

Clashes in Trade and Causes of Migration: The Case of India and China as the Dynamic to the World

Dr. Sangit Sarita Dwivedi

Assistant Professor, Bharati College, University of Delhi, India

Abstract

In existing phase, the mass movement of people across the globe constitutes a major feature of world politics. Whatever the reason, the Western capitalist states see this movement as a serious threat to their stability. Little coherence is found between the development and migration policies of governments in countries of destination and origin. Expectations of mobility become widespread, but the restrictions on movement become tighter all the time. The scale of migration indicates a need for a radical re-thinking of both theory and practice, for the sake of political, social and economic justice. The proposed paper applies case study method and compare India and China with respect to US to analyse the main philosophical arguments regarding complementary links between globalization and immigration and assess the main trends of people's movements.

Keywords

China, India, Migration, Trade, US

In the contemporary time period, the large-scale maneuverability of people across the globe accounts for a vital attribute of international politics. Growing inequality remains the main stumbling block for maintaining peace and tranquility in the world. Besides, the source of the displacement in the present situation may be struggle, natural catastrophe, bread and butter, commercial or political constraint. However, affluent economies of the world deem it too detrimental to their economic stability. Historically, international migration, a stable phenomenon, has become a capricious alternative. The phenomenal growth of science and technology have made it possible to synergies in right time with counterparts located at a long way off. Since scant consistency is found between the stage of development and the policies pertaining to the rights of migrants in countries of terminus and inception, the extent of migration indicates a need for a comprehensive study on this particular subject in both theory and practice, involving socio-economic and political justice of migrants. The concept of internationalisation of education encourages mobility of academia, specialists, qualified workers or high skilled labourers to the developed world. Hence, the connection between migration and development needs immediate attention towards appropriate measures being deployed towards its rediscovery. Nevertheless, mammoth contribution in the global migration comes from India and China owing to the population

outburst and poor development in their respective countries. This paper aptly analyses the main philosophical arguments regarding complementary or substitutional links between trade and immigration and discusses its impact on India and China with respect to the United States of America. The aim is to throw some light on the relationship between trade and migration in the contemporary period. Special emphasis is given to the trade war that has long-run cascading effects on immigration. The paper intends to explore the way in which prospective benefaction of migrants contribute to sustainable development of their homeland, and the way it should be systematically translated into policy guidance.

Undoubtedly, link between trade and movement occupies great importance in a globalizing environment. Needless to mention, immigration of labour has deep impact on existing trade between two countries. In this context, one might wonder, whether trade liberalization remains an option for curtailing labour migration as implied by traditional trade theory. The key dimension of globalization is a rapid augmentation in cross-border movement. However, the main proposition of migration systems theory endorses, one form of exchange, such as trade, between countries or places likely to be engender to other forms of exchange, such as people, in both directions (Mabogunje, 1970; Kritz, Lim, and Zlotnik, 1992; Massey *et al.*, 1998). Global migration raises important ethical, moral and behavioural issues on both sending and recipient nation. It

remains enigmatic to ascertain whether liberal democratic states ethically bound to admit immigrants? Historically, many philosophers have argued that liberal states are morally emancipated in their bid to restrict immigration at their discretion barring few exceptions. Recently, liberal egalitarians have begun to challenge this conventional view in two lines of argument. The first contends that immigration restrictions are inconsistent with basic liberal egalitarian values, including freedom and moral equality. The second maintains that affluent, liberal democratic societies are morally obligated to admit immigrants as a partial response to global injustices, such as poverty and human rights violations (Wilcox 2009). Liberal democratic states reflect serious void between the legal and social practices of immigration and naturalization. A liberal state cannot develop institutions of democratic citizenship claiming to justify exclusion of 'outsiders' from participating in those institutions. Part of the literature, however, discloses that there are no liberal justifications for immigration control, incorporating serious ramifications both for liberal theory and democratic potential.

As barriers to free trade fall over many areas of the world, commutation of goods and people become relatively easy. The sustained economic growth and the development of information technology in the decade of 1990s in OECD (Organization for Economic Cooperation and Development) countries promoted sizable increase in migration of

highly skilled workers from relatively less developed states. These countries also relaxed their immigration policies to attract highly qualified specialists to overcome existing paucity of labour. People immigrate to the United States, the superpower for various reasons involving few factors e.g., the strong economies in the developed states, rapid population growth in the Global South, advancement in transport and communication. The rapid growth of multinational corporations have liquified the boundaries with power in hand to influence states. Legal and illegal immigration to the United States and Western Europe have led to significant increase in migration causing concern to the United States of America, widely known as a nation of immigrants.

Liberal democratic states reflect serious void between the legal and social practices of immigration and naturalization.

Indian and Chinese Immigrants in the United States: A Comparison

Immigration laws in the United States keep on changing from time to time. In 1965 Laws of Immigration were changed where qualitative and quantitative restrictions were maintained however dropping the nationality which favoured Europeans.

In other words, the 1965 Immigration Act in the United States re-opened migration avenues for non-European immigrants and created temporary worker programmes for skilled workers. This law helped US citizens having their families settled outside US as well as the US Employers.

During 1990s, origin of immigrants changed from European to Latin America and Asia. Between 2000 and 2009, over three-fourths of the 10 million immigrants admitted were from Latin America and Asia. Throughout its journey, US immigration has occurred in different phases or waves. The first wave of immigrants, mostly English-speaking people from the British Isles, arrived before records were kept beginning in 1820. The second wave, dominated by Irish and German Catholics in the 1840s and 1850s, challenged the dominance of the Protestant church and led to a backlash against Catholics, defused only when the civil war practically stopped immigration in the year 1860s. The third wave, between 1880 and 1914, brought over 20 million European immigrants to the United States, an average of 650,000 a year at a time when the United States had 75 million residents.

According to Pew Research Centre analysis of US Census data, the Asian population in the US has grown 72% since 2000 and Indian population in US doubled since 2000. One of the main sources of migratory flow to US are foreign students. Indians are basically

concentrated in large cities. For instance, by 2000, over one-third of Silicon Valley's (San Francisco) high-skilled workers were of foreign origin, enormously from Asia, to be more specific, from India and China, the fast-growing developing countries in Asia. Subsequently, Indian and Chinese engineers are accelerating the development of the information technology (IT) industries in their home countries. Both Indians and Chinese follow the identical path for career facing the same income disparity in the United States with the natives. In a process of 'brain circulation' rather than 'brain drain,' the US-educated engineers, entrepreneurs and high skilled workers transfer and share technical know-how between distant regional economies at a faster and flexible rate.

India pursues closer relations with the United States, with view to enhance its strategic position, to consolidate its overall strategic autonomy, thus to cultivate favorable climate for implementing security and economy policies that are mutually beneficial. Since 2001, half of H-1B visas have been awarded to Indian nationals. According to the U.S. Department of Homeland Security's report, India had the highest number of H-1B recipients in 2011 comprising 58 percent of all approved petitions (Ruiz et. al. July 2012). The Indian immigrants might have an edge over Chinese immigrants in the USA due to higher level of proficiency in English language and its dialects. Chinese immigrants are the third-largest foreign-origin in the United States, after

Mexicans and Indians. It consisted of two phases, the first set of migrants arriving in the mid-1800s and the second from the late 1970s to the present time period. Beginning in the mid-1960s, significant policy changes in the US Congress and China opened a new dimension for the Chinese migrants. China's loosening of its emigration controls in 1978 and the normalization of US-China relations in 1979 had drastic impact. China has become the principal source of foreign students enrolled in US higher education system, and its nationals receive the second-largest number of employer-sponsored H-1B temporary visas, number one being India (Ruiz 2017).

States intended to truncate the special and differential flexibilities for India, China and South Africa, among others and to curtail immigration hitherto provoking inequality. The Trump administration sees China as both an economic and security threat to America's interests. China is currently facing down a list of import tariffs levied by the administration, agitated by the country's \$375 billion trade surplus with the United States. At the same time, the US is targeting India after rescinding viable solution for public stockholding programmes for food security. The US also launched a trade dispute against India on duty drawback and other programmes for Indian exporters.

The Trade War Debate: Case Studies of India and China

The states control over its borders is being accommodated in different ways in the host countries. US President Trump announced some extensive changes in the trade policies and threatened to impose steep tariffs on imports alienating allies and adversaries alike with threats of an all-out global trade war. The President withdrew the US from the 12-nation trade pact on his very first day in office. The US withdrew from the immigration agreement of the United Nations and the American Supreme Court passed President's Trump administration's bill to restrict immigrants travelling from six countries predominantly Islamic countries. These moves of the United

Impact of Epidemic Covid-19 on Trade, Security and Sovereignty: Balancing Approaches

Although China and India have a series of political disputes including a quest for sovereignty over two tracts of border land, their armed forces stand-off in a Doklam Plateau, India has filed the largest multiple anti-dumping cases in the World Trade Organization (WTO) against China; yet greater convergence implies that growing economies like India and China should accelerate their economic growth. Their cooperation must improve global governance as they are members in international bodies like G-20, BRICS, WTO and the Shanghai Cooperation

Organization (SCO). It being needs of the hour that they work in synergy in order to ensure that the liberal multilateral trading and economic order remains intact. India and China criticized President Trump's strong measures for protection and anti-immigration policies as the two neighbors sought adequate ground for globalization and better trade ties. Meanwhile, China is in the process to explore better relations with other nations and discover new markets and at the same time looking at India as a potential ally to counter the Trump administration that is not seeing eye to eye with China's unfair and exploitative trade practices. President Trump's moves have also fostered friendship between two Asian giants China and Japan as the two barriers against US current foreign policy.

India has filed the largest multiple anti-dumping cases in the World Trade Organization (WTO) against China; yet greater convergence implies that growing economies like India and China should accelerate their economic growth.

The much-threatened US-China trade war also witnessed a phase of uncalled for. After two rounds of negotiations, the US and China decided to suspend their retaliatory measures and decided to negotiate a 'framework' for fixing the targets that both sides would fulfil in goods and services. Both sides agreed to address issues concerned with imbalances in their bilateral trade simultaneously. President

Trump said the deal with China would bring down Chinese barriers to US goods "for the first time and be boon to US farmers". Ministers representing 16 Asian-Pacific countries including China, India, Australia and Japan that make up a third of the global economy and half of the world's population met in Tokyo to discuss forming the world's largest trading bloc. The US advocated India's emergence as a leading global power and stronger strategic and defense partner thereby supporting India's growing relationships throughout the region. Though a trade war would be disruptive in the short term, over time, market adjustments would however counterbalance some of the loss incurred by the US client base for some Chinese goods. The US is in dire need of allies in technological war. As Chinese consumer power has grown manifold, so too are US exports to the People's Republic of China – by some 500 percent since 2001, with China accounting for 8 percent of all US exports by 2016.

As part of its attempt to address socio-economic challenges, China is laying the groundwork for its longer-term goals. Its deceptive move to militarize South China Sea jeopardizes regional stability and free flow of trade. It is attempting to mount a military modernization campaign designed to limit US access to the region. China justifies its act as mutually beneficial. On the contrary, Chinese dominance raises insecurity in the sovereignty of many states in the Indo-Pacific. The US is not opposing China's development goals yet

how Beijing is pursuing it remains its major concern. The US is attempting to address unfair licensing practices through the World Trade Organization. While Russia and China are seen as too inimical and hostile to American interests, there are many opportunities within India to enhance its relations with the United States. While India can continue to work with China at its own pace on border towards regional skirmishes, firm cooperation with other powers to ensure the freedom of navigation in the Indo-Pacific could improve relations with other Indo-Pacific powers. India can also partner more firmly with the United States in South and Central Asia and take initiative in Afghanistan. However, any attempt to replace that multilateral development and economic order by bilateral and regional formations will not be good for the emerging economies of the world. Geo-politically, the United States has a deep interest in both South Asia and East Asia.

In the present scenario of pandemic where borders are getting closed, employment to migrants are banned, post Covid-19 global economic order will be different global economic order and can be examined both from cooperative as well as conflictive perspective.

The most affected and vulnerable sectors would be – tourism, aviation, hotels, industries, transportation and will have serious ramifications over migrant economy. In the

present turmoil, full-fledged trade war has rare possibility since countries invariably rely on each other for their needs. By continuing to secure the support of the United States for economic growth and its security position in Asia, India first and foremost pursues its own national interests. India is on threshold of achieving technology boom that will transform its economy. In the recent trade war between US and China, both countries increased the tax rates. But they did not stop the trade and eventually amicably resolved all the pending issues sans any dissent. They cannot be friends but at the same time cannot be otherwise. The root cause for inequality lies in the local politics of nations. Whether China, India, Russia or Japan, every leader needs to boost the morale of their voters thus striving hard to get their votes. To ensure the vote bank, the leaders keep match line, for instance, for America, it is ‘be American buy American’, for India, ‘make in India’, for China, ‘one belt-one road’. To meet these aspirations, they have to raise the issues like migration, trade, which were never raised before. The Trump administration released its first National Security Strategy (NSS) which referred China and Russia as “revisionist powers” and threats to the United States and its security goals. China is seen as a strategic competitor because China competes effectively across the political, economic, military and informational domains. COVID-19 has changed the dynamics drastically. Though it is an epidemic, it became boon for the countries that wish to limit

migration or promote self-reliance or create opportunity in trade. Immigration has already been checked and migrants want to go back to their homeland. The countries depending on import see this trend as an opportunity to grow their local industries, generate employment, save taxes and produce low-cost products. For last few years, the USA, a country built on immigrants, aggressively followed the policies to curtail immigration. Due to COVID, migrant skilled workers will come back to their motherland and thus involve more in local products and become vocal for local. After achieving self-reliance, there remain chances preferably choosing not to go back to the receiving countries.

This will have drastic impact on the host country as the economy largely was dependent on these high skilled migrants. The migrants were not only accepting jobs and earning but to larger extent contributed in uprising the economy of receiving country. The countries banning employment opportunities to the migrants today will not be able to match the same growth rate which was possible earlier with their presence. Completing the full circle, it will have an impact on the local politics as well where they would not have any agenda as ‘be American buy American’.

Conclusion

Nevertheless, both the United States and India are firmly committed to provide economic

opportunities for each other. India remains in a good position to seek out American investment. Indian Prime Minister Narendra Modi’s “Make in India” initiative needs more foreign investment in order to work and replicate China’s manufacturing boom. An important strategic goal of India has been to develop closer relations with the United States, especially when China is rising. At the same time, India does not wish to fully alienate China by aligning outright with the United States. The number of prospective migrants from China and India will remain high although population size may vary in both countries. Indian and Chinese youth is most likely to migrate to US with high percentage. Migrant group in the recipient countries are likely to support the flows of information and remittances to encourage further migration.

The level of growth and development in India and China may create significant opportunities at home, potentially discouraging emigration and thus prompting diaspora’s return. Without altering the propensity to migrate to developed countries from India and China shall always remain as high as ever. This demographic need and trend suggest that ample numbers of Chinese and Indian workers will willingly migrate. The critical role of state has increased manifold as a global response in the post COVID era. As the present situation is termed as ‘new normal’, it will open the door for many avenues for a better and cooperative world. Of course, the virtual platform will play its role, be it software, information technology or the

Academia. The phase towards bridging the barrier has just begun.

REFERENCES

Kritz, M. M., L. L. Lim, and H. Zlotnik. 1992. *International Migration System: A Global Approach*. Oxford: Clarendon Press.

Mabogunje, A. L. 1970. “Systems Approach to a Theory of Rural-Urban Migration.” *Geographical Analysis* 2(1): 1– 18.

Massey, D. S. et al. 1998. *Worlds in Motion: Understanding International Migration at the end of the Millennium*. Oxford: Clarendon Press.

Pew Research Centre. 2017. *FACTANK: News in the Numbers*. 27

April.<https://www.pewresearch.org/fact-tank/2017/04/27/key-facts-about-the-u-s-h-1b-visa-programme/>

Ruiz. Neil G., Jill H. Wilson, and Shyamali Choudhury. *The Search for Skills: Demand for H-1B Immigrant Workers in U.S. Metropolitan Areas*. Metropolitan Policy Programme at Brookings. July 2012.

Wilcox, Shelly. “The Open Borders Debate on Immigration”. 23 September 2009.<https://doi.org/10.1111/j.1747-9991.2009.00230.x>

Dr. Sangit Sarita Dwivedi is an Assistant Professor in the Department of Political Science, Bharati College, University of Delhi. She completed her BA (Hons.), MA and M.Phil. from University of Delhi. She has research interests in the area of International Relations, International Politics, India's Foreign Policy, Contemporary India, South Asian Studies, East Asian Studies. She has participated and presented various research papers in national and international seminars and conferences. She has authored one book, 'Perspectives of International Relations and World History'. She has published research papers in national and international journals. To name some: North Korean Review, Asian Journal of Political Science, Mainstream, International Journal of Social Science & Interdisciplinary Research, The Discussant: Journal of Centre for Reforms, Development and Justice, The Indian Journal of Asian Affairs, The Indian Journal of Political Science. Griffith Asia Quarterly etc. She has contributed chapters in edited books, namely United Nations and Global Conflicts, New Dimensions in Public Diplomacy: Indian and Australian Experiences, Unique Asian Triangle: India, China Nepal. She also has degree of Master of Information Technology.

The views expressed here are those of the author and not necessarily of the Institute of Chinese Studies.

ICS ANALYSIS Back Issues

Issue No/ Month	Title	Author
No.115 Aug 2020	Covid-19 and the Communist Party of China's Governance Crisis	Bhim B. Subba
No.114 Jul 2020	Clash of Narratives: The US-China Propaganda War Amid the Global Pandemic	Preksha Shree Chhetri
No.113 Jul 2020	The Emergence of a New Kingpin in the Pacific: China's Initiatives	Tanishka
No.112 Jul 2020	Sino-Indian Border Dispute: Explained in Constructivist Paradigm	Reena Bhatiya
No.111 Jul 2020	Hazarding Hazards: An Assessment of China's Workplace Safety Since Year 2000	P.K. Anand
No.110 Jul 2020	Are US and China On the Verge Of a Cold War 2.0?	Dr. Zorawar Daulet Singh
No.109 Jul 2020	To Craft a Covid-19 Narrative, China needs Africa	Veda Vaidyanathan
No.107 Jul 2020	Domestic Imperatives Behind Chinese Aggression at the India-China Border in 2020	Dr. Sriparna Pathak
No.106 Jun 2020	South China Sea Geopolitics and the Shadow of Covid-19 The Indo-Pacific: Concept, Contestation and Cooperation	Yogendra Kumar
No.105 Jun 2020	Pompeo Defies Covid-19 and Visits Jerusalem with 'Mission China' Agenda	Sanjana Krishnan
No.104 Jun 2020	India and China in the Post-Covid World	Hemant Adlakha
No.103 May 2020	China's Belt and Road Initiative: History in the Making	Shivshankar Menon
No.102 May 2020	China, WHO and the Covid-19 Pandemic	Priyanka Madia
No.101 May 2020	Covid-19 Pandemic and Contextualising South Korea's success	Bhaskar Balakrishnan
No.100 April 2020	Epidemics and their Urban Context: COVID-19 and Lessons from Wuhan	Sandip Kumar Mishra
		Madhurima Nundy

PRINCIPAL SUPPORTERS TO ICS RESEARCH FUND

TATA TRUSTS



MINISTRY OF EXTERNAL AFFAIRS
GOVERNMENT OF INDIA



INDIAN COUNCIL OF
SOCIAL SCIENCE RESEARCH

GARGI AND VIDYA
PRAKASH DUTT FOUNDATION



JAMNALAL BAJAJ
FOUNDAION

PIROJSHA GODREJ FOUNDATION

ICS PUBLICATIONS



A short brief on a topic of contemporary interest with policy-related inputs



Platform for ongoing research of the ICS faculty and associates



Authored by the faculty, also emerging from research projects and international conferences



Draft paper of ongoing research

ICS JOURNAL



In its 55th year, *China Report* is a refereed journal in the field of social sciences and international relations. It welcomes and offers a platform for original research from a multi-disciplinary perspective, in new and emerging areas, by scholars and research students. It seeks to promote analysis and vigorous debate on all aspects of Sino-Indian relations, India-China comparative studies and multilateral and bilateral initiatives and collaborations across Asia.

China Report is brought out by Sage Publications Ltd, New Delhi.

Editor
Associate Editor
Assistant Editor
Book Review Editor

Sreemati Chakrabarti
G. Balachandirane
Rityusha Mani Tiwari
Vijay K Nambiar



INSTITUTE OF CHINESE STUDIES

8/17, Sri Ram Road, Civil Lines,
Delhi 110054, INDIA
T: +91 (0) 11 2393 8202
F: +91 (0) 11 2383 0728

<http://www.icsin.org/>
 info@icsin.org

- twitter.com/ics_delhi
- facebook.com/icsin.delhi
- [In.linkedin.com/icsdelhi](https://in.linkedin.com/icsdelhi)
- soundcloud.com/ICSVB
- youtube.com/ICSVB
- instagram.com/icsdelhi