

Grand Valley State University  
**ScholarWorks@GVSU**

---

Peer Reviewed Articles

School of Communications

---

2006

## Jobs are Going Overseas: The Discursive Construction of Outsourcing

Vandana Pednekar-Magal  
*Grand Valley State University*, [pednekav@gvsu.edu](mailto:pednekav@gvsu.edu)

Kathryn Remlinger  
*Grand Valley State University*, [remlingk@gvsu.edu](mailto:remlingk@gvsu.edu)

Follow this and additional works at: [https://scholarworks.gvsu.edu/com\\_articles](https://scholarworks.gvsu.edu/com_articles)

---

### ScholarWorks Citation

Pednekar-Magal, Vandana and Remlinger, Kathryn, "Jobs are Going Overseas: The Discursive Construction of Outsourcing" (2006). *Peer Reviewed Articles*. 7.  
[https://scholarworks.gvsu.edu/com\\_articles/7](https://scholarworks.gvsu.edu/com_articles/7)

This Article is brought to you for free and open access by the School of Communications at ScholarWorks@GVSU. It has been accepted for inclusion in Peer Reviewed Articles by an authorized administrator of ScholarWorks@GVSU. For more information, please contact [scholarworks@gvsu.edu](mailto:scholarworks@gvsu.edu).

## Jobs are Going Overseas The Discursive Construction of Outsourcing

VANDANA PEDNEKAR-MAGAL AND KATHRYN REMLINGER

---

*In this article we examine the discourse of outsourcing and globalization in India and the US as represented in global popular media; and show that it is rooted in a given range of ideological positions—revealed by identifying key arguments, vocabulary and linguistic structure of the texts. Ideological material, we argue, is enacted in the discursive structures of the text; and that the role of the state is discursively constructed through those positions.*

Outsourcing—particularly offshore labour deployment—a longstanding business concept, has received a great deal of public attention and media coverage in the US following migration of service sector jobs (from back room call centres to sophisticated software development) to India. Debates about effects of outsourcing gained currency in American popular media as narratives carried politically powerful anecdotes of American workers affected by overseas outsourcing. Critics of outsourcing charge that US corporations have exploited the information revolution to fatten profits at the expense of workers; and argue for protectionist policies from the state. On the other hand proponents argue that outsourcing, a contingent force of globalization, is here to stay, and contend that global deployment of labour, especially in the technology industry, has boosted US GDP. State policy, the argument goes, should facilitate US business to thrive in competitive international markets.

Simultaneously, in India, a beneficiary nation of outsourced jobs from the US, the discourse about outsourcing and globalization as its contingent force is as contentious. The socio-economic implications of multinational presence are a consistent theme within a wide range of globalization discourses deployed in the media. On the one hand there are euphoric claims about India's booming economy and growing employment in the technology industry, and India's image as a future 'economic power house' (Zakaria 2006). On the other hand critics of globalization decry the exploitative practices of 'footloose' global corporations that they say are merely motivated by cheap labour and tax shelters. Here, too, the discourses invoke the state and its role in facilitating and/or containing multinational business in India. Those who have benefited from globalization argue for creating attractive conditions—infrastructure, tax breaks—for multinational corporations. Critics of corporate globalization argue that

regulatory powers of the state have receded in the wake of global capitalism. National government, the argument goes, can no longer affect the level of economic activity or employment in their own country; rather, national economy is dictated by the choices of internationally mobile capital.

Outsourcing, in other words, signals contradiction—forces that enable as also disable employment and economic growth—in both India and the US. How should mass media represent this phenomenon and how should we make sense of those representations? This is the problem we seek to address in this paper. We suggest that while outsourcing is a material order of the new economy, its conditions are and will be sustained or thwarted through discourse and discursive practices. This is what makes it important to examine the political discourse about outsourcing. We argue that these discourses are ultimately rooted in ideological positions, and the role of the state is discursively constructed and invoked through those particular positions. We show this by identifying key arguments about outsourcing represented in global/popular media, and we excavate their ideological roots.

## DISCOURSES UPON GLOBALIZATION AND OUTSOURCING

---

We begin by suggesting that it is useful to analyse discourses about outsourcing in terms of the following ideal types:

### Oppositional Discourse

The oppositional discourse emanates from various groups that disapprove of economic globalization and its contingent business process distribution practices. The discourse is rooted in two ideological positions: (a) neo-Marxist: centre–periphery view and radical view; and (b) statist/protectionist view.

The centre–periphery approach takes a specific view of how nations come to participate or are brought into the global network, arguing that in the global information economy the US, Japan and Western Europe constitute the fundamental economic centres of capital, technology and market potential. The rest of the world is increasingly dependent on its ability to link up with these centres of capital. Countries not in the loop or not connected with the economies of these core countries are in the doldrums and are examples of this crisis. Faced with this reality, nation-states prostrate before the private actors, or at the behest of the IMF and World Bank, to attract investment and employment. Free industrial zones or export zones are strategies of ‘investment by invitation’, which has become a panacea for survival (Castells 1993). Global distribution of the production process is predicated on the fact of

cheap labour, it is argued, and that the benefits of this type of globalization accrue in a larger measure to the multinationals rather than to the nation where labour is deployed. Further, this approach emphasizes the ‘disarticulated enclave character’ of economic development, where forward and backward linkages between ‘export zones’ and the rest of the economy are rather weak, resulting in glaring disparities in terms of income (Girvan 1978; Lipietz 1982).

In addition, the approach emphasizes that this path of development of nation-states is more or less precarious given the ‘footloose’ nature of capital that has no allegiance to national development. Nation-states direct scarce resources for infrastructure to lure and facilitate multinationals effectively undermining economic reform and vital issues of income and resource distribution and basic needs of the country (Gertler 1997; Hirst and Thompson 1995).

Radicals that profess anti-state anti-globalization ideology support indigenous social movements and are concerned with establishing the conditions necessary to empower people to take control of their own lives and to create communities based on ideas of equality, the common good and harmony with the national environment (Held and McGrew 2002: 113). This view opposes state policy, which it asserts is geared towards dominant classes and capitalists profit-oriented projects at the cost of life and labour of marginalized communities.

Through a politics of resistance these movements are conceived as playing a crucial role in creating a new world order in a manner similar to the role of the old social movements such as organized labour in the struggle for national democracy. The radical project is attached to the achievement of social and economic equality, the establishment of the necessary conditions for self-development, and the creation of self-governing political structures—encouraging and developing in citizens a sense of simultaneous belonging to overlapping (local–global) communities. Radicals vehemently oppose ‘unfettered globalization’ and ‘unrestricted corporate power’—examples are protests against Starbucks at Seattle and at the 1999 WTO meeting (Held and McGrew 2002).

The statist/protectionist view represents a sceptical position that insists on primacy of sovereignty of state and nationalistic, domestic policies that limit foreign competition (see *ibid.*). The range of arguments represented in this view are often about essential means, that is, strong state structures, to ensure successful participation in open markets and good governance arrangements, and not necessarily delinking from the world economy. Moreover, it holds that the rhetoric of globalization is politically naïve since it underestimates the enduring power of national governments to regulate international economic activity. The forces of internationalization themselves depend on the regulatory power of national governments to ensure continuing economic liberalization (Hirst 1997; Hirst and Thompson 1999). This view also emphasizes the necessity of enhancing or reinforcing the capacity of states to help organize security and economic well-being and welfare of their citizens. Nurturing domestic industries and limiting foreign competition and aggressive trade policies are symptomatic of new forms of statism (Held and McGrew 2002: 110, 111).

## Accepting Discourse

The Accepting discourse looks at globalization as a fact of life, and outsourcing as corporate practices critical and advantageous for efficiency and competitiveness. It sees outsourcing as a boon for the developing world as it generates employment and wealth, and integrates developing economies into the world market economy.

The accepting discourse is predominantly centred in the neo-liberal/free market position. Adherents favour a laissez-faire economy or a free market society with a 'minimal' role for the state in the economy and social life. According to this view, we are witnessing today the emergence of a single global market alongside the principle of global competition as the harbinger of human progress. Economic globalization is leading to the denationalization of economies through the establishment of transnational networks of production, trade and finance. In this conception the state concedes its power to the forces of free market (Held and McGrew 2002: 100). Governments become coercive if they interfere with people's own capacity to determine their interests. The free market itself is a sensitive mechanism for determining 'collective choice' on an individual basis. For advocates (often termed as neo-liberal and neo-conservatives) globalization defines a new epoch in human history in which 'traditional nation-states have become unnatural, even impossible business units in a global economy' (Ohmae 1995: 5). For the elite and 'knowledge workers' in this new global economy, tacit transnational 'class' allegiances have evolved cemented by an attachment to neo-liberal economic orthodoxy. Even among the marginalized and dispossessed, the worldwide diffusion of a consumerist ideology also imposes a new sense of identity, slowly displacing traditional cultures and ways of life (Ohmae 1995; Held and McGrew 2002).

## ANALYTICAL FRAMEWORK

---

With the assumption that the stance and inflection in the discourses can be linked to their ideological roots, we turn to examine these practices through select texts that represent the oppositional and accepting discourse in the US and India. Here we agree with Norman Fairclough's (2001: 233) contention that, 'Discourses are diverse representations of social life which are inherently positioned—differently positioned actors "see" and represent social life in different ways, different discourses.' In order to analyse the texts to discern the various representations that constitute these discourses, we draw from *critical discourse analysis* (CDA). This approach enables an examination of semiotic production through analysis of the linguistic dimension of the text.

CDA is both theory and method. The theory emphasizes attention to power and related social structures that produce, reinforce, challenge and change power relationships. CDA allows for examination of linguistic features that function as discursive practices and

that shape particular kinds of discourse; and how ideological material is enacted in the discursive structures of texts.

Approaching language as a discursive social practice that functions to shape other social practices in these ways is at the heart of CDA. It is an interdisciplinary approach to the ‘dialectic of the semiotic and the social in a wide variety of social practices’ (Chouliaraki and Fairclough 1999: 17). In other words, CDA brings together analyses of discursive practices—semantic, pragmatic and syntactic features—with those of social practices to account for the linguistic production of ideologies, particularly the production, maintenance and challenge of dominance (Chouliaraki and Fairclough 1999; van Dijk 1993).

## METHODS

---

We analyse four articles that appeared in the global print media between 2004 and 2006, examine select linguistic features, and excavate the positions extrapolated from the ‘ideal types’ explained. The four articles represent oppositional and supportive positions for outsourcing in the US and in India.

We chose 2004–06, the first two years of US president George W. Bush’s second four-year term in office when in the context of rising unemployment and worker lay-offs in US corporations, discussions about ‘job flight’ to India gained prominence in the US media. Simultaneously, around this time in India the ruling party, the Bharatiya Janata Party (BJP), was voted out and their slogan, ‘India Shining’, showing India as an emerging economic power came under heavy criticism.<sup>1</sup>

## ANALYSIS

---

### Boon or Hazard?

The article ‘Unrestricted Globalization: Boon or Hazard?’ was published in January 2006 in *South Asian Voice*, an online publication. It points out that ‘neo-liberal forces’ in India are on the rise and consist of a small minority of the privileged, educated professionals and business actors in India as also many non-resident Indian (NRIs) who have clearly benefited from globalization. These forces, it is argued, have actively influenced economic policy in India:

There is a powerful and very vocal lobby for globalization in India. This is because for some sections of Indian society and the Indian diaspora, globalization has come as something of a bonanza.

An outcome of globalization has been a huge increase in salaries of senior managers, accountants, lawyers and public-relations personnel working for MNCs or their local competitors. For the IT-literate, job opportunities have been plentiful, and there are also opportunities to live and earn abroad. For the English-speaking upper middle-class, this has come as a boon.

The text essentially asserts that the bonanza is for a select few—the internationally mobile technocrats and the professionally educated—while the vast majority of India has not seen any privileges. It further underlines the class allegiance of this group, identifying a consumerist ideology that cements their identity:

With greater access to disposable income, the seduction of consumerism becomes hard to resist, and the demand for unrestricted globalization inevitably follows the attraction for new and ever more advanced consumer goods. This new and more prosperous class of Indian consumers associates India's progress with the availability of the latest automobile models and consumer goods. The local availability of imported European cosmetics and fashions, imported drinks and confectioneries—these have all become important to those who have sufficient disposable income to purchase such items.

The advantages of multinational presence in India are then contrasted with the avaricious and unethical practices of corporations, including tax evasion. The article collects evidence from various publications to show that tax evasion is a common practice among all prestigious multinationals operating in India:

A more recent *Hindustan Times* report (May 12 2000) was more specific—it began with the headline: Rs 2100 crore tax evasion by MNCs. Minister of State for Finance V. Dhananjaya Kumar in a written reply to a question posed in the Lok Sabha had provided data that indicated that MNCs had evaded Rs 1433.89 crores [14.34 billion] on income tax, Rs 143.80 crore [1.44 billion] on central excise duty as well as Rs 535.05 crore [5.35 billion] on account of import duty payable during last three years. Sony was identified as the biggest evader, and charged with evading over 450 crores [4.5 billion]. SEDCO Forex International Drilling Co., Swiss-Swedish major Asia Brown Baveri, Hyundai Motors, Johnson & Johnson, Siemens, LG, Hewlett-Packard and Philips were others implicated in cheating on import duties. Several MNCs had not paid enough central excise duties—including stock market darlings like Hindustan Lever, Procter and Gamble, and Nestlé. EID Parry, Gillette, Pepsi, Bayer, Novartis and Carrier Aircon were also named as violators. Asia Satellite Telecom, Sabre Inc., Lucent Technologies, Nokia, Caribjet Inc. and Allied Signal Group had been cited for serious income tax violations. Amadeus Marketing, American Airlines, British Airways, Pan Amsat, Motorola, Ashurst Morris Crisp, Reuters and ABN Amro were also in the list of companies to have evaded income tax.

The article argues that the benefits brought about by multinational corporations operating in India are far less compared to the drain on national resources they affect, particularly through their demand or requirement of infrastructure, often very costly for a developing economy. The article further emphasizes the nexus between global corporations and organizations that overlook national laws and regulations, and engage in wasteful methods even in the face of scarce state resources:

Consider a recent *Times of India* report (17 July 2000) where a report by the Comptroller and Auditor-General (CAG) of India was cited, pointing to the wastage of crores of rupees in the process of privatizing Orissa's power sector. According to the report, foreign consultants were appointed in violation of guidelines and no attempt was made to engage domestic firms for the purpose. The consultants, engaged to 'effectively start and give a momentum to the reform programme', were given a 582 per cent increase over the originally estimated time to do their work. However, their work spilled over to the third stage forcing the state to cough up an additional expense of Rs 72.96 crore [729.6 million]. A sum of Rs 2.95 crore [29.5 million] was also reimbursed to them without verification of supporting documents, the report pointed out. The implicated agency was DFID of Britain. The report said that during the selection process, World Bank's senior energy economist virtually put pressure on the government to opt for foreign firms, particularly KPMG, UK, and Arthur Andersen, USA, and sent the list for approval. The state government agreed to the WB official's suggestion without inquiring into the firms' experience and capabilities, the CAG report said. The WB staff, in violation of the Bank's own guidelines and without request from the government, also reviewed suo moto the proposals submitted by the short-listed consultants and took Rs 2.2 lakh [220,000] as service charges. A consortium of consultants led by KPMG was finally chosen, with whom the state government entered into an agreement.

The interwoven texts, along with their use of statistics and research, create a dialectic among the texts and readers that co-generate the articulation of the social and the semiotic, between the economic processes of globalization and the social meanings imbedded in them. Thus, the intertextual features of the article reproduce and reinforce the oppositional argument and simultaneously attempt to change social perspectives about globalization.

Multinational activities are conveyed in terms of processes and actions using a vocabulary of pejorative attitudes: *posed, sucking out, accrue, exploit, gobble up*. The vocabulary characterizes globalization as a predator that that indiscriminately 'gobbles up' India's already scarce resources and capital:

The greatest danger posed by unrestricted globalization is...predatory ventures...nagging poverty...grave infra-structural mismatches.... [T]hey are actually sucking out technology from India.... [F]ew benefits accrue to India as a nation.... [T]o exploit Indian's intellectual



capital...corrupt practices...most dangerous aspects of unqualified and unrestricted globalization is...predatory domination...gobble up strategic Indian assets.

Further, the article rejects 'trickle-down' economics, asserting that the possibility of prosperity (brought about by globalization) may never reach the lower rungs of society; and affirms the main argument that corporate globalization deployed in developing countries benefits a small privileged class:

But it should be noted that the interests of a particular section of Indians need not match the real interests of all other sections of Indian society. Other sections of society may benefit to the extent that a fraction of this new prosperity trickles down to them. Some may not benefit at all, while some may even be adversely affected. In addition, globalization may have hidden consequences that may negatively impact the quality of life.... [I]t may exacerbate the problems of nagging poverty and uneven development.... [G]lobalization may in fact put India at a global disadvantage.

The article underlines the 'enclave' character of economic development that is affected by corporate globalization, emphasizing weak linkages of the enclaves with the rest of the economy that result in furthering disparity of income. A modality of obligation is reinforced through the use of *need to*; and the issue is presented as a policy matter, implying that the change must come from state policy, which is currently allowing unrestricted globalization:

It is therefore high time that the mantra of unrestricted globalization be questioned and challenged...need to be clearly exposed...need to be restructured...to give an impetus to the local development of key technologies that play a crucial role in the modern economy and satisfy the most pressing needs of the vast majority of the Indian people.

Key arguments of this article are rooted in the centre-periphery approach that views multinational presence as a burden that outweighs the benefits they bring to local/national economy in the developing world.

### India: A Business Hub

The article 'India: A Hub for Globalization' was published on 24 March 2005 in the *Globalist*, an online publication and authored by IMF chief economist, Raghuram Rajan. The article is an abridged version of his speech in India. The author attests certain attributes valued in the West—'multicultural society, vibrant democracy, freedom of the Press'—to India as a nation and argues that such traits are attractive to multinational business. However, there is a roadblock to India's successful integration in the global economy. This roadblock, Rajan argues,

is the Indian mindset. Drenched in the colonial experience, the Indian mind perceives Western corporations as predatory and exploitative. This thinking is archaic and faulty according to the author. Contemporary globalization, Rajan contends, should not be compared with colonization. Here he forwards a classic neo-liberal argument that globalization is predicated upon efficiency and competition—the harbinger of human progress:

There is a big difference between a monopolist colonial power and multinationals—and that is competition. Competition keeps any single multinational from getting overly powerful, either economically or politically.

There is no credible evidence that foreign firms have conspired together to exploit India, or that they have misbehaved any more than similarly placed Indian firms—though I do not want to imply that individually they have all been without blemish.

The ‘closed mindset’, he argues, has translated into reluctance of India’s entrepreneurs to face international competition:

Until recently, our entrepreneurs—shielded by protection against domestic and foreign entry—felt they simply could not compete against foreign firms. Protection not only renders the beneficiaries lazy and inefficient, it also gives them less incentive to rectify distortions and inefficiencies in the system.

The author implies that globalization should be seen a desirable challenge that a nation should face up to. In effect, he urges a shift in ideology, to transcend the colonial experience and think about foreign presence as a healthy competitive economy. Thinking otherwise would result in perpetuating the inefficiencies and distortions in the economic system of the developing nation.

In fact, Rajan urges on to ‘change the mindset’ to achieve a metamorphic transformation of India—from rural ‘farmland’ to an urban ‘sleek futuristic city’: ‘It is a spirit that built a sleek futuristic city in Pudhong, Shanghai out of an area that was largely farmland just a decade ago’; and to intellectual transformation: ‘It is the spirit that asks “why not?”—Instead of “why”’; also to attitudinal transformation where a ‘strong conviction’ allows the Indian people to ‘achieve the possibilities of the future’, as well as to affective transformation that relies on ‘confidence’, being ‘open to the world’, and taking ‘advantage of outside opportunities’: ‘It gives the country the confidence to open itself up to the world, to take advantage of outside opportunities no matter where they arise’; with the end result of economic transformation to a capitalist, globalized economy:

It allows the country to use the cheapest resources, no matter where they are produced, to hire the best people, no matter where they were born—and to face the fiercest competition, no matter what its origin.

The power and prestige associated with Rajan's position in the IMF is a significant layer of the text. The text is developed with references to research and evidence that he has accessed as an IMF economist. Thus, intertextuality here is made of multiple voices as a citizen, economist and social science researcher, which weave together to present the argument.

The texts are dialectic between practice and the semiotic—between the economic processes of globalization and the social meanings imbedded in them. This articulation creates an authoritative perspective designed to persuade audiences of the neo-liberal argument. In this argument, economic progress is outside of state policy, and dependent on entrepreneurship and adherence to global free market principles.

### A Home Advantage

The article 'A Home Advantage for US Corporations' is written by Lou Dobbs, a CNN reporter/anchor and published on the CNN website on 27 August 2004. Dobbs describes the 'pain and suffering' caused by retrenchment and lay-offs in US businesses, and argues that this unemployment is the result of overseas outsourcing. Corporations evoke 'efficiency, productivity and competitiveness' to pursue cheap labour and cut costs. However, overseas outsourcing is not in the 'national interest', he contends, and invokes a sense of national responsibility in US corporations:

Obviously, I'd prefer Corporate America to stop the practice of offshore outsourcing because of the dictates of their consciences and recognition of this country's traditional values and good corporate citizenship.

Dobbs reproves state policy that has enabled the 'flight' of US jobs to India. The corporate practice of fattening profits at the expense of American workers needs to be curbed, he argues: 'we must insist on new laws and regulations to stop it.'

Dobbs provides alternatives to overseas outsourcing—to deploy labour in underdeveloped regions in the US (he provides examples such as Twin Falls, Idaho) where he claims facilities like empty warehouses already exist to set up call centres. In this he suggests that state policy that could facilitate such arrangements (through tax breaks to US companies) that keep jobs in the country. Dobbs argument underlines the protectionist/statist position that locates in the state the responsibility to nurture domestic industry and limit foreign competition.

The vocabulary of the text forcefully supports the argument for nationalistic and domestic policies that limit foreign competition. Outsourcing is referred in terms of *decay*, *loss*, *inferior quality* and other negative processes: cheap foreign labour; pain; cheapest possible price for labour; hidden costs; losing business; customer complaints; cut; semi-robotic approach; political backlash; and lost business.

These descriptions of outsourcing contrast with those presenting the protectionist argument: the dictates of their consciences and recognition of this country's traditional values and good corporate citizenship; to do the right thing; commitment; good; one more unemployed American back on the job; quality; repatriate; hope; new trend; equipped; support; provide steady work for unemployed Americans; conscience; true innovation; keep jobs at home; and demand new laws and regulations to end the exporting of America. These words encode strength, patriotism and ethical behaviour in reference to US business. In short, the vocabulary presents protectionism as a moral and patriotic duty for the good of Americans and America.

### The Bogeyman

The article 'The Outsourcing Bogeyman' was written by Daniel W. Drezner, professor of political science at the University of Chicago, and published in *Foreign Affairs*, May/June 2004. Drezner pegs his argument to the furore over a testimonial by N.Gregory Mankiw, then head of President Bush's Council of Economic Advisers, who in a speech, stated: 'Outsourcing is just a new way of doing international trade.' Mankiw's statement provoked reactions in the political arena as Drezner explains:

Democratic presidential candidate John Kerry accused the Bush administration of wanting 'to export more of our jobs overseas', and Senate Minority Leader Tom Daschle quipped, 'If this is the administration's position, I think they owe an apology to every worker in America'. Speaker of the House Dennis Hastert, meanwhile, warned that 'outsourcing can be a problem for American workers and the American economy'.

Drezner argues that the claim that outsourcing causes unemployment is unfounded and unsubstantiated by economic data: 'Believing that offshore outsourcing causes unemployment is the economic equivalent of believing that the sun revolves around the earth: intuitively compelling but clearly wrong.'

This furore is 'exaggerated alarmism', Drezner argues: '[If it] succeeds in provoking protectionist responses from lawmakers, it will do far more harm than good, to the US economy and to American workers.'

Appealing to sceptics of outsourcing, the author agrees that the perception that American jobs have migrated have been advanced by prestigious institutional research and contributed by IT professional. He then quotes those sources:

The numbers that are bandied about on offshore outsourcing sound ominous. The McKinsey Global Institute estimates that the volume of offshore outsourcing will increase

by 30 to 40 percent a year for the next five years. Forrester Research estimates that 3.3 million white-collar jobs will move overseas by 2015. According to projections, the hardest hit sectors will be financial services and information technology (IT). In one May 2003 survey of chief information officers, 68 percent of IT executives said that their offshore contracts would grow in the subsequent year. The Gartner research firm has estimated that by the end of this year, 1 out of every 10 IT jobs will be outsourced overseas. Deloitte Research predicts the outsourcing of 2 million financial-sector jobs by 2009.

When IBM announced plans to outsource 3,000 jobs overseas this year, one of its executives said, '[Globalization] means shifting a lot of jobs, opening a lot of locations in places we had never dreamt of before, going where there's low-cost labour, low-cost competition, shifting jobs offshore.' Nandan Nilekani, the chief executive of the India-based Infosys Technologies, said at this year's World Economic Forum, 'Everything you can send down a wire is up for grabs.' In [a] January testimony before Congress, Hewlett-Packard chief Carly Fiorina warned that 'there is no job that is America's God-given right anymore.'

But Drezner point is that these statements in fact combine and support the idea that free market principles are at play. Consequently, the logic of free market will follow to the long-term benefit of the nation's economy as well as other countries where jobs are being outsourced:

The logic underlying an open economy is that if the economy sheds jobs in uncompetitive sectors, employment in competitive sectors will grow. If hi-tech industries are no longer competitive, where will new jobs be created?

Globalization, he argues is the harbinger of *competition and efficiency*, that ultimately lead to: 'more profitability, increasing returns on investment, better-paying jobs, more markets for US products and competitiveness for US service sector'. The rhetoric is clearly cast in key terms of the neo-liberal, free market approach to persuade sceptics that those like Gregory Mankiw appropriately see outsourcing and globalization as a 'good thing'.

The free market ideology is consolidated in Drezner's point that transnational networks of production, trade and finance such as NAFTA have been instrumental in human progress, bringing democracy, and law and order to nations. He clearly concedes state power to the forces of free market:

Outsourcing also has considerable noneconomic benefits. It is clearly in the interest of the United States to reward other countries for reducing their barriers to trade and investment. Some of the countries where US firms have set up outsourcing operations—including India, Poland, and the Philippines—are vital allies in the war on terrorism. Just as the

North American Free Trade Agreement (NAFTA) helped Mexico deepen its democratic transition and strengthen its rule of law, the United States gains considerably from the political reorientation spurred by economic growth and interdependence.

## CONCLUSION AND DISCUSSION

---

In this article we have attempted to show that political discourse about outsourcing as represented in the popular media is rooted in a given range of ideological positions—revealed by identifying key arguments, vocabulary and linguistic structure of the texts. In other words, ideological material is enacted in the discursive structures of the text. More important, the state is discursively constructed through those positions, and policy options are advanced. Those who oppose globalization and outsourcing draw from particular theories or approaches of the state, and invoke state policy to contain outsourcing. In India the oppositional discourse decries ‘unrestricted’ globalization as detrimental to the developing economy of the nation, and appeals for policy that will check multinational presence and practices in the country. In the US the oppositional discourse rooted in the statist/protectionist ideology underlines primacy of the nation-state that must regulate international business to benefit the national community.

On the other hand, those who see globalization as beneficial tend to assign a minimal role to the state. This discourse is rooted in neo-liberal, free market society ideology that advocates global economic integration and dismantling barriers to commerce and investment. Globalization, as the discourse suggests, embodies potential for human freedom and prosperity. We argued in this article that while outsourcing is an economic process, the political discourse of outsourcing, to an extent, will sustain or thwart its conditions.

**Vandana Pednekar-Magal** is Associate Professor, School of Communications, and **Kathryn Remlinger** is Associate Professor of English, Linguistics, Grand Valley State University, Allendale, MI 49401, USA. E-mail: pednekar@gvsu.edu, remlingk@gvsu.edu.

## NOTE

---

1. India Shining was an advertising slogan of the BJP’s election campaign in 2004, hailing the success of the Indian economy and featuring happy faces of middle-class Indians. The campaign was to garner support of the social classes that have benefited from a decade of economic restructuring or liberalization. It was also a pitch to big businesses, pointing out to corporate leaders and foreign multinationals that the programme of liberalized/open markets will continue.

## REFERENCES

---

- Castells, M. (1993). The Information Economy and the New International Division of Labor. In M. Carnoy, M. Castells, S.S. Cohen and F.H. Cardoso (eds), *The New Global Economy of the Information Age: Reflections on Our Changing World*, pp. 15–43. University Park, PA: Pennsylvania State University Press.
- Chouliaraki, L. and N. Fairclough. (1999). *Discourse and Late Modernity: Rethinking Critical Discourse Analysis*. Edinburgh: Edinburgh University Press.
- Dobbs, L. (2004). A Home Advantage for US Corporations. <http://cnn.com/2004/US/08/27/home.advantage.html>, accessed 7 June 2006.
- Drezner, D.W. (2004). The Outsourcing Bogeyman. *Foreign Affairs*. <http://foreignaffairs.org/200405orfaessay83301/daniel-w-drezner/the-outsourcing-frogeyman.html>, accessed 7 June 2006.
- Fairclough, N. (2001). The Dialectics of Discourse. *Textus*, 14(2): 231–42.
- Gertler, M.S. (1997). Between the Global and the Local: The Spatial Limits to Productive Capital. In K. Cox (ed.), *Spaces of Globalization: Reasserting the Power of the Local*. London: Guildford.
- Girvan, N. (1978). *Corporate Imperialism: Conflict and Expropriation—Transnational Corporations and Economic Nationalism in the Third World*. London: Monthly Review Press.
- Held, D. and A. McGrew. (2002). *Globalization/Anti-globalization*. Malden: Blackwell.
- Hirst, P. (1997). The Global Economy: Myths and Realities. *International Affairs*, 73(3): 409–25.
- Hirst, P. and G. Thompson. (1995). Globalization and the Future of the Nation State. *Economy and Society*, 24(3): 409–41.
- . (1999). *Globalization in Question*. Cambridge: Polity.
- Lipietz, A. (1982). Toward Global Fordism? Marx or Rostow. *New Left Review*, 132. <http://newleftreview.net/?view=848>.
- Ohmae, K. (1995). *The End of the Nation State*. New York: Free Press.
- Rajan, R. (2005). India: A Hub for Globalization. *Globalist*, 24 March. <http://www.theglobalist.com/storyId.aspx?StoryId=4405>, accessed 20 May 2006.
- Unrestricted Globalization. (2000). *South Asian Voice: Views from South Asia*, August. [http://india\\_resource.tripod.com/globalization.html](http://india_resource.tripod.com/globalization.html), accessed 20 May 2006.
- van Dijk, T. (1993). Editor's Foreword to Critical Discourse Analysis. *Discourse & Society*, 4(2): 131–32.
- Zakaria, F. (2006). India Rising. *Newsweek*, 6 March: 34–43.