

**poke me**

The H-1B issue in the US provides the right push – and opportunity – for India

## Let's Drain Brains Out of America



**M Muneer**

Trumpnomics and the H-1B imbroglio have been hogging the limelight and unsettling the bourses. India's diplomatic machinery has been grinding away to find ways to save India the resultant economic shocks. But are we being myopic to turbulence? Why are we incapable of seeing the new American protectionism as the right disruption dose to change our focus and ways to lead the world?

Trumpnomics will probably kick-start the decline of the US as we know it. Getting back our best brains, trained in the best institutes, will be the biggest capital we can have to climb to the pinnacle. In the short term, we may see turbulence. But in the long term, it will be the biggest gift from President Donald Trump — provided we create the climate in India for these brains to thrive. Instead of copy-pasting everything that's already out there, we should lead and encourage others copying from us.

Although India boasts of one of the largest education systems, with over 600 universities and 35,000 colleges, enrolling over 17 million students of which five million graduate every year, we need much more for the world's largest young populati-

on. And we must recognise that we do have a huge quality deficit. Every year, over eight lakh Indian students go abroad, at the cost of \$10 billion in foreign exchange annually.

At any point, there will be over 200,000 students in the US, the majority in postgraduate science, technology, engineering and mathematics (STEM). While most Indians studying abroad look for a decent job, Chinese students explore and experiment with education, since finances are not an issue for them. China has been able to attract them back to the mainland for value creation. H-1B is probably more impactful for Indians because of this difference.

China faced the same problems in its higher education system some 20 years ago. It then decided to single-mindedly focus on tackling them. China's flagship Project 211 and Project 985 solely aimed at building world-class education systems inside China. It invested upwards of \$250 billion annually to develop human capital. That resulted in some of their universities being in the top 50 of the world. India, meantime, has none. China is the third-largest education hub in the world today after the US and Britain. Countries like Singapore, too, have built a good education system to retain talent within and attract the best from elsewhere.

The H-1B issue is the right push for India. However, India will have to take some concrete steps in terms of policy. For starters, it will have to shelve its 'jugaad' culture. We can learn from other countries and the US' Sil-

icon Valley to shape our own policy. Startups, entrepreneurs, technologists, tech companies that are potential buyers, infrastructure, venture capitalists and angels, supporting legal and regulatory systems and skilled human capital are the components of a good ecosystem. In addition, places like Silicon Valley have something more valuable: a risk-taking culture.

Establishing an entrepreneurial environment for small and medium enterprises (SMEs) and facilitating access to easy capital are keys to driving the ecosystem. This should also include attracting the talent that will be affected by the H-1B restriction. Just copying the policies of successful economies will, however, not bear

fruit. Our own context and trajectory should be the marker: poor infrastructure, low capability of product development, weak capital and labour markets, low quality of education system, regulatory gaps and caste-class-gender-income inequalities.

India can do much better than other developing nations if policymakers look at increasing cross-border collaboration, building innovation hubs comprising incubation and accelerator centres, forming friendly regulations, lowering barriers to innovation through financial and entrepreneurship incentives, reforming education policies and aligning Make in India, Startup India and Skill India.

First, GoI and Niti (National Insti-

tution for Transforming India) Aayog should walk the talk with an innovation agenda. Startup India and innovation incentives can create a pro-innovation mindset. But the way the execution is done needs far better governance for return on investment. The private sector and individuals should have better access to funds, human capital and research-oriented academia.

Second, there is no stop-and-start in innovation policy. The government should invest in driving the ecosystem and strengthen the linkages between all the players within it to see measurable results.

Federal and state funds as utilised today are unlikely to bear fruit. Instead of funding various parties to set up incubation centres, they should look at setting up the mother of all incubation centres — like the Silicon Valley's mach49 hub-and-spoke model. Finally, the national innovation policy should be tweaked to attract Global-1000 to innovate from here.

Going by the successes in different countries, it is highly likely that India will leave its mark in the global innovation map by building the ecosystem. Perhaps Paulo Coelho has a point, 'When you want something, the entire universe conspires to help you achieve it.' It seems Prime Minister Narendra Modi really wants India to lead the world. After all, Americans conspired to elect Trump, didn't they?

*The writer is co-founder, Medici Institute*



**Yes, but it means going back to smelly India!**

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#### Devi Prasad

This is an idealistic scenario. We suffer from lack of facilities and shortage of committed teachers right from primary school. Millions of graduates and postgraduates don't have employable skills. Many state universities languish for lack of funds whereas the few centrally funded institutes suffer from lack of direction. A complete overhaul will take years if it is started today on a war-footing.

#### Sundaram Ramaswamy

The ecosystem and our attitudes need a sea change to take advantage of the opportunity: (a) willingness to accept failure as a stepping stone, (b) cheap cronyism blocking meritocracy, (c) unwillingness to reform law and justice, (d) super-inefficient governance inspired by decades of Nehruvian methods encouraging corruption, and (e) education system dogged by nepotism and parochial-

ism killing any scope for advancement of research and intellectual property creation.

#### Shahnawaz A

A fascinating look at the latest in disruption economics. First, Trump's grandstanding is perhaps just that. The corporate forces in the states have too much skin in the game that their vested interests will prevail. Second, for every step we take forward, the overwhelming darkness of our own incompetencies

weighs us down inexorably. Third, the smart and self-centred youth will simply look at other greener pastures to ply their wares and realise their own existential nirvana.

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