

Economic Impact of Return Migration of Highly-Skilled I.T. Professionals from the United States to India

I. Introduction

This paper will examine the role of return migration of highly skilled I.T. workers from the U.S. to India and their economic impact on India. Currently, the globalization debate is largely overlooking the massive impact that international migration has on the sending country from the loss of intellectual capital to the gain of remittances, social capital, and transfer of knowledge. This paper focuses on one aspect of international migration- return and circular migration- to highlight one group of return migrants to India from the U.S., who bring more than just remittances. I hypothesize that this subset of migrants brings back social capital, savings, managerial skills, and market knowledge, which can have developmental consequences for India.

The World Bank Policy Research Report on *Globalization, Growth, and Poverty*, 2002 defines globalization in its current stage a movement of capital, goods, and people. Advances in technology, which are reducing the costs of communication and transportation, is creating an ever growing globalizing world with easier access to foreign labor supplies, jobs abroad, and information. National economies are forging with global economies as foreign markets are opening up. Globalization debates are focusing on the importance of goods and capital flows; however, the movement of people across international borders is becoming more significant as well. Global markets are opening up for low skilled and high skilled workers from developing countries, who either seek jobs opportunities or are recruited to advanced industrialized countries. However, information on the number of migrants who are returning to the sending country and their impact is scarce.

The economic, political, and social impacts of international migration on the receiving country have been widely studied, yet the effect on the sending countries is just beginning to emerge in the globalization debate. In 2000, India received almost 12 billion U.S. dollars from its diaspora abroad. However, nationals abroad send more than just remittances back home, they create social networks that transfer information and knowledge to their countries of origin, which can increase productivity and growth. Therefore, the governments of sending countries have incentives for gaining a better understanding of the actual affect of the out migration of its most educated citizens and design immigration policies informed by a better understanding of costs and benefits of current and future migration trends.

II. My Argument

The benefits that highly skilled return migrants can provide for their countries of origin have been both grossly underestimated and largely neglected by most sending countries' governments until recently. The Indian government, for example, is slowly realizing and seeking ways to exploit the potential benefit Non-Resident Indians (NRIs) and persons of Indian origin, a group numbering over twenty million globally, can have on India's economic development and growth. Most of the literature on return migration focuses on remittances and less skilled workers. In this study, I will focus on the return of highly skilled human capital rather than financial capital. I hypothesize that identifiable economic impacts of return migration of Indians can be found in the transfer of knowledge, market information, shared learning, and spillovers, as well as in capital remitted from abroad.

This study explores the economic impacts of one specific flow of migration, namely return migration, on the sending country. In particular, return migration of highly skilled workers in the information technology (IT) sector is studied because their emigration represents large losses to the sending country. Jagdish Bagwati proposed a model of “brain drain:” the migration of the most educated persons from developing countries to advanced industrialized countries¹. He demonstrated how this hurts the sending countries’ economies since scarce national resources are spent to educate these individuals, who in their most productive years work abroad. Developing countries are losing their most educated and those with high innate human capital, since they are the ones most likely to take the risk of moving abroad.

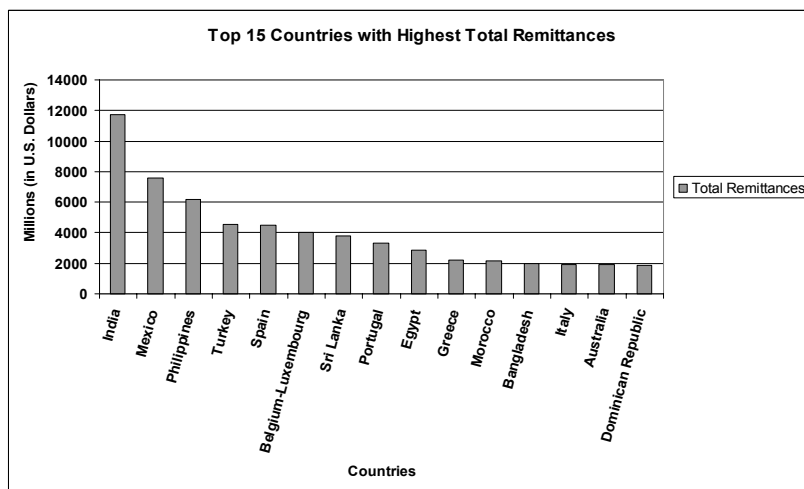
This thesis is a case study of return migration of Indian information technology professionals in Bangalore and Hyderabad, who migrated to the U.S to work for at least one year and then returned to India either temporarily or permanently. Through interviews and surveys of return migrants, I will begin telling the story of individual professionals and their aggregate impact on economic development in India and in the cities they reside. My findings will add to the body of literature on the long-term impact of high skill migration flow on the sending country and seeks to understand the networks that tie some of them to their communities of origin. This paper explores the hypothesis that highly skilled migrants are returning to the sending country with more human, social, and financial capital and will examine the role informal social networks play in finding jobs, establishing businesses, or securing financing for creation or expansion of firms.

¹ Bhagwati, Jagdish N. The Brain Drain. *International Social Science Journal*, vol. 28, no.4: (1976) 691-729.

III. Literature Review

The literature on international migration is vast and complex; this section will highlight a few theories on the economics of migration and labor flows.

Remittances dominate the literature on the impact of migration on the sending countries. Remittance is the money sent to families in the sending country from migrants abroad. Until recently, remittances were rarely recognized as a valuable source of capital from the development perspective. However, diasporas abroad are now sending more money home than their home countries receive through international aid. India has received the highest amount of remittances globally for the year 2000 according to Figure 1 below.



Source: Graph created by MIT PhD Candidate in Political Science, Neil Ruiz for his dissertation, which is based on the International Monetary Fund's (IMF) *Balance of Payments Statistics Yearbook 2001* and the World Bank's *World Development Indicators 2002*.

However out-migration may have effects for the sending country in addition to remittances. Return migration can bring savings but also social capital (transnational networks), financial accumulation for investment, transfer of knowledge, market information, and more.

Jagdish Bagwati, in his 1976 article, “The Brain Drain,” argues that the most educated persons from India migrate to advanced industrialized countries, such as the U.S., in their most productive years creating an exodus of educated citizens. The Indian economy will suffer since scarce resources are spent to educate these individuals; most universities and colleges are public and heavily subsidized by the government². Therefore emigration of the educated India will almost exclusively have negative impacts on India and this is argued to be an important cause of under-development in developing countries.

AnnaLee Saxenian proposed an alternative hypothesis in her paper, “Local and Global Networks of Immigrant Professionals in Silicon Valley”, by arguing that migration flows do not stop when the migrants move to the receiving country but rather that two-way flows of certain immigrants shows the complex nature of migration. She provides evidence that Indian and Chinese Professionals in Silicon Valley have strong social and economic ties with their country of origin. This leads us to believe that immigrants abroad may actually have a positive externality in the economy of origin because of potential increase in productivity, the creation of enterprises and therefore jobs, the accumulation of research and foreign direct investment, which may lead to innovation.

Saxenian’s Brain Circulation model is one step short of the even more recent Brain Reversal or Brain Gain model, which argues that those highly skilled migrants from developing countries who have emigrated to an industrialized country represent a potential resource for the socioeconomic development of their home country. Migration can be considered a temporary stage for some migrants, who return to the country of

² Need data on what percentage of the population graduate from a university, what percentage from I.I.T. are moving out of India, based on alumni activity in the U.S.

origin and bring skills and knowledge learned abroad³. Until recently, very few migrants returned back to India of those who had the opportunity to live in the U.S. However, today salaries for IT professionals are rising in India. Classic development economics states that if surplus of educated labor exists then out-migration of that labor will actually increase the productivity and wages of the labor left behind. Salaries for high-tech professionals are quickly rising, giving evidence that the surplus of highly skilled IT labor may not exist as it did in the 1980's, when high tech and financial professionals were making much less than their Indian counterparts who had migrated abroad⁴. Today, the maturing IT sector in India is attracting more NRIs back to India because of business opportunities and growth.

The IT sector in India is a booming industry with exports as the key driver to this growth⁵. As the industry matures, the IT enabled outsourcing market is growing and attracting more and more multinational contracts to national firms. The industry continues to grow because the availability of cheap, highly skilled labor, growing infrastructure, and existence of world class IT firms, such as Infosys and Wipro. This environment is creating an incentive for Indian IT professionals in advanced industrialized nations, such as the U.S., to return to India for business opportunities as security for investments increases in India.

The key distinction between the IT industry in the U.S. and India is that the industry is product-driven in the U.S. and service-driven in India. Silicon Valley is based on innovation and creating new products for the global market, while India's IT industry

³ Hunger, Uwe. "The 'Brain Gain' Hypothesis: Third World Elites in Industrialized Countries and Socioeconomic Development in Their Home Country." Working Paper No. 47, The Center for Comparative Immigration Studies, UCSD: Jan 2002.

⁴ Sender, Henny. "India Is Combating Brain Drain With Hefty Pay, Other Perks," Wall Street Journal.

⁵ See www.nasscom.org for a more complete description of the Indian I.T. Industry.

is oriented around services and projects for global clients, usually in the U.S. Therefore, any software development is the intellectual property of the U.S.-based firms. Innovation and a product-driven industry is where the highest rate of return is found and is one reason Silicon Valley and other technology centers are rich in financial and human capital⁶. Product companies have a two to three year development cycle, from product idea to development and sales and therefore a “high-risk high return” model. Whereas, a service-driven industry, as exists in India, has a “low-risk medium return” model because development cycles are shorter and revenues are seen sooner. In India, the availability of capital is not scarce but “scared” – meaning capital is available but unwilling to invest in high-risk ventures such as product companies⁷.

Bangalore is one of the top producers of software but because this software is outsourced projects, most of the intellectual property rights still belong to the firms hiring them, usually from the West.

IV. Research Design

This study will be focusing on India’s high tech sector because it is currently receiving higher numbers of return migrants from the U.S.⁸. High numbers of Indians have migrated abroad- the U.S received 42,046 Indians in the year 2000⁹. The number of Indians in the U.S. that became nationalized in 2000 was 26, 232. However, data on the number who return to India and qualitative information about this group is not available; however it is generally assumed that the number returning has grown in the last few

⁶ Amsden, Alice. The Rise of the Rest.

⁷ Expand on Amsden’s idea of “scared” capital.

⁸ Sender.

⁹ According to online data at the Migration Information Source.
<http://www.migrationinformation.org/GlobalData/>

years. This study will examine this subset of migrants and offer primary findings on the characteristics of this group.

India has been producing high numbers of educated and skilled workers. This, in conjunction with the high quality and cost-effective services, has produced a vibrant environment for the high-tech industry to flourish through domestic entrepreneurship and multinational corporation (MNC) foreign direct investment and outsourcing (NASSCOM, 2002). This environment of growth and opportunity has attracted many NRIs back to India especially after the economic downturn in 2001.

Return migration flows will be studied in the high tech information technology industry through a snowball sampling of return migrants in two cities: Bangalore and Hyderabad. These two cities have been chosen for case studies because they possess the highest amount of IT activity as well as the greatest business relationships established with Silicon Valley-based immigrant entrepreneurs.¹⁰ I will initially identify return migrants for my study through the Indian professional network, The Indus Entrepreneurs (TIE).

The Indus Entrepreneurs is a network of IT entrepreneurs of Indian origin based in Silicon Valley but with nine branches in India: Bangalore, Kolkata, Chennai, Mumbai, Hyderabad, New Delhi, Jaipur, and Uttar Pradesh. TIE has over 6,000 members in 29 chapters worldwide. I have chosen TIE as a way to identify returning IT workers because it is an organization of IT entrepreneurs started in the U.S. and expanded to India. Their stated mission is as follows:

TiE is a non-profit global network of entrepreneurs and professionals established to foster entrepreneurship and nurture aspiring entrepreneurs.

¹⁰ Saxenian, AnnaLee et al. Local and Global Networks of Immigrant Professionals in Silicon Valley. Public Policy Institute of California, 2002.

With a mission to help IT entrepreneurs around the world network with their ilk, our agenda is to duplicate the Silicon Valley success story in India.

Targeting individuals in this organization is not a random sample: those who are more entrepreneurial may be more likely to join this network, which is the only large-scale global network of high tech professionals which originated in Silicon Valley. The sample was a not a random sample but a snowball sampling, where interviewees suggest other individuals I should contact. A larger random sampling of return migrants is necessary to further develop the arguments I will propose, however, this is the first step in identifying the individual stories of various return migrants to have a better understanding what is actually transferred in transnational migration flows other than labor.

A return migrant is defined here as one who has worked for at least one year in the U.S. and has returned back to India, either temporarily or permanently. These migrants can include those persons who are constantly traveling between India and the U.S. but their permanent residency is in India. Although a significant number of Indian students study in U.S. universities, this study will only look at those that have worked or been trained in the U.S. for at least one year¹¹. “Returnees” will be asked questions that will reveal information about their education and work history in India, work undergone in the US, current work in India, as well as perceived benefits or losses from migrating to India.

Twenty-five return migrants were interviewed in Hyderabad and Bangalore: twenty-two were done in person and three over phone and email. I interviewed five

¹¹ According to *Open Doors 2002*, November 18, 2002 the annual report on international education published by the Institute of International Education (IIE), with support from the State Department's Bureau of Educational and Cultural Affairs, reports that the number of international students from India rose 22% to a total of 66,836 (out of 582,996 international students) in academic year 2001/02. India surpassed China this year as the leading place of origin for students in the United States.

return migrants who came back to India due to the economic downturn in the U.S. economy and were unable to secure another job in the U.S. to renew their H-1 visas. Most of these professionals returned to India about one to two years ago and stayed in the U.S. for about two to five years. The remaining twenty interviewees tended to have stayed in the U.S. for a longer duration of about five to twenty years and returned to India in the 1990's. These return migrants can be classified as return entrepreneurs rather than return professionals. I focused more on return entrepreneurs because this group supposedly would make an extra proportional impact on the economy and industry.

By focusing on individual lives in this sector, I would like to begin to tell a complex story of individual contribution to business sector and their aggregate economic impact in their regions. From the data collected, I will consider policy implications for the sending country and receiving country.

V. Issues to Explore During Research

- How have return migrants economically impacted India? One can measure the impact through number of firms, companies, or new branch plants started; number of jobs created; what type of jobs (high skilled or low skill). This transfers the arguments made on how multinational corporations affect economic development in the developing countries to transnational migration networks.
- Spillover affects from return migrants who have invested in India. For example, looking at the lawyers or accountants who have given support services to companies created by ex-patriots (downward and upward linkages). Or have companies given money to local research institutes?

- Return and circular migrants strengthen international contacts and networks. International contacts can arguably be a key component of technology transfer when the industry in the sending country is not at the technological frontier. What is its role in finding jobs or employees, capital, and inputs for new businesses?
- Role of research and development in the companies started by expatriates returned and still abroad. Are they service or product companies? What type of jobs are being created – high -skilled versus low-skilled?
- Remittances versus capital transfers. Migrants are bringing back more than just money for the family; they are having direct affects on business formation and knowledge transfer.
- Economies of agglomeration with NRIs? Are there benefits for NRIs and others to be in the same vicinity as other return migrants? Do they have positive externalities for each other? Has the government tried to create clusters for NRI owned firms, as they do for multinationals?
- Contrast the people with the same educational level who leave and returned versus those who have never left. Is it really true that those who leave bring back something special that they would have not gained if they had never left India? Is it true that NRIs will affect the economic development more favorably than their counterparts who never left India? Contrast the number of NRIs in a city with the amount of economic growth measured by the number of firms formed.
- If findings of this particular case study show a positive correlation between return migration and economic growth, then is this an atypical case or is it becoming

more the general case rather than the exception and, therefore, the government should hone in on this potential for development?

VI. Initial Findings from Interview Conducted in Bangalore & Hyderabad

After interviewing twenty-five return migrants, some similar themes and experiences were repeated by many of the interviewees. One of the most interesting finding was a critique of the Brain Drain theory set out in 1970's. This theory states that emigration of the most educated and talented citizens will hurt the Indian economy because these migrants are subsidized by the Indian government, which allocates scarce resources to its top universities and schools, however, these migrants spend their most productive working years in another country.

Two critiques of the brain drain theory emerged from the interviews. The first critique of this theory states that India has an excess supply of skilled labor, therefore, the "brain drain" did not have as great an impact on India as it did on smaller developing countries because of India's large population size which could afford to lose some of its most educated. A few thousand professionals leaving a tight labor market would not impact it as detrimentally as it would a less populated country such as Malaysia. Secondly, the environment to foster growth of the I.T. industry and extract the maximum potential out of the fresh talent that was emerging from the top engineering schools was rare to find in India in the 1970's. Many lament that these migrants, who are highly successful abroad, did not remain in India to work and give back to the country that educated it. However, one can only speculate the potential that would have been realized had these workers remained in India.

Branded Indian Name. The talent that migrated out of India actually had a benefit that could not be predicted in the 1970's. The Indian professionals that joined the I.T. sector in the U.S. in 1970's and 1980's branded the name and high expectations of the "Indian high-tech worker." Indians in the U.S. created a name for themselves and had a reputation of being intelligent, hard working, and talented professionals. As various Indians began working up the management hierarchy of leading I.T. firms, they became more recognized as reliable and entrepreneurial workers¹². With a high number of workers at top firms, such as Microsoft or Oracle, the high-level executives recognized the value of talent emerging from India and the perceived risk of locating development offices in India to do back office work, such as maintenance, support, and development, was reduced. When India's liberalization policy of 1990 allowed foreign firms to enter India's market more easily, more multinational corporations began moving development offices to India. Many times top management of Indian origin in the U.S. was asked to start up the offices in India, usually in emerging industrialized cities such as Bangalore and Hyderabad.

For example, a return migrant who had worked for Yahoo office in the U.S. for five years set-up Yahoo's development center in Bangalore. This returnee had made the personal decision of moving back to India with his family but ideally wanted to do the same work in India he was currently doing with Yahoo in the San Francisco Bay Area. His managers at Yahoo created a proposal for a new development center in Bangalore to be run by this returnee. After some negotiations the proposal was accepted by the executives of Yahoo and he soon was in charge of opening up a Yahoo development

¹² The same phenomenon is true for Chinese and Taiwanese professionals.

center in India. This happened because Yahoo management in the U.S. valued his work and recognized his potential in creating a development center in India.

Many U.S. and global firms are now outsourcing work to India. These companies hire Indian I.T. firms to work on a specific project, providing them with the project specifications (“specs”). The quality of work emerging from Indian firms has more credibility when the outsourcing firm itself has a significant percentage of Indian workers. Microsoft has recently pledged 100 million dollars to India because of the high numbers of Indians in his U.S. offices who have contributed to the company and possessed skill set and potential necessary to lead it to its success.

“Return Entrepreneurs” versus “Return Professional”

Due to the economic down-turn in the U.S. and western high-tech industries, the influx of H-1 employees in the U.S. has shrunk. Many of these employees have been forced to return back to India because of the lack of job opportunities in the U.S. or they have been unable to renew their H-1 visa. The high increase of return migration in the last few years is partly due to the return of H-1s.

The H-1s who have returned tend to be younger, in their twenties and early thirties, with limited job experience in both India and the U.S. They tended to have lived in the U.S. for about two to five years. Of those who have returned and secured jobs in India, most of them find themselves in middle management positions. Many said they returned to India to take these positions because it offered them a job opportunity that was not available to them in the U.S. at their current level of experience. They planned to stay in India for at least the next three years, but, given the right job opportunity, they would consider moving back to the U.S.

The return migrants interviewed stated the greatest benefits from their experience in the U.S. were their exposure to Silicon Valley ecosystem and the latest technology. All stated that their verbal and written communication skills improved tremendously and they gained a global perspective and more holistic understanding of the industry. Surprisingly, social networks were not mentioned as a perceived benefit or of high value. A few stated that their contacts and networks in the U.S. were helpful when trying to secure funding for a company or locating potential clients, however only product-based companies need heavy funding, development centers and back offices only needed an initial capital amount to start operations and this usually came from within the firm.

The handful of return entrepreneurs have started MNCs branches, founded a start-up rather than joining an established company. Of those interviewed, thirteen were entrepreneurs. Most returnees came back through a job opportunity that was established in the U.S. Relatively few returned to India without the prospect of a job in hand.

Return Migrants bring a Global Vision

Indians who have stayed in India generally lack a global vision of how the I.T. industry operates, probably due to the differences between the U.S. and Indian industry. In the U.S., innovation occurs and products are invented; in India only projects are undertaken. Although India's top I.T. firms are extremely successful in outsourcing, global services, consulting type work, India has yet to invent a world-class high-tech product. Since India's I.T. industry is service-driven, the same type of holistic understanding of the high-tech industry that is obtained in Silicon Valley can not be gained.

If return migrants obtain a global vision by working abroad then only a few of them are needed to return and implement a vision or plan with local talent. For example, Wipro, one of the top five I.T. firm, has positioned itself to be the local partner for major MNCs locating in India. Only a few top managers from the MNC are needed as a bridge between the development office and the U.S. office and the bulk of employees are local Wipro talent. On the product side, a handful of return entrepreneurs with a vision of creating cutting edge technology are needed to create product-oriented companies to drive innovation and growth.

Impact of return migrants on work environment

In Bangalore, return migrants will no longer make an impact on the work environment, as they would have in the 1970's, 80's, and early 90's. Now most I.T. firms are run in the typical high-tech model of a relatively flat hierarchy that Silicon Valley is famous for. Previously, India's largest firms, such as in steel and petrochemicals, were family-owned businesses with family members as the top executive followed by professional management.¹³ These companies had well-established hierarchies based more on seniority than on merit. I.T. firms are known for their casual attire, relaxed atmosphere, but high productivity and efficiency. Even in the early 1990's, leading firms such as Wipro and Infosys had professional, transparent work conditions. Today, this environment is well accepted and established in I.T. firms in Bangalore, Delhi, and Mumbai. Return migrants would have a higher impact on work environment of smaller companies in emerging I.T. cities, such as Hyderabad.

¹³ Amsden, Alice. The Rise of the Rest.

International firms and Venture capitalist funds based in the U.S. state that although India's I.T. industry has made significant improvement in the work environment, they still are not as efficient as many companies in Silicon Valley.

Venture Capital Industry

1995-1996 the V.C. industry started in India, prior to that risk capital didn't exist in India. Human capital of entrepreneurs is most important for the product-based industry, but they need support systems like financial capital from V.C. rather than loans. Even banks are loaning to these "high-risk" customers. Return migrants on their own cannot save enough money in the U.S. to fund a two to three year product company. Many work in the U.S. and think of good potential products to develop and decide to do develop them in India.

Product companies are "high-risk high returns" model with two to three year cycle to develop a product, market, and sell it. However, service and BPO companies have lower risk and need high capital initially for set-up but see earlier returns. Innovation is occurring in Silicon Valley not in Bangalore and Hyderabad. Innovation brings the highest rate of return and huge capital gains. In India, innovation needs to be fostered. Once idea is to bring back successful Indian entrepreneurs from abroad, as the government is now trying to do. However, for entrepreneurs to execute on their ideas successfully an environment to cultivate innovation not just service-oriented firms.

The V.C. industry in 2000 was channeling 1 billion U.S. dollars into I.T. firms, start-ups, however, it has now died down. Without capital, entrepreneurs cannot create companies and products. The large Indian firms, such as Wipro, Infosys, Satyam, TCS, HCL have deep pockets, a customer base, and the presence to create products, which

makes them good candidates for research and development to create products. If these companies create world-class products, it would be an example to the world and offshoots of start-ups would occur. Currently many ex-Wipro guys have started firms, smaller offshoots, however, most of these are still service companies.

A few multinational venture capital firms have opened branches in India. However, most of their investment have been with service and BPO companies. Indian venture capitalist are also investing solely in Indian firms but few are product companies.

Euclid is one product company trying to co-develop a product in San Jose, U.S. and Hyderabad, India for the U.S. market. They choose to locate their development center in India because of productivity and the cost advantage. The time difference between the U.S. and India allows Euclid to achieve a 16-18 hour workday: when work finishes in Silicon Valley, it begins in Hyderabad. Productivity is important in an industry that races to get their product on the market first. Euclid can, also, employ more developers at lower wages, which increases cost efficiency.

Return migrants to India are important because in order to develop a product for the U.S. market, one needs to understand the client expectations and participate in technology implementation, which return migrants have experience and knowledge of. For Euclid, the return migrants are generally in middle management positions. They act as the bridge between U.S. Euclid office and their development team in India. They create a knowledge base for others to learn.

2nd tier firms

Second-tier companies were more often started by employees of leading Indian IT firms rather than return migrants. Many second-tier firms were spin-offs from large I.T.

firms in India, started by entrepreneurs who worked for Wipro during their early stages and are now financially stable because of Wipro's success. Their stability has allowed them to take greater financial risks of starting companies. Second-tier firms were funded initially by financial institutions in India rather than the U.S.

Impact on the city

Most stated that the number of return migrants were not large enough to impact the city. However, combined them with foreign business travelers, top executives that travel to the U.S. frequently, and highly paid I.T. workers, this group is large enough to attract many high-end shops, restaurants, shopping malls, and services. Quality of service for customers has increased because many from this group have acquired tastes for certain Western services. For example, ATMs have been introduced and bank services are more service oriented. Bangalore has a pub and coffee culture that does not exist in other cities.

The cost of housing and real estate has increased tremendously. This is partly due to the higher purchasing power of I.T. professionals, those who have returned with great savings, and MNCs. Foreign firms locating in India are willing to pay more for high-quality offices of international standards. However, they also require enough high-end housing to be available for their employees that are coming from abroad, although a small percentage. For example, **i2** relocated its development office in Bangalore. It recruited 150 employees from the U.S. to relocate as well.

VII. Proposed Outline for Thesis

Chapter 1: Introduction

1.1 Introduce my question

1.2 Why it is important?

Current importance and coverage of the Indian Diaspora

Background to the Brain Drain debate

Chapter 2: Return Migration Trends

2.1 Return Migration Trends of the I.T. professionals between the United States and India

Immigration numbers of those entering the U.S. as students and workers

Number of I.I.T. graduates migrating to the U.S. for work.

Chapter 3: Literature Review

3.1 Literature Review of the International Migration and its effect on the sending country

Focus on economic models of return migration – Bhagwati.

New literature that critiques the Brain Drain model – Brain Circulation and Gain

Chapter 4: Methodology and Design of Study

4.1 Interviews

4.2 Non-random sampling

4.3 Shortcomings & limitations of study

4.4 Assessment

Chapter 5: Findings

Difference between U.S. and India's I.T. industry

Differences between H-1 returnees and other returnees

Chapter 6: Discussion and Conclusions

Where is the value added of return migrants?

Is return migration as big of a phenomenon as media is currently making it out to be?

6.4 Conclusions/ Research Questions Addressed

6.6 Significance/Recommendations for Future Research

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