

Brain Drain/Brain Gain: Socio Economic Effect on Indian Society

Sayali Vijay Sankpal, Kasturi Rohit Naik

Abstract- This study reveals the socio economic effects of brain drain on Indian society. It studies various causes for brain drain & also shows how excess brain drain can cause severe problem to India, which leads to huge losses if preventive measures are not taken well before time. The paper shows that how a brain drain maybe converted into a brain gain with wider application where India might stand as a win-win scenario. Proper balance between brain drain & brain gain is the key to success for any countries development. Suggestions related to what India can do to handle the problem of brain drain effectively and efficiently are been stated. This paper attempts to review the literature on brain drain with objective of retention of the Indian talent & giving them better career opportunities for the development of the individual as well as the home country.

Keywords: Human capital flight, brain drain, brain circulation, reverse brain drain, retention, highly skilled, talents

I. INTRODUCTION

A situation in which highly skilled people migrate to other country is known as brain drain. It is also popularly known as human capital flight. This is one of the most serious problems faced by many developing countries. Unfortunately India is one of the countries suffering from severe brain drain. Statistics reveal that the brain-drain of software engineers alone costs India \$2 billion a year. The total amount lost from every field of human capital threatens to be enormous.

In a recently released report from the Union HRD Ministry about fee structure in IITs said that an average of 8 Lakh is spent on every student for a 4-year BE course against the meager 2 Lakh paid by the student. This means that for every student that studies in the IIT and moves abroad to work for MNCs there is a loss of 6 Lakh rupees. Various retention strategies like improvement in the educational system, government laws & legislation, government plans etc. should be taken into consideration. Governments can do quite a lot to address the causes of the brain drain. Science and technology policies are key in this regard. A functional educational system that provides mainly technical education in mother tongue works as major factor for such retentions.

Hence it becomes necessary to take preventive measures on Brain drain. Studying brain drain in India will help to reduce the amount of brain drain, which may also cause brain gain or brain circulation. This can help to develop the India's socio-economic status.

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Ms. Sayali Vijay Sankpal, Department of Minerals Management Service, Navinchandra Mehta Institute of Technology and Development, Dadar, Mumbai (Maharashtra), India.

Ms. Kasturi Rohit Naik, Assistant Professor, Department of Minerals Management Service, Navinchandra Mehta Institute of Technology and Development, Dadar, Mumbai (Maharashtra), India.

II. LITERATURE

According to Oxford Advanced Learner's dictionary Brain Drain is "the movement of highly skilled and qualified people to a country where they can work in better conditions and earn more money". Brain-drain can also be named as "human capital flight" because it resembles the case of capital flight, in which mass migration of financial capital is involved. According to Raveesh, 2013 for the balance of power and for the staggered development of the world, it is very important to stop the phenomena of brain-drain. This will help a particular country to use all local skilled citizens for development and proliferation. But to hold these skilled workers at their native places, it is also important to provide them enough work opportunities and living facilities. According to Pooja Kumra brain drain may have not enough positive impact on our economy in the short run but being a developing country, India cannot afford migration of highly valued professionals and there is need to review our long term higher education strategy in this regard.

III. RESEARCH METHODOLOGY

A. Problem Statement

Most of the literature on effects of brain drain in India focuses mostly on the causes of brain drain. Very less study is done on the concepts like reverse brain drain, brain gain e,t.c. if this is done then it can really help to design preventive measures to tackle brain drain which may allow for the fast growth & development of the countries as well.

B. Research Objectives:

1. To understand the various causes of brain drain in order to determine preventive measures of brain drain.
2. To understand & examine the impact of brain drain on Indian economy & determine various solutions.
3. To understand different measures that can help to retain the talent in India.

C. Research Design

Descriptive research design is used for the study

IV. DATA COLLECTION STRATEGY

The primary data for all the studies is collected by means of observation and formal and informal interview. The secondary data is collected by means of exploring various published and unpublished paper and electronic sources.

V. CONCEPTS OF BRAIN DRAIN/BRAIN GAIN

Brain drain which is also popularly known as human capital flight which refers to emigration of the human capital which contains stock of skills and productive knowledge embodied in people. Capital investment lies in enhancing a person's

skills and earning power, and in increasing overall economic efficiency through complementary application of different skills and improved economic decision-making both within and without the market economy. India has most recently been one of the most significantly affected areas with regards to the loss of human capital. This leads to huge loss for Indian socio & economic status as it takes lots of money, time & recourses to train people & to make them valuable assets in the market. But unfortunately these assets are being used by the host countries by attracting them through great future in career & development which standardize their lifestyle. As long as international inequalities in standards of living remain as they are now the migration of educated and skilled persons from developing to developed countries will persist. Thus brain drain mostly focuses on the individual development in the host country, which slowed down the development of the home country. On the other hand brain drain also has positive sides such as, modernization, technology, exchange of new ideas, understanding of the international culture e.t.c which proves beneficial if brain drain can be converted into reverse brain drain. Thus this problem can be only tackled by designing new policies which attracts the employee & which will promote better career opportunities in future. Governments also play a major role by the use of laws and legislation which may promote greater employable facilities & better lifestyle for the people. A change in educational system is also important, which may focus more on practicality rather than theoretical. This all things if properly planned & executed in the future may work wonders if India becomes successful in turning brain drain into brain gain & reverse brain drain.

VI. IMPLICATIONS

1. Salary structure should be redesigned in order to live a quality life for all level of workers.
2. Focus should be more on Brain gain Or Brain circulation. Education system should be more practical than theoretical
3. Government should design new policies to promote talent in India.
4. Good job opportunities for Career growth & development
5. Proper balance of Brain drain Vs Brain gain

VII. FUTURE SCOPE

There is future scope to replicate this study within the government & business organization to research with respect to improvement in HR policies to retain talent in India. Further the research can also concentrate on how proper balance can be maintained between brain drain & brain gain. There is also a scope to understand the process of internationalization of the expatriates belonging to India in the host country with the aim to understand the differences in corporate and social policies of the host country. Future research can also investigate the reasons for reverse brain drain a phenomenon seen over a gap of certain period with respect to India and its impact on the Indian social and economic conditions.

VIII. CONCLUSION

Human capital flight leads to underdevelopment of any particular country, region or area. Therefore, first of all, the process to overcome the problem of underdevelopment should begin by identifying the nature of human capital required and the efforts to produce, retain and to diffuse the knowledge and skills. Brain drain has negative impact on the sending countries economic prospects and competitiveness. It reduces the number of dynamic and creative people who can contribute to the development of their country. Though Brain Drain is a serious enough problem it's not all about bad. Capital flight as the most crucial cause of underdevelopment provides new Basis for development discourse. There is increasing awareness that migration can benefit both the 'sending' and the 'receiving' country. In the long run brain drain may be converted into brain gain which may lead to developed India.

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Ms. Sayali Vijay Sankpal, She has done graduation in B.sc Chemistry currently pursuing Masters in Management studies with HR specialization from DES's NMITD Institute.

Ms. Kasturi Rohit Naik, Presently working at DES's NMITD Institute, Mumbai as Assistant Professor with MMS Department. She has done graduation in B.Pharm and Masters in Management studies with HR specialization. Currently pursuing PhD from SCSVMV University located in Kanchipuram, Chennai in area of stress management under guidance of Dr. Srinivasa R. She have published and presented more than 12 papers in India and abroad. Her interest areas of research include stress management, training and development, talent management etc. Have received certifications in First degree Reiki and Mind Mapping. She is a Neuro-Linguistic Programming practitioner.