

Indic Studies seminar focuses on IT outsourcing

By CHRIS TRAINOR, Standard-Times correspondent

DARTMOUTH -- A phone call to Dell Computers in Texas will get you to Bombay, India, if you ask the right questions.

And it just may give Indians a fresh sound -- answering your CD-ROM failure questions with fake Texas accents, in an information technology revolution sweeping through Southern Asia.

Yesterday's UMass Dartmouth Center for Indic Studies seminar, hosted by UMass professor Dr. Bal Ram Singh, and keynote speaker C.M. Bhandari, India's joint secretary for the Ministry of External Affairs, enlightened listeners to some of the effects of globalization and the world economy.

Information technology outsourcing involves less developed nations such as India, China and the Philippines providing technical support for businesses operating in more advanced countries such as the United States and European Union. Among companies that outsource technical support to India are Dell Computer and Merrill Lynch.

As India's market economy opened in 1991, many inferior labor sector jobs were lost due to inefficient production methods and increasing input costs, according to university officials.

However, with the advent of global outsourcing, India has been able to recoup those textile losses and even advance its own IT services.

According to Mr. Bhandari, businesses that invest in outsourcing make a 15 percent return on investment; by comparison, keeping technical support at home returns less than 1 percent.

"The business outsourcing revolution has spread in India because it is not capital intensive," Dr. Singh said. "It is knowledge intensive, of which there is no dearth in India."

As to how well each party makes out in outsourcing, Dr. Bhandari said, "Investing in outsourcing benefits everyone, both the host company and the Indian economy."

Mr. Bhandari spoke to a full room on his way back from the G15 Economic Summit meetings. Currently, he supervises India's foreign policy relations in multi-lateral organizations such as the United Nations and the World Trade Organization.

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