

Outsourcing

and its effect on the US and India

What is outsourcing?

“[People are] frustrated and for good reason, because for the last 25 years they’ve seen jobs shipped overseas, they’ve seen their economies collapse. They have lost their jobs, they’ve lost their pensions. They’ve lost their health care.”

-Senator Barack Obama

April 11th, 2008

So how did this all
start?



Dot-com bubble

Does this negatively affect the US?

- Total number of jobs lost in 2005 - 11,375
- Number of jobs moved to India - 30% of total = 3400
- Immigrants from India to the US - 66,864

Economic Benefit

- \$22 Billion in revenue created by outsourcing, mostly by US companies

Changes in India

- 3 million middle class workers benefiting from outsourcing
- Majority of population still remains in abject poverty

The Future

- 54% of India's population is under the age of 25
- Issues of infrastructure and government bureaucracy

Questions?