

Bollystan: India's Diasporic Diplomacy

By Parag Khanna

Introduction

It is commonly accepted that there will be three great powers in the 21st century - the United States, the European Union and China - and a number of second-tier powers such as Brazil, India and Japan. Globalisation, however, complicates this picture by providing opportunities for smaller players to become leaders in areas of comparative advantage, projecting significant influence on global economic, political or cultural affairs. Countries that can leverage globalisation - rather than being circumvented by it - can rapidly advance their growth and status. Whereas Japan seems to have peaked too early to become Asia's dominant power, some say that India has arrived too late, overshadowed by the Chinese juggernaut. Yet India can still rise in the ranks of the globalisation game, skilfully using new diplomatic vehicles - particularly its diasporic agents - to attract positive attention, investment and clout. Indeed, India will only become a global player if its efforts are supported by the vast network of increasingly influential global Indians.

Bollystan

Salman Rushdie once argued that in the relationship between identity and space, a diaspora needs a geographic locus as a point of reference. This insight explains the difficulty faced by Indians in maintaining - and severing - ties to their Motherland during the waves of 19th and 20th century migration which brought them in significant numbers to East Africa, the Persian Gulf, Southeast Asia, Great Britain, and the United States. Departure was permanent, communication slow, and loyalty confused.

Globalisation has changed all of this. Instead of remaining geographically fragmented, the potent cocktail of technology and culture now enables Indians everywhere to exist in a real, imagined

and shared space. This Indian cosmopolitanism is what I call 'Bollystan', a realm in which Indian roots are planted everywhere, but the flowering of the trees traces back only loosely to the original seed. Bollystan is emerging organically, a diasporic salad bowl of ethno-commerce and a new model of geographically transcendent sovereignty. In contrast to what Rushdie described as a one-way street of cultural transmission, Bollystan no longer implies a unidirectional cultural flow. After all, the saying goes that India does best what it regulates least: producing movies, microchips and Miss Universes - many of which are now emerging outside of India itself.

Indeed, with globalisation the second generation has become its own core: confident, creative and productive, a web of relationships charged with an inherent spirit. Literature of the diaspora tops best-seller lists, and fusion food is served at the top tables in London and New York. Bollystan's import-export marketplace of literary genius, spiritual essence, cinematographic border-crossing and, increasingly, political savvy, can do for India what nuclear weapons have not: make it a great power. But to achieve this, the Global India must begin to integrate on many levels.

Culture, not politics, lies at the heart of Bollystan, making India shine more than any BJP electoral campaign. A.R. Rahman's *Bombay Dreams* has made it big both on London's West End and New York's Broadway. The 2004 Edinburgh International Book Festival invited Indian authors as diverse as Anita Desai, Hari Kunzru and newcomer Siddharth Shangvi. The mere presence of Indian populations overseas boosts demand for and interest in Indian cultural exports and products. With a global viewing population of billions, it is no surprise that Amitabh Bacchan topped BBC's online poll to name an "actor of the millennium." Prashant Agarwal, in the *New York Times* argues, "The day will come when Bollywood stars are just as famous in the United States as they are in India."¹

A decade ago, Joel Kotkin explained how cosmopolitan groups "do not surrender their sense of a peculiar ethnic identity at the altar of technology or science but utilise their historically conditioned values

¹ "Dream On", *New York Times*, 29 April, 2004.

and beliefs to cope successfully with change.”² Like the Anglo-Saxons, Jews and Chinese, Indians are building a networked civilisation, an archipelago of nodes linked by mutual trust and a belief in knowledge and the virtues of technology. Today, the population of the Indian diaspora is over 20 million, with 10,000 or more overseas Indians in at least 48 countries. In a dozen countries there are more than half a million persons of Indian descent, representing a significant proportion of the population of those countries. Only China has a larger diaspora globally, but no large country has yet designed a workable, sustainable strategy towards its foreign nationals. Even in the US, which has only 6 million nationals overseas, neither party focuses on issues of importance to expatriates such as extension of Social Security benefits and easier transmission of citizenship to children born abroad. Absentee electoral balloting entails a cumbersome and inefficient process.

For India, the diaspora’s potential as a diplomatic force multiplier is vast. Consider the many nodes already in place - settling, expanding and encroaching. Boasting several British Lords, senior justices across post-colonial Africa, the president of Guyana, a dozen Canadian MPs and increasingly high-level federal appointees in America, Indians are poised to capitalise on the double dip diversity of Western democracies. In London, colonialism is being reversed, with Jack Straw convening minorities to discuss the “domestic echoes of foreign policy.” Western diplomacy will not work without plugging into Asians’ knowledge and networks. Policies are shifting. As part of its ‘India and Globalisation’ project, the Foreign Policy Centre will undertake research on public diplomacy to assess how India’s brands, icons and diaspora shape its global image and perceptions.

The rapidly growing prominence of Indian Americans demonstrates the sudden shift in the diaspora’s balance of power from the UK to the US. Indian Americans (de-hyphenated to allow flexible identity) are the wealthiest per capita ethnic group in the United States today, with a median income of \$60,093 (double the American average)

² Joel Kotkin, *Tribes* (Random House, 1994).

and boasting 200,000 millionaires.³ Centered in the key technology and financial centres, they have sprouted dozens of professional and social organisations, from the American Association of Physicians of Indian Origin to the Indian National Overseas Congress. Consistent with other diaspora groups, accruing wealth is an essential first step to gaining access and influence in the democratic marketplace. A half-century after Dilip Singh Saund became the first Indian American to serve in Congress, Republican whiz kid Bobby Jindal won a seat in the House of Representatives from Louisiana in the recent US election. A clutch of groups such as the US-India Political Action Committee (USINPAC) are becoming Washington power brokers, using power lunches to recruit the likes of New York Senator Hillary Clinton for the Senate's growing "Friends of India" caucus. In 2002, USINPAC led the charge in rallying to defeat a five-term Congresswoman from Georgia, Cynthia McKinney, who for years had taken hard-line pro-Pakistan and Khalistan positions. (But the lobby dropped the ball last year: McKinney recently won a different seat from Georgia, and now joins Jindal back in the House).

Crossing party lines, dozens of Indians had formal roles in the 2004 Republican and Democratic national conventions, and have raised millions on both sides of the American political aisle. In pre-election interviews, both presidential candidates acknowledged and praised the "extraordinary contributions to all aspects of American society" made by Indian Americans, hinting at appointing an Indian American to a cabinet or sub-cabinet level position. It is now recognised that the Indo-US relationship is too important to receive attention only around election time, and that the president should visit India at his earliest convenience. Soon, such a visit could be as routine as going to European capitals.

What deeper impact can the diaspora have on Indo-US relations? With almost 80,000 Indian students in the US, the most from any country, the next generation is poised to boost the technical and knowledge flow. The Bush administration is now busy exploring

³ Amit Gupta, "The Indian Diaspora's Political Efforts in the United States," ORF Occasional Paper, September 2004.

ways to broaden and deepen bilateral ties beyond the agreed “Next Steps for Strategic Partnership”. Focusing on scientific and military cooperation, the Partnership has, to date, been more talk than action. With the Indian American community consistently nipping at the government’s heels, the US will no longer take Indian goodwill for granted. State Department officials are already weary of persistent Indian American lobbying for a permanent Indian seat on the United Nations Security Council.

Of course, the growing reputation of the Indian diaspora has had more to do with Silicon Valley and Wall Street than Washington. Fifteen percent of technology start-up companies are owned by Indian Americans. Former Indian Finance and Foreign Minister, Yashwant Sinha, unleashed praise on his native sons and daughters, proudly referring to them as the “computer geeks” behind almost half the Bay Area’s biggest start-up firms. An increasing percentage of the key players in Dow Jones listed companies are also of Indian origin. The nexus of technology and finance is increasingly taking on a darker hue and the synergistic reaction promises accelerating gains for Indians in the US. What more appropriate civilisation to reinvent the “topology of political space,” in the words of James Bennett, than that of the Indus entrepreneurs who have shrunk the world byte by byte?

Global India Inc.

India’s government and citizens have been experimenting with various modalities to expand the Indian tent to leverage its gargantuan diaspora, but the task is not easy. Some of India’s recent policy innovations, such as an extended insurance scheme for Gulf-based workers, are strikingly progressive, particularly for a developing country. The 3.6 million Indians working in the Persian Gulf have the highest stakes and play the greatest role in India’s development, contributing over half the total Non Resident Indian (NRI) investments.

Within India itself, the possibility of having a foreign-born prime minister represents the triumph of openness and pluralism. In the US this remains a constitutional void. Only recently has Utah

Senator Orrin Hatch, supported by Austrian-born California governor Arnold Schwarzenegger, proposed an amendment to allow naturalised citizens of twenty years to run for President. India's present could actually be America's future. The issue of citizenship is crucial, for if the Government of India seriously aims to compel its diaspora to demonstrate greater loyalty, it must, to invert Nehru's advice to his daughter Indira, get sentimental - and certainly sensible - about their needs and expectations. At the 2004 Pravasi Bharatiya Divas conference in New Delhi, Sinha called upon NRIs - India's "informal ambassadors" and "expatriate-patriots" - to "redeem the pledge" in honour of Gandhi's famous return to India. But the PBD affair in fact revealed the philosophical, political and economic struggles of conceiving and building Bollystan as a networked, borderless global polity. Take the Overseas Citizenship Act, which could eventually make India the only nation besides the US to offer voting to its diaspora around the world (though India's is ten times larger). Is the Government of India just offering a glorified Person of Indian Origin (PIO) card with tax breaks for the new Rajput princes in Oceania, Scandinavia and the Americas - a limited, post-remittance economy of continued central management - or is it genuinely committed to a high-tech joint-venture in binding cultural loyalty across the oceans? India's government has given an inch but a chorus of NRIs wants the whole yard. For the people of South Asia, democracy - even the world's largest - it is not enough.

But India has enough voters already and, these days, voting is more a matter of the feet and the wallet. What is needed, then, is to amplify Bollystan's hard-wiring. There is little chance of India becoming a respected global player unless it develops itself. No great power in history has had half its population illiterate and living in poverty. India's economy is growing but the benefits are not being distributed evenly. Dot.com employees constitute a mere sliver of the Indian population: not even 2 percent of the Indian population is affected substantially by the IT boom, and their growing taste for Western products does little to aid struggling Indian manufacturers. The BPO economy can neither solve India's broader governance crisis nor fund the solutions. The sprouting of Silicon Valley style campuses will not solve the water shortage that forces poor people to pay up to 15 times more for bottled water than the potable

drinking water to which they have no access. These are challenges that the outsourcing of jobs to India simply cannot solve.

A large economy is only great if equity is considered and the country is viewed as treating its citizens well. India has been energised and inspired by a widely cited Goldman Sachs report that it could be the largest economy aside from the US and China in 30 years,⁴ but Prime Minister Manmohan Singh knows that his government cannot do it alone. During his recent visit to the United Nations, he urged Indian Americans in New York to “contribute more directly to the quality of teaching and research, of infrastructure and our services sector,”⁵ with the aim of making Indian education, healthcare, financial services and tourism all world class. If, as Singh noted, Indian Americans “help to make America competitive, your (Indian Americans) minds are at the cutting edge of research, and your services in a wide variety of professions enhance the quality of life in this great country,”⁶ then why can they not do more for India itself, which genuinely requires these innovative boosts? Though remittances are already five times greater than FDI in India (rising 30 percent from 2002 to 2003 to \$18.2 billion), Harvard economist Devesh Kapur has argued, “More than financial remittances, if you think of long-term development, it's going to be social remittances, the flow of ideas, that's going to really matter.”⁷

NRIs have gone from “not required Indians” or “not really Indian” to a driver of innovation within India. Philanthropic ventures abound and need to be scaled up by all means. Thousands of teachers, doctors, social workers and students of Indian origin have completed stints building schools, working in hospitals and advising NGOs all across the country, but there is as yet no Bollystan Peace Corps. The scale of India's challenges, however, demands just that. Worldwide, Indian-owned tourist agencies could promote “homecoming” packages. Consultants could offer pro-bono services and scientists,

⁴ “Dreaming with BRICs: The Path to 2050,” Goldman Sachs Global Economic Paper, October 2003.

⁵ Speech to Indian-American Community in New York, 23 September, 2004.

⁶ *Ibid.*

⁷ “Remittances and the War on Global Poverty”, Centre for Global Development, 12 October, 2004.

researchers and engineers could increase subcontracting of research to Indian institutions.

But overall the diaspora has, to date, kept too much money in the short-term markets, whereas it could help tremendously in providing the long-term infrastructure investment which has eluded India in the last decade. Currently, under 10 percent of India's total FDI comes from the diaspora. Tycoon Sam Pitroda, whose WorldTel pioneered the ubiquitous STD/ISP booths, is now laying fiber-optic cable in Tamil Nadu and Gujarat. Indus Entrepreneurs pioneer Kanwal Rekhi donated \$2 million to IIT Bombay to start a School of Information Technology. But these are outstanding examples of leadership, not an established pattern. The Government of India, of course, could help to sweeten the deal, for example by expanding Resurgent India Bonds to mobilise billions more than at present and enlarging Special Economic Zones for PIO-driven investment projects. Surveys show that what members of the diaspora want - or rather demand - is access to top-tier professional networks, better Indian public relations overseas and more streamlined regulations for investment and partnerships.

So the Global India must be, at a minimum, a two-way street: exporting its principles and products and attracting its diaspora's experience. Not a brain drain, but a "brain bank" or "brain exchange." The dot.com and outsourcing explosions are slowly rebalancing the division of labour within Bollystan: India can keep exporting raw talent and labour with plenty left to spare, yet in the last three years, 25,000 technical professionals have returned to Bollystan's Motherland. It is not unforeseeable that India could create even more comparable career opportunities to lure its expatriates home from all stages of careers developed overseas. China has had great success in this regard, with many scientists returning immediately after completing graduate education at the American taxpayer's expense.

Something rotten in the state of Bollystan...?

Relating to India's vast diaspora will require much more than the single roving NRI ambassador appointed by the BJP. A new Ministry

of Non-Resident Affairs, headed by Jagdish Tytler, is intended to build coherence, cohesion and efficiency. The India Brand Equity Foundation, created in 2003, has also been created to develop India's brand ambassadors. This combined effort could multiply Indian soft power in ways even the best diplomatic corps cannot match. This will not be easy, for while India's diaspora may be decisive in cultivating India's global role, the contest to steer India involves not only the forces of technocratic talent but also controlling emotions such as guilt, pride and greed. Many NRIs have grown accustomed to the efficiency, transparency and corporate governance standards of the West, and have been known to impatiently bang their fists at what they see as cultural laggardness. Some fear that Bollystan could thus become a political Pandora's Box: a fraternal civil war, defying the predictability of any Bollywood script yet potentially as gory as any Greek tragedy.

Ideally, a diaspora brings out the best of India, while working to correct the worst. Though the BJP did ample fundraising among supporters in the UK and US the diaspora is largely unable to justify either the caste system or other fundamentalisms overseas, and chooses mostly to direct its energy towards stonewalling perilous populism in favour of charity, social development, health and education. The next generation is getting increasingly involved in development work through organisations such as the America India Foundation (AIF) and IndiCorps. After India claimed to make the nuclear Buddha smile in 1998, even winners of New Delhi's *Bharat Samman* awards Shashi Tharoor and Megnand Desai were left with a bad taste in their mouths. The Nobel committee spoke up too, bestowing its Economics prize in 1998 to Amartya Sen, who shames India's militarism in the face of staggering poverty and illiteracy.

In a world where tribes can become violently tribal, Indians worldwide must work together to ensure that Bollystan becomes a role model rather than an anti-democratic remote controlled state. As Israeli leaders have learned, and India's are now discovering, a consequence of pan-territorial community is that diasporas often demand equal voice, sometimes at odds with "the nation." According to Rana Sarkar, a London-based strategy consultant,

“Diasporas can be like dysfunctional families, ungovernable and fraught with false-familiarity and misunderstandings. But for a global Bollystan to resonate in the heart of global culture, it must wear its ethics on its sleeve. Uncomfortable truths must be confronted and not swept away in a desire to cleanse the message, to promote only good news. AIDS, poverty and peace must be public debates, not inside conversations. For the spirit of Bollystan to succeed, it cannot condone conformity, nor can it shy away from harsh realities.”⁸

There is great potential here. With its splendidly rich Hindu-Muslim-Sikh-Buddhist-Christian-Jewish-Jain-Parsi history, India is the “clash of civilisations” that wasn’t. Secularism, pluralism, tolerance, diversity - the increasingly confident Indian experiment can teach the dozens of ongoing blue-ribbon inter-faith dialogues run by Saudi princes and American think tanks a thing or two about so-called universal values. The common mission must be to work for India - all of it.

Conclusion

An India which understands its power as lying with the talents and resources of its global population will pursue a different course than an India which conceives of power in terms of territory and exclusion. Journalist Swapan Dasgupta has summed up this neo-Curzonian confidence: “If India is to resume the role it abandoned after 1947, it has to create its own ideal based on imperial partnership. It has to be willing to transcend the humdrum of domestic squabbling, look outwards and think big. It has to create a new Global Bollystan blessed with the spirit of adventure and enterprise.”⁹ Today, it is possible for India’s claim to “great power” status to be based on the contributions its citizens make around the world to improving livelihoods and advancing knowledge. This, not any other form of power, is what defines greatness in an interdependent era. Thus it is the path of the super-ego which India

⁸ “Branding Bollystan”, *Another Generation*, Fall 2004.

⁹ “Civis Britannicus Sum: Writers of the new Raj,” *Another Generation*, Fall 2004.

should choose; as Gandhi said, it is the truth that India can and should live.

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