



Issue Analysis

H-1B Visas: A Case for Open Immigration of Highly Skilled Foreign Workers

By Alex Nowrasteh

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Executive Summary

The growth of the information technology, research and development, and science sectors of the economy has forced American firms to scour the world for talent. To bring workers they need into the United States, American companies sponsor their H-1B work visas. The rapid pace of technological and scientific development is best fostered by an open immigration regime. Unfortunately, America is far from that today.

Highly skilled foreign workers are typically well educated, English speaking, and young. They receive high levels of compensation, do not consume social programs, and do not commit crimes more than the general population. Moreover, there is little direct competition between foreign highly skilled workers and similarly skilled Americans. Foreign workers complement American workers and push them into different higher paying occupations.

To further expand these benefits to the American economy, the restrictions and fees levied on H-1B visas and other skilled foreign worker visa categories should be removed. Quotas and the temporary time nature of work visas are major impediments to Americans fully reaping the benefits that highly skilled workers bring.

Contrary to claims by immigration restrictionists, many highly skilled foreign workers, including H-1B visa holders, go on to start profitable businesses in the U.S. that employ thousands of Americans. Furthermore, patents and scientific discoveries by highly skilled foreign workers have yielded billions of dollars in productivity gains that enrich millions of Americans.

Government quotas, rules, and fees create regulatory burdens to the efficient hiring of foreign talent when firms need it the most. American businesses should be free to employ the best worker for any job—from anywhere in the world. In a globalized and interconnected world, countries that place restrictions on their own businesses' ability to do so are shooting themselves in the foot.

Introduction

In uncertain economic times, demagogic politicians tend to scapegoat politically vulnerable groups, and immigrants—mostly low-skilled—have become an easy target in the current recession. Often overlooked, however, are the highly skilled workers who enter the United States—mainly on H-1B visas. For the sake of brevity, this paper uses the characteristics of H-1B visa holders as a proxy for all highly skilled foreign workers.

Despite their small numbers, unions and other immigration restrictionists want to eliminate or severely restrict this source of skilled labor. With protectionist and restrictionist policies gaining in popularity during the present economic downturn, this study shows that closing the border to highly skilled foreign workers would be a grave mistake.

Highly skilled foreign workers' contributions to science and technology, high rates of education, low rates of crime, net contribution in tax revenue, and positive effect on the wages and productivity of American workers are all reasons to remove restrictions on highly skilled foreigners immigrating to the U.S. Restricting the flow of highly skilled foreigners to the U.S. would hurt our economy. Entry barriers faced by foreign-born, highly skilled workers should be significantly eased.

Facing a recession and upcoming election, politicians from both major political parties are desperate to be seen as helping to create jobs for Americans. One proposed solution is to pass and enforce stronger anti-immigration laws, which use a targeted two-tiered approach of increased workplace and border enforcement. This strategy is premised on an economic fallacy and doomed to failure.

Contrary to populist arguments, a more open immigration policy creates economic prosperity and jobs. The number of jobs in our economy is not fixed. In a dynamic and relatively free economy, with most prices determined by supply and demand, the opportunities for job growth are virtually limitless.

However, when the price for labor rises due to artificial scarcity, such as that imposed by our immigration system, many jobs and tasks that could have been done in the U.S. move overseas. Wealth is not measured by the amount of paper dollars in bank accounts, but by individual access to goods and services. More immigration in a legal and orderly way increases the amount of tasks that can be accomplished and, thereby, goods and services available to all Americans.

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Due to their high wages, H-1B workers do not contribute to poverty in America.

Characteristics of the H-1B Population

Highly skilled immigrants primarily enter the country on H-1B visas.¹ The H-1B is a dual purpose specialty occupation employer-sponsored work visa established by the Immigration Act of 1990.² It allows employers to temporarily hire highly skilled foreign workers in specialty occupations where American workers would not be displaced.³ The visas last for three years and can be renewed once for an additional three years.⁴ The number of new H-1B visas annually issued is limited to 85,000,⁵ of which 65,000⁶ must come from abroad while 20,000 are granted to foreign nationals with master's degrees or higher from American universities. Jobs at non-profit research institutions affiliated with colleges or universities do not count toward the cap.⁷

In fiscal year 2008, 276,252⁸ H-1B petitions were approved, 109,335⁹ for initial employment and 166,917¹⁰ for continuing employment. Of the visas approved for initial employment, 24,335 were sponsored by non-profit research institutions not subjected to the cap. The remaining 85,000 visas were sponsored by firms. 123,480 H-1B visa applications subject to the cap were filed on the first day applications could be submitted for fiscal year 2008. The government stopped accepting visa applications the next day and began a vetting process that culminated with a lottery to determine who received the coveted visas.¹¹ As of 2008, 24,607,494 workers were foreign-born.¹² In the same year, 276,252 H-1B petitions were approved for highly skilled foreign workers.¹³ Out of a total American workforce of 157,345,776,¹⁴ 0.18 percent were admitted through the H-1B program. A majority of H-1B workers comes from Asia, especially India (see Table 1).

Problems and Solutions for H-1B Visas

As the numbers above show, the H-1B visa program is flawed and needs reform. The following proposals would improve it dramatically.

First, the numerical cap on foreign born workers for private firms should be lifted. Knowledge and high skills are the life blood of economic innovation. Any increase in the cap should be welcomed, but to maximize American gains from the H-1B visa program, the cap needs to be eliminated. Instead of waiting years for highly educated Americans to complete graduate school, we could immediately import the skills needed.

Second, the length of employment for an H-1B worker should be unlimited. Currently, the visa can be held for a maximum of six years.¹⁵ This is unfortunate because worker productivity increases over time due to the accumulation of experience and firm-specific knowledge. Limiting these

Table 1

Approved H-1B Petitions Percentage by Birth Country of Visa Holder: FY 2007 and FY 2008			
	All Beneficiaries	Initial Employment	Continuing Employment
Country of Birth	FY 2008	FY 2008	FY 2008
India	54.2	56.5	52.7
China	8.8	8.4	9.0
Canada	3.9	3.6	4.0
Philippines	3.5	3.6	3.4
South Korea	2.5	2.8	2.4
United Kingdom	1.6	1.2	1.9
Japan	1.6	1.2	1.8
Mexico	1.3	1.3	1.4
Taiwan	1.3	1.7	1.1
Pakistan	1.3	1.2	1.3
Colombia	0.9	0.7	1.1
France	0.9	0.8	1.0
Turkey	0.9	1.0	0.9
Germany	0.9	0.8	0.9
Venezuela	0.7	0.5	0.9
Brazil	0.7	0.7	0.7
Russia	0.7	0.5	0.8
Argentina	0.5	0.4	0.6
Nepal	0.5	0.7	0.4
Malaysia	0.5	0.3	0.5
Other Countries	12.8	12.1	13.3

U.S. Department of Homeland Security, *Annual Report on Characteristics of Specialty Occupation Workers (H-1B) for Fiscal Year 2008*, May 2009, p. 7.

Table 2

Household Income for Ethnic Indian, Chinese, and Native-born Households in U.S. (2000)			
	Indian	Chinese	Native
Median Income	\$63,669.00	\$51,444.00	\$41,994.00

U.S. Census Bureau, "Census 2000 Summary File 4 (SF-4)," Median Household Income in 1999.

workers to just six years deprives them, their employers, and the American economy of the most productive years of their employment. The six-year length of the visa should be extended indefinitely if the worker does not commit a felony.

Table 3

Employment Status: Asian Immigrants and Native-born, by percentage		
	Asians	Natives
In Labor Force	67.5	65.4
Civilian	67.2	64.9
Employed	63.8	60.7
Unemployed	3.4	4.2
Armed Forces	0.2	0.6
Not in Labor Force	32.5	34.6

U.S. Census Bureau, *American Community Survey*, S0501, S0505.

Table 4

Education of Asian-born and Native-born Americans 25 Years and older, by percentage		
	Asian Americans	Native-born Americans
Less than High School	16.4	11.7
High School	16.5	29.8
Some College	18.5	30.7
Bachelor's	28.5	17.8
Grad or Professional	20.1	10.0

U.S. Census Bureau, *American Community Survey*, S0501, S0505.

Table 5

Occupation of Asian-born and Native-born Americans 25 Years and older, by percentage		
	Asian-Americans	Native Born Americans
Management/Professional	47.0	36.2
Services	16.5	16.0
Sales and Office	21.4	26.9
Farming, Fishing, Forestry	0.2	0.5
Construction and Related	3.6	8.7
Production, Trans., Moving	11.3	11.8

U.S. Census Bureau, *American Community Survey*, S0501, S0505.

Table 6

Wage Earning Characteristics: Asian Immigrants Versus Native-born 16 Years and Older, by percentage		
Types	Asian	Native
Private Wage/Salary	81.9	78.1
Gov. Workers	11.0	15.6
Self Employed	6.8	6.1
Unpaid Family Works	0.2	0.2

U.S. Census Bureau, *American Community Survey*, S0501, S0505.

Table 7

Education of H-1B Applicants	
Degree Awarded	%
Less than Bachelor's	1
Bachelor's	43
Master's	41
Doctorate	11
Professional	5

U.S. Department of Homeland Security, p. 9.

Highly skilled workers should be allowed to enter the U.S. without company sponsorship. This would help attract those highly skilled foreigners who are entrepreneurial and would rather start their own businesses.

Third, the fees for filing for a H-1B visa should be drastically reduced. Firms pay between \$2,320¹⁶ and \$6,000¹⁷ per H-1B applicant. The only fees that should be assessed are fees designed to cover the cost of filing, processing, and storing the visa application. The current system is a burdensome labor tax that discourages hiring H-1B workers.

Fourth, the H-1B work visa should be awarded on an individual basis. To maximize the benefits they bring to the American economy, highly skilled workers should be allowed to enter the U.S. without company sponsorship. This would help attract those highly skilled foreigners who are entrepreneurial and would rather start their own businesses. This also cuts down on the regulatory cost of monitoring the worker's remuneration. Furthermore, H-1B workers should be free to sign private labor contracts with any American firms that will hire them, without restriction.

Fifth, H-1B visa workers should be free to change jobs without jumping through bureaucratic hoops. According to the present law, a H-1B worker's wage must meet or exceed the prevailing wage for the occupation or the employer (whichever is higher).¹⁸ Consequently, businesses are required to file onerous reports to verify this while government agents investigate claims and complaints.^{19, 20}

A 2005 World Bank study found that foreign graduate students working in the United States file an enormous number of patents.

Sixth, the definition of a specialty occupation and a highly skilled worker should be expanded. A specialty occupation must currently meet one of the following requirements:

1. Require a bachelor's degree, its equivalent, or higher.
2. The employer normally requires a degree or its equivalent for the position.
3. The nature of the specific duties is so specialized and complex that the knowledge required to perform the duties is usually associated with attainment of a bachelor's or higher degrees.²¹

To work in a specialty occupation, the worker must meet one of the following requirements:

1. Hold a U.S. baccalaureate or higher degree as required by the specialty occupation from an accredited college or university.
2. Possess a foreign degree equivalent to a U.S. baccalaureate or higher as required by the specialty occupation.
3. Have a required license or other official permission to practice the occupation in the state in which employment is sought.
4. Have the equivalent of the required degree acquired through a combination of education, specialized training, and/or progressively responsible experience.²²

Workers with some college education or post-high school training often possess valuable and unique skills. However, many others—such as welders, computer technicians, plumbers, and masons—who do not fall under the above categories due to lack of a college education nevertheless possess valuable skills that are in high demand and short supply. As a result, many highly skilled workers cannot be hired by American firms under this visa due to government-created scarcity.

Seventh, I-B workers who decide to apply for permanent residence should be able to do so without disruption to their employment, by allowing them to stay in the country and remain employed during the application process.

Benefits of H-1Bs

Patents and Scientific Research

Immigrants contribute to America's ongoing technological success. While far from perfect, patents can serve as a rough measure of a country's level of technological innovation. A 2005 World Bank study found that foreign

graduate students working in the United States file an enormous number of patents.²³ Additionally, a

quarter of international patents filed from the U.S. in 2006 named a non-U.S. citizen working in the U.S. as the inventor or co-inventor.²⁴

Increased usage of computers and information technology services are responsible for virtually all of the growth in labor productivity and two-thirds of the growth in total factor productivity between 1995 and 2002.²⁵ H-1Bs are heavily concentrated in those sectors and have been instrumental in many recent technological advances.²⁶ Technological improvements, largely driven by the rate of innovation and invention, can be approximately measured by looking at the rate of patent issuance. In many sectors—particularly in those involving emerging technologies—the more patents that get filed, the quicker and broader the pace of technological advancement.²⁷

An increase in patents would help GDP growth.²⁸ The elasticity of America's GDP in the late 1990s was about 0.113, which means that a relatively small increase in the number of highly skilled foreign workers and their resulting patents have a disproportionately large effect on GDP. The influx of immigrant college graduates in the 1990s increased U.S. per capita GDP by 1.4 percent to 2.4 percent. GDP in the first quarter of 2000 was \$11 trillion.²⁹ In that year, patents filed by immigrant college graduates contributed between \$155 billion and \$265 billion to GDP.³⁰

Foreign graduate students studying in the U.S.—many of whom qualify for but are denied H-1B visas due to the cap—are prolific inventors. On average, each additional foreign graduate student results in 0.63 patent applications.³¹ Additionally, 24.2 percent of international patents filed from the U.S. listed a foreign skilled worker as an inventor or co-inventor.³² That figure is up from 7.2 percent in 1998.³³ This army of foreign graduate student innovators gives the U.S. a significant comparative advantage in the training and export of specialists in higher education, partly because of the numbers of skilled foreign workers and foreign students enrolled at U.S. universities.³⁴

Technological growth and change is highly dependent upon spillovers of knowledge. Today's inventions and innovations are usually built upon those of yesteryear. Speeding up this process are the knowledge of those inventions and the concentration of inventors. Contact between inventors, especially geographic proximity, is a prime ingredient for rapid and valuable technological advancement.³⁵ Highly skilled foreigners accelerate and expand this process.

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The contribution of foreign-born workers to scientific progress outside of the intellectual property sphere is also staggering. Forty percent of all science and engineering PhDs working in the U.S. are foreign-born.³⁶ Since the year 2000, one-third of the Americans who received the Nobel Prize in physics³⁷ and one-third of Americans who received the Nobel Prize for medicine and physiology between 1901 and 2005 were born abroad.³⁸ Five of the eight Americans who received the Nobel Prize for sciences in 2009 were born abroad.³⁹ Given this, it is reasonable to assert that excluding highly educated foreigners would harm groundbreaking, frontier research and development in the United States.

Entrepreneurship

To reap the full benefits of highly skilled, foreign-born entrepreneurs, restrictions and limitations in their visas need to be removed. H-1B workers are tied to their employers, so it is very difficult for them to start their own firms while working for somebody else. To remedy this, the H-1B visa should not be a company-sponsored visa but a visa held by the worker, allowing him or her to start a firm when opportunity knocks.

Highly skilled immigrants are responsible for starting many of the most successful companies in America. Additionally, many successful small and mid-sized firms are the creations of highly skilled immigrants. Not all of these immigrants were highly skilled when they entered the U.S., but many became so. Consider the following:

- Twenty-five percent of all venture-backed U.S. public firms started between 1990 and 2005 had at least one immigrant founder.⁴⁰
- The largest of such firms — Intel, Sanmina-SCI, Sun Microsystems, eBay, Yahoo!, and Google⁴¹ — have a combined market capitalization of \$242 billion.⁴²
- By 2000, as many as one-fifth of all Silicon Valley firms were started by people who were, at one time, residing in the U.S. on a work visa.⁴³
- As of 2008, one-third of all Silicon Valley companies were founded or co-founded by Indian or Chinese nationals who were able to legally work in the U.S. under H-1B visas or green cards.⁴⁴
- Overall, 52.4 percent of all Silicon Valley firms started by 2005 had one or more immigrants as a key founder, compared with a California average of 38.8 percent.⁴⁵

- Of the engineering and technology companies founded between 1995 and 2005, 25.3 percent of them had at least one key founder who was foreign-born.⁴⁶
- Indians founded more engineering and technology companies in the U.S. during the same time period than immigrants from the United Kingdom, China, Taiwan, and Japan combined.
- By 2005 Indian and Chinese immigrants constituted less than 1 percent of the U.S. population yet accounted for 26 percent of the foreign-born engineering and technology entrepreneurs.⁴⁷
- According to one survey, immigrant-founded, venture capital-backed companies employed 123 people on average with 30 as the median.⁴⁸

Researchers at the Kauffman Foundation have proposed creating a new visa category called a “start-up” or an “entrepreneur” visa to take advantage of the surge in foreign-born, high-skilled entrepreneurs.⁴⁹ This sounds like a good idea, but it is impossible to tell which highly skilled foreigner will become an entrepreneur when he or she applies for a visa. Many of the entrepreneurs who started the companies listed above worked for years in the U.S. before they founded their companies.⁵⁰ Others, like Sergey Brin of Google, immigrated to the U.S. as children.^{51, 52}

Labor Markets and Wages

Immigration restrictionists have long contended that increasing the number of highly skilled immigrants decreases the wages of American workers and takes jobs from Americans.⁵³ These arguments are not supported by the facts.

First of all, wealth is not determined by the level of monetary wages, but by the purchasing power of those wages. For instance, decreasing the amount of services and goods available relative to a wage makes the worker poorer by increasing his cost to consume at the same level. If the amount of services and goods denied to him are decreased more than his wage is increased, the worker is left worse off.

Restrictionists argue that if foreign labor is not allowed into the United States, American wages will adjust and more native born Americans will be drawn into fields that are presently dominated by immigrants. Even if that were true, if there are fewer workers, then fewer services and goods will be provided relative to any increase in wages.

Many entrepreneurs worked for years in the U.S. before they founded their companies. Others, like Sergey Brin of Google, immigrated to the U.S. as children.

Highly skilled, foreign-born workers, due to their different skill sets, are complements for American workers rather than substitutes. They work in different areas and the differences in their skill sets increase each group's productivity.

Restricting the amount of labor available to Americans decreases the purchasing power of their wages and leaves them worse off.

Moreover, labor supply is not the only determinant of wages. The response of capital to increases in labor moderates any decrease in wages. If an increase in the supply of labor puts downward pressure on wages, firms can hire more employees. Hiring more employees raises the productivity of capital goods employed in production, which in turn induces firms and capital markets to make significant investments in physical capital. Increases in capital make labor more productive and raise wages.⁵⁴

Restrictionists also ignore the fact that most workers are not interchangeable. Native born American laborers and immigrants have comparative advantages in different fields. Highly skilled, foreign-born workers, due to their different skill sets, are complements for American workers rather than substitutes.⁵⁵ They work in different areas and the differences in their skill sets increase each group's productivity.⁵⁶

American firms also tend to hire H-1B visa workers when they are expanding operations and have trouble finding Americans with the appropriate job skills and education. Hiring H-1B workers in information technology is highly correlated with increased employment of Americans, higher wages for American workers, and lower rates of unemployment.⁵⁷ Each H-1B position requested by a technology firm with fewer than 5,000 employees was associated with an increase of employment of 7.5 workers.⁵⁸

The most pessimistic estimates of the decline in wages of college educated, native-born Americans due to immigration is -3.8 percent in the short-run and -0.5 percent in the long-run with an elastic capital market.⁵⁹ In the long-run, the effect on all native-born American workers is slightly positive.⁶⁰ In response to highly skilled foreigners, intelligent Americans who would have become engineers or scientists are instead majoring in different fields. Bright students have been flocking toward lucrative careers in business, law, and medicine when they used to become scientists or engineers.⁶¹

Critics of the H-1B visa program contend that firms hire H-1B workers because they are paid less and are less costly overall than American workers.⁶² But that does not comport with the facts. If firms saved money by employing H-1B visa workers instead of similarly skilled native workers, then demand for them would go up during recessions or when firms are downsizing. Overall, there are many fewer H-1B applications made when firms are downsizing and even fewer during general recessions.⁶³

Science and Technology

It is often said that America is falling behind in science, technology, engineering, and mathematics (known as the STEM fields). That is debatable, yet even if it were true that America is falling behind in these fields, the country's number of scientists and engineers can be increased relatively quickly and easily by allowing the educated foreigners of the world to migrate to the U.S.

As mentioned previously, less than 1 percent of H-1B applicants had less than a bachelor's degree, 43 percent had a bachelor's degree, 41 percent had a master's degree, 11 percent had a doctorate, and 5 percent had professional degrees.⁶⁴ They are a highly educated group and many of them pursue educational opportunities in the United States prior, during, or after becoming H-1B workers. The number of STEM degrees awarded to foreign students studying in America is substantial. Between 2003 and 2007, nonresident aliens earned 143,391 bachelor's degrees, 255,267 master's degrees, and 49,532 doctorates in STEM.⁶⁵ According to estimates based on survey data and an assumed annual emigration rate of 3.2 percent, 50,187 bachelor's, 117,634 master's, and 14,960 doctorates from the group above would have remained in the U.S. had visa rules allowed them.⁶⁶

Foreign-born graduate students do not crowd out American students from advanced programs.⁶⁷ They tend to fill new spots rather than displace qualified Americans.⁶⁸ The number of PhDs awarded to Americans has not changed in recent decades, but the departments have expanded tremendously to accommodate increasing numbers of foreign students.

Additionally, highly skilled, foreign-born workers do not use public education funds. Education is the single largest component of state and local government spending, absorbing roughly a third of all state and local expenditures.⁶⁹ The average per pupil cost of public primary and secondary education is approximately \$9,600 per year.⁷⁰ Highly skilled foreign workers on H-1B visas are, by and large, already educated once they receive their work documents. They do not receive state funding for primary and secondary education.

Students already working in the U.S. on H-1B visas can typically receive in-state tuition for state universities if they become residents of the state in which they are working. This may qualify as an example of taxpayers subsidizing the education of foreign-born workers—though the workers still pay. This is a relatively minor problem that would be best addressed by

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states reforming their in-state tuition policies. Moreover, if highly skilled foreign workers were allowed to live and work in the U.S. indefinitely after completing their education, the increased tax revenue would more than offset the modest public education subsidy. The amount of annual federal tax revenue foregone by forcing STEM graduates to leave the country is approximately \$3.6 billion.⁷¹ That makes up for state university subsidies.

Health Care and Entitlement Programs

Contrary to the restrictionist claim that immigrants place a strain on state-provided social services, highly skilled foreign workers are net contributors to the welfare state. Most American social welfare programs are designed to provide care to the elderly, sick, women, and children.⁷² The majority of H-1B workers are younger than the American population average, healthier, and male.

Of H-1B workers, 95.53 percent are 44 years old or younger, compared to 61.5 percent of the general American population.⁷³ Of the total U.S. population, 12.7 percent is old enough to receive Social Security and Medicare benefits, while only 0.09 percent of the H-1B population is old enough to qualify for those programs.

H-1B workers are ineligible for Medicaid benefits. Besides having a high median annual income of \$60,000 and a mean annual income of \$54,000 (which by itself makes them ineligible),⁷⁴ legal foreign residents of the U.S. are not eligible to receive Medicaid benefits during the first five years of their residency.⁷⁵ Their primary and secondary education was not paid by the U.S. government or any states, so the costs for them are lower and net tax revenue greater.

Table 8

Ages of H1-B Visa Holders versus Native-born				
Ages	H1-B Visa Holders		Native-born	
	Number	Percentage	Number	Percentage
0-24	20,752	7.52%	103,988,427	34.20%
25-44	242,419	87.82%	83,008,306	27.30%
45-54	10,585	3.83%	44,392,720	14.60%
55-64	2,037	0.74%	33,750,630	11.10%
65 and up	259	0.09%	38,615,586	12.70%

U.S. Department of Homeland Security, p.8.

U.S. Census Bureau, American Community Survey, S0501.

In addition to not receiving entitlement benefits or public education, H-1B workers pay a significant amount of taxes to the federal treasury. The STEM graduates likely to have remained in the U.S., had visa rules allowed them, would have paid between \$2.7 billion to \$3.6 billion in tax revenue to the federal government.⁷⁶

Conclusion

Highly skilled immigrants are an enormous net benefit to the American economy. Their achievements are astounding, especially in relation to their numbers. But the achievements do not just accrue to the immigrants themselves. The spillover effects of increased technological innovation, entrepreneurship, and high rates of education are enough to safely justify removing all caps and restrictions on H-1B visas.

Restrictions on the entry of highly skilled immigrants hinder the growth of certain industries, reduce economic growth, and slow technological development. The government cannot pick winners among highly skilled immigrants before they enter the country, so the number allowed entry should be as great as possible, the requirements for entry as low as possible, and the burdens eliminated to the greatest extent possible.

Certain immigration restrictions should be enforced. Prospective immigrants who have been convicted of a felony or are suspects in felony cases, suspected or actual members of terrorist organizations, and those who have contracted highly contagious and severe diseases should not be allowed entry.

A nation's immigration policy ought to maximize benefits to its citizens. Removing H-1B visa restrictions and allowing an unlimited flow of highly skilled immigrants, subject to the few exceptions above, will benefit Americans far more than it will cost them.

Highly skilled and educated foreigners make tremendous contributions to the American economy.

Notes

- 1 The current wait for an employer-sponsored green card is six to 10 years, an unrealistic timeline for hiring new employees. However, H-1B visa holders can apply for a green card while working. National Foundation for American Policy, “H-1B Visas By the Numbers,” *NFAP Policy Brief*, March 2009, p. 1.
- 2 David Weissbrodt and Laura Danielson, *Immigration Law and Procedure: In a Nutshell*, Fifthth Edition, Eagan, Minn.: Thomson West, p. 159.
- 3 8 U.S.C. §212(n).
- 4 8 U.S.C. §214.2(h)(13).
- 5 8 U.S.C. §214.2(h)(8).
- 6 U.S. Citizenship and Immigration Services, “Cap Count for H-1B, H-2B and H-3 Workers for Fiscal Year 2010,” http://www.uscis.gov/h-1b_count.
- 7 USAVisaNow.com, “H-1B Visa Frequently Asked Questions,” <http://www.usvisanow.com/h1bvisafaq.html>.
- 8 U.S. Department of Homeland Security, p. iii.
- 9 *Ibid.*, p. 4.
- 10 *Ibid.*
- 11 U.S. Citizenship and Immigration Services “USCIS RUNS RANDOM SELECTION PROCESS FOR H-1Bs,” April 13, 2007 (revised), <http://www.uscis.gov/files/pressrelease/H1Bfy08CapUpdate041307.pdf>.
- 12 U.S. Census Bureau, “American Community Survey 1-Year Estimates: Selected Characteristics of Foreign-Born Population,” *American Community Survey* (2008), S0502.
- 13 U.S. Department of Homeland Security, *Annual Report on Characteristics of Specialty Occupation Workers (H-1B) for Fiscal Year 2008*, May 2009, p. iii.
- 14 U.S. Census Bureau, *American Community Survey*, S0501.
- 15 INA §214(g)(4).
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- 21 8 U.S.C. §214.2(h)(4)(iii)(A).
- 22 U.S. Department of Homeland Security, p. 3.
- 23 Gnanaraj Chellaraj, Keith Maskus, and Aaditya Mattoo, “The Contribution of Skilled Immigration and International Graduate Student to US Innovation,” *World Bank Policy Research Working Paper*, No. 3588, May 2005, http://www.wds.worldbank.org/external/default/WDSContentServer/IW3P/IB/2005/05/15/000090341_20050515125129/Rendered/PDF/wps3588.pdf.
- 24 Jennifer Hunt and Marjolaine Gauthier-Loiselle, “How Much Does Immigration Boost Innovation?” Institute for the Study of Labor, January 2009.
- 25 Robert D. Atkinson and Andrew S. McKay, “Digital Prosperity: Understanding the Economic Benefits of the Information Technology Revolution,” The Information Technology & Innovation Foundation, March 2007, pp. 1-2.
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