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Highly Skilled Labor Migration to Norway: A Case of Indian Migrants

A thesis presented
by

Padmini Gopal

to

Trinity College

In partial fulfillment of the requirements for Interdisciplinary Student Designed Major in
International Relations: Relations between Industrialized countries of Europe and Post- Colonial
Countries

Trinity College
Hartford, CT
April 20, 2015

Thesis Advisor: Prof. Anthony M. Messina

Abstract

This study attempts to investigate the reasons for the persistence of labor migration to Norway, wherein significant anti-immigrant popular sentiment prevails. It focuses on high skilled labor migrants, Indian migrants in particular, as statistical data indicate that their numbers have steadily increased over the recent decade. The study elucidates the logic underpinning the aforementioned puzzle based on a comprehensive analysis of the available scholarship on Norwegian immigration, the use of statistical data, and personal interviews conducted with different relevant elite actors in Norwegian society. Evidence suggests that the main reasons for the increasing trend of Indian migrants are micro and macro level economic incentives and/or forces that supersede the desire to maintain or establish a migration policy that is hinged on populist restrictionism, influences of international organizations (IOs) in Norwegian migration policy, and an established Indian community in Norway. However, a response to demographic issues such as an aging population and decreasing fertility rates in Norway is not a significant factor in the Indian migration trend. Having said this, there is a need to assess the exact significance of each of these factors in the growing trend and to evaluate the economic and social impact of Indian migrants in Norway and Norwegian society.

Acknowledgements

I would like to take this opportunity to express my heartfelt gratitude to number of people and institutions that have not only helped make this thesis possible but have also made writing it a stimulating experience. To them I owe a great deal and are whom I dedicate this thesis.

Studying at Trinity College has been an invigorating experience, testing me intellectually, personally and academically. It has pushed me to think beyond my own boundaries and has molded me into the person that I am today. I have also been fortunate to receive Trinity College's Student Initiated Research Grant (SIRG), which enabled me to travel to Norway and make this the thesis research viable and enjoyable. The opportunities it has put forth and the memorable moments that I have been able to encounter with it are innumerable and for that I am eternally grateful.

I would like to also extend my sincere thanks to my mentor Prof. Anthony M. Messina who has been an exceptional source of aid and advice during my undergraduate career at Trinity. His patience in answering my questions, possibly even inane queries, and enduring the laboriousness of the thesis writing process with me is truly admirable. He has sparked hope in times of doubt and despair and for all of this I am thankful to him.

My hearty thanks to Espen, who has not just been an invaluable source of information and references for this thesis, but also a great friend.

I would like to specially mention my alma mater The United World College network and Hallvard V. and thank them for helping me connect with the individuals I sought for the purpose of my thesis. My earnest thanks to all those individuals I persistently sent marginally annoying emails out to aid my research work for the thesis. Many of them took the time out of their busy schedules to answer my questions for which I am really thankful.

To Franklin, who has been a wonderful ray of joy during discouraging times. His endless, unconditional love always put a smile to my face that was otherwise puckered by thesis struggles.

To Cho, Jahnathan and Radhamma, my best critics and sources of intellectual and personal growth. They have been a great source of strength, support and care during my impressionable years and to them I am evermore indebted.

Finally, I would like to acknowledge my friends and family without whose support none of this would be possible.

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Introduction

The infamous terrorist attacks which occurred in Norway on 22nd July 2011, unveiled an aspect of Norwegian society that was seldom known outside the country, let alone within it. Anders Breivik, who claimed to be on a “crusade against multiculturalism and immigration” (Gibson 2013), bombed Oslo’s government building before killing almost 80 people in Utøya, an island summer camp for youth members of the Labor Party (Mala and Goodman 2011). Following this terrible incident there was no denying the presence of anti-immigrant sentiment in Norwegian society. Moreover, the continual if not increasing support for far right political parties, such as the Progress Party (FrP) in Norway, which skillfully exploit anti-immigrant sentiment and relatively high youth unemployment among native Norwegians (almost 9% (OECD 2014) in comparison to the 6.7% (Statistics Norway 2014) rate for all immigrants), reaffirms a restrictive Norwegian attitude, politically and socially, towards immigrants. The Progress Party mustered a remarkable 15.5% (Norway’s News in English 2014) of the vote for the Storting, Norway’s lower legislative chamber, in 2014, thus underscoring the robustness of anti-immigrant attitudes prevalent within Norwegian society.

One would expect Norwegian immigration policies and laws to be restrictive considering Norway’s attitude towards its immigrants. On the contrary, statistical data illustrate the increasing trend of labor migration to Norway in the recent decade, Indian migrants in particular, implying that labor migration policies in Norway are lax. This begs the question: Why does labor immigration persist in a country that is known to experience significant anti-immigrant popular sentiment?

While this study aims to unveil the different reasons for the persistence of labor migration to Norway, a country wherein significant anti-immigrant popular sentiment prevails, it attempts to present a more qualitative analysis of an issue that is largely understudied. The study seeks to explicate the logic underpinning the aforementioned puzzle

based on a comprehensive analysis of available scholarship on Norwegian immigration, the use of updated statistical data, and personal interviews conducted with different relevant elite actors in Norwegian society. Four main hypotheses will be investigated to ascertain what factors may have contributed to increasing Indian high skilled labor migration. The ambition of this study is to contribute to Indian and Norwegian migration literature and, in so doing, strengthen the knowledge base for both policy makers as well as migration stakeholders from Norway and India.

Methodology

The research of this study is founded upon the analysis on available statistical data, relevant literature, and personal interviews with relevant actors.

(i) Literature and statistics:

A substantial part of migration studies in Norway concentrates on the ramifications of the acceptance of refugees and asylum seekers in Norway, the potential for their social segregation, and “how to preserve and develop the Norwegian welfare state model in an age of increased globalization” (Brenne and Jense 2013: 1). Although there are some studies that delve into Norwegian labor migration, their primary focus has been on migration from the European Economic Area (EEA). This can be owed to the fact that a major part of the labor migration stream stems from the free movement that takes place within this regional area (approximately 90 percent of total labor migration to Norway¹).

Literature on high skilled labor migration to Norway from countries outside the EEA is remarkably scarce. The Organization for Economic Cooperation and Development (OECD) recently published a review presenting recommendations for “Recruiting Immigrant Workers” in Norway, which identified the labor market gaps, and information gaps inherent

¹Calculated based on data provided by Statistics Norway 2013.

within the present Norwegian administrative framework for migration. This review sheds more light on non-EEA migrants in Norway. Although it presents the characteristics of non-EEA migrants and the statistics of their increasing numbers in Norway, the lacunae is that it does not offer reasons for such numbers.

Migration of highly skilled immigrants, especially from India, has not been given great importance in Norway, as the ‘issue’ of high skilled labor migration is considered largely uncontroversial in Norwegian public policy debates. Statistics show that Indian immigration to Norway has significantly increased in the recent decade. However, this has rarely been reflected in Norwegian public policymaking and debate, as the debate “is centered on issues that are being publically defined as problematic” (Brenne and Jense 2013: 1).

Given that the scholarly literature on non-EEA immigrants to Norway is scant, finding studies available on Norwegian high skilled labor migrants hailing from India proved to be an even harder task. There is a short report published by CARIM-India that illustrates the current Norwegian migration policies and regulations and how changes to them could influence or even facilitate highly skilled Indian migrants. In addition to providing some insight on the potential implications of changes in Norwegian migration policy, the report also provides some statistics pertaining to the increasing number of Indian migrants. However, this report also does not elucidate the reasons for these numbers.

A research paper published by the Peace, Research Institute of Oslo (PRIO) on “Immigration to Norway from Bangladesh, Brazil, Egypt, India, Morocco and Ukraine (Horst, Carling and Ezzati 2010)” offers some insight on the trends of Indian migration in Norway along with some statistics on their overall population growth. It also describes the characteristics of Indian labor migrants, which has been beneficial to this study. Again, the reasons for their population growth in the recent decade have not been expounded on. In

addition to the statistics presented in these papers and reports, Statistics Norway has been an important resource for much of the data that has been analyzed in this study.

(ii) Interviews

Interviews were conducted with relevant elite actors in Norwegian society and were selected based on Internet searches, personal contacts and references. The individuals that were interviewed included representatives of the Norwegian Ministry of Labour and Social Affairs, the Norwegian Ministry of Children, Equality and Social Inclusion, the Confederation of Norwegian Enterprise (NHO), a human resource representative of a Norwegian software company, three highly skilled Indian labor migrants living in Oslo, and an academic from the University of Oslo.

These individuals were contacted in an attempt to understand the trend of growing Indian high skilled labor migration from the perspectives of different actors. Representatives of the Ministries, NHO and the academic were asked to describe their knowledge of Indian labor migrants in Norway. They were also asked whether any of the hypotheses of this study contributed to the trend of Indian labor migration. The highly skilled Indian migrants were asked questions based on their motivations to work in Norway and their experiences of settling in Norwegian society. The HR representative was asked questions based on the motivations of the company to hire highly skilled workers, especially Indian labor migrants.²

Hypotheses

Based on the review of relevant literature, this study presents several hypotheses that may explain the steady increase in labor migration to Norway, despite the presence of a seemingly inhospitable social and political climate for immigrants. The study uses the case of

² Refer to appendix to see the interview questions that were asked to each individual.

Indian high skilled migrants to investigate the significance of each of the hypotheses in the current migration trend:

- (i) **Economic motivation:** This can be perceived in two ways. From the employer's/ businesses' perspective, the need for high skilled labor migration may be based on the Norwegian labor demand. There is a high need for high skilled labor in Norway and in order to meet the demands of the growing economy, Norwegian businesses are looking abroad to hire high skilled workers. A possible reason for the labor market gap can stem from deficiencies in the structure of the Norwegian educational system. On the other hand, if one looks from the prospective migrant's point of view, the economic motivations to apply for jobs in Norway may be based on the benefits that s/he could gain from living and working in Norway, such as social, welfare, healthcare, higher living standards, gender parity etc. Neoclassical, new theories of migration, dual labor market and the world systems theories (Bean and Brown 2014; Massey et al. 2006; Harris and Todaro 1970; Todaro and Maruzsko 1987; Piore 1979) of migration studies will be used to elucidate the economic reason for the increasing migration trend.
- (ii) **Demographic issue:** An increasingly aging population and declining fertility in Norway may be the reasons as to why labor migration is increasing. Demographic change induced migration theory states that changing demographic and economic patterns in modern, post- industrial societies result in fewer native workers being able to fill in jobs, leading to these jobs being filled in by immigrant workers (Bean and Brown 2014). "Replacement immigration" is often used as a means to address labor demand created as a result of changing demographic variables, such as the age of the population and fertility rates (United Nations 2006). The possibility that the Norwegian government is facilitating labor migration to reduce

the aged dependency on the working population in Norway will be analyzed using the demographic change induced theory.

- (iii) **Influence of international organizations (IOs):** International organizations such as the OECD and the EU can also be the reason for the increase in high skilled labor migration. Based on the international relations theories of liberal institutionalism and internationalism (Devitt 2011; Mearsheimer 1994), by recognizing international institutions, states may lose their autonomy in policy decision making as these institutions gain universal clout. By gaining significant political influence, liberal IOs can alter the behavior of other states by promoting liberalizing policies. This may influence Norwegian migration policy and facilitate increasing labor migration to Norway.
- (iv) **Existing established ethnic communities:** The presence of existing migrants from certain countries combined with increasing migration from these countries create diasporas, in this case an Indian diaspora, within Norway. The knowledge of such a diaspora and their experiences through kinship and friendship networks motivate more people from the same country to actively seek jobs in Norway. This concept is exemplified by the network theory, which states that established immigrant communities in receiving countries spur additional migration as a result of familial connections, social connections and shared country of origin (Bean and Brown 2014; Massey et al. 2006).

The term *highly skilled worker* will refer to the definition given for ‘skilled worker’ or ‘specialist’ (*faglært arbeider eller spesialist*), as provided by the Norwegian Directorate of Immigration (UDI). UDI classifies these workers under the distinct categories:

- a) Those that have completed a vocational training program corresponding or similar to that in Norway for at least three years at upper secondary school level.
- b) Those that have completed their education or a degree from a university or university college.
- c) Those that have obtained special qualifications through long work experience, if relevant in combination with courses *et cetera*. These qualifications must be equivalent to those of someone who has completed their vocational training (UDI 2015).

Outline

The first chapter will explore the evolution of migration trends in Norway since the 1900s till date. It will elucidate the reasons why immigration in the recent decade is different than what it used to be during the mid-1900s. It will also present the change in the nature of migration and in the labor migration policies in Norway over the years.

The second chapter will delve into the trends of Indian migration to Norway and the reasons behind them, between 1940s until today. It will also explicate the nature of the migration that occurred during this period of time. The third chapter is divided into four parts, each of which analyzes the four main hypotheses – economic motivations, demographic issues, influence of international organizations, established ethnic communities in Norway. Their significance in the increasing trend of labor migration to Norway is investigated based on different relevant and prominent theories of migration discourse after which the study summarizes the findings.

Chapter 1

Immigration to Norway

A history of immigration policy

Having gained its independence from Sweden, Norway, as a nation, came into existence in 1905. However, it was never a destination country for immigrants until after the 1970s. In fact, almost 850,000 Norwegians emigrated to other countries between 1825 to 1945 in the hopes of securing better jobs and standards of living (Jensen 1931) - ranking Norway second, after Ireland, in terms of emigrants as a percentage of the population (Cooper 2005).

The emigration of the Norwegian population started to decline in the 1930s, remained low until the 1950s, and eventually evened out with the total immigration in the 1960s. Until then, Norway had always maintained a relatively homogenous population, dominated by white Christians. During this period of time the only immigration that occurred was in small numbers – most of which flowed from the neighboring Nordic countries of Sweden, Denmark and Finland. This immigration was facilitated through the establishment of a common labor market and passport-control area with the Nordic neighbors in 1957, allowing the citizens of these countries to freely travel and work within the area. The strong historical and cultural similarities between these Nordic countries were able to sustain the homogeneity of the Norwegian population, making immigration in Norway a non-political issue.

A steady rise in immigration was observed in the 1970s – around the same time when Norway discovered oil in the North Sea and its economy started to expand dramatically. The booming economy paved the way for new jobs and opportunities, which could not be filled in by virtue of the small Norwegian population and/or their lack of requisite skill for these jobs. Consequently, Norway accepted a significant number of labor migrants from countries such as Pakistan, Morocco, Turkey and India in an attempt to fill gaps in the labor market. Most of

these labor migrants were unskilled and were only allowed to work as temporary guests workers. However, many of them continued to reside in Norway and were gradually joined by other migrants, such as their family members and other asylum seekers. Immigration from India to Norway began in the late 1960s. Towards the 1970s, Indians became the third largest immigrant group from a non-Western country in Norway, with approximately 250 Indians residing in Norway during that period (Horst, Carling and Ezzati 2010: 25).

During the 60s and 70s, many Indians sought job opportunities in European countries such as the United Kingdom and Germany as they already had established Indian communities. However, during this period many of these European countries had restricted the issuance of work and residency permits for labor migrants, making Norway an ideal alternate destination for these Indian migrants.

Norway's immigration policy was fairly liberal and had "no law restricting immigration during this period of time," according to a political adviser from the Confederation of Norwegian Enterprise (NHO) (personal communication, January 6, 2015). In 1957, "Fremmedloven" was passed, which allowed immigrants entry into Norway without a work permit and gave them the opportunity to apply for one after having arrived. Skills were not assessed in the granting of the work permit and immigrants were granted permanent residency after two years of residence in the country. This was until 1975, when the Norwegian government or *Regjeringen* introduced an 'immigration halt' (Cappelen, Ouren and Skjerpen 2011: 4). The legislation included a ban on all general work permits with some exceptions- employers needed to confirm that the worker was a specialist for the job and the job had to last for more than a year. The reason for the enactment of this legislation can be attributed to "stories of migration mismanagement from other European countries, coupled with the threat of sudden flow increases from immigrants from developing countries" (Cooper 2005).

Around the same period of time, the immigration halt was similarly observed in many other European countries due to increasing channels of asylum and family migration. For instance, Switzerland, under pressure from xenophobic right-wing movements, stopped immigration in 1970; Sweden in 1972; and France in 1974 (Münz and Ulrich 1998). Another reason for the immigration halt in some of these countries is due to the oil price shock of 1973. This was observed in the case of Western Germany when its government ended foreign recruitment after OPEC placed the oil embargo (Münz and Ulrich 1998). World events led to a sizable spike in the number of asylum and refugee applications to many European countries. For instance, “while Norway only received 223 refugees between 1960 and 1970, it received 1,680 refugees between 1978 and 1979 alone, more than 1,300 of whom were “boat people” from Vietnam” (Cooper 2005) – those that fled from the Vietnam War by ship or boat. Moreover, Messina (2007: 42) argues that what triggered the surge of persons seeking refugee status in Western Europe were the measures implemented that curbed legal and permanent immigration (i.e. the immigration stop) during the late 1960s to 1970s. Thränhardt (1992: 38-9) concurs by mentioning, “(an) effect of closing the ‘main gate’ of immigration was the enhanced importance of ‘back doors’, especially the quest for political asylum and illegal immigration.”

After the immigration halt in 1975, the 1980s saw multiple public protests over the surging numbers of asylum seekers and refugees that were admitted into Norway. Moreover, the growing electoral popularity of the anti-immigration Progress Party suggested the xenophobic proclivities of Norwegian society during that period of time. In the face of this stiff anti-immigration opposition, the Norwegian government tried to overcome these issues by focusing on treating immigrants equally to the native Norwegians to help integrate them better within society, as the problem was thought to likely stem from a lack of social and cultural integration of these refugees within Norwegian society.

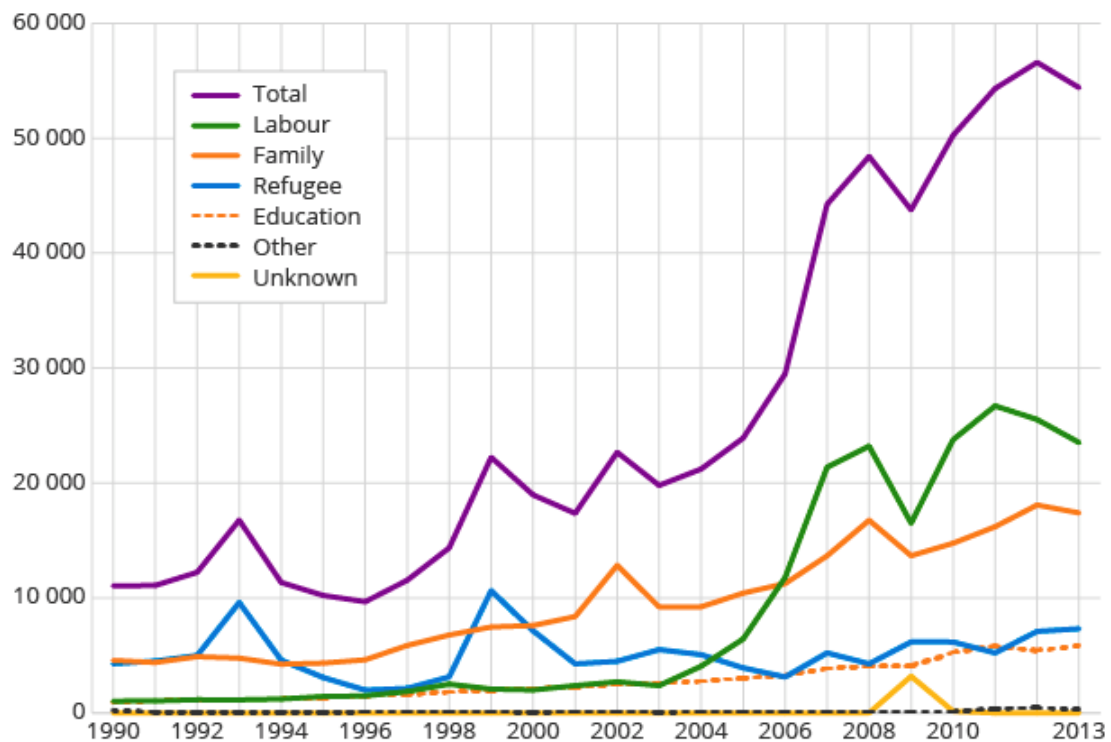
Migration laws had not altered much, except for the easing of some restrictions for family reunion applicants, until 1994, when Norway joined the European Economic Area (EEA). Joining the EEA required Norway to grant EU citizens free access to work for a period of at least three months or to stay in Norway for six months as job seekers, while having access to the same social benefits that Norwegian citizens receive. The time limit for residence, albeit rather short, gave innumerable opportunities for further extensions. However, immigration from non-EEA countries was still restrictive during this period of time. Refugee inflows did spike in 1993 and 1999, but that was a result of the Bosnian war and the Kosovo war in those years respectively. Otherwise, refugee numbers have remained relatively stable till this day.

It was not until the early 2000s that immigration laws became relatively liberalized. Refugees and asylum seekers were increasingly accepted into Norway primarily in an effort to meet international obligations (i.e. non-refoulement, which protects refugees from being returned to places where they under the threat of being prosecuted, hurt or killed), which include treaties and conventions signed at the United Nations (UN). Due the onset of the international human rights regime during this period of time and hence the resulting international treaty obligations, immigrant receiving countries had far less autonomy to restrict the flow of asylum seekers and refugees in comparison to other immigrants (Messina 2007: 42-3). Consequently, immigrants realized that obtaining permanent immigrant status through the asylum route as opposed to other routes of immigration was much easier, increasing the number of asylum seeker applications in Western Europe.

The years following 2004 observed many Eastern European countries joining the EEA, which significantly increased the number of migrants in Norway. This period observed Norway gradually opening the doors for labor migrants from non-EEA countries, especially high skilled workers (can be inferred from the increasing number of work permits granted to

non-EEA nationals as shown in figure 3), making Norway “one of the leading labor migration destinations in the OECD (Organization for Economic Co-operation and Development)” (OECD 2014: 39). The steady increase in labor migration over the recent decade, with the exception of the Great Recession that occurred in 2009, is illustrated in figure 1 below. Norwegian labor migration policy as of today is becoming increasingly liberalized towards workers who are highly educated and/ or have specialized work skills as a result of an increasing labor demand for such skills in Norway.

Figure 1: Number of foreign immigrants to Norway based on reasons for immigration



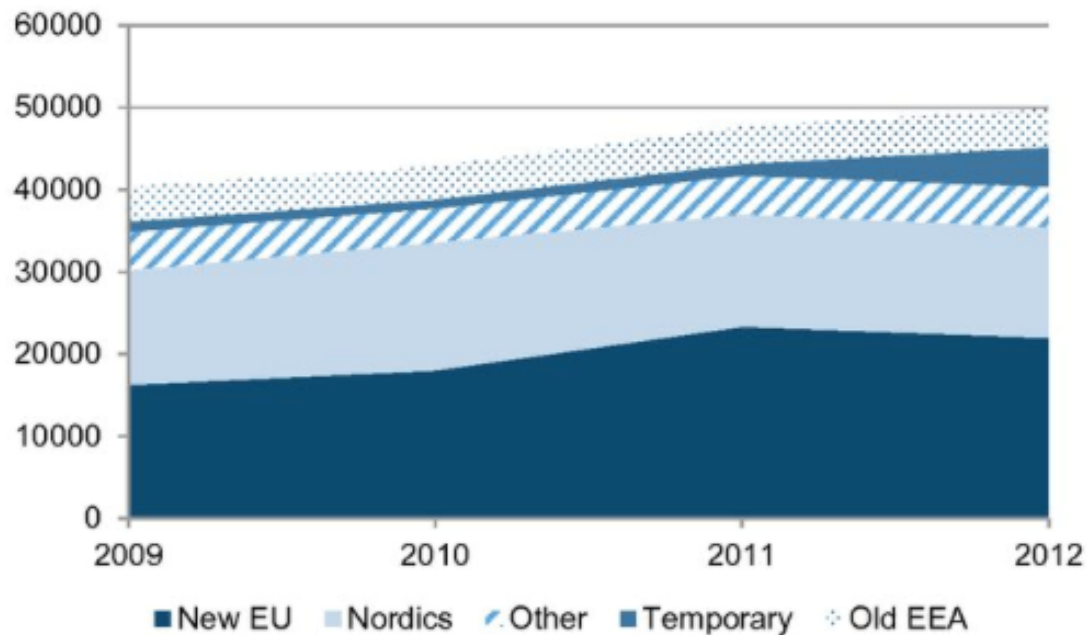
Source: Statistics Norway, 2013.

Post 2004: Labor migrants in Norway

The most recent decade has seen a shift in Norwegian migrant flows – mostly being dominated by the free movement within the EEA and labor migration, rather than through family reunification and humanitarian flows of migration. The OECD differentiates labor migration as discretionary labor migration, which is a permanent type of migration for employment, in contrast to the category of guest workers who can work temporarily and the free movement migration, which can also include temporary employment. A significant proportion of migration to Norway stems from the free movement employment flow within the EEA, which is about “ten times larger than discretionary labor migration flows from outside the EEA, and were equivalent to about 38,000 in 2012” (OECD 2014: 44).

Figure 2 illustrates the different migrant entries to the Norwegian labor market, with a substantial number of the total migrants attributing to the free movement migration flow within the EEA (including the Nordics, new EEA and old EEA). A considerable part of this flow hails from the new EEA countries of Eastern Europe. Non-EEA labor migration on the other hand occurs at a smaller scale; however, their numbers have been steadily increasing over the years as well. This non-EEA labor migration flow to Norway is what will be of primary focus in this study, taking the specific case of high skilled migrants from India as the subject of analysis in the following chapters.

Figure 2: Non-Norwegian entries to the labor market by arrivals, by nationality group, 2009-2012



Source: NAV, first employment episode (OECD 2014: 47)

Based on OECD statistics, certain groups of migrants tend to take up jobs in certain sectors depending on where the migrant is from. While the old EEA migrants took jobs of varied skill levels and in various sectors over the last decade, the new EEA migrants are joining the construction sector and other low skilled occupations. On the other hand, the non-EEA migrants contributed to a large proportion of new entries to employment in jobs that required fewer skills, such as agriculture, fishing and cleaning, and other unskilled jobs. This can be attributed to the jobs taken up by less educated refugees and their family migrants who are a part of the labor market as opposed to the general labor migrant population.

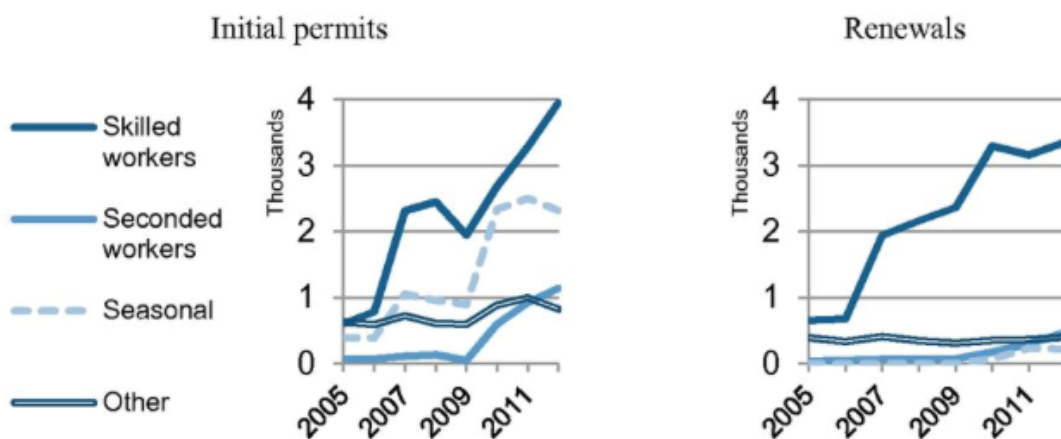
There are non-EEA migrants that also work in the professional and skilled workforce. While their numbers are small, they have played a significant role in the labor supply of the health-care, oil and technological sectors in Norway. Between 2009- 2012, non-EEA migrants accounted for almost 2.8% of high skilled job entries in the computer and programming sector and 3.2% of high skilled job entries in the oil sector (OECD 2014: 48).

According to the OECD, “the contribution of total non-EEA migration to entries to skilled occupations over the period 2004- 2010 was almost comparable to that of inflows from the old EU/EEA countries (preponderantly Nordics)(OECD 2014: 47).”

Only nationals from non-EEA countries are required to obtain work permits. There are around thirty different categories of labor migration permits in Norway, including skilled workers, skilled-seconded workers (those paid by a company located outside Norway), seasonal workers and other workers. However, for the purposes of this study, the category of skilled workers will be predominantly focused on.

The number of work permits granted to non-EEA nationals rose from approximately 2,000 in the period of 2007-2009 to around 4,000 by the end of 2012. Additionally, the number of renewals for work permits increased to over 3,000 in 2011- 2012 (as seen in figure 3 below). The increasing number of Norwegian work permits granted since 2005 shows that the number of skilled workers that have emigrated from non-EEA countries have been on the rise since then.

Figure 3: Work permits issued to non-EEA nationals, 2005- 2012



Source: UDI

Requirements for a skilled work permit today

A quota was introduced in 2002 regulating the number of skilled migrants that are allowed in Norway. The cap has been placed at the level of 5,000 workers, beyond which every new applicant will have to undergo a labor market test. However, this quota has not been exceeded till this point of time. Workers are classified as skilled if they have received a vocational education that is equivalent to the Norwegian three-year secondary school level and a university degree or a craft certificate. It is also required that the workers' expertise is relevant to the position. Norway does not require labor migrants to have education of an advanced post- secondary level in order to be considered as a skilled worker. However, they are required to at least have a craft certificate. Hence, many occupations that would be considered as medium- skilled in other countries are qualified for skilled work permits in Norway.

Work permits can be issued for periods of up to three years and can be renewed if the standard conditions are satisfied, such as having a record of good conduct. In order to obtain permanent residency, the work permit holder must have stayed in Norway continuously for three years and have learned the Norwegian language, for at least 250 hours, and a civics course, for at least 50 hours. However, for those who spent time in Norway as students, the period of time spent in studying will not be accounted for the requirements of the permanent residency permit.

Based on the timeline of Norwegian migration policy, one can infer that work, residency permits and visa legislations have changed significantly over time. For instance, in an interview conducted by the Peace Research Institute Oslo (PRIO), an Indian immigrant stated that when s/he first arrived in Norway, "marrying someone residing here visiting as a tourist was accepted, whereas now this is illegal. Today, on the other hand, even as a student or an expert it is very difficult to obtain the necessary papers to come to Norway (Horst,

Carling and Ezzati 2010: 30)”. Another Indian migrant, a highly skilled software engineer who was interviewed for this study, echoed having faced similar problems when applying for his work permit (personal communication, January 12, 2015). He recalled waiting almost eight months from the time of application to receive his work permit, when the actual time for processing the work visa was supposed to take about two months. The lengthy procedures involved in having a visa application accepted by the Norwegian Directorate of Immigration has made it tedious and cumbersome for job applicants. Moreover, these immigrants have a tougher time keeping up with the constantly changing visa legislations. Despite these various obstacles, Indian migration to Norway continues to steadily increase over the years.

Chapter 2

The Case of Indian Migrants

Indian immigration trends

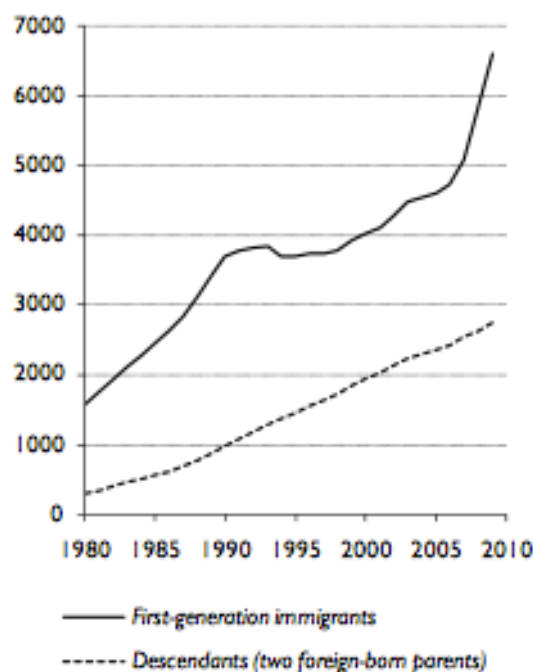
A predominant part of the migration that flows into Norway from India is through the stream of labor migration. Two different waves of labor migration characterize the evolution of Indian migration to Norway: the first wave (1967- 2000) and the second wave (2000-present). The first wave of Indian migrants includes the pioneer Indian settlers that travelled in search of jobs and/or better livelihoods. Most of the jobs taken up by Indians during this period were of less- skilled or unskilled nature. The second wave of Indian migrants consists of primarily highly skilled labor migrants working in service sectors including information and technology, education, oil, *et cetera*.

In comparison to the overall migration to Norway, the migration occurring from India constitutes just a small fraction. Despite the small numbers, the Indian migrant population has steadily been increasing since the first Indian migrants settled in Norway during the 1960s. Their population increased rapidly over the next few decades, totaling to almost 4000 by the end of 1990s. However, the early 1990s observed a period of stagnation in Indian migration. There was a sudden drop in 1990 with a significant decrease in Indian immigration and a marked increase of emigration from Norway (Figures 4 and 5). This drop can be attributed to the Nordic financial crisis that occurred during this period of time. The crisis was characterized by “capital outflows, widespread bankruptcies, falling employment, declining investments, negative GDP growth, systemic banking crises, currency crises and depression” (Jonung 2010: 2), which is most likely to have contributed to the migration pattern seen in 1990.

Indian migration remained relatively stable until 2004- 2005 after there was significant growth in the number of Indian migrants in Norway (Figure 6). This spike can be

ascribed to enlargement of the EU in 2004 and owing to its membership in the European Economic Area (EEA), Norway’s migration policy became more flexible towards labor migrants. It is likely that Indian migrants living and working in other EU countries may have moved to Norway in search of new opportunities and eventually settled there, which may have been partly responsible for the surge in numbers. Indian migration continued to grow until 2008, after which there was again a significant decrease in Indian migration and an increase of Indian emigration. This can be associated with the Great Recession that occurred around 2008, which affected many countries around the world. In a different light, Horst et al. reckon that the dip can be related to the fact that “part of the recent immigration of Indians is work- and education related, so that people tend to return to India once their business in Norway has been completed” (Horst, Carling and Ezzati 2010: 28). While this may be the case, it is not as distinguishing a factor for the dip as the Great Recession because Indians returning to their homeland on completion of their business or education in Norway is something that occurs consistently every year. As the Great Recession abated, Indian migration to Norway perked right back up and continued to steadily increase till the present.

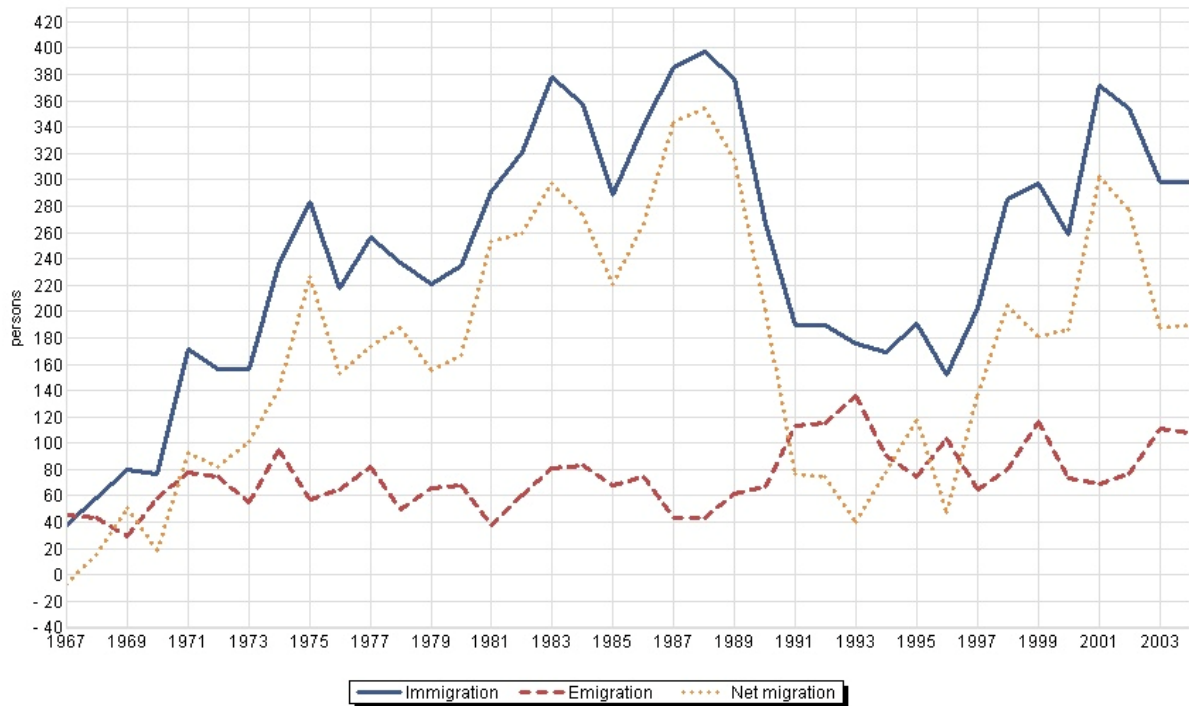
Figure 4:
Indian migrants in



Total number of
Norway, 1980 -2010

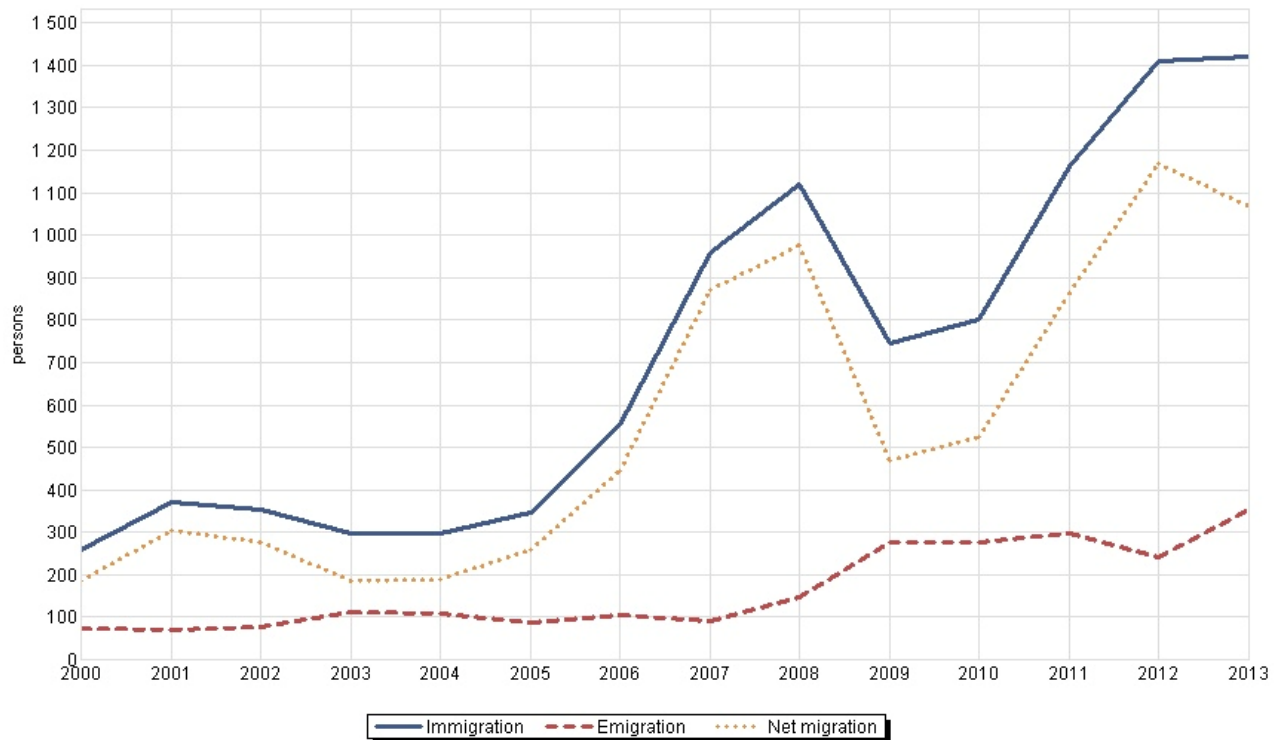
Source: Statistics Norway. The period of 1980- 1986 has been extrapolated due to missing data.

Figure 5: Indian migration (persons per year) during the first wave (1967 -2000)



Source: Compiled on the basis of data provided by Statistics Norway.

Figure 6: Indian migration (persons per year) during the second wave (2004- 2013)



Source: Compiled on the basis of data provided by Statistics Norway.

The first Indian wave

As previously discussed, Indian immigration to Norway began towards the end of the 1960s. By the early 1970s, around 250 Indians resided in Norway, making them the third largest immigrant group from a developing country during that time. By the end of the 1970s, almost 1,200 Indians were in Norway, most of who were concentrated in Oslo and nearby industrial towns. Most of the Indians that came to Norway in this first wave were primarily male guest workers in the age bracket of 20 to 49 years (Horst, Carling and Ezzati 2010: 25).

This first group of Indian migrants included those that were initially seeking jobs in other European countries, such as Germany, Denmark and the United Kingdom, where their friends or family were residing and where already established Indian communities were present. However, many of these countries restricted the entry of labor migrants during the late 1960s and early 1970s. This made Norway a more attractive destination for immigrants

due to its liberal immigration policy prevailing at that time. It was relatively easy to obtain a residence or a work permit as long as one had a job and a shortage in the Norwegian unskilled labor market indicated the ready availability of these jobs.

According to a study of Indian immigrants in Norway during the first wave, many of them arrived in Norway with the intention of earning as much money as they could in the shortest span of time so that they could go back to India establish businesses and improve their families' standards of living (Horst, Carling and Ezzati 2010: 26). However, many of them ended up staying and bringing their families and spouses along to Norway as they had invested more in their stay than what they had originally anticipated. Additionally, Norway offered better standards of living compared to their home country, giving them more incentive to stay there. In fact, this still seems to be the case today, regardless of whether the worker is unskilled or highly skilled. In the personal interviews conducted with three different highly skilled Indian migrants, all three mentioned not having the intention of settling in Norway when their Norwegian job posting was first offered (personal communication, January 12 and 14, 2015). It was only after having worked in Norway for some time and having been exposed to the benefits of Norwegian living that these migrants decided to settle there.

Many of the first wave Indians that came to Norway predominantly hailed from the state of Punjab in India. The Punjabi Indians that came to Norway were mostly educated (who had either passed high school or universities) and from well to do, middle class backgrounds (Horst, Carling and Ezzati 2010: 26). The reason for the predominance of Punjabi workers in Norway can be attributed to the fact that they were able to meet the financial and educational criteria required in order to get their work permits approved. These criteria could not just be met by anyone, as Norway required one to provide documentation that evidenced their capability of financially supporting themselves during their stay in

Norway, and have a command over a European language, namely English (Horst, Carling and Ezzati 2010: 26).

Jacobsen (2013: 22) documents the stories of some of the early Punjabi settlers and their experiences of how they ended up settling in Norway. While many of them left Punjab in order to find work, he also mentions how some of them left to experience some adventure and were eventually admitted to the country as workers. He recalls the story of Tarlochan Singh Badyal and T. Rampuri, who cycled their way from Punjab to Norway – a trip that took two years to complete (Jacobsen 2013: 22).

They left Punjab in 1971 with a five-year plan of biking around the world spreading the message of peace and international solidarity and cooperation, and they biked through Asia and most of Europe. When they arrived in Norway in the fall of 1973, the last England-bound passenger ship for the season had left and thus they thought of returning to Denmark to take a southern route to England. However, within a couple of days in Norway they were offered jobs and decided to stay for a few more months, which eventually led to a permanent settlement.

In another instance, an early Punjabi immigrant who arrived in Norway in 1972 had initially travelled to Germany in order to find work. Unable to find what he was looking for, he was preparing himself to return to India until his neighbor requested him to deliver a letter to Denmark. During his time in Denmark, he learned that getting a job in Norway was easy, and consequently he went to Norway. A few years later, he brought his family there as well.

Given these personal stories, it seems evident that many of the early Indian labor migrants moved to Norway not with the initial intention of doing so but ended up settling there based on chance or their social networks. Once they settled down, these migrants tried to help their friends and family to find jobs in Norway, who then helped people within their social network – creating a snowball effect. One of the ramifications of this effect was that many people from the same background (in this case, Indians with a Punjabi background)

eventually came and established robust ethnic communities concentrated in certain areas within Norway.

When the immigration stop was introduced in 1975, which prevented new labor migration, male immigrants began bringing in their families and wives to Norway – increasing the number of applications for familial migration. While the number of Indian males hardly increased in the first years following the immigration stop in early 1975, the number of women and children increased rapidly (Horst, Carling and Ezzati 2010: 26). Joppke (2006) mentions that after the wave of zero-immigration policies that many European states implemented during the late 1960s to the early 1970s, “European states did not actively solicit the belated arrival of the spouses and children, not to mention the extended family, of its labor migrants. They had to accept family immigration, recognizing the moral and legal rights of those initially admitted (Joppke 2006).” In a similar fashion, despite having established the immigration stop in Norway, the Norwegian government continued to accept family migration to maintain the legal family rights of labor migrants that were previously admitted. As much as the state wants to consider family migration as “unwanted”, it cannot deny family unity as it goes against international humanitarian norms.

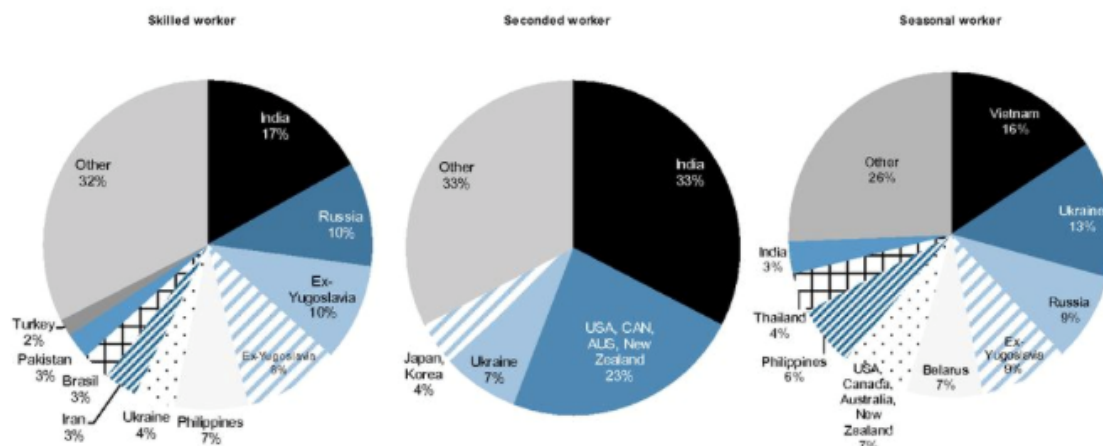
Most of the initial Indian migrants that came to Norway took jobs within the unskilled labor sector. However, there were in fact quite a few of them that worked in high skilled jobs during the first wave as well. Many of them filled in Norway’s labor shortage of doctors, nurses and engineers- jobs that required high skilled qualifications. With time, the number of highly skilled Indian immigrants increased far more than the number of those that were unskilled and this was observed post 2004, during the second wave.

The second Indian wave

The second wave of Indian migrants that migrated to Norway relates to the period post- 2004. The reason why this period has been considered as the second wave can be attributed to the substantial rise in the total number of Indian migrants during this short period as opposed to the total number of Indian migrants that settled in Norway in the longer timespan of first wave.

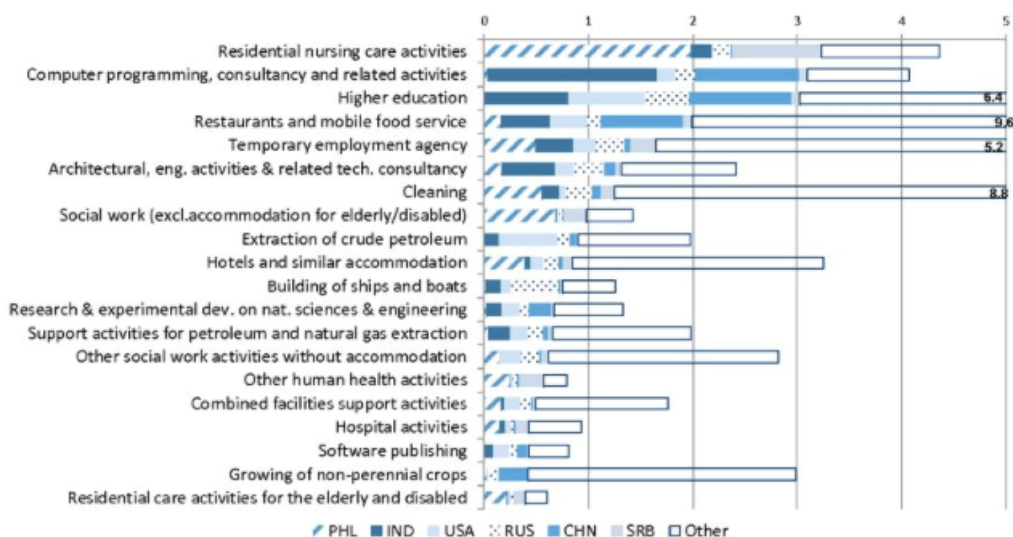
Indian migrants arriving in Norway during the second wave are primarily highly skilled and highly educated labor migrants. Many of the Indians arriving during this period came to work as specialists in various fields. In fact, Indians seem to be concentrated in certain sectors of employment more than others. Almost 25% of Indian labor migrants in Norway are employed in the computing programming and consultancy service sector and 13% of them are employed in the higher education sector (see figure 8). “1 out of 5 specialists who were given work permits in the first half of 2007 were Indians (and) the number of Indian specialists who obtained work permits was doubled ten times in the course of 2006/2007, in comparison to 2005”(Horst, Carling and Ezzati 2010: 28). The number of seconded workers that are often employed in the IT, construction and the oil sectors come primarily from India – accounting to around 33% of the permit recipients in Norway during the period between 2007 -2011 (see figure 7)(OECD 2014: 54).

Figure 7: Nationality of non-EEA labor migrants between 2007-2011 by category



Source: Directorate of Immigration (UDI) permit data.

Figure 8: Main sectors of employment for non-EU arrivals, 2009 -2012, six main nationalities in 2012 (India, Philippines, United States, Russia, Serbia, China)



Source: Norwegian Labour and Welfare Administration (NAV).

Chapter 3: Why is high-skilled labor migration increasing?

Looking from the perspective of the Norwegian state or even European states in general, migrants can be classified broadly into two categories – ‘wanted’ and ‘unwanted’ migrants. ‘Wanted’ migrants are those that are seen as bolstering and invigorating the country’s economy by filling the labor shortages inherent within it. The group of ‘unwanted’ migrants includes refugees, asylum seekers, family of current immigrants and illegal migrants. One of the main objectives of migration policy in many European states deals with attempting to reduce unwanted immigration. However, governments often run into the dilemma of how to reduce unwanted migration while fully respecting human rights. They also face the issue of “how to reduce unwanted migration without further feeding the anti-immigrant climate” prevailing in some segments of European societies (Arango 2009: 27), and simultaneously reconciling with businesses and labor demands by attracting highly skilled migrants.

One of the arguments as to why these migrants are purportedly unwanted is because they pose a threat to the welfare state (Geddes 2003: 16), a model that the Norway is founded upon. Norway as a welfare state heavily relies upon a high level of taxation on its citizens and a significant labor force participation rate (70.9% at the end of 2014 (Statistics Norway 2014)). As a result, “there is some concern across the political spectrum about immigrant contributing less and taking relatively more from the welfare state than the majority” (Eriksen 2013: 8).

On the other hand, there is another argument that focuses more, as Eriksen (2013) calls it, on the cultural ‘otherness’ of immigrants as opposed to the economic concern of the welfare state. Many of these ‘unwanted’ immigrants are welcomed by the population, as they are perceived to fill in jobs that Norwegians would otherwise refuse to take. However,

Hollifield (2012: 22) contends that, “mass migration of unskilled and less educated workers is likely to meet with greater political resistance, even in situations and in sectors, like construction or health care, where there is high demand for this type of labor.” This political resistance, according to Eriksen (2013: 8), stems from resentment and “where it exists, (it) is largely associated with the perceived cultural otherness of immigrants.” Messina (2007: 77) validates this argument by presenting evidence for how “anti- immigrant groups in Western Europe are primarily motivated by symbolic or subjective (e.g. cultural) rather than objective or pragmatic (e.g. economic) objections to immigrants and immigration.”

Does this resentment then apply to high skilled workers as well? Hollifield (2012: 22) argues that, states such as Germany, “are willing, if not eager, to sponsor high-end migration, because the numbers are manageable, and there is likely to be less political resistance to the importation of highly skilled individuals.” But if resentment against immigrants is rooted in their cultural ‘otherness’, then who is to say that ‘wanted’ migrants are not culturally ‘othered’ as well? ‘Unwanted’ migrants may not be the only ones the Norwegian population could be exhibiting anti- immigrant sentiment to. Then why is it that labor migration continues to persist in Norway?

Explaining the labor migration trend

Lee (1966: 49-50) claims that there are a number of factors that influence the decision to migrate. These factors include: factors associated with the area of origin; factors associated with the area of destination; intervening obstacles (for instance, distance, physical barriers, immigration laws etc.); and personal factors. He asserts that migration is dependent upon the individual characteristics of migrants as people react differently to the “plus” or “minus” factors at origins and destinations and possess different abilities to cope with the intervening variables (Reniers 1999: 681). This framework in migration studies is commonly referred to

as the “push-pull” model and is in essence based on different theories of international migration. This “push-pull” model can be applied depending on which relevant actor’s perspective is chosen. It helps better identify the “push” or the “pull” forces that illustrate the migration trend being analyzed.

Based on the review of relevant literature and the personal interviews conducted with different relevant actors, this study presents several hypotheses that may be the underlying factors for the steady increase in labor immigration in Norway:

- The **economic motivation** behind labor migration supersedes the desire to maintain or establish a migration policy that is hinged on populist restrictionism.
- The **demographic issue** of an increasing aged population combined with low fertility rates puts pressure on the current labor force and in turn welfare levels. As a result, there will be a higher need for workers in order to maintain economic stability and welfare levels, increasing labor migration.
- The **influence of international organizations**, such as the Organization for Economic Cooperation and Development (OECD) and the European Union (EU) in the framing of Norway’s labor migration policy may compel Norway to pursue liberal labor migration policies, which in effect facilitates more labor migration.
- The **presence of existing, established ethnic communities** in the region combined with increasing migration from these countries may have created diasporas, in this case an Indian diaspora, within Norway. The knowledge of such a diaspora and the experiences of existing migrants may motivate more people from the same country to actively seek jobs in Norway.

These hypotheses have been founded on the understanding of the different and the most plausible theories of international migration. In the forthcoming sections of this study, each of these hypotheses will be analyzed based on this “push-pull” framework, in an attempt to identify the significance of each in the increasing trend of Indian labor migration to Norway over the recent decade.

3.1 Economic motivations: Theorizing incentives to migrate

Different theories of international migration attempt to discern the reasons why people migrate. In the following section, four different theories of migration will be analyzed- the neoclassical theory, new economic theories of migration, dual labor market theory and world systems theory - to ascertain which of the theories best explains the increasing Indian high-skilled labor migration to Norway. These theories primarily analyze the economic incentives for workers to migrate.

Neoclassical and new economic theories of migration

Economic causes can be one of the factors explaining the increasing trend in labor migration in Norway. The “neoclassical economic theory” is often used to explain the cause for labor migration. According to this theory, imbalances at the macro-level between regions in the supply of and demand for labor give rise to wage differences that in turn instigate migration (Harris and Todaro 1970). However, at the micro-level, every individual evaluates whether the economic benefits of migrating exceed the economic costs of doing so (Todaro and Maruzsko 1987). The economic benefits (i.e. higher relative wages) obtained through migration can be perceived as a “pulling” force for migrants to the destination country. This theory assumes that the individual will tend to migrate to a certain destination where the wage rate is higher than that of their country of origin and where the probability of securing a lucrative job is also high. Besides economic costs, migrants also take into consideration the social and psychological costs of migrating to a particular destination. For instance, individuals that intend on migrating to a different country, one that has a prevailing language that is unfamiliar to the individual, may evaluate the potential difficulty of having to learn the language or the difficulty in adapting to the foreign social and cultural norms (both of which are social costs). But often, migrants cannot exactly estimate the extent to which the

economic and social benefits supersede the economic and social costs until they have actually settled in the destination country. Despite the slight awareness migrants may have of the destination country may motivate them to migrate there, it may not necessarily be enough for them to continue settling there.

In a personal interview conducted with an Indian migrant currently living in Norway, the migrant mentioned how when he was offered a job in Norway, he had little to almost no knowledge about Norway as a country and its culture. After having worked in Oslo for some months he realized that he felt more socially isolated than he had initially expected, compelling him to almost consider returning to India. After getting married, he decided to continue staying in Norway because of the health care and employee benefits he foresaw potentially receiving for his family, such as health care and paid paternal or maternal leave – benefits that he would have otherwise not received in India (personal communication, January 14, 2015).

The motivation to continue settling in a certain country is an aspect that the neo-classical theory fails to explain. Contrary to this theory, new economic theories of migration is more adept at explaining the Indian migrant's experience as it focuses more on the decisions of the household or family as opposed to isolated individuals that are the primary subjects of analysis in the neoclassical theory. It illustrates not just benefits and costs of migration, but the incentives for migrants to continue settlement in foreign countries as well. Also known as the new economics of labor migration theory (NELM), this theory can be encapsulated by the emphasis on an amalgamation of certain elements: i) the relative deprivation as a determinant of migration; ii) the household as the relevant decision-making unit; iii) migration as a strategy to diversify risk and maximize earnings; iv) the interpretation of migration as a process of innovation adoption and diffusion (Stark and Bloom 1985).

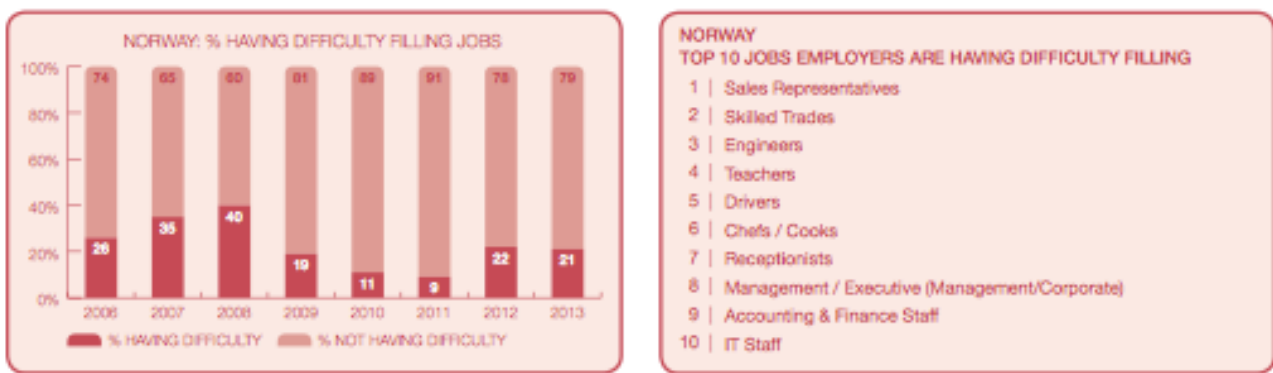
Dual Labor Market Theory

While the new economic theories of migration can explain the economic and social contexts of household decision-making, it is essentially based on a micro-level model. It lacks an exemplification of potential macro forces at play, such as the labor demand levels of receiving countries. This idea is better demonstrated by the dual labor market theory, which argues that international migration stems from inherent labor demands of modern industrial societies (Massey et al. 2006: 40). Piore (1979) believes that immigration is not caused by push factors in sending countries (such as low wages and unemployment), but by pull factors in the receiving countries (an inevitable need for foreign workers). The need for foreign workers originates from the inherent gaps present in the labor market of the receiving country. The dual labor market theory assumes that migration is predominantly demand-based and is stimulated by recruitment on the part of employers in developed countries, or by governments acting on their behalf (Massey et al. 2006: 41). The theory is also based on the premise that labor demand for foreign workers stems from the structural needs in the receiving country's economy and is expressed through recruitment practices as opposed to wage differentials. Moreover, employers have incentives besides solely cheap foreign labor, in order to recruit foreign workers. These incentives can be founded on human capital variables such as experience, language, education and skill.

In Norway, a significant proportion of Indian migrants occupy jobs in the IT, education and consultancy sectors of the Norwegian economy, most of which require a high level of education (i.e. a university degree or a technical diploma). Research on educational qualifications and requirements for jobs in each of these sectors suggests that these sectors are inherently and primarily dependent on skills obtained through the academic disciplines of science, technology, engineering and mathematics (STEM). There has been an increasing need for engineers and STEM workers in Norway and this can be attributed to the burgeoning

Norwegian economy since it struck oil in the North seas during the 1950s. At the end of 2013, there was a shortage of 6,150 Norwegian engineers, according to The Norwegian Labour and Welfare Administration (NAV) (Amelie 2014). Moreover, 21 percent of Norwegian employers found it difficult to fill in such skilled job positions during this period of time (Manpower 2013) – compelling Norwegian employers to scout for engineers overseas, including India.

Figure 9: Percentage of Norwegian employers facing difficulty in recruiting certain groups of skilled workers



Source: Manpower, 2013

During the period of 2010 to 2012, the total number of foreign engineers in Norway rose by 40 per cent – reaching to almost 15,000 by 2012 (Norway’s News in English 2013). In fact, the STEM disciplines are preponderantly taught in India. The teaching of these disciplines in some of India’s world-renowned technical institutes, such as the Indian Institute of Technology (IIT), is something that India prides itself upon. India trains close to 1.5 million engineers every year – more than U.S. and China combined (Chaturvedi and Sachitanand 2013) and it would be of no surprise that Norwegian employers have been looking towards India to recruit STEM workers. In Norway, the main sectors of employment for Indians and Chinese are computer programming (25%, 21% respectively) and education (13%, 21% respectively (OECD 2014), refer to figure 8). Bearing the dual labor market theory in mind, it seems reasonable to accept that the incentive for Norwegian employers to

recruit from India emanates not just from the scarcity of STEM workers in Norway, but also the skills that Indian engineers are known to possess.

A structural problem in education?

The scarcity of these highly skilled STEM workers in Norway can be associated with the intrinsic structure of the Norwegian education system. Interviews conducted with representatives of *Regjeringen*, The Confederation of Norwegian Enterprise (NHO) and a Norwegian company, suggest that there seems to be a lack of emphasis on STEM subjects in the Norwegian education system as opposed to other disciplines that are taught. A representative from the Norwegian government stated that there is no exact match between what the labor market requires and what students study in Norwegian universities – consequently contributing to the scarcity of Norwegian STEM workers (personal communication, January 5, 2015). Some engineering companies even question the quality of Norway's engineering education as many students lack the practical skill needed for a STEM job (OECD 2014: 48). According to a report by the Norwegian Agency for Quality Assurance in Education (NOKUT), an independent body under the Norwegian Ministry of Education and Research that rates the quality of education taught in Norwegian educational institutions, there is a lack of academia- research links in engineering, and consequently students fail to gain sufficient training in critical thought, analysis and use of scientific method and source evaluation (NOKUT 2008: 4)

It is possible that despite efforts to promote STEM, such as Norway's nationally-focused strategy: *Science for the Future - Strategy for Strengthening Mathematics, Science and Technology (MST) 2010–2014* (Healy et al. 2011), the Norwegian Ministry of Education and Research has not established enough of an incentive for prospective students to study STEM subjects. For instance in Germany, whose businesses also complained of being starved

of STEM workers, the federal government promoted STEM or what the Germans refer to as MINT (Mathematics, Informatics, Natural Sciences and Technology) through an initiative called “Go MINT” in 2008. Along with the support of 180 partners (including corporations, government bodies and universities), the program aims at increasing young women’s interest in the MINT subjects through activities, such as networking events, honoring STEM graduates with a high distinction (i.e TOP25 campaign³), that will attract women to scientific and technical degree courses. A survey conducted in 2009 at nine of the largest German Institutes of Technology revealed that “attracting” initiatives positively influenced 55.0% of polled female students' decisions to opt for a STEM subject (Best et al. 2013: 299). It is clear that a promotion of MINT subjects in German institutions has increased the likelihood of German students (in this case female students) to choose STEM subjects at a graduate level. Unfortunately, there is lack of data on the effect of STEM promotion in Norwegian graduate education on its students. Despite that, the scarcity of Norwegian STEM workers implies that this strategy of promotion of STEM education in Norway is not optimal for addressing Norway’s labor demands and requires readdressing if Norway seeks to satisfy its labor demand.

World Systems Theory

Another theory that social scientists often use to interpret migration flows is the “world systems theory”. This theory assumes that the evolution of the global economy has not only stimulated international migration, but has also generated linkages between individual sending and receiving countries (Sassen 2006). It is based on the idea that the intervention of capitalist firms and relations into non-capitalist societies generates a mobile population that is inclined to migrate aboard (Massey et al. 2006: 41). Joppke (1998: 269)

³See Komm Mach Mint’s website for more information on the campaign.

contends with this assumption of the world system's theory, stating that economic globalization explains the mobilization of potential immigrants in the sending societies, as well as the interest of employers from receiving societies in acquiring them. Hollifield (2004: 886) argues that states eventually accept international migration as a result of what he calls a "liberal paradox". He mentions that international economic forces (trade, investment, and migration) push states towards greater openness, while the international state system and powerful (domestic) political forces push states towards greater closure. This highlights the inherent contradictions of liberalism and is known as the liberal paradox. The reason why migration continues to occur despite significant political and populist restriction is because holistically, economic and political globalization reduces the autonomy of the state in immigration policy making (Joppke 1998: 268).

There is evidence that makes this theory applicable to the Indian- Norwegian case. The Norwegian Business Association of India (NBAI) states that there is an increasing amount of Norwegian companies getting established in India - more than 130 companies were present by April 2013.⁴ The association claims that the current growth in Indo - Norwegian economic and commercial ties is fuelled not just by India's economic growth, its potential and overall attractiveness to foreign investors, but also by complementarities of interest in sectors such as deep off-shore, shipping, hydro-electricity, information technology etc.

Moreover, an interview conducted with another high skilled Indian migrant further supplements the pertinence of the world system's theory in the Indian- Norwegian migration case. In the interview, the Indian migrant described that he was working for a Norwegian company based in Bangalore and that he had to move to Norway by virtue of the company's headquarters requiring someone of his expertise (personal communication, January 12, 2015).

⁴ See NBAI's website.

The world system's theory also argues that international migration is highly likely between past- colonial powers and their former colonies, much of it owing to the cultural, economic, linguistic and administrative links that were established during the colonial era between these countries. However, such links are absent in the case of India and Norway, making this particular assumption of the theory extraneous to this study.

Individuals' and households' economic and social motivations for migration are essential in understanding the micro-level dynamics of international migration. The neoclassical and new theories of migration explain these dynamics aptly. However, the new theories of migration is more adept at explaining the reasons for Indian high skilled workers moving and continuing to settle in Norway as opposed to the neoclassical theory, which assumes that individuals are isolated.

On the other hand, at a macro level, the dual labor market theory and the world systems theory are more fitting in explaining the overall increasing trend of Indian high skilled workers to Norway. Moreover, these theories give an insight of the perspective of Norwegian employers and the economic reasons for the acceptance of Indian migrants, contrasting with the migrants' motivation for settling in Norway explained by the first two theories. An amalgamation of the scarcity of Norwegian engineers, the positive notion of India's STEM qualifications and Indo- Norwegian economic/ capitalist ties has contributed to the surging numbers of Indian migrants to Norway.

3.2 Is Norway too old? : An issue of demography

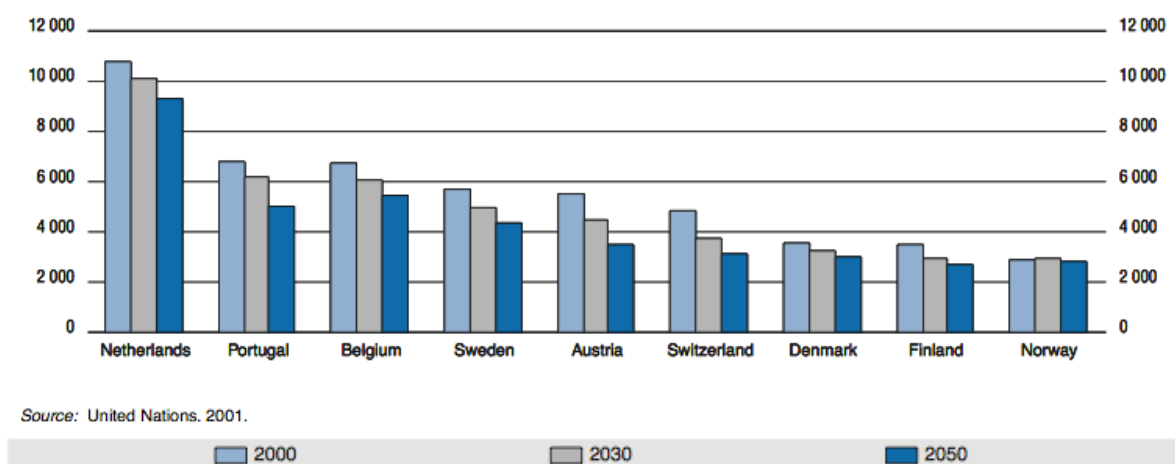
Some governments might have a favorable outlook towards labor immigrants, despite significant popular anti-immigrant sentiment, as a result of the impending problem of declining populations and aging of populations. According to the United Nations population projections, virtually all the countries of Europe are expected to decrease in population size over the next 50 years (see figure 10) as a result of sinking fertility – lower than the replacement level of 2.1 children per woman so as to sustain population numbers – rates and the longer survival of populations (United Nations 2006: 343).

Moreover, the issue of rapid aging and a rise in the dependency ratio (i.e. the number of individuals aged below 15 or above 64 divided by the number of individuals aged 15 to 64, expressed as a percentage) is also concerning for governments. An increasing dependency ratio becomes problematic for governments whose populations are progressively ageing because too few persons in the active labor force make it difficult for existing pension and social security systems to provide adequate resources to support a growing elderly, non-working population (United Nations 2006: 342). An aging population also aggravates the issue of affording and taking care of an increasing elderly population. There is also the problem of an aging labor force becoming less innovative and adaptable to technological changes as well as having detrimental effects on the economic output and productivity of the country. Additionally, a small labor force, as a result of the declining population, will make finding labor for undesirable jobs much harder.

The theory of demographic- change induced immigration highlights the idea that changing demographic and economic patterns in modern, post- industrial societies result in fewer native workers being able to fill in jobs, leading to these jobs being filled in by immigrant workers. This consequently changes the ethnic and age composition of the receiving countries (Bean and Brown 2014: 73). The immigration occurring as a cause of the

low labor supply has led to the concept of “replacement migration”, and has, more recently, increasingly been given thought as a means to assuage the problems generated by declining and aging populations. Replacement migration is attributed to international migration that would be required to countervail declines in the size of population, declines in the population of working age and the overall ageing of a population (United Nations 2006: 343). Some countries have considered implementing this option through selective immigration (based on human capital) so as to compensate for the population decline and aging workforce.

Figure 10: Countries with working age populations decreasing by 2050
(in thousands)



Low fertility lands

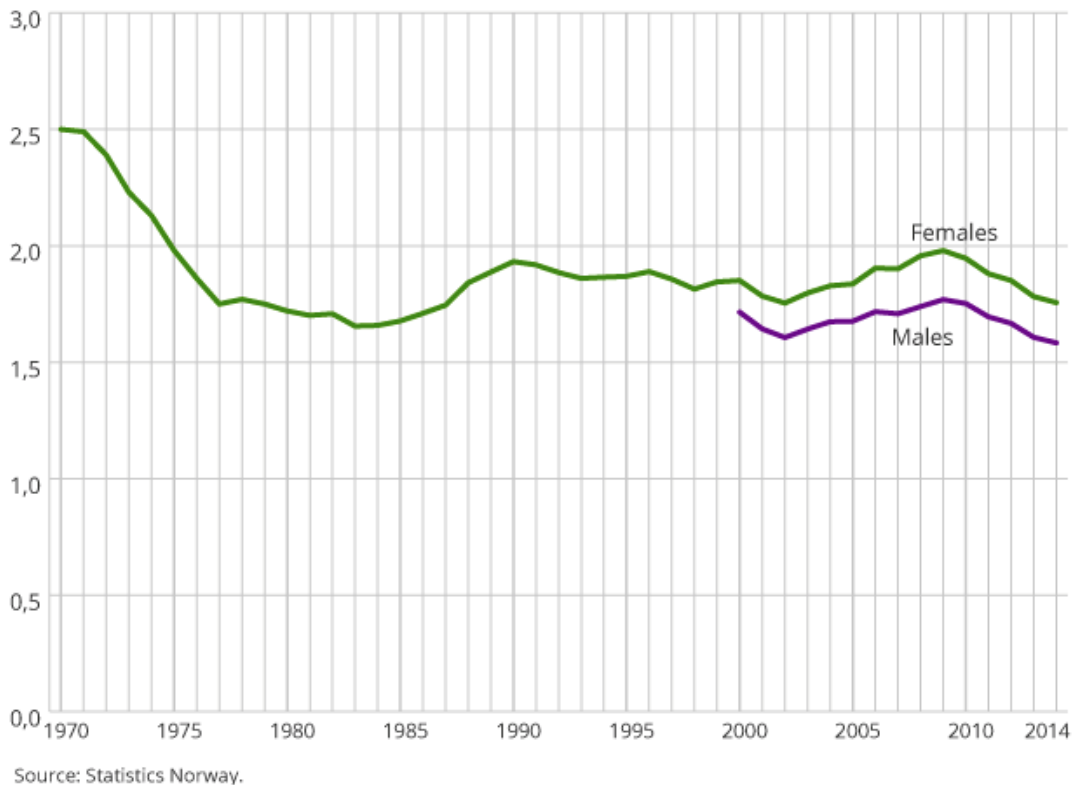
Scholars have not been able to precisely ascertain the factors behind the current fertility projections of Europe as they are not able to concretely understand the reasons that compel couples to determine the number of children, the timing of when they should be born, or why they decide to bear children at all (Coleman 2006: 348). Regardless, scholars have tried to speculate different reasons for the declining fertility rates in these countries. Caldwell (2006) argues that reduced mortality rates, owing to advances in medical technology and cures, lead to lower fertility rates as more number of children in a household generates

inheritance pressures for families to have smaller numbers of children. Another argument is that increasing women's workforce participation does not allow enough time for child bearing. However, this does not hold true for many European countries, especially Norway, where welfare benefits and compensation levels are high. For instance, in Norway, working couples can take paid parental leave between 11 to 14 months in order to take care of the child, and this time can be shared between both parents. In this manner, women and men can take time away from work without risking damage to their careers (Coleman 2006: 352).

At the end of 2014, the total fertility rate (TRF) in Norway stood at around 1.76 for women, which has slightly declined from the Norwegian TRF in 2013. In 2009, the TRF was 1.98, but ever since then, the fertility rate in Norway has been steadily declining (see figure 11). These dwindling fertility rates may not be sustainable for the Norwegian state in the long run. The Norwegian government will need to consider increasing selective immigration if it seeks to maintain its population numbers.

It is surprising that these declining figures are inconsistent with the result one would expect from Norwegian welfare benefits - which are ideal for accommodating childcare without much loss on income (except for the income spent on taking care of the child). Investigating the reason as to why the Norwegian fertility rates are declining is beyond the scope of this study, however it is something that is worth conducting more research on.

Figure 11: Timeline of the Total Fertility Rate (TRF) in Norway (Between 1970-2014)

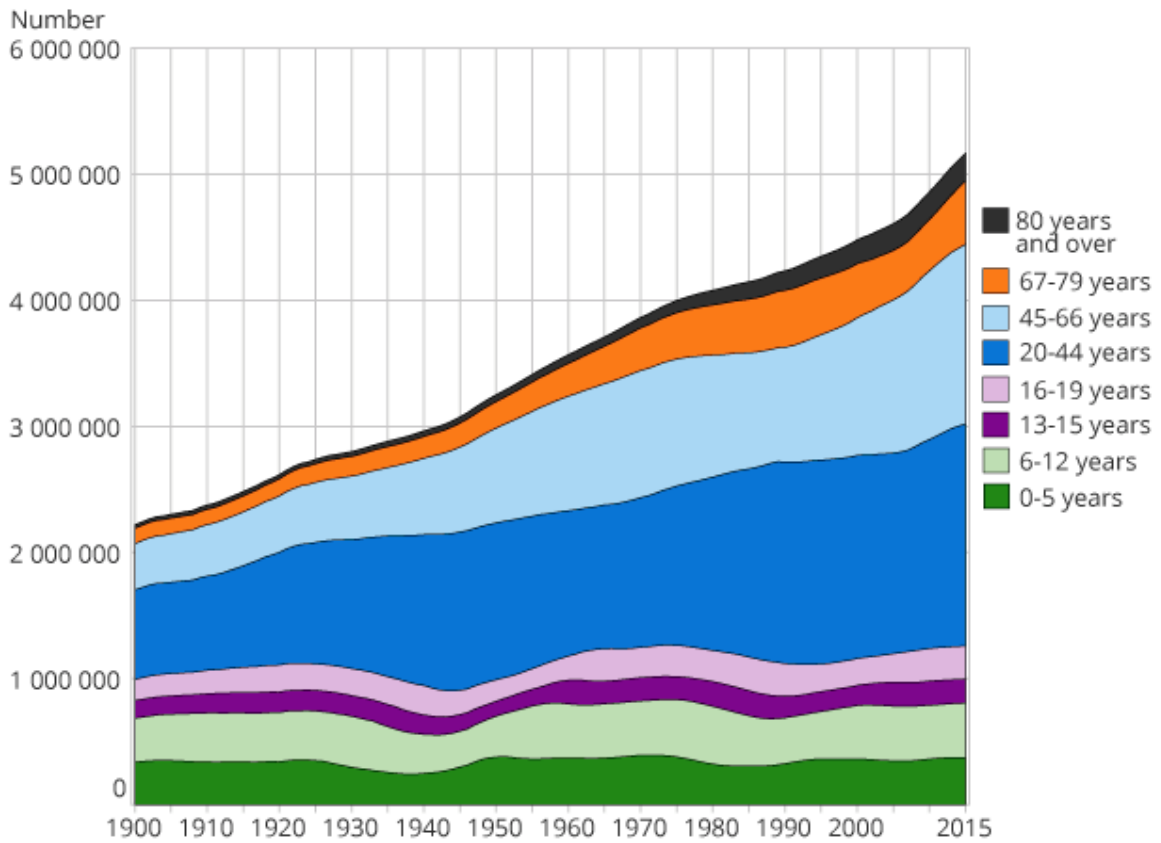


Norway's aging population

In Norway, the age at which one can retire in order to be able to receive pension funds is 62. The World Bank uses age 64 as the cut-off age, beyond which the remaining ages are considered to be in the category of the elderly. This cut-off of age 64 is also what will be used to analyze the elderly population in this study. Whereas for the figures 10 and 11 that have been sourced from Statistics Norway, age groups beyond age 66 is what will be categorized under the elderly group for the purpose of analysis.

The total number of children and youth in Norway (between 0-19 years) has been relatively consistent ever since the 1900s (see figure 12 below). Whereas, the total number of adults (between ages 20- 66), in which a predominant section of the Norwegian work force lies, has increased significantly since then. The number of elderly (ages 66+), although a

Figure 12: Proportion of total Norwegian population by age (between 1900- 2015)



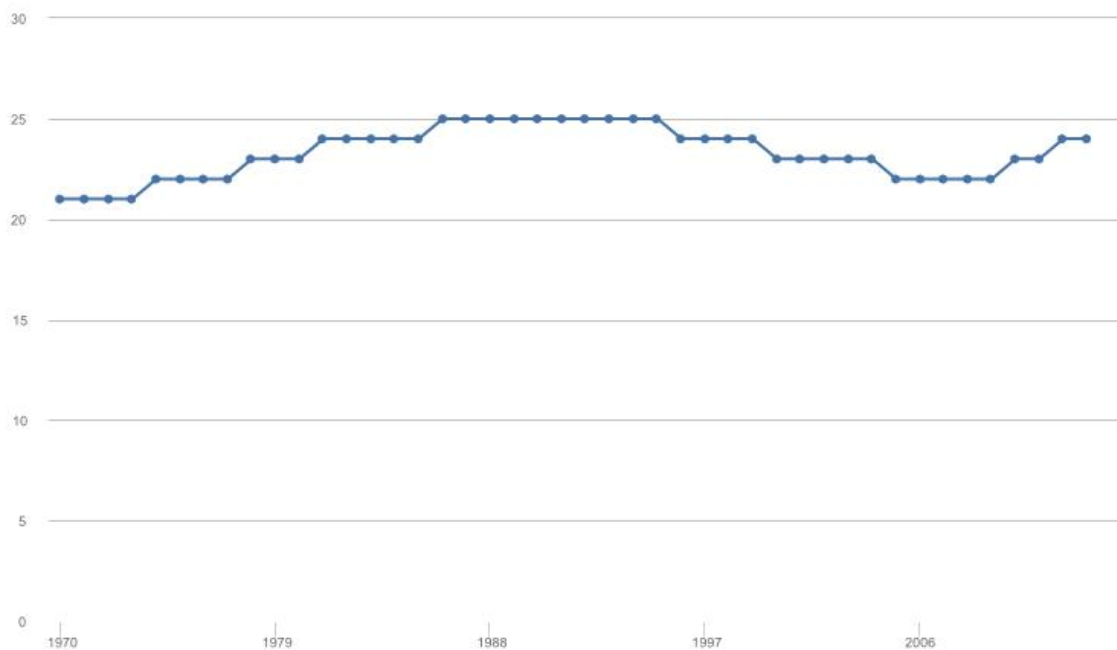
Source: Statistics Norway.

Figure 13: Change in percentage of Norwegian population by age

Population, by age. 1. January				
	2015	Change in percent		
		2014 - 2015	2010 - 2015	2005 - 2015
Total	5 165 802	1.1	6.3	12.1
0 years	59 383	0.1	-4.3	4.0
1-5 years	314 571	-0.6	4.3	7.5
6-12 years	433 578	1.3	1.9	0.2
13-15 years	188 886	-0.6	-1.7	0.2
16-19 years	262 481	-0.1	1.6	15.5
20-44 years	1 759 513	0.8	6.2	10.7
45-66 years	1 424 649	1.1	6.5	17.3
67-79 years	502 304	5.1	24.0	28.5
80 years and over	220 437	-0.1	0.2	3.4

Source: Statistics Norway, 2015

Figure 14: Aged dependency ratio in Norway (between 1970-2013; shown as proportion of aged dependents per 100 of the working age population)



Source: World Bank, 2015

small proportion of the Norwegian population, has also increased over time. However, the rates at which the age group 45-66 and the elderly population have been increasing are much higher than any other age group. Moreover, in figure 13 above, one can notice that the change in population in the age groups of the children and youth are low or even run negative (depending on the timeframe one is looking at) in comparison to that of the older populations. In just the recent decade, the elderly population increased by almost 32%, in contrast to 27.4% for children and youth, and 29% for adults (ages 20-66).

The aged dependency ratio (see figure 14), calculated as the ratio of people older than 64 to the number of people under the working age population (ages 15 - 64). Based on the figure below, the aged dependency ratio has remained relatively constant (fluctuating between 21-25) in the period between 1970-2014. This suggests that the working population has been increasing at almost the same pace as the elderly population, maintaining the nearly consistent ratio. However, if fertility rates continue to decline as it has been for the last six

years, the number of youth and children that will eventually grow to become a part of the working population will be much lesser than number of the working population at present. This suggests that the aged dependency ratio in Norway is likely to increase in the future.

Labor immigration as a solace

While the dependency ratio has remained relatively stable, a combination of an increasing rate of elderly population growth in Norway and declining fertility rates, will prove to be unsustainable for Norway in the long run if such rates continue to persist. Based on the projections illustrated by the UN in figure 10, a decreasing working age population in the future will also put grave pressures on the Norwegian welfare system. Pressures on the welfare system can be attributed to a lesser proportion of government tax income flowing into pension funds, owing to a decreasing labor force – in effect increasing the difficulty of having to care for the elderly.

There is no one solution that can alleviate the consequences of an aging population and declining fertility rates, but it can be regulated. In the OECD report on *Ageing and Employment Policies for Norway*, the OECD recommends incentivizing people to stay longer in work and increasing the retirement age for workers in Norway as methods of addressing the ramifications of Norway's aging population. The report also recognizes the encouragement of greater immigration, higher fertility or faster labor productivity growth in offsetting the consequences of aging and promoting economic growth (OECD 2013: 13-4).

The utilization of replacement immigration can be a means of putting an end to population decline. It can also lift the burden off the working age population's shoulders by increasing the employed labor force. However, it will not be able to stop population aging. The Norwegian population can only adopt such a solution in order to sustain population numbers at the cost of losing their identity (Messina & Lahav 2006: 364).

Given the scenario and the trends of the Norwegian demographic and the increasing trend of labor migration in Norway, several questions come to mind. Has the Norwegian government been using selective replacement immigration to mitigate the negative ramifications? Is this the reason why there has been an increasing trend in high skilled labor migration in Norway?

According to Cooper (2005), “Norway recognizes its aging population will affect the size of its labor force. It will most likely need immigrants to replace workers in occupations currently held by older workers, and to maintain the workforce density in key, fast-growing low-skilled occupations — particularly if jobs opportunities in those fields continue to expand.” However, during the personal interviews that were conducted, several Norwegian government officials stated that Norway’s demographic trends are currently not a salient issue in government policy. A representative from the Norwegian Ministry of Labour and Social Affairs revealed that immigration has not been used as a way to address the ageing population issue and that the only way to address that problem is through the reform of the pension system in a manner that will encourage people to retire later. The representative also stated that the government does not perceive the issue of aging populations as a problematic one in the long run (personal communication, January 8, 2015). This is because of the enormity of the Norwegian Government Pension Fund, the biggest sovereign wealth fund in the world (currently worth \$863 billion in assets (Sovereign Wealth Fund Institute 2015)), which is primarily funded by Norway’s oil revenues. The aim of this fund is to finance the rising public pension expenditures in the long run, while allowing the current and future generations of Norway to benefit from its oil revenues (Norwegian Ministry of Finance).

Despite the forecast of a decreasing working population and an increasing aging population, Norway may have nothing to fear given that its gargantuan sovereign pension fund will sustain its population for generations. Based on the interview with the

representative of the Ministry of Labour and Social Affairs, the government recognizes the issue of aging and is more inclined to reform its pension system, and aging and employment policies as opposed to using replacement migration to address the issue. Since there has not been much concern with regard to the negative ramifications of Norway's current demographic trends, the option of employing replacement immigration has seemed unnecessary. As a result, the increasing labor migration trend in Norway does not stem from an issue of aging and declining population.

3.3 Power at play: Influence of international institutions

The theories of internationalism and liberal institutionalism have grown to become key concepts in the field of international relation. Internationalism highlights the role international organizations and institutions play in global affairs. Bull (1977: 13) argues, “a group of states, conscious of certain common interests and common values, form a society in the sense that they conceive themselves to be bound by a common set of rules in their relations with one another, and share in the working of common institutions.”

Liberal institutionalism is based on the idea that in order to promote national economic growth and maintain international peace and security, states must often cooperate and in the process concede part of their sovereignty by establishing ‘integrated communities’ (Devitt 2011). Moreover, liberal institutionalism is grounded on the use of soft power and achieving its goals through mechanisms of diplomacy and instruments of international law. States have created international institutions such as the United Nations (UN), the European Union (EU) and the Organization for Economic Co-operation and Development (OECD) that can facilitate international cooperation and the achieving of shared and collective goals.

The role of international institutions has increasingly been discussed in international relations during the recent decades. Once created, international organizations become autonomous from states, suggesting that states lose some of their authority over policy making. For instance, the EU evolved from being an intergovernmental institution to becoming an institution with powers higher than the state. As a result, European states now have a lack of control over labor migration streams from other EU countries as well as refugee migration streams from non-EU countries. The diminishing control over refugee flows faced by many European countries can be attributed to the EUs obligations to international human rights laws. The EU is evidence of the ability of international

organizations to ‘alter state preferences and therefore change state behavior’ (Mearsheimer 1994: 7).

Norway’s relations with international institutions

In this section, Norway’s involvement and membership in international institutions such as the EU and the OECD, will be analyzed mainly because they have been involved in the framing of migration policies of their member states. The section will attempt to investigate the extent of these institutions’ influence over Norway’s labor migration policies.

(i) Norway and the EU

Although Norway is not a part of the EU, it is a signatory member of the European Economic Area (EEA). This treaty links the members of the EU to Norway through the establishment of a common internal market, ensuring the free movement of goods, capital and labor within the signatory member nations. The EEA Agreement includes cooperation in areas such as research and development, education, social policy, environment, tourism and culture. Since legislation regarding the European market is also applied in Norway (Calleja 2013), Norway’s capacity to control labor immigration from the EU member states has drastically diminished. Additionally, Norway has no say or no vote over the rules of free movement (Persson 2014).

On the contrary, Norway still has a strong foothold in regulating labor migration flows from non-EU countries and decision making with regard to migration from non-EU countries. Norway’s regulations for the entry of non-EU skilled labor migrants lay outside the reach of EU policy. However, despite not being a part of the EU, Norwegian migration policy and its management in fact has a uniquely European character (Cooper 2005). Cooper (2005) states that Norway’s carefully regulated effort to allow only selected migrants to be admitted,

together with its commitment to ensuring social equality for those who arrive, closely fits the model to which many other European countries aspire. For instance, a comparison between the requirements for applying for skilled worker visa in Norway⁵ to that of the EU blue card⁶ (meant for highly qualified and educated persons that hail from outside the EU to work within the EU) reveals a striking similarity. This suggests that regardless of the EU not having outright control over Norway's non-EEA migration regulations, EU labor migration policies have some influence in the way in which Norway's labor regulations are established. "While Norway continues its unique political position as a non-EU Member State, its immigration and asylum control policies are becoming increasingly aligned with those of the EU" (Cooper 2005). Their ability to influence can be attributed to Norway's exposure to the EU through its EEA relations.

How the EU's influence in Norway's labor migration policy actually contributes to the increasing trend of Indian high skilled workers is uncertain. This is primarily due to the lack of statistical data supporting the correlation. However, one cannot deny that the EU's effect on Norwegian labor policy facilitates the entry of more skilled labor migrants.

(ii) Norway and the OECD

According to Article 1 of the OECD convention, OECD is an organization that "promotes policies designed to achieve the highest sustainable economic growth and employment and a rising standard of living in member countries". The OECD has no direct influence over the government policies of its members, no independent funds, no means of lending capital, and no instruments within its control (Mahon; Wolfe 2009: 28). It is financed by its member states, out of which the largest contributor to its budget is the United

⁵Refer to The Norwegian Directorate of Immigration for more details on the requirements for the application of a skilled worker visa for non- EU nationals.

⁶Refer to the EU blue card website for more information on the requirements for application.

States. Much of the work the OECD does, involves the monitoring of economic developments in its member countries as well as countries that are not a part of the OECD. It also provides policy recommendations on various topics, including immigration, for its members to help its governments foster economic growth and financial stability (OECD 2015).⁷ After presenting recommendations, the OECD monitors the actions of each member state in implementing the recommendations.

Norway is a member of the OECD and receives periodic recommendations from the OECD on various aspects of government policy. The OECD recently reviewed Norway's migration policy and listed recommendations with regard to the recruitment of immigrant workers.⁸ In this report, the OECD presented various recommendations such as improving the administrative and legal framework for non-EEA labor migration to Norway, improving the attraction and retention of labor migrants in Norway, and the retention of international students in Norway to give them an opportunity to enter the Norwegian labor market. These recommendations aim at increasing the number of non-EEA labor migrants in Norway in order to meet Norwegian labor demands. Having presented these recommendations, the OECD will monitor whether any action has been taken to implement them in Norway's government policies over the next few years. Based on a correspondence with the representatives from the Norwegian Ministry of Children, Equality and Social Inclusion and the Norwegian Ministry of Labour and Social Affairs, the Norwegian government has not followed up on the recommendations of the OECD report on recruiting immigrants yet (personal communication, April 17, 2015). However, based on policy recommendations given by the OECD on other issues, such as ageing and employment, and labor market integration of immigrants, there is evidence that Norway has implemented policy initiatives that were consistent with the recommendations. In the report on "Ageing and Employment

⁷See OECD website.

⁸Refer to "Recruiting Immigrant Workers in Norway" written by the OECD for more information.

Policies Norway 2013”, the OECD quantifies the amount of action taken in implementing each of the recommendations that were given to Norway in 2004. There were even some recommendations for which no action was taken by Norway. There are no repercussions for not implementing OECD recommendations and the OECD has no say in the decision making of the recommendations’ implementations. In fact, the “Recruiting Immigrant Workers” report mentions that Norway requested the OECD review of its labor migration policy, in light of the increasing labor migration flows. Similarly, some of the OECD recommendations provided in the reports on “Labour Market Integration in Norway: Jobs for Immigrants” and the “Skills Strategy and Action Report for Norway” (OECD 2014: 30), such as creating procedures to recognize foreign qualifications and provide tailored language training to accelerate skilled migrants’ labor market entry, have been considered in the ongoing work on a new White Paper from the Norwegian government to the Storting on “Life-long Learning and Exclusion”.

When asked about the OECD’s influence in migration policy, the Norwegian Ministry of Labour and Social Affairs representative mentioned that the OECD pushes for the liberalization of government policies through its policy recommendations in order to foster economic growth and that the government finally decides which recommendations it would like to put in place (personal communication, January 8, 2015). This suggests that the OECD has influence in the decision making process of migration policy implementation, but no power over the implementation of these policies. It is up to the Norwegian government to decide on whether it wants to pursue such policy initiatives or not. Moreover, given that Norway requested the OECD to review its labor migration policy, one can infer that Norway seeks to further liberalize its policies and welcome more skilled labor migrants (provided that prospective labor migrants meet all the UDI requirements for becoming a skilled worker).

The analysis of relations between Norway, the EU and OECD suggest that these institutions do have the capacity to alter Norway's behavior towards labor migration policy. However, a lack of statistical data on how the influence of these institutions has contributed to the increase in Indian high skilled labor migration to Norway makes it difficult to ascertain its significance to the cause of the trend. Nevertheless, the influential capacity of the EU and the OECD on Norwegian labor migration policy definitely creates a foundation for facilitating the increasing trend.

3.4 Migration through networking: The Indian diaspora

The following part of this chapter will exemplify how the presence of already established immigrant communities in the destination country plays a role in perpetuating immigration. This will be discussed in the first subsection by elucidating the dynamics of network theory. The application of network theory will be analyzed in the context of the Indian diaspora in Norway and how their growing presence may positively affect Indian skilled labor migration. Moreover, this chapter seeks to investigate the establishment and growth of the Indian community in Norway during the first wave (late 1960s-2004) and the factors that contributed to the furthered growth of Indian labor migrants in the second wave (post- 2004).

Network Theory

Network theory suggests that social or familial connections of immigrants have a positive effect on labor migration. Migrant networks are sets of interpersonal ties that connect migrants, former migrants, and non-migrants in origin and destination areas through ties of kinship, friendship and shared community origin. Such networks increase the propensity for international migration to occur because they lower the costs and risks of movement and can increase the expected net returns to migration (Massey et al. 2006). When large numbers of people have moved from one particular location to another, a process of “cumulative causation” may ensue, whereby multiple ties to communities of origin facilitate on-going and at times increasing migration (Bean and Brown 2014). As people from the same ethnic background migrate to a certain destination, communities of certain ethnicities become established within the region over time. Such established ethnic communities initiate a stronger pull factor for new labor migrants.

Establishing the Indian community in Norway

The First wave of Indian migration (late 1960s – 2004)

Jacobsen elucidates how the first Indian settlers in Norway created a foundation for new Indian immigrants in Norway. He mentions how the first Indian settlers, after having established themselves in Norway, assisted new Indian migrants (predominantly the Sikhs and Punjabis) once they arrived there. One of the first signs of Indian community establishment in Norway was the Indian Welfare Society of Norway (IWS), which was established in 1971. The organization helped new Indian migrants with settling in Norway through contacts, resources and social events (Jacobsen 2013: 19).

There was a growth of Indian institutionalization through religion over the next two decades, with the establishment of two gurdwaras (Gurudwara Shri Guru Nanak Dev Ji in the capital of Oslo, which was first built in 1983, and Shri Guru Nanak Niwas Gurdwara Sahib in Lier outside the city of Drammen, which was built in 2010 (Brady 2013)) and two Indian Hindu temples (Sanathan Mandir Sabha built in Drammen and Oslo during 1988 and 1993 respectively⁹). Jacobsen (2013: 23) states that religious traditions become fully organized only after the first male settlers build a family and bring their wives and children. Therefore, the growth of Indian institutionalization through religion can be attributed to the increasing family immigration that has taken place as a result of the network theory. Increasing family migration can contribute to an increase in labor migration as family members and friends of already established settlers gain awareness of the Norwegian labor market and may seek to join the work force.

⁹ Refer to the about us section of Sanathan Mandir Sabha's website.

Growth of the Indian diaspora in Norway

The Second wave of Indian migration (post 2004)

The increasing trend during the second wave of Indian migration can be associated with the growing ease in connectivity and communication through advances in technology (i.e. computers and phones) and Internet in India over the recent decade. The Telecom Regulatory Authority of India (TRAI), which regulates telecom services in India, had presented recommendations on “Accelerating Growth of Internet and Broadband Penetration” to the Indian government in order to promote the growth of a broadband network in India. The Indian government issued a Broadband policy in 2004 by laying down the targets for broadband connections. By September 2010, India had around 10.29 million broadband connections, as a result of which TRAI called the decade after 2004 the “digital decade” for India (TRAI 2003: 6-7). The growing ability of Indians to communicate with family and friends residing in Norway with ease, through Internet and technology, raises the awareness of not just the Indian community in Norway, but also the Norwegian labor market amongst citizens in India. This spreading of awareness increases the likelihood of Indians to consider Norway as a destination for labor immigration. Bearing in mind the rapid growth of Indian immigration to Norway after 2004, the rising use of technology and the Internet in India (post 2004) indicates that it was highly likely a facilitator in increasing Indian labor migration through social ties of established Indian migrants in Norway.

The establishment of the Indian community in Norway is evidenced by the institutionalization of Hinduism and Sikhism, two prominent religions practiced in India. This religious institutionalization is attributed to the need for religious organization as a result of increasing Indian family migration. The presence of an established Indian community in Norway facilitates additional family and even labor migration, validating the network theory. Whereas, the rapid growth of the Indian community in the second wave is associated with the increasing use of technology and the Internet in India, which has facilitated and strengthened

kinship and friendship ties between the established community in Norway and individuals in India. Through communication, awareness about Norway's labor market increases among individuals in India who are then more likely to consider Norway as a migration destination for work. This shows that the existing, established Indian community in Norway has been a factor in the rapid increase of high skilled labor migration to Norway. However, further research needs to be undertaken in order to ascertain the extent of its significance in the increase of Indian high skilled migration as there is a lack of statistical evidence illustrating how many Indian labor migrants moved to Norway based on references given by family and friends living in Norway.

Conclusion

Popular anti-immigrant sentiment is prevalent in Norway, yet labor migration continues to persist in a country that harbors such an environment. Based on the qualitative analysis of four different hypotheses namely: economic motivation, demographic issues, influence of international organizations, and existing established ethnic communities in Norway the main factors owing to the increasing labor migration have been determined.

The case of Indian high skilled labor migrants in Norway illustrates how these different hypotheses could explain increasing labor migration in Norway. Indian labor immigration to Norway is relatively an old phenomenon that remained consistently low for a long period of time until 2004, when it experienced substantial growth. While the first Indian settlers were primarily unskilled workers, Indian labor migrants arriving at Norway post 2004 were predominantly highly skilled, occupying jobs in the IT, consultancy and education sectors. The increasing Indian high skilled labor migration in Norway after 2004 leads us to believe that three of the hypotheses are mainly responsible for the resulting trend: economic motivations (of both the migrant and the Norwegian employer seeking to employ migrants), influence of international organizations and existing established Indian community in Norway.

The issue of demography, involving an increasing ageing population, is not a significant factor in the trend of Indian high skilled labor migration. In the case of Norway, the problem of an ageing population does not spur replacement migration, as Norway's enormous Government Pension Fund, financed by its oil revenues, is capable of taking care of the Norwegian population for generations. Fertility rates that have been relatively consistent for decades now, however, have been declining in last five years. If declining fertility rates continue to persist in the forthcoming years, the Norwegian government may need to consider replacement migration as an option for alleviating the issue.

The reasons for the persistence of labor migration can primarily be attributed to robust economic forces, such as trade and investment, which have pushed Norway to accept greater openness towards labor migration, in spite of domestic political forces that have been reluctant in doing so. Increasing economic and political globalization (through the establishment of international institutions like the EU and OECD) has reduced Norway's autonomy over immigration policy making.

In the case of Indian highly skilled labor migrants, the economic motivations for migrating can be viewed at a micro or individual level and at the macro level. At a micro level, the economic motivations of the individual are explained by the new theories of migration based on the costs and benefits of migration to the family/ household. Moreover, it explains why these migrants continue to settle in Norway. At a macro level, growing labor migration is facilitated by the economic motivations of Norwegian employers, who seek to employ Indian high skilled migrants to satisfy their demand for STEM workers and engineers. The labor demand for STEM workers and engineers emanates from the scarcity of Norwegian engineers. This scarcity is a consequence of the inherent structure of the Norwegian educational system, which does not seem to place enough emphasis on STEM disciplines. The dual labor market theory and the world system's theory ideally illustrate the reasons for Indian labor migration at a macro level. An amalgamation of the scarcity of Norwegian engineers, the positive notion of India's STEM qualifications and Indo-Norwegian economic/ capitalist ties has contributed to the surging numbers of Indian migrants to Norway.

International organizations such as the EU and the OECD are capable of altering the behavior of the Norwegian state in the making of migration policy. While exposure to EU policies through the EEA can influence the way Norwegian labor migration policy and regulations are established, the OECD's liberalizing policy recommendations have also

influenced Norwegian migration policy. A lack of statistical data on how the influence of these institutions has contributed to the increase in Indian high skilled labor migration to Norway makes it difficult to ascertain its significance to the cause of the trend. Nevertheless, the influential capacity of the EU and the OECD on liberalizing Norwegian labor migration policy creates a foundation for facilitating the increasing trend.

Network theory aptly illustrates how the established Indian community in Norway has assisted in the additional family and labor migration through familial and social ties. The increasing use of technology and Internet in Indian has strengthened these ties through communication and raised awareness of Norway and its labor market. This increases the likelihood of more Indian individuals to consider scouting for jobs in Norway and migrating there. This demonstrates that the existing, established Indian community in Norway has been a factor in the rapid increase of high skilled labor migration to Norway. However, further research needs to be undertaken in order to ascertain the extent of its significance in the increase of Indian high skilled migration as there is a lack of statistical evidence illustrating how many Indian labor migrants moved to Norway based on references given by family and friends living in Norway.

Given the fact that too little is known about case of highly skilled Indian migrants in Norway, it is imperative that further research be done on their case as they are of considerable economic significance to Norwegian employers. Despite their small numbers, their presence in the region is on the rise. If Indian high skilled labor continues to increase, understanding the economic and social outcomes of their presence will be beneficial in creating the framework for Norwegian migration policy in the future, for which collection of data is required to ascertain their exact numbers and their economic and social impact on the Norwegian state.

Appendix: *Interview question format*

The following questions were asked to the respective individuals that were interviewed for this study.

Representative of the Confederation of Norwegian Enterprise (NHO):

- 1) What is the main reason behind the continuing high skill migration in Norway?
 - a. Is it because Norwegian education does not equip Norwegian citizens with the skills needed for such labour?
 - b. Does this stem from the fear of an aging population or other demographic problems?
 - c. Are international institutions such as the ILO or OECD influential in the increasing number of labour migrants?
- 2) Do you think immigration of non-western migrants are detrimental to the Norwegian welfare system?
 - a. Do the costs of hiring non-western immigrants supersede the benefits?
- 3) What do you think is the general sentiment of Norwegian society toward non-western high skilled workers (Indians in particular)?
- 4) How do businesses view non-western migration?
 - a. Does the Norwegian government view it in the same light?
 - b. Do firms hire internationally because of knowledge spill over and diversity or are they a substitute for native high-skilled workers?
- 5) Which sectors of the Norwegian economy demand the most number of high skilled workers internationally?
- 6) Is it possible for you to refer me to the representative of a company that hires international migrants?

Human Resources representative of Norwegian company:

- 1) What do you think is the main motivation of the firm to hire high skilled workers internationally?
 - a. Does the firm hire internationally because of knowledge spill over and diversity or are they a substitute for native high-skilled workers?
- 2) Are the benefits of hiring them more than the costs?
- 3) Do you hire Indian workers?
- 4) What jobs are they mostly placed in?
- 5) Does the company actively seek workers from certain countries (i.e. India)?
- 6) Are Norwegian citizens not skilled enough for these jobs? Do you think this is because of a problem with the education system?

Representatives of Norwegian Ministry of Labour and Social Affairs and Ministry of Children, Equality and Social Inclusion:

- 1) What is the main reason behind the continuing high skill migration in Norway?
 - a. Is it because Norwegian education does not equip Norwegian citizens with the skills needed for such labour?
 - b. Does this stem from the fear of an aging population or other demographic problems?

- c. Are international institutions such as the ILO or OECD influential in the increasing number of labour migrants?
- 2) Do you think immigration of non-western migrants is detrimental to the Norwegian welfare system?
 - a. Do the costs of hiring non-western immigrants supersede the benefits?
- 3) What do you think is the general sentiment of Norwegian society toward non-western high skilled workers (Indians in particular)?
- 4) Is the motivation for high skilled migration mainly because businesses demand it or are there other factors as well?
- 5) Does the government espouse high skilled migration, especially from non-western countries such as India?

Indian highly skilled workers:

- 1) What motivated you to work in Norway?
- 2) How hard was it to obtain a work permit?
- 3) Do you feel integrated in Norwegian society?
- 4) Do you believe that you had to be more Norwegian in order to integrate into society or is the Norwegian society generally welcoming?
- 5) Do you think their attitude towards you is different because you're highly skilled as opposed to a refugee/ asylum seeker?

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