International Migration of Highly Skilled Indian Professionals: A Case Study of Indian IT Professionals in Japan, Preliminary Results

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Abstract—In the 2000s, a new migration trend of highly skilled Indian professionals towards Japan has appeared. This paper examines the factors that set off the incoming of highly skilled Indian professionals in Japan, mainly focusing on IT professionals' immigration, and the reasons of the increase in their number. It investigates the influence of four factors: The Japanese immigration policy, the bilateral relations between India and Japan, the higher education system in India and the American H-1B visa policy with its cap system. This study concludes that increased and continuous supply of highly skilled Indian professionals have intensified the competition for migration to traditional destinations like the USA. This led Indian professionals to consider other options such as Japan.

Keywords—International migration, India, Japan, highly skilled professionals.

I. INTRODUCTION

THE 1990s came with an important transformation of the global economy. Information Technology (IT) becoming ubiquitous and playing a central role in the global economy, the mobility of highly skilled professionals worldwide has increased. Other reasons such as globalization, economic integration and demographic shift have also contributed to this mobility development. India and china produce the largest numbers of highly skilled professionals. These countries are also the top senders of highly skilled professionals. Skilled and white collar workers constitute about 20% of total migrant workforce from India [1]. But there is a regionalization when it comes to the choice of destinations for highly skilled Indian professionals. USA, UK, Australia and Canada are the countries considered as major recipients of Indian professionals and students (who, in most cases, serve as professionals in the host countries after their studies) [2]. Indian professionals have been a leading recipient-group of H-1B visa with 47 percent of all visas designated for highly skilled workers in the USA. Indian computer professionals hold 73 percent of all H-1B visas granted to highly skilled Indian professionals [3]. The immigration policies in the world are quite open for highly skilled professionals. Countries like the USA with no language barriers and a great experience of hosting immigrants provide a comfortable atmosphere for migrants. However, a new migration direction of highly skilled Indian professionals, majorly consisting of IT professionals, appeared since 2000 towards Japan. The total number of Indian immigrants and highly skilled professionals in Japan, though small, have been growing sharply. Indian Immigrants growth rate is second highest growth of total Migrant inflow in Japan of all immigrants' communities since 2000s. The findings depicted in Fig. 1 present an encouraging picture because, in terms of percentage, the growth rate of inflow of Indian immigrants by far lead the immigrants from other countries. There are not many studies about the reasons of incoming of highly skilled Indian professionals in Japan. One reason for this could be the relatively small total number of Indian migrants in Japan compared to those in English-speaking countries. Another reason might be related to Japan's specificities such as seniority system, institutional stickiness and working culture that can be challenging for foreigners [4]. But when it comes to the nature of immigrants, this growth rate of highly skilled Indian professionals in Japan, especially from the 2000s, is worth attention because highly skilled professionals account for 32 percent of the Indian immigrants' number, thus giving Indian community the highest percentage of highly skilled professionals of all immigrants' communities as shown in Fig. 2. Highly skilled Indian professionals are the third largest group of highly skilled foreign professionals in Japan especially if the inflow via engineer visa in the period 1998~2014 is considered as shown in Fig 3. Highly skilled Indian professionals are the third largest group of highly skilled foreign professionals in Japan especially if the inflow via engineer visa in the period 1998~2014 is considered as shown in Fig 3. This paper aims to investigate the factors that set off the incoming of highly skilled Indian professionals in Japan, mainly focusing on IT professionals' immigration. It also intends to examine the reason for the increase of the number of highly skilled Indian Professionals in Japan.

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Country/Year	2000	2005	2010	2012	2013	2014	T. growth	A.growth
Vietnam	16,908	28,932	41,781	52,367	72,256	99,865	490.64	35.05
India	10,064	16,988	22,497	21,654	22,526	24,524	143.68	10.26
China	335,575	519,561	687,156	652,595	649,078	654,777	95.12	6.79
Indonesia	19,346	25,097	24,895	25,532	27,214	30,210	56.16	4.01
Philippines	144,871	187,261	210,181	202,985	209,183	217,585	50.19	3.59

Fig. 1 Total Migrant Inflow in Japan [5] *T. growth means overall growth *A. growth means annual growth
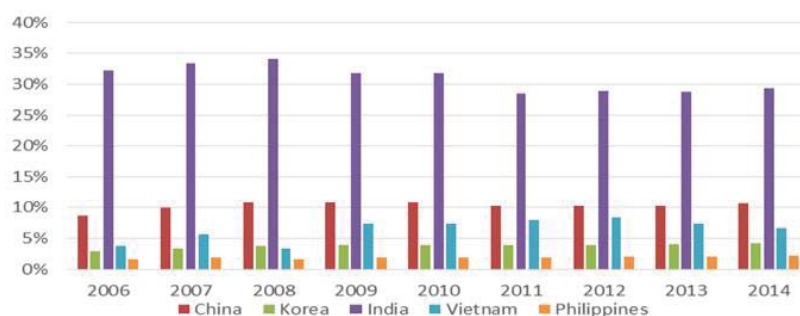

Fig. 2 Highly skilled professional* Inflow in Japan from different countries. [5] * Professors, researchers, engineers, and business investors, specialist in humanities and international services, intra-Company transfers
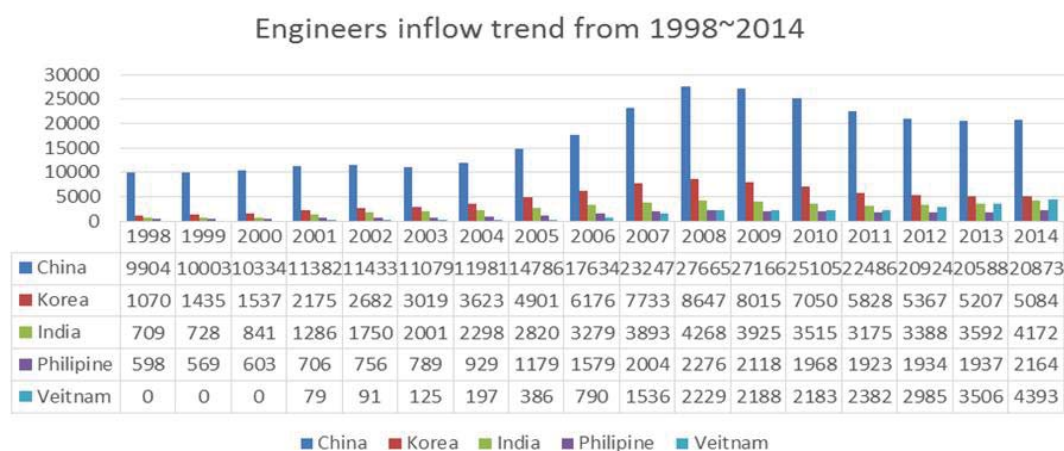

Engineers inflow trend from 1998~2014

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
China	9904	10003	10334	11382	11433	11079	11981	14786	17634	23247	27665	27166	25105	22486	20924	20588	20873
Korea	1070	1435	1537	2175	2682	3019	3623	4901	6176	7733	8647	8015	7050	5828	5367	5207	5084
India	709	728	841	1286	1750	2001	2298	2820	3279	3893	4268	3925	3515	3175	3388	3592	4172
Philipine	598	569	603	706	756	789	929	1179	1579	2004	2276	2118	1968	1923	1934	1937	2164
Veitnam	0	0	0	79	91	125	197	386	790	1536	2229	2188	2183	2382	2985	3506	4393

Fig. 3 Inflow of engineers from major countries from 1998-2014 [5]

II. NEED AND SIGNIFICANCE OF THE STUDY

Although there are enough studies to mention that how Japan has failed to attract foreign talent, the growth rate for the inflow of Indian immigrants and especially the highest share of highly skilled Indian immigrants shown in Fig. 2 creates a doubtful statement for the previous studies. There are almost none studies to find out the reason for the inflow of Indian immigrants which has changed in nature from late 1980s. The developments for taking a step toward the creation of diaspora such as opening of two Indian schools in Tokyo, and creation and development of various association of Indian communities like Indian social organizations have developed based on their native states or language group, Indians in Japan have started to form more club, societies, and associations, according to Embassy of India there are 23 associations in Japan. Social media like Facebook too provide a medium to communicate for the exchange of information about restaurants, schools, vegetarian food, and also other important announcements. "Indian in Japan" Facebook group has around 6,500 members whereas "Indian in Edogawa ward" group has 4,500 members and is one of the most influential groups, which shows the majority of skilled professionals creating little India in Tokyo

are indicating that Japan is getting ready to be member in this world to accept the oversupply of highly skilled Indian professionals created by reformation of Indian education system. Also, India IT Forum Japan (now under The Indian Commerce and Industry Association Japan) established in the year 2000 is an industry body managed by IT sector representatives based in Japan. It acts as a platform to facilitate interaction amongst Indian IT professionals in Japan migration also an indicator that nature of migrants is highly skilled especially from India. This study by exploring the various facets of movement of goods, capital and people between Japan and India attempts to make a theoretical contribution and aims to propose a model that can integrates the various, strategic, policy and socio-cultural interventions to attain an optimum balance

III. RESEARCH METHODOLOGY AND TARGETED DATA

The research includes a quantitative analysis of the Higher Education system in India Since 1980 and the number of highly skilled IT professionals trained against American H-1B visa policy and its cap system. There is also a qualitative study of the Japanese immigration policy and the bilateral relations between India and Japan.

IV. HIGHER EDUCATION SYSTEM IN INDIA

The importance of remittance has gained a lot of attention with its significant results in a country like India. Remittances in Fiscal Year 2006 represent 3.08% of the country's Gross Domestic Product (GDP) while it represented 0.7% in 1990-1991 [6]. This economic role of migration, combined with increased employment opportunities for Indian IT professionals, has led to an increasing demand for related education and training. The Indian government acknowledged the benefits of its skilled citizens' migration and initiated important changes making IT education a key policy to facilitate Indian professionals' migration Prime Minister Narendra Modi, during his first meeting with the National Skill Development Mission (NSDM), stressed on the need for proper skill mapping and identification of the future requirements for skills at the global level, so that India can meet the global requirement of skilled workforce [7]. The number of IT professionals has risen from 6,800 in 1985-86 to 500,000 in 2002. This results from a corresponding rise in the number of institutions for graduate and post graduate in IT, reaching 250 universities providing computer education today [1]

V. AMERICAN H-1B VISA POLICY

The H-1B is an employer-sponsored work visa established by the Immigration Act of 1990 to allow USA employers to temporarily hire highly skilled foreign workers. The cap was set to 65,000 in the beginning, but it was raised to a maximum of 195,000 for fiscal years 2001 through 2003, during the period of economic growth. Since 2004, it has remained at 65,000. The only period when the demand for H-1B workers did not exceed the number of available new visas were 2001

through 2003 when the cap was temporarily raised to 195,000 [8].

Table I shows that the cap has been reaching its limits within 5 business days in the last four years, thus making the competition to be granted H-1B visa severe for highly skilled Indian professionals [9]. U.S. Citizenship and Immigration Services (USCIS) conduct a lottery to choose the applications to be processed if the cap is reached during the first five business days, which leaves many highly skilled professionals on the bench. On the other hand, Indian government has been increasing the number of IT graduates, the prime destination of whom is USA. The professionals unsuccessful in migrating to USA then had to seek new destinations among which Japan was an option.

TABLE I
DATE WHEN H-1B VISA CAP IS REACHED, FY 2006 - FY 2015

Fiscal Year	Cap Reached on	Business Days from April 1 until the Cap is Reached
2006	August 10, 2005	91
2007	May 26, 2006	39
2008	April 3, 2007	2
2009	April 7, 2008	5
2010	December 21, 2009	182
2011	January 26, 2011	205
2012	November 22, 2011	162
2013	June 11, 2012	49
2014	April 5, 2013	5
2015	April 7, 2014	5
2016	April 7, 2015	5
2017	April 7, 2016	5

VI. JAPAN IMMIGRATION POLICY

Japan has been facing a demographic crisis since 2004 and it population has been aging faster than that of any other country on the planet. More than 22 percent of the Japanese people are already 65 or older. It is expected that, by 2060, the number of Japanese will have fallen from 127 million to about 87 million, of which almost 40 percent will be 65 or older [10]. Japan is the second largest country in "Information and Communication Technology (ICT) after USA. The country has thus been trying to attract foreign professionals through a relaxation of its immigration policy with initiatives like point based system to deal with the demographic crisis and fulfill its workforce needs. Moreover, a trainee program has been introduced and an increasing number of scholarships granted to foreign students.

VII. ENHANCED BILATERAL RELATIONS

There is no direct linkage between IT industry, highly skilled Indian migration and bilateral relations but these latter can foster greater interaction between two countries. The Asian geopolitics have led to a closer bilateral and economic interaction between India and Japan since 2000. The second largest Official Development Assistance (ODA) for Indian Infrastructure in particular and investment in general are responses of Japanese firms to the Indian resources and market. A direct consequence is the Japanese visa procedure simplification mentioned in the Memorandum on simplifying

visa procedures (October 2010) [11]. Japan started a substantial relaxation of multiple types of visas for short-term stays to nationals of India (ordinary passport holders) from January 11, 2016 [12]. The period of stay will be extended for up to 30 days, and the period of validity will be extended for up to five years. There is also a mention on the movement of the people aimed directly at skilled professionals under the comprehensive economic partnership agreement [4].

Although the economic partnership agreement is not designed to explicitly foster the movement of skilled professionals, economic integration through increased investment and trade enhances the movement of people.

VIII. CONCLUSION

It is apparent that movement of highly skilled professionals is a new phenomenon created by IT sector. Indian government has realized the benefit of its highly skilled diaspora through technology and skill transfer and has been giving importance to the IT education. The large supply of highly skilled professionals and limited quota for the visa of English-speaking countries has created an Imbalance of demand and supply. Whereas Japan is facing skill shortage, due to demographic crisis and is opening doors for these highly skilled professionals. In meanwhile bilateral trade and direct investment is also working as bridge sending these professionals, working in domestic companies for on-site projects. Thus, all these factors creating a situation to change the direction of highly skilled Indian professionals from the most competent destination to newly opened destination. Though the number of highly skilled Indian professionals has started increasing rapidly but there is long way to go and compete with the world competition. Japan still in a process of trial and error since socio- cultural factor might not be in a favor of adapting immigrants. Nevertheless, Japan is changing and adapting itself to this competition of global talent hunt.

As the contribution of Indian immigrant community as skilled and technical talent is significantly higher than the immigrants from other nations, this symbiotic relation of integration of movement of goods and people between the two countries need to be nurtured and strengthened through various diplomatic and policy measures.

Secondly, the diaspora community needs to make socio-cultural efforts to establish a bridge between the two countries. In the face of a tremendous language barrier in Japan, these real and virtual platforms created by the Indian diaspora play a vital role in integrating the immigrant community in the socio-economic fabric of Japan.

The Indo-Japanese bilateral relation can serve as a role model for other nations to cultivate mutually beneficial relationships that appropriately meet the needs of both the countries rather than being exploitative in their design. It is recommended that the measures need to be undertaken at the level of governments and the diaspora community to encourage the movement of goods, capital and people in an integrated manner that serve the interest of both the nations in the long term.

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