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## ADDRESSING AND RESPONDING TO BIAS RELATED TO OUTSOURCING

### Introduction

In recent months, the movement of job functions to other countries, otherwise known as “outsourcing”, has been highlighted by politicians, the media, and the general public. Public perceptions about the nature and function of outsourcing have led to racism and bias against South Asians in America, who are perceived to be connected with the layoffs and job losses that have in turn benefited India. Consequently, Indians and other South Asians, both in the U.S. and abroad, have felt the sting of racist comments and hatred relating to their association with the sub-continent and its participation in the outsourcing of labor for American companies.

SAALT has prepared this factsheet to raise awareness about the extent and scope of bias resulting from perceptions related to outsourcing, and to provide suggestions and examples of how to respond to such bias in one’s local community. In addition, SAALT asks community members who come across bias related to outsourcing to send us information about it.

**Q:** *What is outsourcing?*

**A:** Outsourcing<sup>1</sup> refers to work that is done for a company in the United States by employees of another company, who are often located overseas. Companies outsource business functions because they can be conducted at lower costs or with greater efficiency. Recently, business functions have been outsourced to other countries, including India, China, and Ireland.

**Q:** *Why is there public concern over outsourcing?*

**A:** The U.S. economy has been suffering downturns over the past few years. Many Americans believe that outsourcing has contributed to the downturns in the United States economy.

**Q:** *Why should South Asians in the United States be concerned with the public response to outsourcing?*

**A:** In some instances, the public response to outsourcing has been marked by racial and ethnic stereotyping, and has increased discriminatory attitudes towards South Asians. Dissatisfaction and anxieties

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<sup>1</sup>Outsourcing draws out complex questions that have economic, legal, and ethical considerations. While we do not attempt to delve into all those nuances here, we recommend the following resources for additional reading: <http://www.asiabusinessstoday.org/briefings/>; [www.saja.org/outsourcing](http://www.saja.org/outsourcing)

about the U.S. economy, coupled with misunderstandings about outsourcing itself, have led many to scapegoat Indians and other South Asians as the reason for the economic woes in America.

**Q:** *Isn't the backlash a natural response from people who are angry about losing their jobs?*

**A:** When fears and anxieties about economic problems manifest themselves as racism, an intolerant environment is created. In fact, an undercurrent of racism is often present in the public outrage against outsourcing. David Kilpatrick, who wrote an article on Fortune.com about how the outsourcing trend may be beneficial in the long term to the U.S. economy, reports that he received an enormous number of calls and letters from readers who disagreed with him. He also noted:

*Most of America's unemployed seem to think their situation is due to off-shoring. I was disturbed to see a barely concealed racism embedded in some angry replies, directed at Indian workers in particular.<sup>2</sup>*

The backlash against outsourcing has taken various forms, including abusive calls to call centers in India, and message boards and websites that blame outsourcing for economic problems in the United States.

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<sup>2</sup> <http://www.cnn.com/2004/TECH/ptech/02/23/fortune.ff.rage.offshoring/index.html>

### *Examples of Bias Related to Outsourcing*

#### Remote Racism

- The Washington Post, in an article entitled *India Call Centers Suffer Storm of 4-Letter Words*<sup>3</sup>, reported that the rate of abusive calls from the United States to call centers in India is on the rise.

*Call center executives and industry experts say abusive hate calls are commonplace, as resentment swells over the loss of American jobs to India. According to a survey in November 2004 by an Indian information technology magazine called Dataquest, about 25 percent of call center agents identified such calls as the main reason for workplace stress.*

- The Times of India printed a piece called "*I Made an Indian Girl Cry, and You Can Do It Too*"<sup>4</sup> which reported that Indian call centers were receiving frequent abusive calls from abroad. The article also mentioned that anti-outsourcing websites were asking individuals to contact Indian call centers to harass workers, in an effort to bring jobs back:

*Barraging them with 60- second calls will ruin their stats and also lower their morale. Eventually, they'll start thinking 'another damn rude American a\*\*\*\*\*' every time a call comes up. All of this will have a cumulative effect. If 100 people across the US would commit to spending 10 minutes a day, we could cripple them, and bring those jobs back to the US.*

- India Weekly Live, in an article entitled *Indian Call Centres Facing Racist Abuse*<sup>5</sup>, included a quote from a 22 year old engineering graduate working in a Mumbai call center about the extent of abusive calls coming in from England and America:

*Earlier, people would get abusive if we didn't answer their questions satisfactorily. Now, I get calls – on some days up to five a shift – from people who are calling only to abuse," said Shalini, a 22-year-old engineering graduate working in a call centre in Mumbai.*

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<sup>3</sup> *India Call Centers Suffer Storm of 4-letter words*, Rama Lakshmi, The Washington Post (February 26, 2005).

<sup>4</sup> <http://timesofindia.indiatimes.com/articleshow/987643.cms> [January 11, 2005]

<sup>5</sup> [http://www.indiaweekly.co.uk/iframe\\_story.asp?NID=1381](http://www.indiaweekly.co.uk/iframe_story.asp?NID=1381) [January 28, 2005]

Racial and Ethnic Bias Against South Asians in the U.S.

- Stereotyping can occur in many contexts. One of the most egregious examples of bias related to outsourcing occurred in December 2004 on talk radio. Two deejays on the “Star and Buc Wild” show [aired on Philadelphia’s Power 99, a Clear Channel-owned station] broadcast a call that they made which was taken by a call center in India. Upon realizing that the person on the other line was in India, the DJ went on to call the customer representative a “filthy rateater” and vowed to “come over there and choke the \*\*\*\* out of you.” The broadcast appalled numerous individuals in Philadelphia and nationally, leading to the protest of the broadcast by hundreds of South Asians – individually and organizationally – who were concerned about the impact that such scapegoating could have in the long run. As a result of these protests, the DJs were suspended and the show was removed from the Philadelphia market.
- By inferring that non-Americans may share valuable information that is provided to call centers, a website<sup>6</sup> plays on the “perpetual foreigner/disloyal non-citizen” stereotype that has led to bias against South Asians in the United States. Here is what the website extorts:

*This isn't a shirt or a toy, this is YOUR bank accounts, credit and personal information, in a foreigner's hands. How easy would it be for terrorists to get this information? Would a non-American think twice about selling this information to the wrong person?*

**Q:** *What are the effects of scapegoating in the outsourcing context on South Asians in the United States?*

**A:** South Asians in the U.S. can feel marginalized and targeted when fears and anxieties over outsourcing manifest themselves in scapegoating and stereotyping. For example, the incident in Philadelphia (recounted above) unsettled South Asians around the country due to its undercurrents of racism.

**Q:** *How has such scapegoating led to bias against communities of color in the past?*

**A:** There are many examples that demonstrate how economic scapegoating can lead to the targeting of certain communities perceived to be affiliated with or symbolic of the individuals “responsible” for the economic strain. In the late 1980s, Asian Americans were stunned when Vincent Chin, a Chinese American man celebrating his upcoming wedding at a Detroit area club, was stalked by and murdered by white men who had been laid off recently from the auto manufacturing industry. The men had perceived Vincent Chin to be Japanese, and thus a symbol for the country that they believed was taking away American jobs in the auto industry.

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<sup>6</sup> <http://www.nojobsforindia.com>

## RECOMMENDATIONS AND SUGGESTIONS ADDRESSING AND PREVENTING OUTSOURCING-RELATED RACISM

**Broaden and engage in the public debate.** Reasonable people will agree that stereotyping and bias are not proper responses to the outsourcing debate in America. Take the opportunity to introduce this element to any debates or discussions surrounding outsourcing.

➤ **Political Sphere:** In the 2004 elections, both presidential candidates took positions on outsourcing. There is pending legislation on the federal level as well as in many states - including California, Georgia, Illinois, Maryland, and New Jersey – that would restrict outsourcing in some capacity. When such issues are discussed, you can ensure that there is also discussion about the importance of not scapegoating or marginalizing certain communities. Inform elected officials legislation about the impact of racial stereotyping stemming from outsourcing and ask them to make statements that condemn it.

**Media Stereotyping: A Range of Responses.** If you read or hear offensive stereotyping in print, radio or television related to outsourcing, consider taking the following steps:

- **Immediately contact the person in charge:** This could be the station manager [if radio]; the editor [if print]; or the producer [if television], and register a complaint in writing or verbally. After the Power 99 incident<sup>7</sup>, many South Asians emailed or called the Power 99 station manager to express their outrage at the broadcast.
- **Connect and Educate:** When possible, set up meetings with those in charge to educate them about the impact of bias and stereotyping on our community. Make connections between the media and community leaders, journalists, and opinion makers. For example, in Philadelphia, the Asian American Journalists Association began working with Power 99 shortly after the incident. In addition, SAALT sent a letter to the Washington Post responding to an article on bias aimed at Indian call centers in order to make the point that such bias is also manifesting itself in the U.S.
- **Ask for concrete responses:** Responses could range from disciplining those who conducted the stereotyping; putting in place strong diversity and cultural sensitivity trainings; and informing sponsors and funders of media about the incident. For example, in the Power 99 incident, the radio station suspended the deejays responsible for the broadcast, and developed public service announcements about the importance of diversity in our country. Advocates also informed the station's sponsors of the incident.

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<sup>7</sup> While we use the Power 99 incident as an example to illustrate the types of responses that could be taken by community members in a similar incident, we do not mean to suggest that the steps taken by the radio station to address the incident are the only, or most effective, ones.