Swaminomics



Hidden benefits of the brain drain

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Cynics will call Prime Minister Manmohan Singh's US visit a non-event. Yet, it was a breakthrough in one respect: it was a major media event. Historically, visits of Indian prime ministers were virtually ignored by the US media. What changed this time? Well, India's economic success means it matters more today. But another reason is the rise of Americans of Indian origin in all fields including the media. This has raised India's profile in ways analysts often miss since it owes nothing to inter-governmental relations.

Manmohan Singh had a widely-watched CNN interview with Mumbai-born Fareed Zakaria, editor of Newsweek and columnist of the Washington Post. In earlier times, US media coverage of South Asia was coloured by Cold War politics, and by Pakistan's old friends in the Pentagon and State Department. Today, journalists like Zakaria have given India its appropriate place.

His latest Washington Post column was titled 'Don't neglect India.' Noting Obama's focus on China and Pakistan, Zakaria said India's long-term objectives were aligned with the US's while Pakistan's were not. "South Asia is a tar-pit filled with failed and dysfunctional states, save for one long-established democracy of 1.2 billion people that is the second fastest-growing major economy in the world, a check on China's rising ambitions and a natural ally of the United States. The prize is the relationship with India. The booby prize is governing Afghanistan."

Raju Narsetti is managing editor of the Washington Post, and Rajiv Chandrasekharan is its Iraq expert. Ashley Tellis, a former National Security Council staffer, is another respected media analyst. This trend does not automatically make the US media pro-Indian: Indian Americans are Americans first and foremost. But they have helped reverse the old media bias of the Cold War.

The rise of Indians in the US is a story that keeps growing in the telling. Indian Americans are the fastest growing ethnic group (up 106% in the 1990s), now estimated at almost three million. They constitute the richest and best-educated ethnic group, wielding clout disproportionate to their numbers. More than 100,000 Indians study in the US, many of whom will stay and swell the Diaspora's size and influence.

Three Indian Americans (Khurana, Chandrashekhar and Ramakrishnan) have won Nobel Prizes in the sciences. Indians are prominent in academia (Jagdish Bhagwati, Avinash Dixit); in management (C K Prahlad, Pankaj Ghemawat); in business (Indra Nooyi, Amar Bose, Vinod Khosla); and medicine (Sanjay Gupta of CNN, Deepak Chopra).

One-third of Silicon Valley engineers are Indian. Wall Street is replete with Indians. The big Wall Street scandal today is the insider trading case involving the Galleon Fund. The New York prosecutor is Preet Bharara, the accused is Rajaratnam, and the chief witness is Roomy Khan. You could be forgiven for thinking this was a Dalal Street scandal.

Indian Americans are rising fast in politics. Bobby Jindal is a potential future US president. Wikipedia lists 40 Indian Americans in US politics today. Indo-US ties have for decades been driven by individuals and corporations, rather than governments. During the Cold War, India's governmental relations were warm with the USSR and cool with the US. But a million Indians migrated to the US while none went to the USSR. Indians galore went to US universities, enjoyed American books and music, and got jobs in US firms. They got on well with Americans, but had no such affinity with Russians. Thus, person-toperson relations strengthened Indo-US ties even when the two governments bickered. With the end of the Cold War, the relationship grew: The two governments caught up with the people. They still had strong differences (Pokharan II, the Iraq war) but found natural affinities too.

Indian migration to the US was once castigated as a brain drain. More recently, it has been rechristened brain circulation, with many migrants returning to India. Economist Deena Khatkhate (see his book Money, Finance, Political Economy) was among the earliest to contest the brain drain thesis. He saw the exodus as a safety valve for educated Indians unable to find enough jobs in India's licence-permit raj. He also highlighted the way the Indian Diaspora catalysed changes in social, political and economic attitudes in India, paving the way for economic reform. It now seems that the Diaspora played an even bigger role: It changed US attitudes. The brain drain steadily increased the number of influential Indians in the US. Indo-US economic relations and the size and clout of the Diaspora grew fast together, most prominently in Silicon Valley.

The trend now encompasses all walks of US life, including the media. It is not quite true that the brain drain is becoming the gradual takeover of the US by Indians. But it has helped transform US attitudes