

Intellectual Human Capital Flight in India

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INTRODUCTION

The seventh five year plan quoted that Intellectual capital is essentially a key part in the development techniques because of higher skills, higher rate of contribution and equality with the intellectual human capital India can change itself in to a knowledge based economy. Intellectual capital is a collective knowledge of the individuals in a country. This knowledge can be used to produce wealth physical outputs gain competitive advantage and to enhance value of other types of capital. International capital flight refers to the movement of highly skilled and qualified people to a country where they can work in better conditions and earn more money. It resembles the case of capital flight. It is regarded as an economic cost since emigrants usually take with them the value of their higher education and training sponsored by the Government.

Objectives

- To study the significance of man power resources
- To know how man power resources and shortage of intellectual capital affect economic development
- To find out the facts about Brain drain
- To know the causes and impact of intellectual capital movement
- To find how government public expenditure on education, training and research lead to brain drain.

LITERATURE REVIEW

- Godfrey (1970) proposes numerous solutions to reduce the Brain Drain.
- Watanable (1969) published a comprehensive examine on the subject matter of brain drain.

- Bhagwathi (1972) proposed the implementation of a supplementary income tax on those who migrate.

Causes of intellectual human capital

- Lack of research facilities resources and satisfactory chances in India
- Good talented and expert workforces in the foreign country and well work opportunities and fast pay packages
- Higher salary and emoluments in developed countries.
- Higher employment level and stable administration in foreign country
- Unemployment, poor working conditions, economic underdevelopment, employment discrimination etc in India
- Inept manpower planning, growing population and high poverty levels.

Intellectual human capital Flight in India Statement of the problem

Human capital or Intellectual capital is a form of capital formation. Economic development of a country ultimately depends upon not only physical capital formation but also intellectual capital. Intellectual capital means most educated and talented workers highly skilled and competent individuals and they contribute their expertise to country. Intellectual capital makes a country strong both academically and technically.

In India after 1980 massive human capital formation is taking place all over the country. Govt individuals and private organisation spend much on intellectual capital and efficiency of human labour. Parents invest and spend on their children education banks also lend education loan for technical and management education. Govt provides scholarship to the merit students for higher education with these numbers of engineers, doctors, MBA holders etc have increased in our country. But the problem lies here is that students b acquiring education, knowledge and training do not serve in our country. They go abroad or outside the country for occupation. Foreign countries without investing much on human resources get talented graduates. This increased the rate of economic development of foreign country and underdevelopment of India.

Brain Drain or Human Capital formation refers to migration of educated people in search of better standard of living, quality of life, higher salaries, across to advanced technology and more stable political conditions in advanced countries. It also includes movement of skilled human resources for trade education etc. The intellectuals of any country are some of the most expensive resources because of their training in terms of material cost and time.

Education and health are two major sources of human capital. Rapid change, work force diversity, globalisation, legislation, Technology, job and family roles, lack of skills are the challenges of Human capital. The emerging human resources trend include Labour market communication, employer branding, employee experience, artificial intelligence, autonomy to employees, investing in talent and employee management. The sources of human capital formation are education investment, health migration on job training and information.

Following are the characteristics of Brain Drain

- Movement of skilled and trained persons from east to west.
- Migration usually small from developed countries and more from poor countries.
- The predominant classes of migrants include doctors, technocrats, researchers and engineers.
- In recent years skilled and trained migrants are more because of susceptibility
- The migratory flow respond increasingly to the changed economic complexity of world societies.
- Brain Drain trends are stimulated both by the character of national educational systems by lack and inadequate planning for the training of students from developing countries.

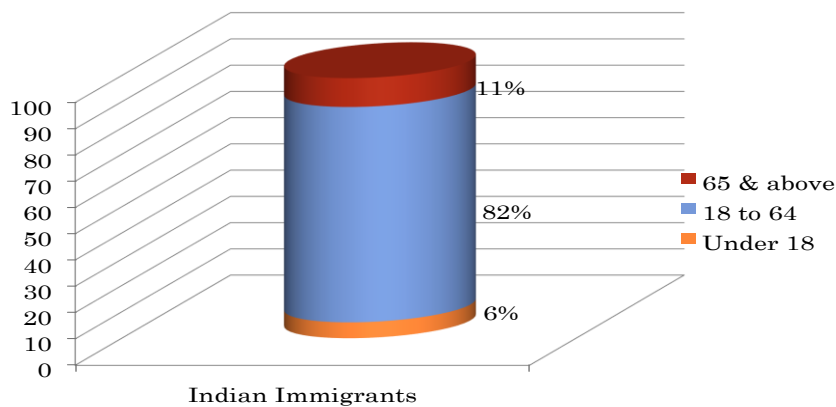
Types of Brain migration: Brain overflow, Brain export, Brain exchange and Brain drain are the four types of Brain migration.

Indian Immigrant Population in USA 1980 to 2018

Year	Population
1980	206000
1990	450000
2000	1023000
2010	1780000
2018	2410000

The median age for Indian immigrants is 39years. In 2018, 83% of Indian immigrants were between ages 18 & 64, compared to 60% US born.

AGE DISTRIBUTION OF INDIAN IMMIGRANTS IN USA



Findings of the study

- Barren of the original economy and assisting the development of foreign economy by supplying knowledge of qualified people.
- MNC's hesitate to invest- Loss of mind drain negative impact on development of infrastructure.
- People suffer a lot due to shortage of Doctors & Engineers.
- Underdevelopment of the economy.
- Peoples contributions to GDP decreases.
- Loss to Tax revenue.
- Loss of potential future entrepreneurs.
- Loss of confidence in the economy.

Suggestions

- Rise in employment opportunities within the country (govt.)
- Strong Central and State Governments.
- Higher efficiency and level of education in schools and colleges.
- More number job training institutions.
- Higher level of earnings.
- Qualitative and research oriented education in Indian Universities and research institutions.
- Elimination of Poverty and unequal distribution of income and wealth.

CONCLUSION

According to official estimates of Indian Overseas Employment Corporation 36000 professions including doctors, engineers and teachers have migrated to other countries in the last 30 years. World Migration Organisation Mustfollows a suitable immigration .Policy to

reduce Flight of human capital. Brain drain affects the economic development of a country. Transfer of human resource directly affects the economic system. The drained mind also contributes the monetary system of migrated country. Thus Brain drain is favourable for the developing economy like India.

References

- ❖ World Bank world development report -2017
- ❖ World migration report-2015 & Journals.
