



POLITICS

Changed World

Barack Obama's first visit to India will put the spotlight on the subcontinent's growing importance for America.

Recently, the US hiked fees for certain categories of H-1B and L1 visas. The loss to the IT companies, says Nasscom President Som Mittal, could be less than \$200 million. "The issue of outsourcing is over-emphasised," says Robinder Sachdev of ImageIndia, a thinktank. But it's no secret that American firms want to outsource so they remain competitive. US officials say that Indo-US bilateral trade will top \$50 billion this year. US Under Secretary

of Commerce Francisco Sánchez recently said that American firms could address India's lacking infrastructure needs. Of course, that would help American corporates beat the blues in their homeland.

Former Foreign Secretary Shashank feels that the US is getting into "unilateralism" even in economic ties with other countries. "India should ensure that we are not being singled out," he says.

The US—lest it be forgotten—needs India more this time than ever before. ■

—Sebastian PT

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IT HAS been over two years since the world was hit by the financial crisis—and the contrast couldn't be starker. While the US is still recovering, India is growing at above 8% annually and is emerging a major economic powerhouse. The US wants more jobs for its citizens and India provides a great opportunity for American companies to grow and boost their income. This forms an important backdrop to US President Barack Obama's visit to India in November.

"The US sees India helping to boost the American economy," says US-based hotelier Sant Chatwal, who will be part of the US delegation. Earlier, Corporate America's honchos showed little interest in wanting to be part of presidential delegations to India. But the situation, Chatwal notes, has 'entirely changed' now. Obama's India visit is "his longest stay anywhere outside the US," says a US government official. It is during his first term and isn't clubbed with a Pakistan layover—unlike

visits by two earlier US presidents. "It is symbolically important," says Chintamani Mahapatra, who heads American Studies at Jawaharlal Nehru University. Also, Prime Minister Manmohan Singh was the first state guest of the Obama White House in 2009.

There were fears earlier. As a presidential hopeful and Illinois Senator, Obama had introduced a killer amendment (later defeated) to the Hyde Act of 2006, to keep India from building strategic fuel reserves for its imported nuclear reactors. Now, however, Obama's emphasis would be the "full implementation" of the nuclear deal, notwithstanding the skirmishes US firms have over the Nuclear Liability Act provisions. Also, on the outsourcing front, as Obama had co-introduced the Patriot Employer Act of 2007 to reward companies "committed to American workers."

Indo-US trade is poised to top \$50 billion this year, say US officials.

INSTANT

Calling For Price

GOOGLE'S NEXT online breakthrough might just end up ticking off the US Federal Reserve. The search engine is working on a price index—it will rely on the enormous quantity of shopping data available on its website to collate numbers. Google's Chief Economist Hal Varian, the brain behind the venture, was careful in calling it an 'alternative' and not a 'replacement' to the government's consumer price index (CPI). But Google will have an edge as its data will be on a daily basis, whereas, the CPI numbers, are collated by hand from shops and published monthly.

