

CONTEMPORARY LABOUR MIGRATION FROM SOUTH ASIA TO THE GCC STATES: EMERGING CHALLENGES AND PROSPECTS

Mrutujanaya Sahu*

ABSTRACT

Since the 1970s, the six Gulf Cooperation Council (GCC) States have become the primary destination of South Asian migrant workers. The influx of migrants from South Asia has increased considerably with the oil boom and development projects undertaken by the GCC States. The majority of migrants come from low-income households that have semi-skilled or low-skilled jobs in the construction and manufacturing sectors. Most South Asian workers migrate due to various factors such as unemployment, under-employment, multiple debts, and lack of basic living facilities. This paper examines the trends in South Asian migration to GCC countries. The paper also discusses the migration policy and the Kafala governance system of GCC States and the socio-economic challenges faced by the migrant workers. Finally, it underlines the measures taken by the host countries and the countries of the origin to address the adverse effects of the governance system and provides recommendations for strengthening and safeguarding the rights of migrant workers in the future.

Keywords: *South Asia, Migration, Gulf States, Kafala system*

* Assistant Professor, Department of Humanities & Social Sciences, Birla Institute of Technology & Science, Pilani, Dubai Campus, Academic City, Dubai, UAE, Email: m.sahu@dubai.bits-pilani.ac.in

1. Introduction

Over the last three to four decades, the Gulf Cooperation Council Member States (GCC), including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates (UAE), have undertaken significant development and modernization plans. The six oil-rich States have devoted huge oil revenues to constructing global and cosmopolitan landscape development projects. The implementation of such development projects has necessitated the importation of labour for the rapid implementation of the plans in the Gulf. The development projects were greatly aided by the rise in world oil prices in 1970, which added wealth to GCC economy to take up new projects. However, except for Saudi Arabia, the remaining five GCC States had relatively small indigenous populations in the early part of the discovery of oil. As a result, local native people lacked the necessary skills to carry out the desired mass development projects. Therefore, the goals of rapid socio-economic development required an increase in the workforce, resulting in skilled and unskilled workers from Arab neighbours and South Asian countries being recruited to fill their workforce needs (Jain and Oommen, 2016; Rajan, 2017). As a result, by the end of the twentieth century, the South Asian community managed to dominate half of the workforce in each of the GCC States, a situation that is still relevant.

The GCC States especially the UAE, Saudi Arabia and Qatar are the most favourable destinations for South Asian migrants. South Asian migrant workers had a long-standing presence in the Gulf region with historical, religious, and cultural ties, but their numbers have risen rapidly over the past three decades. Since 1980, South Asian migrants have accounted for an increasingly significant share of the expatriate population and workforce in the six GCC States. The GCC States form one of the primary migrant-receiving states worldwide, employing 35 million international migrants in 2019. In 1990, migrants from South Asia represented only 4.2 million in GCC countries, reaching 8 million in 2005, 12 million in 2010 and 17.6 million in 2019 (UNDESA, 2020). The majority of labour migrants in the GCC States represent India, followed by Bangladesh, Pakistan and Sri Lanka. The growing population with high levels of unemployment and underemployment, low wages, and widespread poverty prevalent in the South Asian countries are often cited as the reasons that propel large-scale migration, especially of low-skilled and semi-skilled workers from South Asia to the Gulf countries (Rajan, 2017; Kapiszewski, 2006). With respect to their relative presence in GCC expatriate populations, there are now more South Asians than Arabs. The Gulf countries have begun to welcome South Asian migrants in comparison with Arab workers for a number of factors. Kamrava and Babar (2012) explain that Asians are managed with lower wages; they offer various skills, are easier to regulate, segregate, and tend to migrate without their families. It is interesting to note that the “Asianization” of the migrant workforce in the Gulf is the result of the “preference and choice” of recipient governments due to a variety of economic and political considerations

(Rajan and Ommen, 2020). For South Asian countries, the international labour movement has become very important in relation to remittances from migrant workers. Remittances are the most significant economic source for the South Asian countries, accounting for nearly 20 per cent of the global remittances (World Bank, 2019). Among the South Asian countries, India receives the most remittance funds. At the same time, migrants from South Asia have made an enormous contribution to nation-building process and economic-cultural development in the GCC countries.

This paper examines the pattern and trends of South Asian migration to the GCC States and policy responses to various socio-economic challenges faced by migrant workers from South Asia. The paper is structured in the following manner. The first section describes labour migration patterns from selected South Asian countries (India, Pakistan, Sri Lanka, Bangladesh, and Nepal) to GCC States. This paper will not discuss about other South Asian countries such as Afghanistan, Maldives, and Bhutan due to lack of data and paucity of time. The second section focuses on the inflow of remittances from the GCC States to South Asian countries. The third section deals with migration policy and governance in the GCC states. The fourth section examines the issues and challenges faced by South Asian migrants living in the GCC States. The fifth section highlights the significant reforms that host- and sending-countries have undertaken to address the negative impacts of the migratory governance system in the GCC States. Finally, it provides the conclusion of the article.

2. Migration from South Asia to the GCC States: An Overview

South Asian migrants are considered the most moving people in the world and the region experiences the majority of inter-regional migration accounting for over 70 percent (Ratha et al., 2015). South Asian people have moved across the territory for a better life and livelihood. After the independence from the colonial masters, the South Asian Governments engineered indentured labour and moved people from Asia to all over the world. Since the 1950s, many South Asian countries have experienced international migration, mainly of highly skilled professionals, and students to the Middle East, the United States of America, the United Kingdom, Europe, Australia, and New Zealand. Among the top ten countries in the world in international emigration, India and Bangladesh stand first and second respectively, while Pakistan and Nepal are ranked fourth and fifth (IOM, 2010). The history of the migration of workers from South Asia to the Gulf region is neither so old nor so fascinating as that of traders. This is a hundred-year old phenomenon that goes back to the early 20th century when oil was discovered and explored in the area (Seccombe and Lawless, 1986). Due to the onset of oil export economy since the 1970s, the Gulf countries have become the central receiver of migrant workers worldwide, of which South Asian migrants have indisputably become the prominent group.

The inflow of South Asian labour migration to the GCC States has evolved in different phases. During the pre-1970 phase, the demand for labour was met by inflows, primarily from Arab countries. By the early 1970s, the total number of foreigners in the GCC countries was estimated at 800,000-1.25 million, which doubled to 2.76 million by 1975 (of which 1.4 million were workers) (Winckler, 2009). To meet the labour demand in construction, government, and services, it was thought to rely on short-term foreign labour migration rather than to train the natives (Dito, 2010). The post-1970s phase also witnessed a diversification of labour flows, with a more significant presence of people from South Asian countries. However, the decline in oil prices during the second half of the 1980s temporarily reduced the inflow of migrant workers (Baldwin and Edwards, 2011). In magnitude, Bahrain and Oman have the lowest stock of migrants, while Saudi Arabia and the UAE lead among the Gulf countries in migration inflows. A closer analysis reveals that, apart from the economic aspect, cultural and historical factors and the role played by the State determine and shape the migration flows.

Migration from India to the Gulf States is not a new phenomenon. In the sixteenth century, Indian merchants crossed the Indian Ocean from Malabar port to trade rice, cloth, food, and spices with the Gulf States (Gardner, 2010). In addition, the British colonisation in the Gulf, dating back to 1820, contributed to the migration of Indian bureaucrats, bankers, financiers, and government contractors. However, the change of State nature in most Gulf countries as rentier State economy and the resulting labour migration have changed the size and nature of Indian migrants to the region. The surge of immigration from India to the Gulf countries followed the oil boom of the 1970s. In addition, the GCC States have implemented essential development and infrastructure-building projects, attracting Indian migrant workers, especially from the South of the Indian state of Kerala. Consequently, while in 1970-71 there were only 50,000 Indians in the area, it rose to 150,000 in 1975 and 1.9 million in 1991; and by 2019, around 9.3 million Indians were living in the GCC States. Over half of all the migrants from India and 40 percent of all migrants from South Asia reside in the Gulf. India-United Arab Emirates (UAE) (3.4 million) and India-Saudi Arabia (2.4 million) are among the top global migration corridors (UNDESA, 2020).

Labour migration has become an integral part of the Pakistani economy. Labour migration from Pakistan to the GCC States has considerably increased in the last two decades. Every year migrant workers from Pakistan move overseas and mainly to parts of the Middle East. There are several periods of labour migration from Pakistan to the Gulf. However, in the early 1970s, a significant migration inflow started from Pakistan to the GCC countries because of push and pull factors such as economic decline, political instability, unemployment, poverty, and religious and geographic closeness (Khan and Mingyi, 2018). The

workers of Pakistan are well scattered in each of the States of the GCC: Saudi Arabia with 1.4 million migrants in 2019, and the UAE with just less than one million, are the two favourable destinations for Pakistani migrants, although a sizeable number of workers are in Kuwait, Oman, Bahrain, and Qatar as well (Gilani, 2008). In the last two decades, the share of Pakistani labour migrants has increased drastically from 17.6 per cent to 29.6 percent in the GCC States (UNDESA, 2020).

During the past three decades, the number of officially registered international migrant workers in Bangladesh has increased considerably. The labour migration movement started in Bangladesh in the 1970s, strengthened in the 1980s, and has continued to surge since that time. The available human capital has played an essential role in the country's economic development, as Bangladesh is one of the world's primary beneficiaries of remittance funds. As Bangladesh entered the international contract labour market, the GCC countries became the number-one destination for workers (Rahman, 2012). The 1971-separation of Bangladesh from Pakistan and its closeness to India undesirably impacted the relationship of Bangladesh with the GCC States. As a result, temporary migration started too late in contrast with other States in South Asia. Most migrant workers in Bangladesh worked in the Gulf States between 1976 and 2009, most of whom worked in Saudi Arabia and the UAE (Gamlen, 2010). It is interesting to note that the country started with an uncertain migration in the 1990s and reached an astounding 3.3 million in 2019. Economic inequality, poverty, culture and religious closeness, and family networks are the essential factors for Bangladeshi workers' migration to the Gulf States (Hear et al., 2012).

Sri Lanka, an island nation in South Asia, has been a victim of ethnic conflict and violent bloodshed for almost three decades. Temporary migration had occurred in Sri Lanka since the country gained independence in 1948. Initially, Sri Lankan English-speaking educated people preferred to migrate to Commonwealth countries such as Australia and the UK. The large majority of workers come from low-income households and migrate mostly for economic reasons. In the late 1990s, Sri Lanka's migration to the GCC countries increased substantially, particularly in Qatar (0.31 per cent in 1990 to 17.94 per cent in 2019), whereas Saudi Arabia was the most preferable destination among the Sri Lankan migrants and the majority of which was women. Nearly half of the female migrants in GCC countries originated from South Asia. Sri Lanka has had the most "feminized" labour flows to the Gulf States, and unlike other South Asian countries, women have played an essential role as bread winners and entered the 'care industry' of the GCC States on a massive scale (Brochmann, 2019).

Labour migration has remained a salient aspect of Nepal's socio-economic landscape. The history of migration from Nepal dates to the colonial era when many Nepalese workers were recruited into the British army and to protect

the tea estates belonging to the colonial powers. In Nepal temporary labour migration outside India is a recent phenomenon. Before 1980 the number of labour migrants was low and their targeted destinations were countries like the UK, Hong Kong, Singapore, and Brunei Darussalam. One of the critical features of temporary labour migration in Nepal since the early 2000s has been the unprecedented increase in the number of workers who have migrated to the GCC States and Malaysia (Wadhawan, 2017). The total number of migrants has increased from 0.95 per cent in the 1990s to 3.4 per cent in 2019. Political unrest, the left-wing violence, natural disasters, poverty, and unemployment are the reasons for the recent international migration of Nepalese workers to various parts of the world. Migrant women workers from Nepal also worked in low-skilled occupations such as domestic workers and cleaners (IOM, 2010).

Table 1: Stock of Migrant Population from South Asia to the GCC States from 1990-2019 (In thousands)

Countries of Origin	Receiving Countries						
	Bahrain	Kuwait	Oman	Qatar	KSA	UAE	Total
India							
1990	60.5	375.2	152.6	2.7	906.5	458.3	1955.7
1995	74.6	332.4	283.0	3.0	929.7	667.9	2290.5
2000	88.9	418.7	333.9	2.8	979.0	915.9	2739.1
2005	157.1	485.8	373.4	193.4	1216.5	1287.0	3713.3
2010	259.9	674.2	473.2	540.9	1579.2	2913.9	6441.3
2015	302.6	1061.8	1076.2	645.6	2003.3	3184.0	8273.4
2019	318.5	1124.3	1325.4	698.1	2440.5	3419.9	9326.7
Pakistan							
1990	20.9	129.9	35.7	0.3	556.7	158.7	902.3
1995	25.3	112.9	59.4	0.4	570.6	225.8	994.3
2000	29.7	139.8	66.5	0.3	586.2	305.8	1128.3
2005	46.9	162.4	70.6	51.8	724.2	383.8	1439.6
2010	74.5	225.4	86.0	145.2	938.9	836.3	2306.4
2015	74.7	312.4	195.6	133.2	1187.8	913.9	2817.7
2019	78.6	330.8	241.0	235.9	1447.1	981.5	3314.9
Bangladesh							
1990	20.4	126.8	50.0	36.6	479.4	154.9	868.1
1995	24.6	110.0	82.7	43.2	491.3	219.9	971.7
2000	28.9	136.0	92.0	43.4	504.8	297.6	1102.8
2005	49.9	175.0	92.9	75.7	623.6	409.0	1426.1
2010	81.9	257.6	108.9	169.4	808.5	919.4	2345.6

2015	78.4	350.2	247.6	160.2	1022.8	1004.6	2863.8
2019	82.5	370.8	304.9	263.1	1246.1	1079.0	3346.4
Sri Lanka							
1990	5.9	36.4	14.0	0.9	200.6	44.4	302.2
1995	5.1	23.9	14.6	1.0	205.6	43.6	293.8
2000	4.4	20.7	11.1	1.0	211.2	45.3	293.7
2005	6.0	20.4	9.9	12.2	260.9	49.2	358.7
2010	9.0	25.1	10.3	33.4	338.3	101.1	517.3
2015	9.8	36.6	23.5	54.7	423.8	110.5	658.9
2019	10.4	38.7	29.0	155.8	516.3	118.7	868.8
Nepal							
1990	0.2	1.4	NA	0.5	177.7	1.7	181.5
1995	0.3	1.1	NA	0.5	182.1	2.2	186.2
2000	0.3	1.3	NA	0.5	187.1	2.8	191.4
2005	1.1	1.4	NA	23.6	231.1	8.8	266.0
2010	2.1	1.9	NA	66.0	299.6	23.4	393.0
2015	3.8	22.7	NA	151.3	403.0	25.6	606.4
2019	4.0	24.0	NA	254.3	491.0	27.5	800.8

Source: Migrant Stock Data of Population Division, United Nations Department of Economic and Social Affairs, 2020.

2.1 Remittance Flows from the GCC States to South Asian Countries

The considerable labour strength of temporary migrant labourers led to growth in the Gulf Cooperation Council (GCC) countries in the Middle East region. However, temporary migrant labourers do not have the right to citizenship or accumulation of property during the migration in the Gulf countries. Apart from this, temporary migrant labourers are not allowed to keep their families during the migration in the Gulf countries. Overall, these phenomena determined a massive inflow of remittances from the GCC countries to labour-sending countries (Naufal and Termos, 2010). In general, migration has become a key political issue for many other countries, according to the state of the national economy and the employment situation. The administrative perspective of the South Asian countries reflects that emigration from South Asian countries contributes to poverty and unemployment reduction and increased exchange rates through remittances (Pong-SulAhn, 2004). Remittances sent by the migrants to their country of origin are vital to their families and to the financial development of their country. In many developing countries such as South Asia, remittances account for a large proportion of the Gross Domestic Product and foreign exchange receipts (Rajan and Narayana, 2017).

Overall, the remittance growth in South Asia was 3.7 per cent in 2015, while in other regions like East Asia and the Pacific, it was registered as only 2.8 percent. In 2015, almost 20 percent of the remittances were flown into South Asia. South Asia received only \$0.43 billion in 1970, which grew dramatically, reaching \$5.3 billion in 1980, \$10.2 billion in 1995, and continues to grow to USD 115 billion in 2014 (Rajan, 2017). It is estimated that the total outflow of the estimated remittances from the GCC countries was \$108,985 million in 2015, which accounted for nearly 18.1 per cent of the total global remittances of \$580,594 million in 2015. Among the GCC countries, Saudi Arabia was the most significant remittances-sending country with \$46,982 million in the form of remittances, followed by \$32,425 million from the United Arab Emirates (UAE), \$11,663 million from Kuwait, \$10,721 million from Qatar, \$4,516 million from Oman and \$2,698 million from Bahrain (World Bank, 2015). India, Pakistan, and Bangladesh are the three significant labour-exporting countries in the South Asian region. These countries received a total of \$60,472 million in remittances from the GCC countries, accounting for 55.3 per cent of the total outflow of \$108,985 million in remittances from the GCC countries. Remittances from the GCC countries constitute their important external financial flows. The South Asian region, especially India, receives the most considerable amount of remittances, particularly from the Gulf, followed by Pakistan and Bangladesh (Table 2).

Table 2: Top three South Asian remittances-recipient countries from the GCC Countries in 2015

Remittances-receiving Countries	Remittances from GCC Countries in millions (\$)	Remittances from GCC Countries as Per cent of Total
India	38,578	35.3
Pakistan	13,466	12.3
Bangladesh	8,428	7.7
A= Total remittances from GCC countries to India, Pakistan, and Bangladesh	60,472	55.3
B=Total remittances from GCC countries to the rest of the world	48,513	44.7
A+B= Total remittances from GCC countries to across the globe	1,08,985	100.0

Source: World Bank Remittances Matrix Data, 2015

3. Labour Migration Governance in the GCC States

The labour market in the GCC States has a structural dependency on the migrant workforce, which is governed by a unique political structure and a sponsorship

system -- the Kafala system. The sponsorship system has embraced the migratory system, casting and creating policies of opposing “insiders vs outsiders”, “workers’ vs policy makers” and “citizens vs expatriates” (Kanchana, 2018). Under this system, the employer is also the worker’s sponsor and takes on the legal and economic responsibility of the worker during the renewable contract, which is usually for two years. Along with employment, the worker’s residency also depends on the sponsor. Any person residing in the country has to have a sponsor or else will have to leave the country or stay on as an illegal migrant. This enforces the worker’s dependency on working under the employer, even if there is any labour conflict. Though coming through the legal procedures, if the migrants break the contract or overstay after the termination of the contract, they become illegal migrants and lose the opportunity to work. Though still contributing to the economy, yet they tend to become invisible in the formal labour market. Thus, this relationship defines identities, rights and obligations between the migrant and the State and between the employer and the worker, where the sponsor has power over the migrant workers and often exploits their structural dependency and vulnerability (Longva, 1999). While the Kafala system has positive implications for the sponsoring employers who enjoy benefits of cheap labour and for the local population who are not subjected to these labour rules, the system has adverse effects on migrant workers. Despite this hard reality, the system persists throughout the Gulf, and the question now arises how has the Kafala system lasted for this long and resisted reform?

Under the Kafala System, four types of visas are made available to the migrants – House Visas, Company Visas, Sponsorship by state institutions, and Sponsorship for business partnerships, under which all migrants enter the country (IOM 2004; Jarallah, 2009). Moreover, the GCC States don’t view the majority of the residents as immigrants in the ordinary sense of the word, where they could wish to move to a country, settle there and obtain citizenship of that country, but rather as guest workers (migrants) with residence visa that allows them to live in the States for a period of time, usually three years between renewals, sometimes one year. Therefore, fundamental rights are not being provided to the migrant population in the country. A significant shortcoming of Kafala is that when labour disputes arise between the migrant workers and their employers/sponsors, the workers are at a distinct disadvantage because they can be deported if accused of any ‘moral wrongdoing’. Indeed, merging the employer and the sponsor into a single category may be the problem’s root. In addition, the Kafala system leads to the exploitation of migrant workers by the sponsors. The cases of poor housing conditions, confiscation of workers’ passports, forced labour, sexual harassment, outstanding wages, and illegal deduction from wages are rampant for workers engaged in semi-skilled and unskilled jobs (Vora, 2010; Aarthi and Sahu, 2021). Under the condition of exploitation, if the workers run away and extend their stay after the expiry of the contract, the tag of being illegal is put on them.

4. South Asian Migrants and their Exclusion

Numerous studies focus on challenges faced by South Asian unskilled or low-skilled wage workers, especially those in construction or domestic work (Kapiszewski, 2001). In some cases, migrants are treated as ‘the other’ and short-term work contracts were made to keep the migrant workers thinking of their host country as a temporary abode. When the migrant arrives in the country of destination and begins to work, the shock of the reality of life in the Gulf as a migrant worker begins to face them. Moreover, it implements strict deportation programmes to ensure that the migrants leave at the end of the contract (Thiollet, 2016). In addition, the children of migrant workers are not allowed to attend government schools, which is another form of social exclusion. In Qatar, foreign migrant workers are discouraged from entering public places such as shopping malls and other recreational spaces by subjecting them to intersectional policing. Young men of a particular skin colour/race/class are identified by police and private security guards and are prevented from circulating freely. Such practices can only increase the distance between nationals and foreign workers (Thiollet, 2019 and Hamza, 2014). In addition, bachelors are not allowed to live in family areas. Sometimes back, the municipality of Sharjah, UAE, evicted over 16,500 single people from family areas, and the majority was from South Asian countries (Gulf New, 2021).

The economic exclusion is accomplished by paying the migrant workers a meagre wage as compared to the natives and not providing any of the perks to them that natives enjoy, thus making a living becomes more expensive for migrant workers in the region. The lack of a minimum wage for migrant workers in the GCC States, except Kuwait and Qatar, puts migrant workers in a weaker position where they are forced to accept low pay in the private sector (Whitaker, 2016). In addition to low wages, another significant common complaint among foreign workers has been delay in payment and non-payment for a long time. Al-Waqfi and Abdalla Al-faki (2015) study shows that the UAE provides lower pay levels for female managers than males in the same job category. When the survey included Emirate women, the results show that migrant female workers’ pay are significantly less than their national counterparts. The study further states that women are subjected to stricter selection criteria based on educational qualifications. As a result, females need relatively higher academic qualifications than males to access the same job opportunities. Most of these exclusions, however, only apply to South Asian or African semi-skilled and unskilled workers. However, migrants, even semi-skilled to skilled from North American and European countries, have been considered experts and have led to a high position in the GCC States. These expatriates, on top of receiving higher salaries than their South Asian counterparts, often have their housing, cars, children-schooling and travel back to their home countries subsidized by their employers. The lack of legal recourse for domestic workers also amounts

to gender exclusion, considering the overwhelming number of female workers who join the domestic workforce (Baldwin-Edwards, 2011).

The GCC Governments prefer to exclude the migrant labour population from the country's legal framework. Since their voices are not involved in legal affairs, they represent less of a threat to the political and economic structures present in the country (Ali, 2010). One of the most systematic violations of migrants' rights mentioned by the migrant workers is the seizure of passports as security to prevent workers from making legal claims against their sponsor or employer. This procedure is justified by the companies that they take this step so that the workers do not run away or breach their contracts. At the same time, migrant workers do not have the right to form trade unions, strikes or organised demonstrations (Gardner, 2010).

Saudi Arabia and the UAE prohibit trade unions as illegal, while Qatar and Kuwait permit only the access of their respective nationals to trade unions (El-Mumin, 2020). Furthermore, the GCC States, except for UAE, perpetrate legal exclusion of migrant workers by excluding domestic workers from labour laws (Motaparthy, 2015). As a consequence, their work is not legally recognised or classified as work; making it difficult to examine and regulate their working conditions. Moreover, the absence of a judicial support system, linguistic barriers, high legal and administrative costs, and the prohibition of alternate jobs discourage domestic workers from taking an employer to court (Bajracharya and Sijapati, 2012).

Another important issue is that the standard of living of migrant workers in the Gulf countries is abysmal. A form of spatial segregation is followed by housing labourers in labour camps situated far away from the city and with little to no access to public transport, thus restricting their movement (Thiollet, 2019). Their remoteness from the city centre and the eyes of the nationals makes it possible for employers and the government to neglect the unhealthy and poor conditions of migrant workers. These labour camps are overcrowded but lack water, proper drainage, and sanitation. In addition to poor working conditions in labour camps, workers work in a more dangerous environment at high temperatures. Data show that in the UAE, over 700 deaths and 90 suicides occur each year. However, no official government figures exist on work-related injuries because companies lack systematic reporting (Ali, 2010). In countries like the United Arab Emirates, "free trade zones" create a segregated society and provide a haven where strangers can feel a sense of belonging. However, these areas also generate a sense of exclusion through the building of physical zones exclusive to foreign investors (Hamza, 2014). Also, during the COVID-19 pandemic crisis, South Asian workers faced severe problems in terms of delay in wage payment and non-payment due to the business shutdown with ongoing challenges and violations of their labour rights as well as with unhealthy and unsafe working and living conditions (Sahu, 2021). Although legislation is in

place to protect migrants from human rights abuses and exclusionary practices, however, Gulf governments often fail to take appropriate action to enforce these laws in letter and spirit.

4.1 Labour Nationalisation and Its Impact on South Asian Migrants

The GCC States have struggled to obtain the necessary human resources for economic development. To solve this problem, they have imported skilled, semi-skilled, and unskilled foreign labour to satisfy their rapidly growing economies (Randeree, 2012). As a result, the percentage of migrants in GCC populations has increased systematically. By the end of 2000, the GCC's overall number of foreign workers was between 8.0 and 8.5 million. The migrant foreign population also accounted for the largest workforce in each country. In Qatar and the UAE, 80 to 90 per cent of the labour force were foreigners. Bahrain and Saudi Arabia had the lowest rates with expatriates accounting for 60 per cent of the labour force; in Kuwait, 72 per cent of the labour force were foreign nationals in 2002 (Kapiszewski, 2006). Recent data suggest that Saudi Arabia is home to 7 million (or 30 per cent) migrants out of 23 million residents. However, migrants comprise 70 per cent of the country's workforce and 95 per cent of the private-sector workforce. In the UAE, expatriates account for 80 per cent of the 4 million residents and 98 per cent of the private-sector workers (Shah, 2006). Figure 2 shows the proportion of the migrant population in each GCC country in 2019 and brings out the harsh reality of the overwhelming presence of migrant workers in these countries. The UAE (87.9 per cent), Qatar (78.7 per cent) and Kuwait (72.1 per cent) are home to more migrants than native people. As a result, the GCC countries have embarked on nationalising the workforce and reducing the number of expatriates in the workforce by increasing the presence of citizens in the workplace (Randeree, 2012).

The first effort to establish nationalization policies as an essential component of migration governance began in 2004. The draft resolution to bring down the number of foreign workers was discussed and described the presence of expatriates as "a danger for our Arab-Islamic culture." Since then, each nation has fine-tuned its policies and has actively worked towards this cause (Shah, 2006). Saudi Arabia was the first country to announce the "Nitaqat Law" in 2003, intending to limit the number of expats and their dependents by 20 per cent by 2013 (Koyame-Marsh, 2016). Kuwait, in recent years, has been aggressive in its pursuit of "Kuwaitization", first introduced in 2017. The country has achieved 100 per cent employment of Kuwaitis in 13 out of 16 government agencies after having forced out expat workers holding positions. Kuwait also announced a law on expatriate quotas, forcing millions of expatriates out of their jobs, including 800,000 Indians (Gulf Business, 2020). Beyond these measures, the government has used the COVID-19 pandemic to accelerate the process by not renewing the expired visas of approximately 70,000 South Asian

residents currently stranded outside the country. These drastic measures have resulted in 90 per cent (1.4 million citizens) of Kuwaitis occupying public-sector jobs (Arab Times, 2019; Gulf News, 2020), growing from 81 per cent in the second quarter of 2019. In Kuwait, the law requires private banks to employ nationals in 60 per cent of positions, 56 per cent in telecommunications companies, and 40 per cent in marketing and investment firms; additionally, the private oil and refinery industry is required to employ nationals in 30 per cent of their workforce (Global Bankers Institute, n.d.).

In 2022, the UAE cabinet pushed the Emiratization policy 2022-- that companies with more than 50 employees must increase their Emiratization rates to two per cent every year, and those who fail to comply will have to pay AED 6,000 for every citizen who has not been employed. This policy would be applicable from January 2023 onwards (Gulf News, 2022). The UAE has pushed Emiratization further by awarding initiatives taken by firms, like the telecommunication provider Du (formerly known as Emirates Integrated Telecommunications Company), for its Emiratization efforts. In addition, the Emirate has ordered that public relations jobs be restricted to UAE nationals to generate more jobs for local job seekers. In Oman, where the proportion of non-nationals is the lowest among all GCC countries, the Omanization policy began in 1995 (Das and Gokhale, 2010). The government has also subsidized businesses to hire local employees to reduce reliance on foreign workers gradually. Bahrain, for its part, has also undertaken localization measures, calling it Bahrainization. The Labour and Market Regulation Authority has imposed the hiring of a Bahraini for four foreign workers. Companies that fail to comply are penalized with non-approval of foreign workers' visas.

The nationalisation of the labour force certainly has impacted South Asian labour migrants. This interference with private sector hiring will make the business process challenging and expensive as most private business companies used to benefit from South Asian skilled and semi-skilled migrant workers. In Kuwait and Saudi Arabia, these rigorous efforts have dismissed South Asian workers who have held these public positions for several years. Kuwait's hard-handed attempt to force expats out of the country, refusing to allow employees in the public education sector to transfer their jobs to the private sector, is bound to result in families losing their livelihoods. Thousands of South Asian workers will be forced to return to their countries of origin with low job prospects and even lower wages. The implementation and results of these nationalization policies are widespread.

5. Current Policy Reforms by Receiving- and Sending-Countries

The unregulated migration policies of the GCC States have long resulted in reports of unfair treatment of workers, abuse, unsafe working conditions, and non-payment of wages in international media. Several allegations have been

made against the GCC States by thousands of workers facing the challenges of confiscating of passports to severe restrictions placed on workers' movement, non-payment of wages, strenuous work, and unsafe working and unhygienic living conditions. This has led to mounting pressure from the Western world, academicians, and non-governmental watchdogs, such as ILO, and governments of labour-sending countries, to modify or eliminate the Kafala governance system. Over the past two decades, the Gulf countries have taken some policy initiatives to address those -- based on local policy, underlying alliances, and links with home-country governments. Bahrain was the first GCC State to attempt reforming the Kafala system. In 2009, the country introduced legislation enabling migrant workers to change jobs without the official permission of their sponsors (Diop et al., 2018). The reform gives employees greater freedom to leave abusive working conditions. The country has also established a labour market regulatory authority to sponsor migrant workers instead of relying on private employers. Kuwait became the second GCC country to announce its intent for reform in 2010. When the new act was announced in 2011, there was a collective disappointment that the act only underwent one significant change. It enabled migrant workers to change sponsorship more easily. However, the act excluded migrant domestic workers from the Kafala system.

The Saudi Arabian Ministry of Labour, 2012, proposed eliminating individual sponsorship of migrants, replacing it with a corporate structure managed by a labour authority affiliated with the labour ministry. This amendment to the present system came into effect in 2015. The new law prohibited and increased fines for confiscating migrant workers' passports, failing to pay salaries on time, not giving employees a copy of the contract, and obligating workers to perform tasks not included in the contract. In 2010, the UAE introduced a resolution that enabled the labour ministry to protect migrant workers by issuing work permits to transfer from one employer to another without a no-objection certificate. Additionally, in 2010 and 2012, the government attempted to regulate recruitment agencies engaged in acts of forced labour or human trafficking by revoking or suspending their licenses (Human Rights Watch, 2014) and imposing fines on those employers who made their employees pay recruitment fees. Finally, in 2017, the UAE introduced a Domestic Workers Rights Bill requiring employers to provide domestic workers with food and accommodation, 30 days of paid annual leave, and a workday of not more than 12 hours. The UAE government also introduced a wage protection system (WPS) in 2009. The WPS is a mechanism that requires the payment of wages by bank transfer, which is an efficient way for authorities to verify employers' compliance with the payment of wages.

The upward trend of the inflow of immigrants into the GCC States was aided by the liberal emigration policies of sending-countries (Shah, 2012). However, most of the time, the uneducated and unskilled labourers fall into exploitative

situations orchestrated by the Kafala agencies that facilitate their entry into a GCC State. To address such exploitation, the sending-countries must implement an appropriate institutional mechanism to regulate the activities and monitor and crack down on the operations of intermediaries who facilitate the entry of unskilled labour into the Gulf. Over the last few years, the GCC States and the Asian sending-countries have negotiated bilateral agreements and signed memoranda of understanding (MoUs) governing labour migration. In India, which is a frontrunner in the supply of migrant workers to the Gulf States, private recruitment agencies operate within a government-run structure (Haque, 2005). To formalize agreements with destination countries and expand the protection of migrant workers, the government of India has signed 10 MoUs on labour migration since the mid-1980s. Women form a significant number of Indian migrants to the Gulf. However, apart from the 2014-agreement with Saudi Arabia, there was no mention of migrant women in the MOUs (Sasikumar and Timothy, 2015). These efforts have not produced satisfactory results; unskilled Indian workers are still exploited in the GCC States. This has led to the formation of non-governmental organizations (NGOs) like Lawyers for Human Rights International (LFHRI), which advocates for protecting the Indian workers abroad. In addition, the Indian consulate now provides services to verify job offers' genuineness through the Pravasi Bharatiya Sahayata Kendra (PBSK) mobile app and email, with offices in the UAE and Saudi Arabia (Salim, 2021). The above measures will undoubtedly help reduce the extortion of desperate workers seeking jobs in the Gulf.

The government of Bangladesh has set up a separate ministry for dealing with foreign workers and their diaspora abroad. Private recruiting agencies in Bangladesh deal with more than 90% of the labour migration; however, the government has laid out legislation to regulate the requirement and migration process as part of the Emigration Ordinance of 1982 (Haque, 2005). The Overseas Employment and Migration Act in 2013 replaced this ordinance. The government has also taken some other initiatives for the welfare of the migrant workers, such as the establishment of the Migrants Welfare Bank (MWB), introducing the Expatriate Welfare and Overseas Employment Policy, 2016, and Expatriate Welfare and Overseas Employment Rules, 2017, and setting up of the Expatriate Welfare Board Act, 2017, to assist the migrant workers facing discrimination, poor working conditions, and wage-related issues in their host countries (Haque, 2019).

Sri Lanka, in 1985, passed the Bureau of Employment Act No. 21 and established the Bureau of Foreign Employment (SLBFE) to serve as an institutional setup for managing foreign employment (Haque, 2005). The main objective of the SLBFE is the promotion of foreign employment, sound management of foreign employment, and ensuring the welfare and security of migrant employees and their families (IOM, 2004).

In Nepal, the Foreign Employment Act in 2007 set up the Department of Foreign Employment, which serves as the primary government entity governing private players in the migrant labour recruitment business. The government has roped in civil society and worked with para-governmental organizations to train the potential employees before moving to their destination, equipping them with the necessary legal knowledge to safeguard themselves in foreign lands (Nepal Labour Migration Report, 2020). Nepal has made bona fide efforts to regulate migration flow to better support its citizens in the destination countries. In 2008, the government tried to streamline the process by temporarily prohibiting hiring national workers for the GCC States and implementing the process (Human Rights Watch, 2006). Nepal has also signed MoUs with Qatar (2005), the UAE (2007), and Bahrain (2008) to ensure fair treatment and protection of its citizens in these countries.

Pakistan is another South Asian nation that has taken sincere steps to protect its citizens overseas. The National Policy of 2013 covers overseas Pakistani migrants. The Bureau of Emigration and Overseas Employment has also been set up, and Community Welfare Attaches (CWA) has been appointed and established in all the GCC countries to encourage direct hiring of Pakistanis without the involvement of intermediaries and private agencies.

6. Conclusion

The discussion in this article has clearly shown that the large influx of labour migrants from South Asia to the GCC States is undoubtedly blessings in disguise, as the remittances contribute mainly to the financial development of South Asian countries. The nationalisation of the labour force in the Gulf States and the COVID-19 pandemic crisis have not reduced the inflow of migrants or the outflow of remittances to South Asian countries. The GCC States' recent attempt to accelerate the implementation of the Nitaqat law has impacted the white-collar migrants, but this may not be a success because of the local reluctance to take up private-sector jobs. As a result, significant South Asian migration will emerge in the foreseeable future and will be a key factor in the Gulf States' employment scenario.

However, rising youth unemployment, political instability, and influx of migrant labour from other countries in East Asia and North Africa may decrease the domination experienced by the South Asians in the labourmarket. The GCC States that benefit economically from this migrant workforce must shift their approach towards migrants. They must begin by considering migration as not just a temporary solution for their labour shortage woes. The GCC States should institutionalize practical policies to accommodate migrants to replace the current illiberal policies designed to control the entry, presence, and exit of the migrant labour force in the region, especially the semi-skilled and unskilled workers.

Several studies have documented how South Asian migrant workers are dealing with social and economic problems like minimum wage, lack of social security, and the exclusion of domestic workers from labour laws. However, the GCC States have not undertaken enough policy and strategic measures to address their illiberal migration governance system. The lack of a unified voice, the visible weakening of the countries of South Asia and the callous attitudes of the host countries have heightened the socio-economic insecurities of migrant workers. Therefore, both sending-and receiving-countries should address the multiple concerns of migrants in a more comprehensive and holistic way. Considering the financial advantage they receive, migrants-sending countries must play a more functional role in addressing the low wage payment, abusive work conditions, and exploitation by the recruitment agencies their citizens face in the GCC region. In addition, issues relating to domestic female migrant workers should be treated with utmost care, and policies should be formulated without restricting their basic rights. The Abu Dhabi Dialogue established in 2008, may serve as a platform for sending- and receiving-countries to coordinate a better migration governance.

References

Aarhi, S. V., &Sahu, M. (2021), 'Migration Policy in the Gulf Cooperation Council (GCC) States: A Critical Analysis', *Contemporary Review of the Middle East*, Vol. 8, No. 4, pp. 410-434.

Activpayroll (2016, January 21), 'WPS procedures being fully enforced in Oman for first time', Retrieved May 6, 2021, website: <https://www.activpayroll.com/news-articles/omani-companies-must-follow-wps-regulations-payroll-outsourcing-ensures-full-compliance>

Ahn, P. S. (Ed.). (2004), 'Migrant workers and human rights: Out-migration from South Asia', International Labour Organization, Sub-regional Office for South Asia.

Al-Waqfi, M. A., & Abdalla Al-faki, I. (2015), 'Gender-based differences in employment conditions of local and expatriate workers in the GCC context', *International Journal of Manpower*, Vol.36, No. 3, pp. 397–415.

Bajracharya, R., & Sijapati, B. (2012), 'The Kafala system and its implications for Nepali domestic workers. Policy Brief, 1.

https://www.ceslam.org/uploads/backup/Kafala_Nepali_Domestic_Workers_Female_Migration_Eng.pdf

Baldwin-Edwards, M. (2011), 'Labour immigration and labour markets in the GCC countries: national patterns and trends', Kuwait Programme on Development, Governance and Globalisation in the Gulf States.

Brochmann, G. (2019), 'Middle East Avenue: Female Migration from Sri Lanka to the Gulf', Routledge Press.

Diop, A., Johnston, T., & Trung Le, K. (2018), 'Migration Policies across the GCC: Challenges in Reforming the Kafala' in N. M. Shah & P. Fargues (eds.), *Migration to the Gulf: Policies in Sending and Receiving Countries*. Gulf Labour Markets, Migration, and Population Programme.

Dito, M. (2010), 'Labor Migration in the GCC Countries: Some Reflections on a Chronic Dilemma', Retrieved June 14, 2021, from Middle East Institute website: <https://www.mei.edu/publications/labor-migration-gcc-countries-some-reflections-chronic-dilemma>

El-Mumin, M. (2020), 'The GCC Human Rights Declaration: An Instrument of Rhetoric?', *Arab Law Quarterly*, Vol.34, No.1, pp. 86–95.

Gamlen, A. (2010), 'The new migration and development optimism: A review of the 2009', *Human Development Report, Global Governance*, 16, 415.

Gardner, A. (2010), 'City of Strangers: Gulf Migration and the Indian community in Bahrain', Ithaca: Cornell/ILR Press.

Goldin, I., Cameron, G., & Balarajan, M. (2010), 'Exceptional People: How Migration Shaped Our World and Will Define Our Future', In Google Books.

Gulf Business (2020, July 5), 'Kuwait's National Assembly approves expat quota bill', Retrieved April 25, 2021, from Gulf Business website: <https://gulfbusiness.com/kuwaits-national-assembly-approves-expat-quota-bill-report/>.

Gulf News (2020, November 23), 'UAE allows 100% ownership of businesses for foreign nationals from December 1, 2020', Retrieved on June 12, 2021, from Gulfnews.com website: <https://gulfnews.com/business/uae-allows-100-ownership-of-businesses-for-foreign-nationals-from-december-1-2020-1.1606134333609>

Gulf New, (2021 June 7), 'Sharjah Municipality evicts more than 16,500 violators and bachelors from family areas', <https://gulfnews.com/uae/sharjah-municipality-evicts-more-than-16500-violators-and-bachelors-from-family-areas-1.79741000>

Hamza, S. (2014), 'Migrant Labor in the Arabian Gulf', University of Tennessee - Knoxville.

Haque, M. S. (2005), 'Migration trends and patterns in South Asia and management approaches and initiatives', *Asia Pacific Population Journal*, Vol. 20, No.3, pp.39-40.

Hoque Tushar A. (2019, March 29), The Financial Express. <https://thefinancialexpress.com>.

Human Rights Watch.(2006), “Building Towers, Cheating Workers - Exploitation of Migrant Construction Workers in the United Arab Emirates.” <https://www.hrw.org/report/2006/11/11/building-towers-cheating-workers/exploitation-migrant-construction-workers-united>.

International Organization for Migration (2004), ‘Labour and Migration in Asia’, IOM, Geneva.

International Organization for Migration (2010), World Migration Report 2010, IOM, Geneva.

International Organization for Migration: UN Migration (2021), World Migration Report 2020. Retrieved June 14, 2021, website: <https://worldmigrationreport.iom.int/wmr-2020-interactive/>

Jain, P. C., & Oommen, G. Z. (2016), ‘South Asian migration to gulf countries’, History, Policies, Development.

Jarallah, Y. (2009), ‘Domestic labor in the Gulf countries’, Journal of Immigrant & Refugee Studies, Vol.7, No.1, pp.3-15.

K.C. Das, & Gokhale, N. (2010), ‘Omanization Policy and International Migration in Oman’, Retrieved from Middle East Institute website: <https://www.mei.edu/publications/omanization-policy-and-international-migration-oman>

Kamrava, M. (2012), ‘Migrant labor in the Persian Gulf’, in Z. Babar (Ed.). London: Hurst.

Kanchana, R. (2018), ‘Is the Kafala tradition to blame for the exploitative work conditions in the Arab-Gulf countries?’, in South Asian migration in the Gulf (pp. 61-79). Palgrave Macmillan, Cham.

Kapiszewski, A. (2001), ‘Nationals and expatriates: population and labour dilemmas of the Gulf Cooperation Council States’, ISBS.

Kapiszewski, A. (2004), ‘Arab labour migration to the GCC States’ in Arab Migration in a Globalized World. Geneva: International Organization for Migration.

Kapiszewski, A. (2006), ‘Arab versus Asian migrant workers in the GCC countries’, Retrieved from UN: Department of Economic and Social Affairs website.

Khan, Y., & Mingyi, W. (2018), 'How the GCC Economic Crises Effect Labour Migration: Evidence from Pakistan', *Asian Journal of Economics and Empirical Research*, Vol. 5, No.2, pp.139-146.

Koyame-Marsh, R. O. (2016), 'Saudization and the Nitaqat programs: overview and performance', *Journal of Accounting*, Vol. 6, No.2, pp.36-48.

Longva, A. N. (1999), 'Keeping migrant workers in check: The Kafala system in the Gulf', *Middle East Report*, (211), pp. 20-22.

Motaparthi, P. (2015, November), 'Understanding Kafala: An archaic law at cross purposes with modern development', *Migrant-Rights.org*. Retrieved June 6, 2021, from *Migrant-rights.org* website: <https://www.migrant-rights.org/2015/03/understanding-kafala-an-archaic-law-at-cross-purposes-with-modern-development/>

Naufal, G., & Termos, A. (2010), 'Remittances from GCC Countries: A Brief Outlook', *Middle East Institute, Migration and the Gulf*, Washington, DC, pp. 37-41.

Nepal Institute of Development Studies (NIDS) (2020), *Nepal Migration Year Book 2020*, NIDS, Kathmandu.

Rahman, M. M. (2012), 'Bangladeshi labour migration to the Gulf States: Patterns of recruitment and processes', *Canadian Journal of Development Studies/Revue canadienne d'études du développement*, Vol.33, No.2, pp.214-230.

Rajan, S Irudaya (ed). (2017), 'South Asian Migration Report: Recruitment, Remittances and Reintegration', *Routledge Press*.

Rajan, S. I., & Narayana, D. (2017), 'The financial crisis in the Gulf and its impact on South Asian migrant workers', in *South Asian Migration to Gulf Countries* (pp. 308-327). *Routledge India*.

Rajan, S. I., & Oommen, G. Z. (Eds.) (2020), 'Asianization of migrant workers in the Gulf countries', *Singapore: Springer*.

Randeree, K. (2012), 'Workforce Nationalization in the Gulf Cooperation Council States', *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.2825910>.

Ratha, D., De, S., Plaza, S., Schuettler, K., Shaw, W., Wyss, H., & Yi, S. (2015), *Migration and remittances: Recent developments and outlook*, April , *World Bank*.

<https://openknowledge.worldbank.org/server/api/core/bitstreams/5c0bd6b8-94d1-58be-8604-b4bc4f1e8c6f/content>

Sahu, M. (2021), 'Public policy measures for COVID-19 crisis management: Lessons from the UAE', *Fulbright Review of Economics and Policy*, Vol.1, No. 2, pp. 246-265.

Salim S. (2021), 'Your Dubai "job offer letter is fake: Indian consulate tells job-seeker', <https://www.khaleejtimes.com/news/your-dubai-job-offer-letter-is-fake-indian-consulate-tells-job-seeker>.

Sasikumar, S. K., & Timothy, R. (2015), 'From India to the Gulf region: Exploring links between labour markets, skills and the migration cycle', GDC Country Office Nepal, GIZ.

Secombe, I. J., & Lawless, R. I. (1986), "Foreign worker dependence in the Gulf, and the international oil companies: 1910-50" *International Migration Review*, Vol.20, No.3, pp.548-574.

Shah, N. (2006), 'Restrictive Labour Immigration Policies in The Oil-Rich Gulf: Effectiveness and Implications for Sending Asian Countries', Retrieved from UN: Department of Economic and Social Affairs website.

Shah, N. M. (2012), 'Socio-demographic transitions among nationals of GCC countries: implications for migration and labour force trends', *Migration and Development*, Vol.1, No.1, pp.138-148. <https://doi.org/10.1080/21632324.2012.709808>

Thiollet, H. (2016), 'Managing migrant labour in the Gulf: Transnational dynamics of migration politics since the 1930s', *Working Papers*, No. 131. <https://hal-sciencespo.archives-ouvertes.fr/hal-01346366/document>

Thiollet, H. (2019), 'Immigrants, Markets, Brokers, and States the Politics of Illiberal Migration Governance in the Arab Gulf', London: International Migration Institute.

UN. (2017, December 18), 'The International Migration Report 2017', United Nations Department of Economic and Social Affairs. Retrieved June 14, 2021, website: <https://www.un.org/development/desa/publications/international-migration-report-2017.html>

United Nations Department of Economic and Social Affairs (UNDESA) (2019), *Migration Statistics* retrieved from <http://esa.un.org/migration>.

United Nations (2020), *International Migration 2020 Report*.

Van Hear, N., Bakewell, O., & Long, K. (2012), *Drivers of migration*.

Vora, N. (2010), 'Business elites, unofficial citizenship, and privatized governance in Dubai', *Migration and the Gulf*. Washington, DC: Middle East Institute.

Wadhawan, N. (2017), 'From rupees to dirhams: labour migration from Nepal to the GCC region' in *South Asian Migration to Gulf Countries* (pp. 206-220). Routledge India.

Whitaker, B. (2016), 'Kuwait sets minimum wage for domestic workers', Retrieved website: <https://www.al-bab.com/blog/2016/07/kuwait-sets-minimum-wage-domestic-workers>.

Winckler, O. (1997), 'The immigration policy of the Gulf Cooperation Council (GCC) states', *Middle Eastern Studies*, Vol.33, No.3, pp.480-493.

World Bank (2019), *The Jobs Agenda for the Gulf Cooperation Council Countries*.

World Bank (2015), 'Annual Remittance Data', Washington, DC: World Bank. <http://www.worldbank.org/en/topic/migrationremittancesdiasporaissues/brief/migrationremittances-data>.