Daily Mains Practice Question 04-07-2026

GS II - International Issues

"The Indian diaspora is a strategic asset for India's economic growth, diplomacy, and global influence. However, it faces emerging challenges that require a comprehensive policy response." Discuss. **(15 Marks, 250 Words)**

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Answer

Introduction:

The Indian diaspora, comprising over 35 million across the globe, is one of the largest migrant communities. They act as a strategic asset for India's economic growth, diplomacy, and global influence & acts as a bridge between India and the world.

Main Body

How is the Indian Diaspora known as a strategic asset?

- **Record remittances** – India’s diaspora drives foreign exchange inflows, with remittances recently hitting a record $135 billion, keeping the country at the top globally.
- **Investment & Entrepreneurship** – Overseas Indians drive significant FDI and support the local startup ecosystem through angel investments. Eg., Non-Resident External (NRE) accounts provide seamless avenues for portfolio investments in India.
- **Reverse brain drain** – The highly skilled diaspora professionals and academics' expertise is increasingly channelled back to India via return migration or collaborative research.
- **Global leadership** – Indians leading major global institutions and Fortune 500 corporations (e.g., Sundar Pichai at Google and Satya Nadella at Microsoft) foster global corporate partnerships and R&D centres in India.
- **Global ambassadors** – The diaspora acts as a bridge between India and the rest of the world, fostering cross-cultural understanding and goodwill.
- **Tourism opportunities** – Initiatives like the Know India Programme and Pravasi Bharatiya Divas help connect younger generations of the diaspora with India's culture

and heritage, promoting multi-generational tourism.

What are the challenges faced by the Indian diaspora?

- **Geopolitical instability** – The rising conflicts in regions like West Asia expose Indians to evacuation risks and livelihood disruptions.
- **Rising discrimination** – Racism, hate crimes, and attacks on Indian students and professionals are increasing in some countries, often being blamed for local housing and job crises.
- **Immigration hurdles** – Tighter visa controls, delayed green card backlogs, and stringent work permit regulations continuously disrupt careers and create uncertainty for students and professionals alike.
- **Workplace exploitation** – Low-skilled migrant workers in the Middle East face contract violations, delayed wages, and exploitative systems like Kafala, compounded by job displacement due to nationalisation policies.
- **Identity & social strife** – Second & third-generation NRIs face identity struggles and cultural dualities; and issues like caste discrimination persist in some overseas communities, leading to social divisions.
- **Consular & welfare challenges** – Individuals often grapple with unaddressed marital disputes, desertion by NRI spouses, and issues related to transferring social security benefits back to India.
- **Brain drain** – Migration of highly skilled professionals may affect India's innovation ecosystem.

What are the policy measures that need to be taken by the Government?

- Need to formulate a Comprehensive National Diaspora Policy by integrating welfare, investment, and strategic engagement.
- By strengthening embassy outreach, digital consular services, and crisis response mechanisms.
- Expand Labour Mobility Partnerships & Social Security Agreements with destination countries.
- By enhancing pre-departure orientation, skill certification, and legal awareness for migrant workers.
- Leverage diaspora expertise through structured knowledge networks, innovation partnerships, and investment platforms.
- Promote safe, legal, and orderly migration through bilateral agreements and stronger anti-trafficking measures.

Conclusion:

The Indian diaspora is not merely an overseas community but a strategic asset of India's economic resilience, diplomatic outreach, and global standing. However, evolving issues around the diaspora requires the practical, inclusive, and future-oriented diaspora policy that protects overseas Indians while maximising their contribution to India's vision of Viksit Bharat 2047.



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