with and integrate in the mainstream of social and political life of the country of their domicile.”<sup>37</sup> He did not hesitate to state that once an overseas Indian adopts citizenship of another country then “we have no concern with them... politically they cease to be Indians.”<sup>38</sup>

The subsequent government, under the leadership of Mrs Indira Gandhi followed suit. Khadria states that “the Indian official attitude towards the diaspora continued to be one of indifference and non-interference with their country of residence for forty years.”<sup>39</sup> The perceived apathy was particularly visible in India’s lack of response to the discriminatory policies adopted in host countries in relation to Indian trading communities in Burma or to policies of Africanisation adversely affecting Indian settlers, reaching its peak with no concrete action against 1972 Ugandan crisis in which almost all people of Indian origin (70,000) were expelled from the country by Idi Amin.<sup>40</sup>

During the 1960s, an important reason for this non-indulgent attitude was also the resentment against the second wave of migrants; those highly skilled educated professionals who utilised highly subsidised education system such as the IITs<sup>41</sup> to move up the value chain but later moved to the West. The sentiment regarding their migration was that they were “escapist and mercenary”<sup>42</sup> and were causing a drain on the country’s resources.

Furthermore, economic policies supported by Nehru functioned on the basis of “import substitution” strategy. The principle aim was to achieve national self-sufficiency by strengthening state industries (Lall, 2001:212). Hence an economic model of ‘Five Year Plans’ for development was initiated which led to the inwardness of Indian economy. The closed economy of India did not value links with Indian mercantile communities overseas.”<sup>43</sup> Therefore, foreign direct investment (FDI) during this period was meagre due to unfavourable investment environment and also due to the inability or the lack of interest exhibited by overseas Indians. Segments of the community carrying out trade, industry and finance were mostly based in newly independent countries and faced severe restrictions on their activities (Kapur, 2010:91). Moreover, they consisted mostly of blue-collared labourers and white-collared professionals rather than entrepreneurs or businessmen.<sup>44</sup>

### 2.3 The Period of Turnaround: 1980s to 1990s

The first signal of a complete turnaround of ideology vis-à-vis overseas Indian community appeared with a non-Congress government--the Janata Party-- coming to power in 1977. The Bhartiya Janata Party thereafter initiated the policy-shift to “strike a balance between safeguarding India’s interests and showing legitimate concerns for Indians overseas.”<sup>45</sup> The agenda led to formulation of specialised representative body such as “Overseas Friends of BJP”. The subject also became pertinent in the eyes of the competent authorities as a large number of Indians were employed in the Gulf and their remittances brought in significant foreign exchange for some states such as Kerala. Several

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<sup>36</sup> Thakur, 1985.

<sup>37</sup> Ibid., pg. 357.

<sup>38</sup> Nehru, 1961: 130.

<sup>39</sup> Khadria, 2007.

<sup>40</sup> Kapur 2010: 190.

<sup>41</sup> Ibid., pg. 255.

<sup>42</sup> Moosa, 2010.

<sup>43</sup> Kudaisya, 2006.

<sup>44</sup> Kapur, 2010: 107.

<sup>45</sup> Ibid., pg. 86.

investment schemes were created and an attempt to channelize the inflow of finances to state-sponsored projects was made.<sup>46</sup>

In India, the measured flow of remittances rapidly increased since mid- 1970s and emerged as a significant part of India's balance of payments.<sup>47</sup> It can be noted that economic potential of overseas Indians was hence realised and it became evident that "from 1980s onwards economic imperatives rather than ideological aspirations would unmistakably shape the changing bond of motherland and its Diaspora."<sup>48</sup>

The pendulum of relations began to swing, when Mr Rajiv Gandhi, in his tenure as a Prime Minister called for revision of India's foreign and economic policies (Kapur, 2010:193). The immediate noticeable feature was India's emphatic response to the 1986 Fiji crisis which led "to an exodus of Indo-Fijians from the country." Mr Gandhi also identified overseas Indians settled in USA as a potentially valuable resource pool that could also improve the relations between the two countries.<sup>49</sup> In similar vein, in 1985, a special coordination cell in the Ministry of External Affairs to manage endeavours related to overseas Indians was set up as a nodal department, along with a Consultative Committee for Non-resident Indians to develop an "Indo-NRI Chamber of Commerce and Culture" to promote investments and foster trade links.<sup>50</sup>

## 2.4 Opening the Door: 1991 onwards

India's pro-active engagement with the community of overseas Indians needs to be contextualised in the background of the 1991 economic reforms. A balance of payment crisis triggered the process of liberalization of Indian economy. It was realised that to revamp itself economically, India needed huge investments in infrastructure which could not be mobilised by the State or by private players.<sup>51</sup> Hence FDI along with transfer of new technologies became the need of the hour. India, thus undertook efforts to engage with the Non-Resident Indians by encouraging the flow of investments. A post for Chief Commissioner for NRIs, who would be responsible for coordinating the efforts was created (Moosa, 2010:156). However, all activities seemed to be in vain since NRI contribution as a share of total investments barely rose to 7% in 1994 and then to 8% in 1995.<sup>52</sup>

The initial failure of Indian government's economic courtship with the NRIs and the realisation that India had lagged far behind China, whose 70% inward FDI came from overseas Chinese<sup>53</sup> provided a further thrust to the efforts in wooing the Diaspora. Hence, India turned towards "People of Indian Origin", and in 1998, the BJP led government addressed the long standing demand of overseas Indians for recognition of their "identity" and hence it introduced a "PIO card" for Indians settled in specified countries. In 2000, the High-Level Committee on Indian Diaspora was set up to study and assess the issues concerning overseas Indians and to recommend policy framework for intensifying engagement with the overseas Indians. The Committee also studied and reviewed the implementation of PIO card scheme and provided its recommendations for improvisations. The most

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<sup>46</sup> Ibid.

<sup>47</sup> In the last few years, inward flow of international remittances to India has grown significantly from USD 21 billion in 2003 to USD 64 billion in 2011 – making India the top most remittance recipient country of the world. Ratha, Dilip and Silwal, Anil, "Remittances flows in 2011", Migration and Development Brief 18, available at <http://www.worldbank.org/migration>

<sup>48</sup> Kudaisya, 2006: 87.

<sup>49</sup> Kapur, 2010: 193.

<sup>50</sup> Kudaisya, 2006: 87.

<sup>51</sup> Ibid.

<sup>52</sup> Moosa, 2010: 158.

<sup>53</sup> Ibid.

significant and novel dimension of this engagement has been Government of India's OCI- Overseas Citizenship of India card scheme.

### 3. Dual Citizenship

#### 3.1 Dual Citizenship in International Discourse: the Changing Paradigm

The concept of 'dual citizenship' from the country of origins' perspective has recently been accorded primacy upon realisation of the strategic importance of the overseas population as it embodies financial and human capital and reinforcement of mechanisms to harness the same. Dual citizenship is a contested concept.<sup>54</sup> It however holds fundamental significance in contemporary discourse on international migration and its variant dimensions as it is being increasingly considered as divisible from political loyalty and seen as an "overlapping membership"<sup>55</sup> or a "cosmopolitan virtue"<sup>56</sup>.

The concept however has long been eyed as an anomaly, a bhorrence, contrary to natural world order, almost an equivalent of bigamy<sup>57</sup> due to the inherent aspect of entailing "divided loyalties". The underlying factor of dual citizenship opposes the traditional normative framework of sovereignty entitled to nation states. Since the adoption of Treaty of Westphalia in 1648; the international legal system has been supported by the concepts of sovereignty and non-interference consequently leading to non-violability of nation states.<sup>58</sup> According to Grotian traditional international law, any nation state to realise its existence must possess a fixed and defined territory, population and the ability to self-govern.<sup>59</sup> In international legal system post fulfilment of this criterion a state metamorphoses into a legal entity and can not only decide who its citizens are but can also exercise "control over (its borders) which strangers might enter"<sup>60</sup>. In this context, Hollifield argues that "borders tend to become sacrosanct and fundamental feature of international system."<sup>61</sup> By 19<sup>th</sup> century, the same principle had formulated into the norm.

Furthermore, the Bancroft treaties concluded by the US with certain European countries, Hague Convention of 1930<sup>62</sup> and the European Convention on Reduction of Multiple Nationalities (Council of Europe 1963) are testimonials to the dominant practice of refraining from allowing dual citizenship.<sup>63</sup> The idea of adopting another nationality was considered to be liaised with treason, espionage, and a whole range of subversive activities.<sup>64</sup> Hence as a common practice, many countries automatically excluded a person upon his acquiring the nationality of another state or upon expression

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<sup>54</sup> Maas, 2009.

<sup>55</sup> Faist, T, 2001.

<sup>56</sup> Turner et al, 2007: 5.

<sup>57</sup> Faist et al., 2008.

<sup>58</sup> Hollifield, 2006: 1.

<sup>59</sup> Ibid.

<sup>60</sup> For details see (Schuck 1998, 23) as cited in (Hollifield, 2006).

<sup>61</sup> Ibid.

<sup>62</sup> Preamble reads: "[I]t is in the general interest of the international community to secure that all its members should recognise that every person should have a nationality and should have one nationality only". Text available at <http://www.unhcr.org/refworld/publisher,LON,,,3ae6b3b00,0.html>

<sup>63</sup> Faist, 2001.

<sup>64</sup> Ibid.

of his loyalty to a foreign potentate. Destination countries demanded release of original nationality upon naturalisation of immigrants.<sup>65</sup>

However, the contemporary liberal world order with its revised global strategies in the wake of regional integration processes (e.g. European Union, ASEAN etc.), implementation of free-trade agreements between nations, deregulation of labour and financial markets and wider opportunities for individuals to pursue economic interests and employment across borders starkly contrasts with the above position.<sup>66</sup> It is interesting to note that transnational movement of goods, capital and technology has been widely accepted and allowed but movement of people across national boundaries confronts restrictions since it challenges the principle of national sovereignty; as their possible residence in a different nation holds the capacity to transform the structure of the citizenry of host country and may also affect the “*demos*” residing in country of origin (Hollifield 1994) therefore mobility of people and possibility of acquiring citizenship faces “territorial closure”.<sup>67</sup>

The initial acceptance of the concept of dual or multiple citizenship arose when countries remedied the problems pertaining to the confusion resulting from co-relations of ‘*jus soli*’ and ‘*jus sanguinis*’ i.e. in case of a child born on the territory of country A to parents holding the nationality of country B.<sup>68</sup> Impetus was also gained when the New York Protocol of 1957 allowed women to retain their citizenship post marriage and confer the same to their children.<sup>69</sup> Similarly, for instance, the European Convention on Nationality (Council of Europe 1997) allowed both parents to transfer their nationality to their children.

Some progress has also been achieved in accepting increasing degree of tolerance for claims for dual citizenship by emigration countries. With the increase in the number of people living outside their country of birth, i.e. over 200 million (Dickinson, 2009) historical notion of sovereignty of nation states is being continuously eroded. In the current era of unprecedented global interconnections of technology, knowledge and the means of communications, the nation-state has become largely obsolete due to its inability to cope with the genuinely transnational character of some of the new developments of the world.<sup>70</sup> The modern state's principle of territoriality, i.e., the physical attachment of a person to a given territory, is gradually becoming an insufficient criterion for the evaluation of his or her belonging to the society.<sup>71</sup> The waning phase is also the resultant of the willingness of countries of origin to sustain international financial flows in the form of trade and investments, the presence of diaspora communities across the globe along with returning and circulatory migrants who are embedded in transnational communities. These trans-border communities are continuously galvanising the ‘utilitarian’ concept of citizenship, in which state membership is increasingly becoming less relevant for individuals; and offer of granting citizenship is forming a tool due to conscious policy choice to maintain bonds and linkages with those who have emigrated.<sup>72</sup> Dual citizenship thus has become an important instrument of engagement which the countries of origin are employing to sustain ties with overseas communities.

Increasing number of countries in contemporary transnational era are losing their restrictions on dual nationality to foster and maintain economic and cultural ties with Diaspora. Dual citizenship allows forging linkages by providing parity with local residents and ensuring tangible financial and

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<sup>65</sup> Ibid.

<sup>66</sup> Turner et al, 2007.

<sup>67</sup> Hollifield 2006.

<sup>68</sup> Faist 2001.

<sup>69</sup> Ibid.

<sup>70</sup> Preuss, 1998.

<sup>71</sup> Ibid.

<sup>72</sup> Hollifield, 2006.

economic benefits to the country of ancestry.<sup>73</sup> It is evident from the fact that there has been an increase in the number of countries allowing dual citizenship, with 75% increase in the number of such countries over the past decade; with 56 countries whose nationals pledge allegiance to more than one nation.<sup>74</sup>

### **3.2 Beneficial entitlements offered by Dual Citizenship**

In the context set above, the subsequent section aims to first list out some common parameters in terms of the beneficial entitlements offered by the concept of Dual citizenship with an aid of a simple matrix and consequently to do a comparative analysis of the same with those offered by PIO and OCI schemes instituted by India. Here, the dual citizenship is being considered as a benchmark against which the PIO and OCI card schemes are measured.

A non-exhaustive list of some of the profitable features conferred by dual citizenship to overseas population is given below. Considering, dual citizenship, PIO card and OCI card schemes as “instruments of engagement” which a nation state employs for maintaining links with its Diaspora or overseas population, a comparative analysis is drawn. The primary objective of this comparative exercise is to elaborate on what the two schemes originally sought to do i.e. they meant to address or rather comply with the features of dual citizenship to a considerable extent. The matrix shows barring political rights, the two schemes have been formulated in such a way so as to meet the expectations of overseas Indian community vis-à-vis dual citizenship.

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<sup>73</sup> Dickinson, 2009.

<sup>74</sup> Ibid.



**Table 1. A Comparative Analysis of Beneficial entitlements offered by Dual Citizenship to those offered by PIO and OCI card schemes**

S.no	Beneficial entitlements offered by a nation state to overseas community		Instruments of Engagement		
	Major Benefits	Attached benefits	DC	PIO	OCI
1.	Formation of collective identity	Symbolically acknowledging transnational living circumstances and recognition of “other” nationalities or citizenships held by members of overseas community	✓	X	X
		Official legitimization of multicultural identity of overseas population	✓	X	X
2.	Political Participation	Parity with citizens in terms of granting voting rights or to participate in elections	✓	X	X
		Right to hold public offices	✓	X	X
3.	Pragmatic benefits	Provision for entry and exit rights / Freedom to travel across borders	✓	✓	✓
		Exemption from security clearances	✓	✓	✓
		Access to educational facilities/ Institutes	✓	✓	✓
4.	Economic Benefits	Greater participation in labour market	✓	✓	✓
		Access to territory and economic rights e.g. retaining inheritance and property rights	✓	✓	✓
5.	Facilitation of return or circular migration		✓	✓	
6.	Cultural assimilation and maintenance of ties		✓	✓	✓

## 4. PIO and OCI Schemes as Instruments of Engagement

### 4.1 An Overview of the Schemes

The two schemes represent the cornerstone of the India's Diaspora policy. As mentioned before, the genesis of the two schemes lay in the long-standing demand for dual citizenship specifically articulated by the overseas Indians resident in affluent western countries who upon migrating had to renounce Indian citizenship and opt for another due to practical constraints or for reasons of convenience.<sup>75</sup> The community also argued in favour of granting dual citizenship as it would ensure unhindered flow of capital, investment and human resources for the economic development of the country.

Rajgopal (2001: 242) explains that India's engagement with its overseas Indians can be explained as "tacit negotiation; where on one hand overseas Indians lure the country of origin with finance capital, on the other hand; India offers the cultural capital and the reassurance of a genuine mutual belonging in exchange."<sup>76</sup> However, overseas Indians have always been increasingly demanding for "more than cultural capital and a mere symbolic incorporation"<sup>77</sup> in order to allow India to leverage the economic clout possessed by the members of the community. The matter related to granting dual citizenship was considered by the Government of India in 1992 however due to constitutional, legal, political and security implications the idea was turned down.<sup>78</sup> With the pressure of these demands on one side and the constraining effects of domestic legal and security aspects on the other, India brought the two schemes to resolve the issue.

Ong (1999) suggests that "as a result of the cultural logic of capitalist accumulation, travel and displacement, states are induced to respond fluidly and opportunistically to changing political and economic conditions and encouraging increasingly flexible citizenship".<sup>79</sup> In this context, India has provided a innovative response to the requirement of incorporating overseas Indians in an engagement by institutionalising PIO and OCI schemes which cater to the assertive demands of dual citizenship by overseas Indians on one hand and domestic constraints on the other.

### 4.2 Salient features of the PIO and OCI card schemes

PIO or the Person of Indian Origin card scheme came into force on 30<sup>th</sup> March 1999 and was devised for those foreign citizens (except for citizens of Pakistan, Bangladesh and other countries specified by the Central Government at different time intervals) who;

- 1) At any time held an Indian Passport; or,
- 2) has either of his/her parents or grandparents or great grandparents (upto fourth generation) born in or permanently resident in India as defined in Government of India Act, 1935 and other territories that became part of India thereafter provided neither was at any time a citizen of Afghanistan, Bangladesh, Bhutan, China, Nepal, Pakistan and Sri Lanka; or,
- 3) Is a spouse of a citizen of India or a person of Indian origin as mentioned before.<sup>80</sup>

<sup>75</sup> Government of India, HLCID, "Interim report on the PIO card scheme", pg. 359.

<sup>76</sup> Ibid pg. 7.

<sup>77</sup> Ibid.

<sup>78</sup> HLCID, pg. 360.

<sup>79</sup> As cited in Xavier, 2009.

<sup>80</sup> Government of India, HLCID Report, pg. 360.

In simple terms, the PIO card is meant for those overseas Indians who or whose fore-fathers migrated to distant lands prior to independence. The PIO card therefore is recognition of the ancestral linkages of overseas Indians to the country of origin. The PIO card is valid for a period of 15 years and extends numerable benefits to its holder, such as facilitation of visa for the duration of the validity of the card, exemption from requirement of registration with the office of the Foreigners Registration Officer at district headquarters for a period of stay up to 180 days, provision of parity with NRIs in all matters related to economic, financial and educational fields. PIOs can acquire, hold, transfer or dispose immovable properties in India. Children of PIOs can avail educational facilities in Indian educational Institutes such as IITs, IIMs, medical/engineering colleges under the quota for NRIs. They also enjoy applicability of all Government schemes extended to NRIs related to bank accounts as well.

The High Level Committee on Indian Diaspora in its interim report on PIO card scheme submitted to the Government of India highlighted that the PIO card scheme “failed to evoke an enthusiastic response”<sup>81</sup> from its clientele due to inadequate information and publicity, exorbitant fee of USD 1000 charged for the issuance of the card. The Committee thus recommended that lower fee may be charged for a decreased validation period of 10 years.<sup>82</sup> The committee added that the scheme provides for ‘dual nationality’ instead of ‘dual citizenship’ and is a “document of nationality or national origin” which must not be equated with Indian Passport which is a document establishing citizenship.<sup>83</sup>

In the view of the non-popularity of the PIO card scheme and the recommendations provided by the High-Level Committee on Indian Diaspora, the Government of India made another attempt to address the issue of dual citizenship by launching the “Overseas Citizenship of India (OCI) scheme” in August 2005 after making amendments to the Citizenship Act, 1955. The scheme provided for the registration as Overseas Citizens of India (OCI) of all Persons of Indian Origin (PIOs) who were citizens of India on or after 26th January, 1950 or were eligible to become citizens of India on the same date and who are citizens of other countries except Pakistan and Bangladesh. It has been operational since January 2006 and as of 25 May 2012, a total of 10,93,557 PIOs have been registered as OCIs.<sup>84</sup> U.K. tops the list with 2,19,446, followed by France (26,936) and Germany (13024) (Tables 2 & 3).

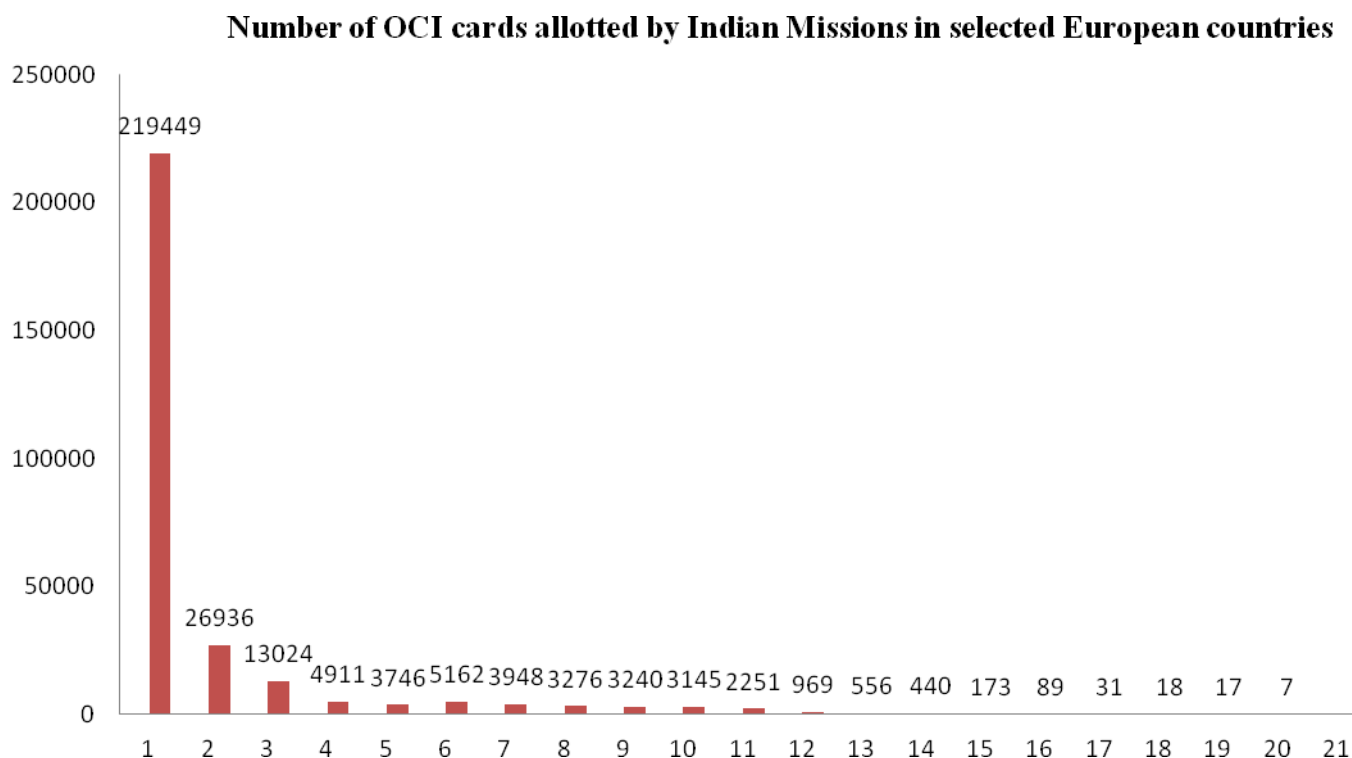
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<sup>81</sup> Ibid.

<sup>82</sup> Ibid., pg. 366.

<sup>83</sup> Ibid., pg. 362.

<sup>84</sup> MOIA Annual Report 2011-12: 19.

**Figure 1. Number of OCI cards allotted by Indian Missions in selected European countries**

Source: Author's representation of the number of OCI cards issued by Indian missions in EU countries, as on 25 May 2012 according to OCI Registration report available at

[http://moia.gov.in/writereaddata/pdf/OCI\\_Desp\\_Report\\_25may2012.pdf](http://moia.gov.in/writereaddata/pdf/OCI_Desp_Report_25may2012.pdf)

**Table 2. Number of OCI cards allotted to European countries**

S.no.	EU Member State	No. of OCI cards allotted	S.no.	EU Member State	No. of OCI cards allotted
1	United Kingdom	219449	11	Sweden	2251
2	France	26936	12	Norway	969
3	Germany	13024	13	Finland	556
4	Switzerland	5162	14	Denmark	440
5	Belgium	4911	15	Poland	173
6	Italy	3948	16	Greece	89
7	Austria	3746	17	Romania	31
8	Spain	3276	18	Czech Republic	18
9	Portugal	3240	19	Hungary	17
10	Netherlands	3145	20	Slovakia	7

A registered OCI cardholder enjoys following benefits:

1. A multiple entry, multi-purpose lifelong visa to travel to India
2. Exemption from registration with the Foreigners Regional Registration Office (FRRO) for any length of stay in India.
3. Parity with NRIs in terms of -
  - i. Inter-country adoption of Indian children
  - ii. Payment of entry fees for visiting the national monuments, museums and historical sites in India
  - iii. Practising professions such as medicine, dentistry, nursing and pharmacy, law, architecture and chartered accountancy; and
  - iv. Entitlement to appear for the All India Pre-Medical Test or such other tests to make them eligible for admission in Indian educational Institutes.
  - v. Parity with Resident Indian nationals in matters of payment of domestic airfares and entry fees for visiting national parks and wildlife sanctuaries in India.

Due to its misleading nomenclature, OCI is often mistaken for “dual citizenship”. However, it must be clearly understood that the OCI scheme does not provide dual citizenship as it does not confer political rights i.e. right to vote and to hold public office to the card holder.

#### 4.3 Schemes as Instruments of Engagement: an Analysis

Mr. Amit Sikka, resident of Gurgaon, Haryana along with his wife Ms. Rita Sikka, an OCI cardholder with Canadian passport through an appeal No.SA/UG/f5480/g0u5 dated 15.12.2008 under Section 19 of the Right to Information Act 2005 filed a petition in Delhi High Court and requested for clarification on what “parity with NRIs” in terms of practising profession like medicine or dentistry means in view of the situation where dentists or medical practitioners holding OCI cards are not allowed to practice in India<sup>85</sup>. The conflict resulted in an amendment notification being issued by Medical Council of India which clearly stated that “after the words Indian Citizens ... the following shall be added, or a person who has been granted Overseas Citizenship of India”<sup>86</sup>

The aforementioned case brings out the inherent paradoxes of the PIO and the OCI card scheme. As evident from the notifications issued they were designed in such a way as to provide parity to OCI card-holders with NRIs and Indian citizens. For instance, notification issued by Ministry of Overseas Indian Affairs in the Gazette of India on January 6, 2007 states that “Registered Overseas Citizens of India shall be treated at par with Non-resident Indians in matter of inter-country adoption of children.”<sup>87</sup> But, in view of the cases such as above and that of an archer who wished to represent Punjab in Commonwealth Games 2010 but could not do so as the High court decision went against him, the central question remains whether the PIO and OCI cards provide for a robust engagement in the backdrop of dual citizenship?

With reference to Table 1 comparative analysis of the beneficial entitlements offered by dual citizenship and the two schemes, the immediate response to the above question would have been “yes”, however upon considering the above cases it is noted that notifications in terms of providing parity with the NRIs or the resident Indians is mostly on paper. In practical terms, the implementation

<sup>85</sup> For details see Central Information Commission, document available at [http://rti.india.gov.in/cic\\_decisions/WB-13032009-01.pdf](http://rti.india.gov.in/cic_decisions/WB-13032009-01.pdf)

<sup>86</sup> Notification available on MOIA's website [http://moia.gov.in/writereaddata/pdf/2009\\_mci.pdf](http://moia.gov.in/writereaddata/pdf/2009_mci.pdf)

<sup>87</sup> For details see notification available at [http://moia.gov.in/pdf/oci\\_notification.pdf](http://moia.gov.in/pdf/oci_notification.pdf)

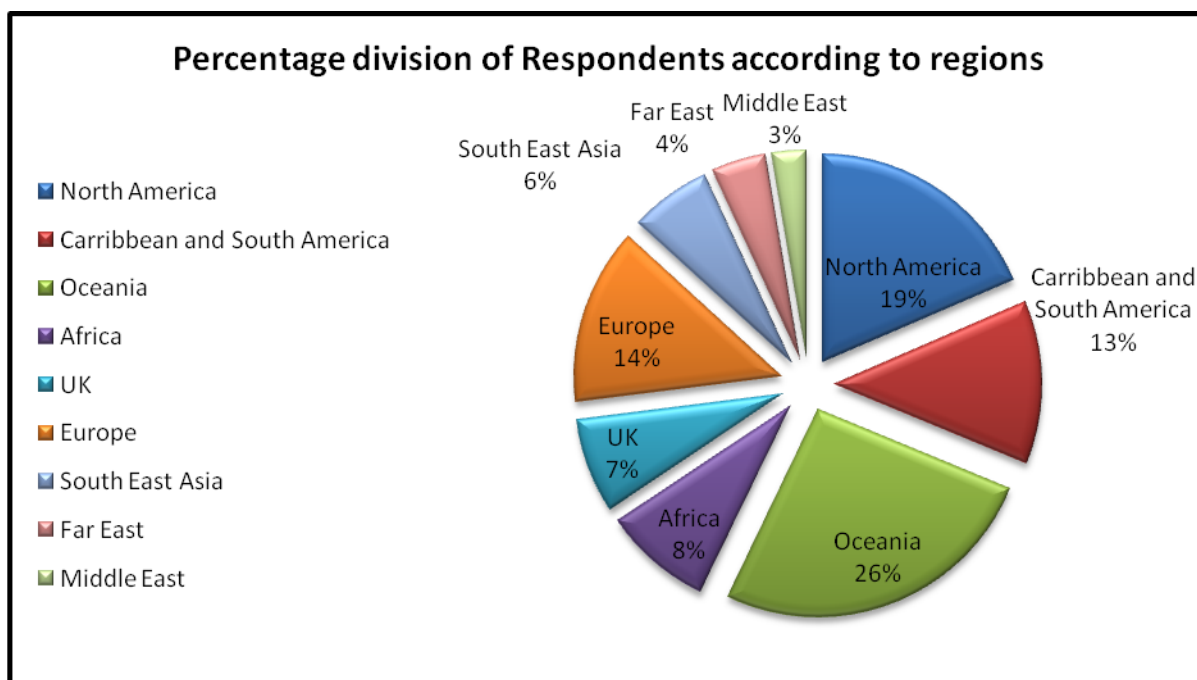
of the schemes on the ground level is flawed. As mentioned by a respondent who was interviewed at the Pravasi Bhartiya Diwas 2012, “the cards are not recognised by some of the departments of state governments. People in India are not even aware of the terminology “PIO or OCI”, moreover there are no special services available at international airports in India for OCI cardholders.”

In order to gain a deeper insight into and understand the implications of the scheme the findings of the electronic survey results are examined. The questionnaire used for the survey is given at Annexure I. The survey was carried out with support and assistance from GOPIO in 9 regions: North America, Caribbean & South America, Oceania (which included Fiji, New Zealand & Australia), Africa, United Kingdom, Europe, South East Asia, Far East and Middle East. The data collected was based on random sampling and it should be noted that there was unequal representation in total number of respondents from regions ranging between minimum number of respondents of 5 to maximum number of respondents of 50.

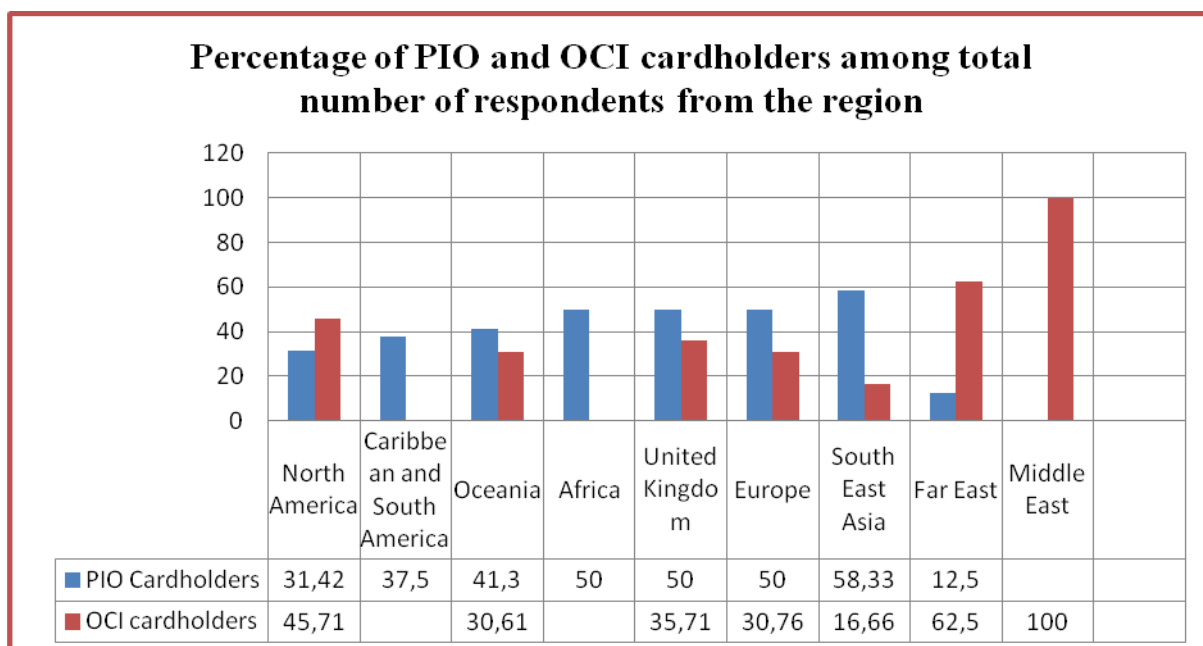
**Table 3. Composition of the Sample Size of Respondents**

<b>Region</b>	<b>Percentage of respondents out of total respondents</b>	<b>Percentage of respondents out of total respondents from the region (born in India)</b>	<b>Percentage of respondents out of total respondents from the region (born outside India)</b>	<b>Percentage of respondents OCI card Holders</b>	<b>Percentage of respondents PIO card holders</b>
	(%)	(%)	(%)	(%)	(%)
North America	18.51	65.71	34.28	45.71	31.42
Caribbean and South America	12.69	25	75	-	37.5
Oceania (Fiji, New Zealand, Australia)	25.92	44.89	55.10	30.61	41.30
Africa	8.46	12.5	87.5	-	50
United Kingdom	7.40	64.28	35.71	35.71	50
Europe	13.75	42.30	57.69	30.76	50
South East Asia	6.34	33.33	66.66	16.66	58.33
Far East	4.23	87.5	12.5	62.5	12.5
Middle East	2.64	100	-	100	-

**Figure 2. Percentage Division of Respondents according to Regions**



**Figure 3. Percentage of PIO and OCI Card Holders among Respondents**



The absence of PIO cardholders among respondents from Middle East and the OCI cardholders among respondents from Caribbean and South America was registered. This void indicates the significance and the dominating presence of the new and the old Diaspora in two regions, respectively.

### *1. Analysis of Push & Pull Factors (Refer Table 4 & 5)*

Table 4 & 5 describe the parameters on the basis of which motivational preferences are judged. The indicators are derived considering the consolidated general benefits offered by both the schemes. Indicators aligning with X axis are the benefits offered by the two schemes while regions align with the Y axis in the designated matrix.

An assessment of the motivating factors of the card-holders establishes that the schemes are viewed from a very limited perspective by its clientele. Drawing from the survey results and with an aid of a simple matrix, it was noted that facilitation of visa procedures for visit to family and friends has been rated as most important attribute by all respondents “born in India” that helped in deciding the card-holders to apply for the card, closely followed by availability of visa for business purposes. However, those belonging to the region of south East Asia and Far East have claimed that interest in applying for the card did not primarily depend on the provision of visa for business purposes.

Respondents from North America, Caribbean and South America, Oceania (Fiji, Australia, and New Zealand), Africa, UK and Europe have expressed that the economic and financial motives specifically being enabled to carry out investments in India has been a major catalyst in applying for the card. On the contrary, purchase of property has been described as the least important attribute as playing a key role in motivating applicants to apply for the cards; this fact however was not found true in case of responses registered from the Middle East.

It is interesting to note that almost all respondents claimed that they were not seeking the opportunities to work in their chosen field in India through the aid of the PIO and OCI card schemes. However, the provision of indefinite access to educational fields in India for the children of overseas Indians has been considered as an important factor (only one degree less than the most important factor) responsible in motivating them to apply for the card by respondents from Caribbean & South America, Africa, UK, Europe and South East Asia.

Psychological and sentimental rationale for extending application for the cards has been considered as the most important factor in case of respondents “who were born in India” from regions such as Caribbean and South America and Middle East. For respondents across other regions, the same factor has been considered as important though a degree less. Exception to this trend has been Far East.

In terms of degree of importance, respondents have expressed mixed reactions to indicator dealing with “desire to link their future generations to India”. On one hand there were respondents born in India from regions such as UK, Europe, South East Asia and Far East who allotted the tag of “least important” to the indicator, on the other hand, respondents from the Middle East and North America considered the factor very important. In similar vein, those from Oceania, Caribbean and Africa kept it on middle footing.

In the case of responses from those “born outside India”, it is quite evident that the subscription to PIO or OCI card schemes is being used as mere tools to expedite travel to India either for familial or business purposes. This set of respondents clarified that they held no intention of using the scheme as an instrument to purchase property or to explore labour market in India for employment opportunities. Psychological and sentimental reasons have also been cited as important push factors for applying for the cards; perhaps due to presence of ancestral linkages with the country.

Secondary reasons with indirect motivational influences as brought out in the interviews were expedition of travel for protection of ancestral property in hometowns or villages in India, social enterprising, networking for professional or business purposes and carrying out philanthropic endeavours.



## *2. Benefits availed by Cardholders (Refer Table 6)*

Synergies between the motivational factors and the benefits availed by PIO and OCI cardholders are portrayed in the responses of both categories of respondents i.e. those “born in India” and those “born outside India” only in terms of the usage of schemes for facilitation of visa purposes. Benefit of long term visa has been unanimously voted as the primary beneficial entitlement of the card's subscription used most often indicating the schemes are definitely the “mobility-tickets” for overseas Indians.

However, a clear contrast is noted in the indications provided by the respondents “born in India” and those “born outside India” in terms of exemption from registering with the local police authority. Reasons for this difference in usage are quite intriguing.

Indicator ‘Access to economic and financial field as well as educational facilities’ has not been given much weightage in the benefits exploited by cardholders implying that there is a clear contrast in the motivational aspirations of the beneficiaries and the practical usage of the two schemes for gaining access to educational, employment facilities. The schemes have not been considered as tools to leverage such opportunities provided by the Government of India indicating that there is a need to free the two schemes from the restrictive perspective related to mobility and to assess the lacunae in their administration and implementation.

**Table 4. Rating of attributes (by respondents “born in India”) that were instrumental in deciding to apply for the card**

Respondents from Regions (Born in India)	Middle east	1.	2.	3.	2.	4.	3.	1.	1.
	Far East	1.	3.	3.	4.	3.	3.	3.	5.
	South East Asia	1.	3.	3.	3.	3.	2.	2.	4.
	Europe	1.	2.	2.	3.	3.	2.	2.	4.
	United Kingdom	1.	2.	2.	4.	3.	2.	2.	4.
	Africa	1.	2.	2.	4.	4.	2.	2.	3.
	Oceania ( Fiji, New Zealand and Australia)	1.	2.	2.	4.	3.	3.	2.	3.
	Caribbean & South America	1.	2.	2.	5.	4.	2.	1.	3.
	North America	1.	2.	2.	4.	5.	3.	2.	2.
		Visit to family or friends	Business Purposes	Investment	Purchase of property	Opportunities to work in your chosen field in India	Indefinite access to educational facilities in India for children of Overseas Indians	Psychological and sentimental rationale	Desire to link future generation with India
	Facilitation of Visa Procedures		Financial or Economic Motives						
<b>Attributes</b> →									

Values = 1 to 5 where, 1 denotes the maximum value i.e. highest priority and 5 denotes the minimum value i.e. least important

**Table 5. Rating of Motivational Attributes (by respondents born outside India)**

<b>Respondents from Regions (Born outside India)</b>	Middle east	-	-	-	-	-	-	-	-
	Far East	1	2	3	4	4	4	2	4
	South East Asia	2	2	4	4	3	4	3	3
	Europe	2	2	3	4	4	3	2	3
	United Kingdom	2	2	3	5	3	3	3	4
	Africa	2	3	2	4	3	4	3	3
	Oceania ( Fiji, New Zealand and Australia)	1	2	2	4	3	2	2	4
	Caribbean & South America	3	3	3	5	4	4	1	2
	North America	2	2	3	5	4	3	2	3
		Visit to family or friends	Business Purposes	Investment	Purchase of property	Opportunities to work in your chosen field in India	Indefinite access to educational facilities in India for children of Overseas Indians	Psychological and sentimental rationale	Desire to link future generation with India
	Facilitation of Visa Procedures		Financial or Economic Motives						
<b>Attributes</b> →									

**Table 6. Benefits availed by PIO and OCI card holders (1 denotes the maximum usage and 5 minimum usage)**

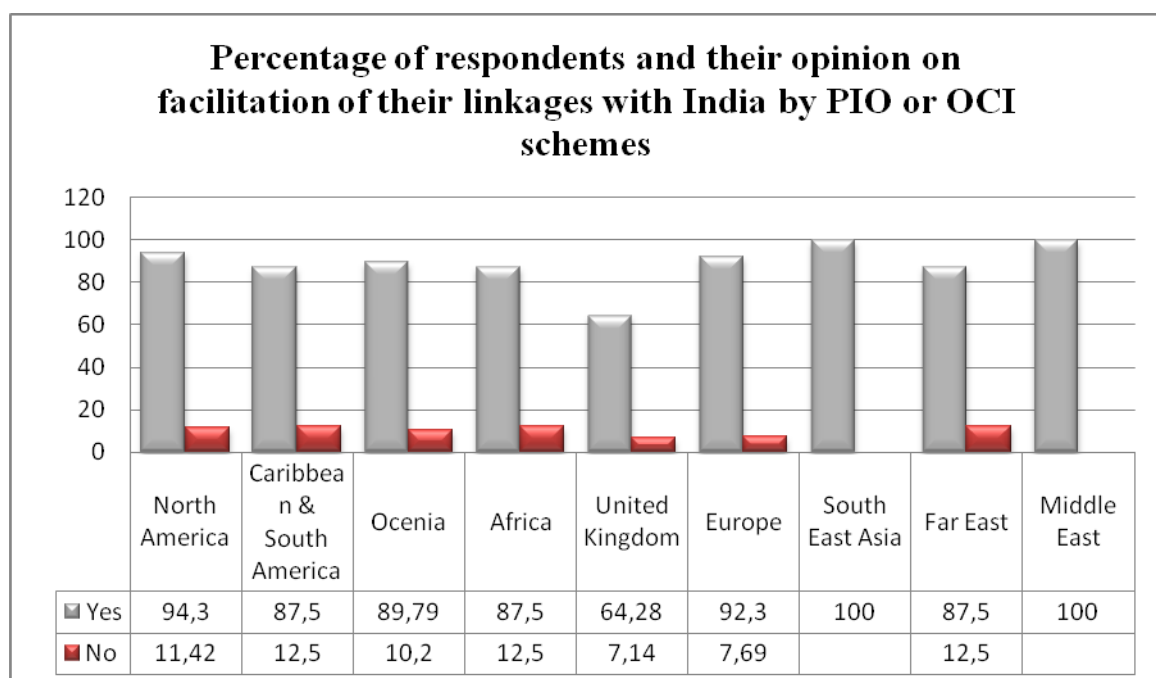
<b>Respondents from Regions (Born outside India) →</b>	Middle east	1.	-	1.	-	3.	-	3.	-
	Far East	1.	1.	2.	2.	3.	3.	2.	2.
	South East Asia	1.	1.	2.	2.	2.	3.	2.	2.
	Europe	1.	1.	2.	2.	2.	3.	3.	4.
	United Kingdom	1.	1.	2.	3.	3.	3.	3.	4.
	Africa	1.	1.	2.	5.	2.	3.	2.	3.
	Oceania ( Fiji, New Zealand and Australia)	1.	1.	2.	3.	3.	3.	3.	3.
	Caribbean & South America	1.	1.	2.	5.	2.	3.	3.	4.
	North America	1.	1.	2.	2.	3.	3.	4.	4.
		Born in India	Born outside India	Born in India	Born outside India	Born in India	Born outside India	Born in India	Born outside India
	Benefit of long term visa		Exemption from registering with local police authority (in case of PIO for a limited period of up to 180 days)		Access to economic and financial field		Access to educational facilities for children		
<b>Attributes</b> →									

### 3. As Facilitators of Linkages

Considering the limited usage of the two schemes, the question arises if the schemes are facilitating overseas Indian's linkages and connections with India. An assessment of the respondent's perceptions and views on the same was carried out. It is noted that an overwhelming majority of the cardholders believe that the PIO and OCI card schemes have played an instrumental role in facilitating their linkages with India (Table 7)

**Table 7. Schemes as instruments in facilitating linkages with India**

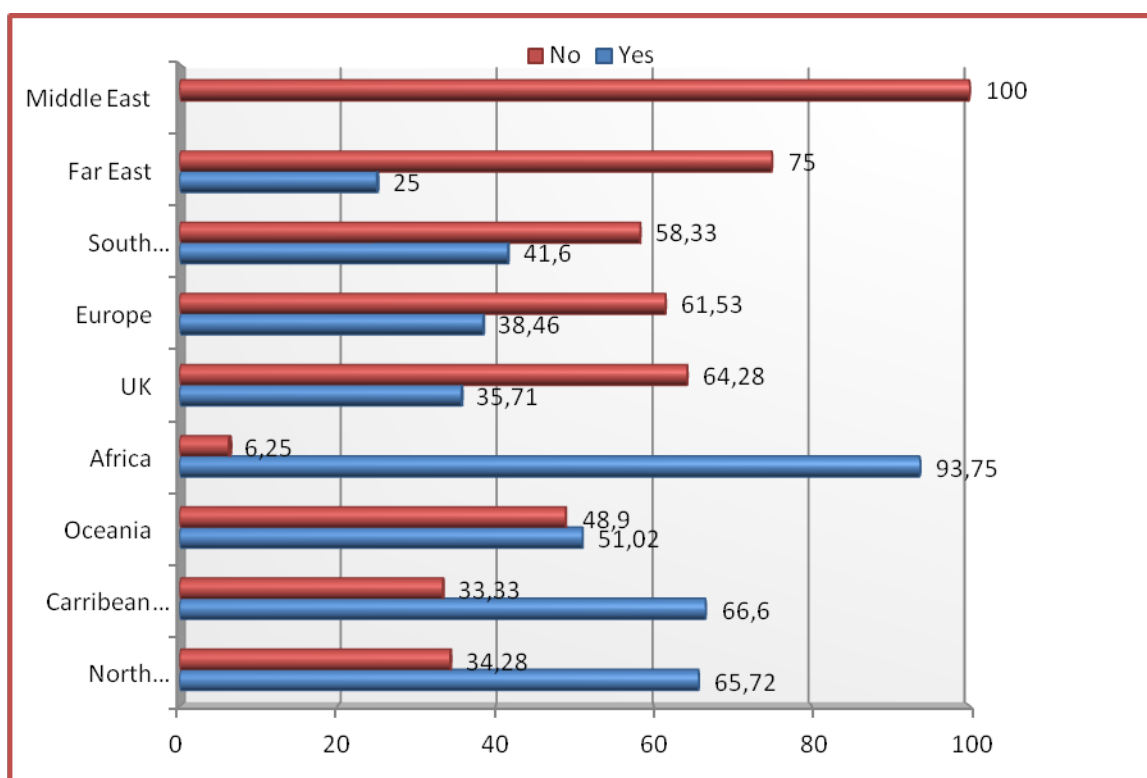
Region	Yes	No
	% of respondents out of the total number of respondents who agreed that schemes facilitated their linkages with India	% of respondents out of the total number of respondents who disagreed that the schemes facilitated linkages
North America	94.3	11.42
Caribbean and South America	87.5	12.50
Oceania	89.79	10.20
Africa	87.5	12.50
United Kingdom	64.28	7.14
Europe	92.3	7.69
South East Asia	100	-
Far East	87.5	12.50
Middle East	100	-



It's interesting to note that all respondents from South-East Asia and Middle East were totally convinced that the two schemes have been fundamental in strengthening their ties with India. Though in case of the interviews mixed responses were achieved, a delegate at PBD 2012 from North America stated that "OCI is just a connotation. It does not mean much. Card's usage is mainly for practical purposes and the instrument does not facilitate linkages." Similarly, another respondent echoed that "familial linkages have always been present." OCI has done nothing in particular to improve them." The cited examples are exceptional cases; whereas majority of the opinion has been appreciative of the formation of the two schemes as the schemes cater to the primary need of any overseas Indian i.e. a visa to travel to India. Respondents however did not refrain from highlighting the operational shortcomings in the schemes.

Majority of the respondents believe that there are bottlenecks in the implementation of the schemes at ground level which should be addressed by Government of India in order to enhance the subscription of the cards. Exception to this position was the response from the Middle East, where 100% of the respondents expressed satisfaction over the procedures followed in issuance of the two cards. On the contrary, 93.75% of respondents from Africa expressed their grievances in terms of implementation strategies employed by the government vis-à-vis two schemes.

**Table 8. Percentage of respondents and their opinion on the pitfalls related to the schemes.**



Respondents claimed that the administrative and operational procedures followed by embassies and consulates in issuing cards are a hassle prone affair. It was reported that the collection of documentation required in the application procedure to be followed for procurement of the two cards in order to prove the ancestral linkages with India is a tedious task. Delegates from Malaysia expressed their concern over being denied the cards due to their inability to provide alternate documentation (for over three generations) in establishing their links with India. Furthermore, long wait in approval and issuance of the cards, the obligatory aspect of keeping the old passports has been reported as anomalies. A respondent from South Africa attending PBD 2012 complained that she received her OCI card after a long period of 2 years.

Respondents for instance, an anonymous delegate at PBD 2012, a PIO working with the UN and resident in Geneva, Switzerland highlighted that inadequate human resource capacity at Indian

embassies and consulates, unqualified personnel dealing with the implementation of the two schemes and gaps in communication strategies followed pose some of the structural problems in increasing the schemes' outreach to a wider audience.

#### *4. PIO and OCI Merger and the way forward*

In view of the complications in the implementation of the two schemes and in order to iron out the confusion among the overseas Indian community, post review of the schemes by Government of India, Prime-Minister Dr. Manmohan Singh at PBD 2012 announced that the two cards would be merged into a single facility which is to be named as "Overseas Indian Card Scheme" (OICS).<sup>88</sup> The facility would provide for an up-gradation in the benefits offered to PIOs. The bill entailing the same proposition is currently under consideration by the Parliamentary Standing Committee.

In the survey, an attempt was made to measure the awareness related to possible merger of the two schemes and the overseas community's opinion related to the same. The results achieved are demonstrated in Table 9. It was found that majority of the respondents in the regions are aware of the possible merger of the two schemes into a single entity, though they expressed mixed reactions as to whether the merger would be favourable or not.

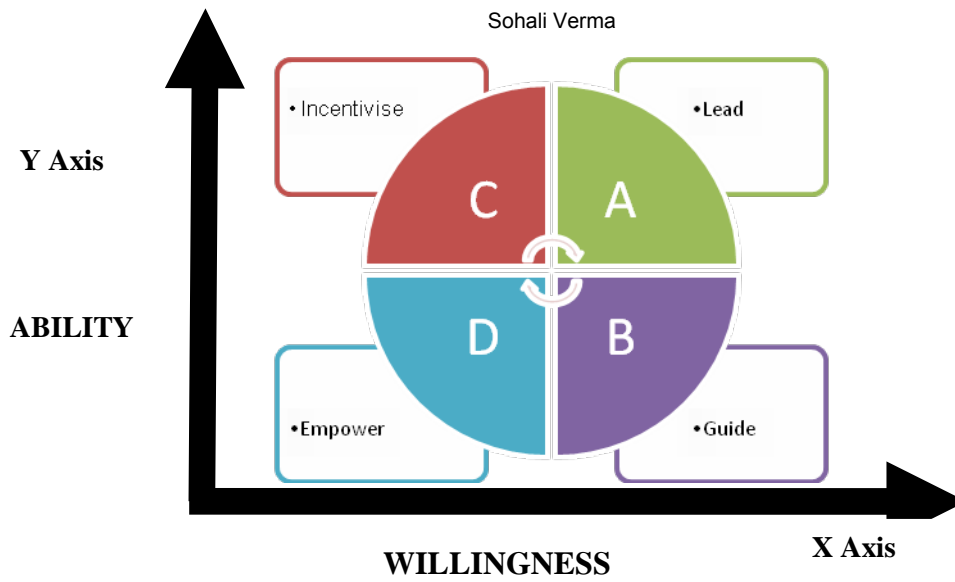
Although the merger has been welcomed and appreciated by the overseas Indian community, apprehensions and a degree of confusion was expressed by the respondents interviewed at PBD 2012. It was noted that there was lack of clarity in terms of what would be the legal and prosecutorial implications for PIOs if PIO and OCI cards are merged into a single scheme, from the perspective of current and future status? Respondents asked what would happen to those who have already been issued PIO and OCI cards? Would there be an additional fees and an extensive application process to be followed again?

Moreover, nomenclature of the scheme has also not been approved by some of the respondents. While one respondent from North America strongly opposed usage of the word "cardholder" in the proposed OICS. Another highlighted that the fact that reference to PIOs over three generations as "Overseas Indians" raises questionable perception of their loyalty to their country of residence. A general consensus among the respondents was that the merger of PIO and OCI cards into a single scheme could entail unnecessary difficulties and compromises in developing criteria common to both PIOs and OCIs. Hence it was suggested that the current system of separate PIO and OCI cards should be maintained with necessary improvements in processing and acceptable documentation.

However, replacement of the current schemes by one single instrument which acts as a unipolar mechanism to engage with the overseas community is the need of the hour. This new scheme however must be an adequate instrument to direct A, guide B, incentivise C and empower D (where A, B, C, D are sections of overseas Indians with varying degree of willingness and ability in terms of their contribution to the country of origin).

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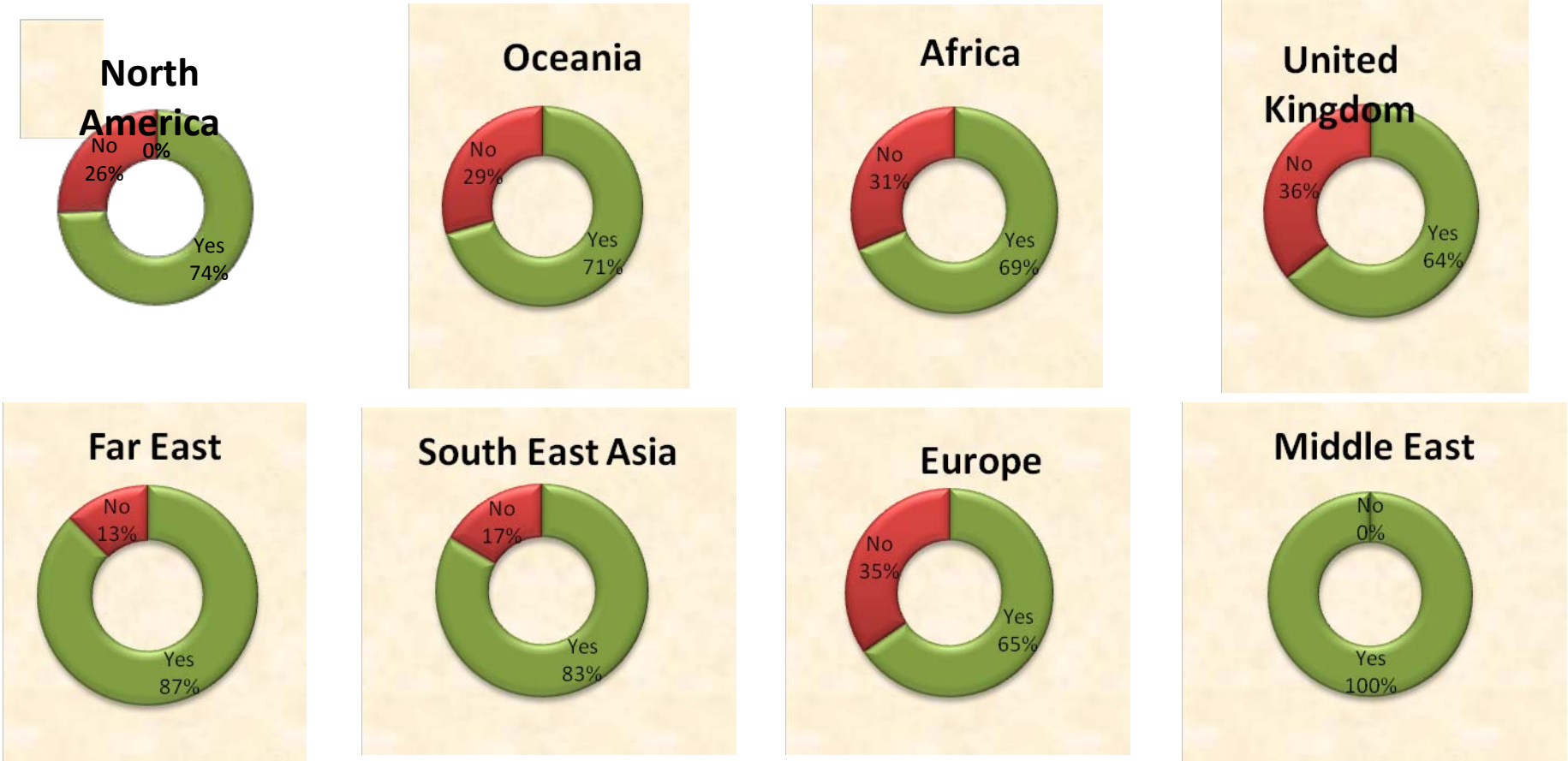
<sup>88</sup> The Hindu, 2011, "OCI, PIO cards merged", available at <http://www.thehindu.com/news/national/article1072952.ece>



Source: The matrix is an adaptation of Hershey and Blanchard's depiction of four different states of "readiness to follow" from their situational leadership theory.



**Table 9. Awareness related to possible Merger of the Two Schemes**



## 5. Conclusion

The research study has been an attempt to assess the utility of the PIO and the OCI schemes in enabling a robust sustainable engagement between India and its overseas community. In lieu of dual citizenship, which allows relationship between overseas community and country of origin in namely three spheres- political (through grant of voting rights and right to hold public offices), economic (through investments) and socio-cultural, India has employed the two schemes which apart from providing political advantages; engage with the overseas community and confer economic and socio-cultural benefits. The two schemes, consistent with practical and security concerns are mainly driven by national identity considerations, the pre-dominant image of the nation and the concept of “us” bringing forward an image of India which embraces all PIOs leading to a formation of an “Indian Pangaea.”<sup>89</sup> However they show clear contradictions and divergence in their ideological conception and the practical pursuits. Nonetheless the schemes can be considered as novel and unique examples of tools that bind the overseas community with country of origin more closely.

As evident from survey results, the two instruments of engagement are viewed mainly through the prism of mobility; i.e., to be exploited for facilitation of visa free travel, from the perspective of its clientele. Both the PIO card scheme devised for those who left India prior to Independence and OCI card scheme serving the subsequent emigrants’ generations cater to the needs of distinct groups hence result in different satisfaction levels in terms of their usage. The two schemes are not being predominantly used for economic or socio-cultural engagement limiting the level of engagement with the country of origin. The schemes, as pointed out by respondents, play an instrumental role in strengthening the linkages of overseas community with India. Barring some shortfalls in the schemes which are mainly operational in nature; the schemes hold a significant position in India’s Diaspora policy.

In view of the possible merger of the two schemes to resolve the present complications in each, one of the significant recommendations which were put forth by the respondents was the formation of a smart card for overseas Indians which may entail the biometric details of the card holder and can be used in Indian embassies or consulates and anywhere in India across Indian states as an identification card. The card could also contain data such as applicant’s image, date of birth, contact details etc. Certain administrative and procedural strategies such as availability of facilities for the Overseas Indian Card Scheme (OICS) clientele at international and domestic airports and railway stations, preparation of information guides for application processes may also be considered. Moreover, Diaspora associations may be involved to disseminate information and dispel any myths or apprehensions that the overseas Indians may have with regard to the new scheme. In order to increase the outreach of the new scheme, it is of utmost importance to connect with the youth and children of overseas Indians and encourage or incentivise them to subscribe to the OICS.

The challenge, however would be to free the new entity from the bonds of mere mobility perspective and to raise the level of engagement with the overseas community.

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<sup>89</sup> Symbolic representation of the absence of geographical borders or frontiers for overseas Indian community.

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## Annexure I

### India Centre for Migration (ICM) New Delhi

The community of overseas Indians hold significant position in terms of human capital and is considered a strategic asset for the country. Government of India engages in a mutually beneficial symbiotic relationship with the community by employing instruments such as PIO and OCI schemes, which have their genesis laid in the response to the persistent demand for dual citizenship by specific segments of the community and were, introduced in year 1999 and 2005 respectively. The survey aims to review the two schemes in the backdrop of the concept of dual citizenship in the age of mobility. The objective of the survey is to

1. Understand the principal driving factors motivating overseas Indians to apply for the card.
2. Assess their perceptions of the benefits offered and expectations from India in terms of the two schemes.
3. Evaluate if the schemes play a role of a catalyst in establishing their linkages with India

**Instructions:**

1. Kindly fill only if you hold a PIO or OCI card
2. Kindly answer all the questions and enclose your visiting card along with the completely filled sheet

We ensure that the information furnished by you will be kept confidential and will be used only for research purposes.

Thank you.

(Registered Society set up by the Ministry of Overseas Indian Affairs, Government of India)

**Pilot Survey for the study on:  
Instruments of Diaspora engagement deployed by the nation state:**

**1. Do you possess any of the following cards?**

- PIO
- OCI
- None of the above

**2. If answered “None” do you wish to apply for the PIO / OCI card?**

- Yes
- No
- Not decided yet

**3. When did you get your PIO / OCI card? (Kindly mention the year).**

**4. Rate the following attributes (on a scale of 1 to 5, where 1 is most important and 5 is least important) that helped you in deciding to apply for the PIO / OCI card. (Kindly tick the relevant box)**

	1	2	3	4	5
1. Facilitation of visa procedures					
a) For visit to Family or Friends					
b) For business purposes					
2. Financial or Economic Motives					
a) Investment					
b) Purchase of property					
3. Opportunities to work in your chosen field in India					
4. Indefinite access to educational facilities in India for your children					
5. Psychological or sentimental rationale					
6. Desire to link your future generation with their roots in India					
7. Any Other .....					

**5. Rate the specific aspect of the benefits of the PIO/OCI scheme which has been availed by you; where 1 denotes maximum usage and 5 minimum usages**

*(Kindly tick the relevant box)*

	1	2	3	4	5
Benefit of Long term visa					
Exemption from registering with local police authority ( in case of PIO for a limited period of up to 180 days)					
Access to economic and Financial field					
Access to educational facilities					
Any other.....					

**6. Has the PIO/ OCI scheme been instrumental in facilitating your linkages with India? If yes, how?**

**7. Do you perceive any shortcomings in the PIO / OCI scheme? If yes, what are they and what are your suggestions for improvement?**

**8. Do you recommend Dual Citizenship for overseas Indians? Kindly justify your answer by giving a reason**

- Yes
- No
- Can't say

**9. Are you aware of the possible merger of the PIO and OCI schemes?**

- Yes
- No

**10. If answered yes to question no. 9 what is your opinion on the possible merger?**