

Brain Drain in India and Its Impact in the Economy



Mahendra Mehta

Assistant Professor,
Deptt.of Commerce,
Guru Ghasidas Central University,
Bilaspur, C.G.



Priyanka Singh

Assistant Professor,
Deptt.of Commerce,
Guru Ghasidas Central University,
Bilaspur, C.G.

Abstract

Brain Drain is movement of educated people between regions or countries. It is the process of moving in thought to be a better one. Brain drain is the process in which a country or area losses it's most talented and educated workers to other countries or areas. Brain Drain may be momentary, with the intention of returning to the country of origin in the future or permanent. In this era of globalization, it is a very common feature. The main causes of Brain Drain in India are huge population, rigid educational system, lack of good or better job opportunities etc. Which results in to brain drain, talent shortage, reverse brain drain, remittances etc. It can be taken as one of the encouraging factors in the era of globalization as helps in the free flow and exchange of ideas, technology along with talents. It has its own both positive and negative effect. In Indian context, nowadays it has resulted in to brain circulation. The present research paper is an attempt to look at the causes and effects of Brain Drain in India.

Keywords: Brain Drain, Brain Gain, Remittances, Globalization Etc.

Introduction

Brain drain is the movement of skilled individuals from a less developed area to a more developed area. Brain drain is the process in which a country or area losses it's most talented and educated workers to other countries or areas. It occurs due to push and pulls factors between countries or areas. Brain drain is a slang term for a significant brain Drain of educated or talented individuals. A brain drain can result from turmoil within a nation, from there being better professional opportunities in other countries or from people seeking a better standard of living.

Brain drain, which refers as the evacuation of intelligent, well-educated individuals to somewhere for better pay or conditions, causing the place they came from to lose those skilled people, or "brains". Brain drain occurs when scientists, engineers, doctors, IT- professionals and other intellectuals migrate to another country for higher studies, to undertake research activities, to get better job and work experiences which they are not getting from their country of origin.

Brain drain can also be detained as the loss of the academic and technological labour force through the moving of human capital to more favourable geographic, economic or professional environments. More often than not, the movement occurs from developing countries to developed countries or areas.

A recent study conducted by Indian Institute of Management- Bangalore (IIM-B) shows that the students going for higher studies abroad has increased by 256% in the last 10 years. When 53,000 Indian students went abroad for higher studies in 2000, the figure shot up to 1.9 lakh in 2010. Brain Drain of Indian scientists and engineers to the US has increased by 85% in 10 years, a report of the highest scientific body of the United States has said.

"We should not be scared of losing manpower to other countries. India's biggest strength is its human resource with 65% of our population below the age of 35 years. In coming years, India is only going to get younger. We should use this wealth to evolve our development model," he said.

Objective of the Study

1. To examine the causes and effects of Brain Drain in India.
2. To find out Possible actions to curb brain drain.
3. To find out the impact of Reverse Brain Drain in context to Indian economy.

Research Methodology

The study is entirely based on secondary Information which was collected from different sources such as Professional Magazines,

Reference Books, Newspapers, Journals, Research Articles and published reports of World Bank, UNESCO, ministry of MHRD, ministry of Overseas Affairs etc. The collected information was compiled and analyzed for the purpose of the study.

Causes of Brain Drain

The main causes include seeking employment or higher paying jobs, political instability and to seek a better quality of life. It can be categorized in push and pull factors.

Push Factors

The push factors are negative characteristics of the home country that from the impetus for intelligent people migrating from lesser developed countries (LDC). In addition to unemployment and political instability, some other push factors are the absence of research facilities, employment discrimination, economic underdevelopment, lack of freedom and poor working conditions.

Pull Factors

The pull factors are the positive characteristics of the developed country from which the migrant would like to benefit. Higher paying jobs and a better quality of life are examples of pull factors include superior economic outlook, the prestige of foreign training, relatively stable political environment, a modernized educational system to allow for superior training, intellectual freedom and rich cultures.

Effects of Brain Drain on The Home Country

When brain drain is prevalent in a developing country, there may be some negative effects to the economy are as follows:

1. Loss of tax revenue.
2. Loss of potential future entrepreneurs.
3. A shortage of important, skilled workers.
4. Loss of innovative ideas.
5. Loss of the country's investment in education.

When people from LDC countries to developed countries they learn new skills and enterprise, which they can utilize to the advantage of the home economy once they return.

Possible Actions to Curb Brain Drain

Brain drain refers the situation when highly qualified and trained people leave a country to permanently settle in some other country. It is also referred to human capital flight. Highly educated professionals people immigrate to other advanced countries for better opportunities and a comfortable life style.

The problem of brain drain has become very elusive. The developing countries like India are desperately in need of talents. After independence our country is struggling difficulty like poverty, but struggles cannot be launched in papers; they require armies of trained personnel. Instead of contributing to the prosperity of India, the Indian scientists, researchers, engineers, doctors and economist immigrate to other countries. It is difficult to see how Indian can implement its development plans and attain goal of prosperity.

In the underdeveloped countries like India the ambitious and highly educated people found it difficult to climb the peak. Hundreds of talent emigrated to the USA and Europe which assured

them of great opportunities for getting the top and comfortable living, satisfaction and of glory in their respective fields.

But the problem is that a developing country like India could hardly afford to accommodate so many ambitious people, some of them after training experiences in foreign countries, return home with individual's dreams and when they fail to fit in with the evolving patterns at home despair drives them away again.

India needs its professional trained people, so they should be persuaded to stay in India and be content with less lucrative jobs.

Reverse Brain Drain

"Reverse brain drain is a form of brain drain where human capital moves in reverse from a more developed country to a less developed country that is developing rapidly. These migrants may accumulate savings, also known as remittances and develop skills overseas that can be used in their home country".

NRIs are returning in India in what is being called the "reverse brain drain" through much of the 1960s to 1990s, India suffered from a brain drain to more developed ones. Each year graduates especially those in engineering, math and science, would leave India to access superior post graduate education and research opportunities available abroad with the United States near the top of the list. For decades, Indian students have been one of the largest groups of foreign students in US universities.

However, in the past decade something interesting has occurred; India economy boomed while the US and other countries have suffered through struggling economies. The global melt down in 2008 definitely contributed towards many NRIs returning to India. Due to the mass exodus of India, the urge to return is only going to grow since the returnees have started and will contribute to start thousands of companies which will provide equal in better opportunities than there are in the west. An irrational fear among western people due to the recession, that an accelerated growth of Indians in their countries will make it more difficult to obtain crowded out overseas and are looking at India for better employment and economic opportunities.

Investment in human capital is just as important as the investment in physical infrastructure. Both needed to happen simultaneously for India to stem the time of the brain drain, with a democratic government change is possible. If this occurs the India will be a model country and forces though be reckoned with on the world stage.

Conclusion

Indian scientists, researchers and technicians are working too hard to make our country developed from the stage of developing. There is no limit to development and progress, India needs the talent of all the Indian scientists, managers, doctors, professors and engineers and other qualified human resources who all are settled abroad. Our country has become a very well-known source of skilled labour migration. The flow of Indian professionals is towards the United States, Canada, the United Kingdom and many other similar destinations mostly developed

countries. If they return back they can play an important role in development of our country. Brain Drain can be taken as one of the positive factor in the era of globalization as it helps in the free flow and exchange of ideas, technology along with talents with its both positivity and negativity.

In Indian context, as of today, brain drain has resulted in to a reverse brain drain. The migrants are returning back and are creating new avenue for economic development of the country. The condition is improving in IT, pharmaceuticals, bio-tech, and chemical field etc, which is very limited. Brain drain, which refers as the evacuation of intelligent, well-educated individuals to somewhere for better pay or conditions, causing the place they came from to lose those skilled people, or “brains”. Elites and highly qualified professionals from India are placed all over the World. Like all other resources India is very rich in human resources. We need to put these resources to its optimum utilization so as to bring incredible results. The intellectuals which we lose every year can help us in the valuable consumption of our natural resources. Now there is a need of the time to develop effective policy framework by the government to attract the migrants to return back which can create substantial benefits for the nation economy.

References

1. *Annual Report of Ministry of Overseas Affairs; 2012-2015.*
2. *Annual Report of MHRD, India, 2011.*
3. *Betts, A., (2011) Global Migration Governance Oxford: Oxford University Press.*
4. *Gupte M.J, Jadhav Kiran V. (2013). Brain Drain Reversal and India, Souvenir of National conference on Higher Education a directional impetus.*
5. *Khadria Binod (2002). Skilled labour migration from developing countries; Study on India, international migration programme, Geneva.*
6. *Kulkarni Alka P(2013), Reverse brain drain, Souvenir of National conference on Higher Education a directional impetus .*
7. *Maria Kelo and Bernd Wächter (2004), Brain Drain and Brain Gain: Migration in the European Union after enlargement, European conference Brain gain – the instruments.*
8. *Natalia Buga, Jean-Baptiste Meyer (2012), Indian Human Resources Mobility: Brain drain versus Brain gain, CARIM-India Research Report 2012/04.*
9. *Nathan Lillie, Erka Çaro, Lisa Berntsen and Ines Wagner (2013), Ravesh S. (2013), Brain drain : Socio-economic impact on Indian society, International journal of humanities and social science invention.*
10. *Subramanya Rupa (2013), Who's returning to India and why? , Economics journal. World Bank, 'Migration and Remittances Factbook 2011'.*
11. *World focus (2001), Special Issue on Indian Diaspora – Its Positive Contribution, No.255.*
12. *Gaurav Dutt and Ashwin Mahajan, s chand, Indian Economy.*