



Outsourcing backers say move up food chain, foes question new job claims

By Brian Fuller , [EE Times](#)

August 25, 2004 (10:58 AM EDT)

URL: <http://www.eetimes.com/article/showArticle.jhtml?articleId=30900009>

PALO ALTO, Calif. — Outsourcing engineering is "as natural as the laws of physics," and any attempt to block the trend will hurt U.S. workers, a venture capitalist said Monday night (Aug. 23) at a debate on the work force trend.

Vinod Dham, former head of the K6 project at NexGen and now a venture capitalist with NewPath Ventures, joined three other outspoken executives, a displaced worker and an IEEE representative at the contentious panel at the annual Hot Chips conference here.

"Maybe we need to stop whining about it...and look into how we are going to deal with it," Dham said before an audience of about 100 mostly circuit and systems designers. "This [outsourcing] is as natural in my mind as the laws of physics. Any attempt to block it will only cause economic dislocation."

Dham's philosophy was echoed by uber-capitalist and Cypress Semiconductor CEO T.J. Rodgers, Carl Everett, a venture capitalist with Accel Partners, and Patul Shroff, with eInfoChips, who maintained individually that the U.S. must offshore less value-added jobs as it's done historically and focus on moving up the innovation food chain.

"We wouldn't want to export all jobs. This is the center of the technological world," Rodgers said. "The difference is the world changes, and we're going to have to change jobs and move upstream. We absolutely can do that."

One of two voices of dissent on the panel came from Natasha Humphries, a *cause celebre* among high-tech workers. Humphries is active in [TechsUnite Silicon Valley](#), a group that champions the cause of displaced high-tech workers. Humphries lost her job at mobile device maker Palm last year after being sent to India to train Palm workers there.

"Offshoring is not new. But what is different from the [historical] manufacturing model is they told high-tech workers they could retain and get a better jobs," Humphries said. That's not happening, she added.

She agreed with the executives' contention that increased profit margins brought about by offshoring "will correlate in new jobs, but they won't necessarily correlated into the U.S."

Ron Hira of IEEE-USA, added, "You heard from the 'don't worry be happy crowd.' Anything they say is true but it's incomplete. If you offshore everything you have an issue with military and homeland security. Certainly we need to do something about this."

What's New at Nassda?



[Copyright © 2003 CMP Media, LLC](#) | [Privacy Statement](#)