Offshoring - Data Issues

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Basis for Numbers in ACM Report

• Collect all available data
• Evaluate method to the extent revealed
• Throw out outliers
• No new data collection
Problems of data

• National - reliable but only available on past policy issues
• Trade association - member data may be skewed, data a political tool
• Consulting firm - methodology hidden, overstate problems to drum up business
• BLS v. NASSCOM trade revenue
• MLS v. Bronfenbrenner/Luce
Data: US, India

- **US**
  - 12-14M vulnerable
  - 2 to 3% loss per year maximum
  - BLS ten-year projection
- **India**
  - 10 to 40% increases per year
US IT Jobs 1999/2003 (BLS)

<table>
<thead>
<tr>
<th>Position</th>
<th>1999</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Programmers</td>
<td>529</td>
<td>403</td>
</tr>
<tr>
<td>Software engineering applications</td>
<td>289</td>
<td>410</td>
</tr>
<tr>
<td>Software Engineering systems</td>
<td>209</td>
<td>293</td>
</tr>
<tr>
<td>Computer support</td>
<td>463</td>
<td>481</td>
</tr>
<tr>
<td>Computer systems analysts</td>
<td>428</td>
<td>486</td>
</tr>
<tr>
<td>Database administrators **</td>
<td>101</td>
<td>97</td>
</tr>
<tr>
<td>Network and systems admin</td>
<td>205</td>
<td>245</td>
</tr>
<tr>
<td>Network &amp; data communications analysts</td>
<td>98</td>
<td>156</td>
</tr>
<tr>
<td>Computer systems managers **</td>
<td>281</td>
<td>257</td>
</tr>
<tr>
<td>Hardware engineers</td>
<td>60</td>
<td>70</td>
</tr>
<tr>
<td>Total</td>
<td>2688</td>
<td>2922</td>
</tr>
</tbody>
</table>
Recent Study - GAO

- different account. practices for earnings of temporary Indian workers in US
- Treat sw embedded on hw differently
- Different practices counting sales from Indian companies to US-owned companies located outside US
- BEA not identify all Indian exporters
References

• Globalization and Offshoring of Software, ACM, February 2006
  www.acm.org/globalizationreport/

• U.S. and Indian Data on Offshoring Show Significant Differences, GAO, October 2005
International References

• *Potential Offshoring of ICT-Intensive Using Occupations*, OECD, 5 April 2005  

• *The Share of Employment Potentially Affected by Offshoring - An Empirical Investigation*, OECD, 23 Feb 2006  