International Relations · GS - II

Examine the implications of stricter H-1B visa regulations in the United States for India's IT industry and bilateral economic relations. Suggest measures India can adopt to address the emerging challenges.

EXAM YEAR	PAPER	SUBJECT
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MARKS	WORD LIMIT
10	~150 words

Answer Hint

H-1B visa programme, skilled labour mobility, US immigration policy, Indian IT services, outsourcing industry, protection of domestic workers, compliance requirements, remittances, India-US economic relations, skill diversification, domestic innovation, alternative markets.

Model Answer

1. Introduction

The H-1B visa programme enables US employers to recruit eligible foreign professionals for specialty occupations. Stricter eligibility and workplace verification requirements may affect Indian IT companies that deploy skilled professionals to US client locations.

2. Implications for India

A. Economic Impact: Higher compliance costs and uncertainty may affect project delivery, recruitment and the competitiveness of Indian IT firms.

B. Employment: Reduced overseas placements could affect opportunities for Indian technology professionals, although the impact will vary across companies.

C. Bilateral Relations: Differences over skilled-worker mobility may create friction alongside substantial India-US technology and trade cooperation.

3. Challenges and Way Forward

Indian firms should strengthen compliance, expand local hiring in the US and increase remote-delivery capabilities. India should invest in advanced digital skills, domestic research and development, and new export markets. Bilateral dialogue should address transparent visa procedures and legitimate business mobility.

4. Conclusion

Stricter H-1B rules highlight India's exposure to foreign immigration policies. Diversifying markets and upgrading domestic technological capabilities can improve the long-term resilience of India's IT sector.

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