

Start-ups: Happy Hunting Ground for US Giants

There is much propaganda about the start-ups and the policy initiatives taken by the government to promote them. The start-ups are being placated as the future of Indian IT sector that promotes the native talent to create the new age products and services so that Indian IT sector can stand on its own legs. But in practice this policy turned out to be yet another opportunity for the US MNCs to gobble up these start-ups and subjugate the talent of Indian youth to their financial might.

The US technology giants are acquiring the Indian start-ups to own the cream of high quality talent available in the country. These acquisitions will not give the MNCs access to new technologies (which they already have) and markets but provide them with talent of Indian youth found by the start-ups policy.

The Facebook acquired Bengaluru based Little Eye Labs in January 2014, which built software tools for analyzing the performance of android apps. The five member team, including the co-founders Lakshman Kakkirala and Aditya Kulkarni of Little Eye Labs moved to Facebook's head quarters, where they work as engineers.

Twitter acquired Pune based Zipdial in January 2015 while the founder Valerei Wagoner moved to the Twitter's head quarter, the rest of the team took up employment at Twitter's India unit.

Similarly Apple acquired a Hyderabad based Tumblejump in April 2013. Around seven employees including the founder Rohit Ray and Satyaprakash Budhavarapu are now working in Apple's various offices in the US.

The Bengaluru based four month old start-up Halli Labs announced that it had been acquired by the Google. The company was in the domain of artificial intelligence and machine learning and had four employees including the founder Pankaj Gupta. Pankaj is the holder of Ph.D. in computer science and worked in Twitter at Silicon Valley. He came to India last year and worked for Stayzilla for a year. Then he started on his own only to be taken over by Google after four months. He now moved back to the US.

It is clear that these acquisitions are not directed by the financial and technological reasons. They are more for talent and team acquisitions. It means that the finance capital continues to drain the talent from the developing countries. This brain drain by the imperialist countries leaves the third world countries without talent, researchers and technology developers, while at the same time MNCs are acquiring property rights over the inventions of these youth. In the long run the dependence of the countries of Asia, Africa and Latin America for technology on the imperialist countries is going to be perpetuated. They have to forever depend upon the imperialist MNCs for their technology needs. This brain drain coupled with the financial loot in the other sectors of economy throws the third world countries into the mire of poverty and dependence denying them any opportunity to develop their economies to benefit their people.
