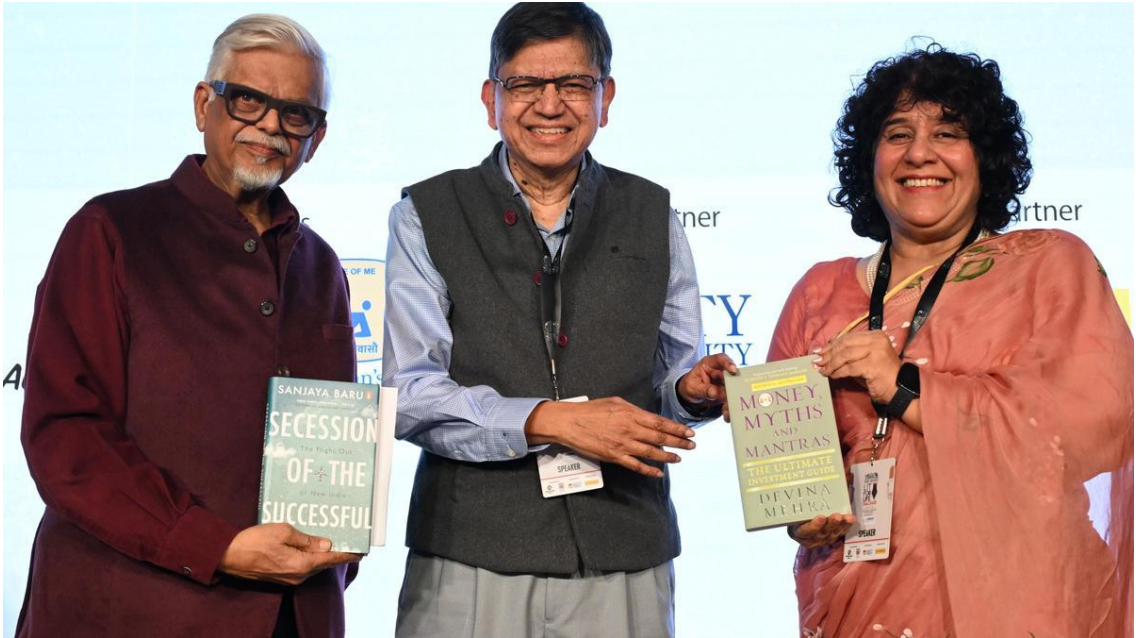


## More than wealth migration, India's intellectual migration is a serious concern, say experts

November 22, 2025



(From left): Sanjaya Baru, Narendar Pani, and Devina Mehra at *The Hindu* Lit for Life Dialogue in Bengaluru on Friday.

India is staring at two serious challenges at a time: the migration of its wealth and migration of its highly talented human resources, and the irony is this is happening at a time when the country is touted to be the best place to be, to live, to work, and to invest, said eminent panelists who spoke at the session on 'The Flight of Wealth' as part of the Bengaluru edition of Lit for Life Dialogue.

### FDI scenario

Setting the context, economist, writer and former editor Narendar Pani said, "Outward Foreign Direct Investment (FDI) by Indians increased by more than \$11 billion in 2020-21 to over \$28 billion in 2024-25. During the same period, the FDI to India declined from nearly \$55 billion to just a little over \$29 billion. As a result, the net FDI to India in 2024-25 was less than \$1 billion."

"If these trends continue, India will become a net exporter of capital. At a time when domestic savings are under pressure where is investment is going to come from?" wondered Dr. Pani.

Adding to the crisis, India's younger generation from business families want to cash out and manage financial investments from India or from overseas as they want to be free from the trouble of running businesses, and this trend has been adversely impacting the growth of private investments in the country, explained Devina Mehra, author of *Money, Myths and Mantras: The Ultimate Investment Guide*, and co-founder of First Global, a firm that tracks stocks across major markets. "Most prominent Indians who say India is the best place to be have their children studying or working somewhere overseas," she said, adding that India is not focused on attracting Indians working and living outside of India back to the country.

## **Types of migration**

Sanjaya Baru, the author of the *Secession of the Successful: The Flight Out of New India*, said that during 1950s, India's poor migrated to Europe and other countries seeking labour, including on plantations in Fiji and Mauritius, and in 1970, India saw huge migration to the Gulf. These two migrations triggered remittance to the country.

However, the migration of wealth and human resources that has been happening in the last 20 years and still continuing has been hurting the country and its economy, said Mr. Baru, also former editor, political commentator, and Media Advisor to former Prime Minister Manmohan Singh. Ms. Mehra said India also exported its people to stressful and wartorn areas such as Israel.

"We started IITs in the 1950s and 60s. How did Satya Nadella and Sundar Pichai reach CEO cabins of American firms (Microsoft and Google respectively)? We are letting our demographic dividend dissipate now," she argued.

Mr. Baru said thousands of highly talented, professionally qualified Indians have left this country from places like Bengaluru, Hyderabad, Chennai, and Pune, but the last time that economists were concerned about this flight of human capital was in the 1970s, when economist Jagdish Bhagwati spoke about brain drain.

"I found it very fascinating and shocking that over the last 30 years, even when the numbers have skyrocketed, there is not a single systematic study," Mr. Baru said.

## **Changed policy**

The United States changed its immigration policy in 1966, focused deliberately on getting Indian doctors and engineers into the U.S., and that was the beginning of the emigration of talented Indians, said Mr. Baru adding that perhaps President Donald Trump might have done something good by coming down heavily on immigration.