



Technology Firm Executives Say Immigration Barriers *Hurt* America

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The United States has an immigration problem — it needs more immigrants, say technology firm executives.

The national immigration debate has focused primarily on the estimated 12 million illegal immigrants in the United States and how to define their status once they cross America's porous borders.

But a less discussed aspect of immigration — how to supply American corporations with the qualified professionals necessary to maintain our global lead in technology — has equally important implications for the United States economy.

The number of American college graduates with advanced degrees in science and math has not kept pace with demand, forcing companies like Microsoft and Google to hire foreigners. And technology firm executives say they can't bring in enough highly educated immigrants to fill the specialized jobs in computer sciences, mathematics and engineering for which they are in high demand.

In March, Microsoft Chairman Bill Gates told the Senate Committee on Health, Education, Labor and Pensions that United States leadership in global technology is at stake if the government does not allow American companies to hire more than the 65,000 foreign professionals currently permitted to work here each year.

The U.S. government currently issues 65,000 H 1-B **visas** a year to foreign professionals hired by American companies. When the 65,000 cap is reached, the government makes an additional 20,000 visas available to foreigners who have graduated from American universities with a master's degree or a higher graduate degree. It is estimated that 30 to 50 percent of the students in U.S. graduate programs in technology are foreigners.

Technology companies are urging Congress to raise the ceiling on the H 1-B visas and to increase the number of green cards for foreigners in high-tech employment so that there will be more qualified workers available.

Gates, in testimony before Congress, has called for the current cap to be eliminated and 180,000 visas to be issued, saying the visa restrictions are “driving away the world’s best and brightest precisely when we need them most.” According to Gates, many U.S. competitors hire the qualified professionals we turn away. One third of Microsoft’s current domestic workforce consists of foreigners.

But not everyone agrees. Opponents argue that bringing more foreign “techies” to the U.S. displaces American workers and generally depress wages. They say that the immigrants do not offer any special skills.

While technology companies and organizations such as Compete America and the national Venture Capital Association say the government should issue more H 1-B visas, critics of the H 1-B program say it hurts American workers.

“The trouble with the H1-B program is that there is no protection for American workers who are often squeezed out by immigrants who work for less money,” says Jack Martin, a spokesman for the Federation for Immigration Reform (FAIR), which advocates reducing immigration.

Alan Tonelson, a research fellow at the United States Business and Industry Council, a group representing small manufacturers, also denounces the H1-B program. “It’s a misguided and counter-productive program,” he said. “There is no shortage of native technology workers. Large manufacturers just want cheap labor.”

Immigrants are highly visible not only on the employment side of high-tech companies. A Duke University study published this year found that foreign-born entrepreneurs were behind one in four American technology start-up companies from 1995 to 2005 and generated 450,000 domestic jobs in 2005.

Among the technology companies founded by foreign entrepreneurs are Sun Microsystems Inc., Intel Corp and Google Inc.

The study pointed out the contributions foreign entrepreneurs make to the American economy. It found that 25 percent of the companies founded in those 10 years had at least one senior executive — a founder, chief executive, president or chief technology officer — who was born outside the United States. The study was based on telephone surveys of 2,054 companies. In 2005 immigrant entrepreneurs’ companies generated \$52 billion in sales.

Indians dominate the entrepreneurial pack. According to the Duke study, 26 percent of immigrant-founded technology start-up companies had founders, CEO’s, presidents or head researchers who were from India. This was a larger percentage than from the next largest national sources for start-up companies — the United Kingdom, China, Taiwan and Japan — combined.

Vivek Wadhwa, the Indian-born lead researcher of the Duke study, credited the Indian education system for turning out so many talented mathematicians and computer scientists. He wants the United States to lower the immigration barriers to bring more foreign professionals to work here.

“Let’s figure out where we need the skills and open the floodgates for green cards for them,” he said. “If we want skilled workers let’s keep them here permanently, not as guest workers.”

But FAIR contends that 80 percent of America’s population growth comes from immigration, both legal and illegal, and advocates reducing immigration. Martin says the large influx of immigrants places too great a burden on our nation’s resources and does not allow adequate time to integrate the newcomers.

One of the most outspoken opponents of bringing foreign professionals to the United States is Jack Matloff, a professor of computer science at the University of California.

He says the Duke study completely ignores the Americans who are displaced by high-skilled immigration and that some of the start-up companies created by immigrants facilitate the outsourcing of jobs, which he says hurts American workers.

But Wadhwa of the Duke study sees the exact opposite. “The jobs that we have created are U.S. jobs,” he said in an interview. “Much media attention focuses on illegal immigrants. In this case of these high-tech people we have ample evidence of immigrants who truly benefit our country.”