UPSIDE

Immigration in the Information Age

By Michael C. Maibach   **March 1996**

Congressional immigration legislation is hurtling toward Earth like a comet, threatening to smash into America's technology communities. The damage to our international competitiveness could be substantial. It's vital that the high-tech industry take action to change its course-now.

Demand for immigration reform is strong and growing. Americans are understandably alarmed by the annual rate of illegal immigration-300,000-in addition to the 800,000 legal immigrants each year. Compounding the situation are maladies seen as exacerbated by immigration: violent crime, challenges to the English language, a flawed welfare system and stagnating wages.

Congress has taken up reform in earnest, with passage of legislation virtually certain in 1996. High tech is also concerned-about our continued ability to hire engineers, physicists, computer scientists and mathematicians from the total labor pool. These talents maintain American leadership in the world-wide computer hardware and software industries. Pending legislation would curb the hiring of foreign technicians, as well as professors to train them.

Setting the stage for action is the Federal Commission on Immigration Reform's 1995 report. The group calls for a one-third reduction in immigration, reduction in employment-based visas and a tax on employers who hire foreigners.

President Clinton supports the commission's recommendations, as do Rep. Lamar Smith (R-Tex.) and Sen. Alan Simpson (R-Wyo.)-chairs of congressional immigration subcommittees. Smith's HR 2202 was approved by the Judiciary Committee in October and awaits final House action in 1996. While the House bill is onerous, the Senate bill is even more critically flawed.

Sen. Simpson's S 1934 cuts employment-related visas from 140,000 to 90,000 and imposes a tax of $10,000 or 10 percent of total compensation-which ever is higher-on foreign

hires. S 1394 passed the Senate Immigration Subcommittee and awaits Judiciary Committee action. Says Sen. Simpson, "The last thing I have in mind is to hinder American business or to prevent American universities from hiring outstanding professors. What I'm trying to do is to protect our own "best and brightest" in the job market."

Congress is split across party lines. California Republicans have supported the electronics industry's need to employ the best people. In contrast, many legislators from both parties have constituents' desire for action on illegal immigration.

Congress should separate illegal and legal immigration so that passion about the former does not muddy thinking about the latter. We must maintain current levels of employment-related visas – just 15 percent of total legal immigration – and defeat a tax on the hiring of foreign-born talent. America has benefited from the "brain gain" over the past 100-plus years. Intel, Sun Microsystems, Apple, Computer Associated, 3Com, Bornland and Compaq are all founded or led by foreigners. One-third of Silicon Valley's engineers are foreign born, and the same is true at IBM's Yorktown Heights Lab and as Bell Labs. Microsoft's U.S. employment is 5 percent foreign; after all, it sells software in 3o languages and 100 countries. One-third of America's Nobel Prize winners are foreign born. Talent from abroad is vital to high-tech companies, each assembling the world's best minds to win in global markets. And if you can't compete globally these days, you just can't compete.

It's far more expensive to hire foreigners; we do so because they have the skills we need/ More than 40 percent of engineering and physics graduate students at U.S. universities are foreign born. We must be able to hire these students, who have been trained by the American taxpayer.

Let's staple a green card to every engineering PhD earned by non-Americans, and let's do all we can to encourage our children to pursue the "hard" science. Intel invests $23 million annually in math and science and research programs. The Semiconductor Research Corp. invests $30 million each year to support 700 graduate students and 200 university professors studying microelectronics here. And societal attitudes must value technologists and manufacturers at least as much as athletes and lawyers. Twenty-seven American jobs are supported by each engineer within our borders; they are the wealth creators in this Age of Technology.

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