Just a few years back a high school diploma was enough for an American citizen to earn a decent living. Now, that is no longer the case. One needs at least a Bachelors degree to be able to even compete with his counterparts in countries like India and China for a job in America itself.

Outsourcing as an option for the American business enterprises started initially from the logic of an aging population where there were fewer workers to fill the blue collar jobs, also that by outsourcing such jobs the American citizen was getting commodities at much cheaper rates because of the cheap labour in such countries like India. The rationale behind this phenomenon was also very well rehearsed. It was really a mix of the white man’s burden and that of comparative advantage, justifying outsourcing as a way to close the widening gap between rich and poor countries and thus bring security to this world. However gradually even white collar jobs began to be outsourced to India and that is where things started getting difficult. Recent studies show that more that 1.3 million western jobs will vanish by 2014 due to the accelerated movement of work to India and other off shore locations. Although this piece of information will be received in with a smile by many Indians and Indian policy makers, shaping the idea firmly in their minds that India will gradually control these countries’ economies especially that of the United Stated with the Indian techies sitting somewhere in Silicon Valley as ‘Bangalored’ gradually becomes an official English word; the truth remains quite different.

The fact is our economy is entirely dependent on the American economy which out sources its work to us and once they decide to stop hiring our cheap labour, it’s our economy that will come very close to crumbling, not theirs. A series of recent developments has underscored the rising importance of outsourcing in the American domestic politics and these are bound to affect India –US ties in the near future. The first event is the introduction of legislation by influential U.S. Senator Charles E. Schumer, a Democrat from New York, imposing a $0.25 tax on each customer service call that U.S. companies relay to foreign call centers. He estimates that 1.6 billion such calls are made annually, which, if the legislation passes, would result in $400 million in new tax revenue. The bill would mandate that companies inform customers that their calls are being transferred and to which country. Firms would also be required to submit reports to the U.S. Federal Trade Commission certifying their compliance with these provisions. Schumer, as chairman of the Senate immigration subcommittee, will play a leading role on the related issue of the H-1B temporary visa program for skilled foreign workers. The bulk of these visas in recent years have been awarded to Indian citizens. The Obama administration’s 2009 economic stimulus package placed slight restrictions
on the program, and a move is currently underway in the U.S. Congress to add further limits, which if enacted would restrict how some Indian companies operate in the United States. Needless to say, how this issue plays out could also have an impact on bilateral relations.

The question I seek the answer to is whether it is this constant need to appease the world’s lone super power to keep our finances intact, that keeps us from formulating an independent foreign policy. It appears that our foreign policy makers are constantly looking west to find directions in formulating the country’s future role in the world. Why should that be?

Very recently, India failed to send a representative to the International summit on anti-terrorism held in Tehran on the 25\textsuperscript{th} of June. It was a two day event and the Iranian President Mahmoud Ahmadinejad had sent a formal invitation to the Vice President of India, Hamid Ansari. The government not only ruled out Ansari as a candidate for participation but it also managed to fail to select another candidate for participation. Such occurrences have taken place over the past couple of years where Iran has invited the Indian Prime Minister Manmohan Singh and he has not responded. Many would speculate that it wasn’t possible for a country like India to go rubbing shoulders with a country like Iran which is clearly at loggerheads with the US. That would be naïve. If that is the case why didn’t Pakistan and Afghanistan give this initiative a miss? These two countries were being pressured both by the United States and Saudi Arabia to decline the Iranian invite. Not only did Afghan President Hamid Karzai and Pakistani President Asif Ali Zardari attend the summit they also highlighted the need for regional cooperation in political, security, economic and cultural areas. And also fighting terrorism and foreign interventions. Karzai went on to stress the importance of cooperation between these three countries as Afghanistan fights for withdrawal of US troops from its soil, as Zardari emphasised the historical cultural linkages between Iran and Pakistan. During this summit President Mahmoud Ahmadinejad rightly mentioned that it was important to explore the roots of terrorism before it can be eliminated and also blamed US militarism as it effectively decreased security.

This directs one towards two fallacies in the current Indian foreign policy making. One, India has slowly become a non-entity to Afghanistan. In spite of having poured millions of dollars in Afghanistan it was made clear by Karzai’s statement in the said summit that India is not viewed as an important actor. Having so far played by the rules of America, now that the United States is thinking of pulling out of Afghanistan, India stands confused with its role. All the regional countries, Iran, Pakistan, Tajikistan and the US are in the picture but India is out. Second, India’s perception of Iran has always been highly influenced by the US’ outlook; there never was any independent thinking on India’s part. India and Iran have shared history dating back centuries but still we believe the propaganda of a state like US which supports corrupt regimes from Morocco to Egypt to Saudi Arabia to Bahrain. In fact many would opine that Iran is the only functioning democracy in the entire Middle-eastern region. US hatred towards Iran can be easily explained keeping in mind the constant Iranian defiance by not selling its oil to the corrupt American companies on their terms. The refusal by the India to payback Iran for its oil for more than almost seven months now is simply unfair, not mentioning the fact
there is no UN sanction against the Iranian Oil Industry. Till date India owes Iran $ 5 million.

All of the above is really put into perspective when one considers the recent diplomatic row between the US and India over the US rejection of India’s proposal to open a Consulate in Seattle. It was during a White House meet between Prime Minister Manmohan Singh and then President Bush in 2008 that this was already agreed upon by the two governments. This sudden change in attitude by the US has not been received kindly by the Indian Government and it has in turn refused the American request to open a Consulate in Bangalore. The US also wanted to increase its diplomatic staff in its public diplomacy division and get in some agricultural experts, India turned down this request too.

Earlier this year the detention of Krittika Biswas, daughter of Debasish Bishwas, vice consul (administration) at the Indian Consulate general in New York, for more than 24 hours, ignoring her claims of diplomatic immunity also made the Indian government issue stern statements saying bilateral ties will be affected if the US continues to harass Indian diplomats.

With the Obama administration’s priority tilting away from India, the inadequate efforts by the US in getting Pakistan to step up its investigation regarding 26/11, Mumbai and most importantly the recent blasts in Mumbai, the US Secretary of State, Hillary Clinton’s ongoing visit to attend the Second India-US Dialogue presumably might take an interesting turn. The withdrawal of US troops from Afghanistan will be an added reason of concern for India apart from Pakistan.

To my mind what needs to be done as our Independence Day draws closer, is some fair degree of introspection. India cannot always look towards US for direction just because it’s a safe bet. If it does not find its feet and make a bold statement, its own statement, it will always be seen as a follower and never a leader. Not in the region, not in the world.