

# Democrats no cause for worry in outsourcing

## Experts Feel Dems Have Better Things To Think About

Mini Joseph Tejaswi | TNN

**Bangalore:** Two years ago, the US Democratic presidential candidate John Kerry created a scare in the Indian IT industry with his anti-outsourcing rhetoric.

To the industry's relief, Kerry lost that election.

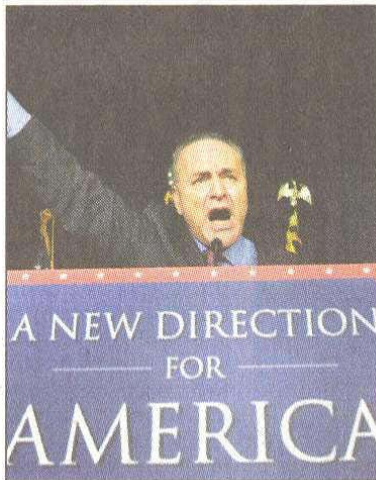
Now, the Democrats have taken control of the US Congress and Senate. Is the industry worried? Not much.

The general sentiment in the tech community is that the Indo-US business momentum, irrespective of the Americans' political preferences, will continue.

The outsourcing industry is seen to have evolved and grown since the presidential elections in 2004. "Outsourcing today is a sector of higher visibility and acceptance.

The emergence of the global delivery model has taken away the focus from an India-only offshore model to a multi-geography model that has further enhanced the acceptance of outsourcing," said S Nagarajan, co-founder & COO, 24/7Customer, one of India's biggest call-centre operators.

Sankalp Saxena, managing director, Moveo Systems, said: "Resis-



Senator Chuck Schumer, addresses the crowd at the Democratic Congressional Campaign Committee victory celebration in Washington

tance will be there only till a mutual economic feasibility point is met. After that, it's a matter of sustaining that relationship. That's what is happening between India and America now."

What happened to the resistance against moving jobs in manufacturing and textiles to China, Taiwan and HongKong is seen to be happening

now in IT/BPO. "That resistance died out with all stakeholders realising the cost benefits," said the CEO of a BPO firm.

"Democrats are expected to be busy making policies on combating terrorism and handling the issues of Iraq and Afghanistan rather than worrying about Indo-US economic relations," said Atul Jalan, MD & CEO, Manthan Systems.

Patni vice president (marketing) Tony Viola said: "What's predominantly eating into the mindshare of Americans today are issues of war in Iraq, quality and affordable health care and easy access to higher education."

However, some are less optimistic. "Democrats may restart their anti-outsourcing campaign, but it will happen only towards the end of 2007, as they will not gain anything from raising the bogey at this point of time," said Ravi Venkitachalam, an Indo-US trade expert.

The Democrats recently opposed the government's plan to increase the number of H1 visas. "Therefore, immigration quotas will again be a hot button issue in the months to come," said Jessica MacKenzie, director, Tholons, an investment, advisory and management firm.