Best & Brightest: The Case for H-1B Visas

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***Resolved:* *The United States federal government should substantially reduce its restrictions on legal immigration to the United States.***

H-1B visas are visas given to hi-tech foreigners to work for 3 years in the U.S. (and can be renewed once for 3 more years). H-1B immigrants are typically highly educated and talented, and they contribute to the US economy by keeping industry and technology work in the U.S. Currently H-1Bs are restricted to 65,000 per year. This case argues that we should reduce this restriction and grow our economy by bringing in more skilled workers.

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Best & Brightest: The Case for H-1B Visas

The best and the brightest engineers and experts are eager to participate, innovate, and contribute to our economy if only we would let them. Please join us as we affirm that: The United States federal government should substantially reduce its restrictions on legal immigration to the United States.

OBSERVATION 1. INHERENCY

FACT 1. The H-1B visa

NEW YORK TIMES 2018 (journalist Miriam Jordan) 6 Apr 2018 " What Are H-1B Visas, and Do They Hurt American Workers?" <https://www.nytimes.com/2018/04/06/us/what-are-h1b-visas.html>

What is the H-1B visa? It is a temporary visa that employers use to hire foreigners in “specialty occupations” for which there are not enough skilled American workers to fill available jobs. The workers must have at least a bachelor’s degree. It enables those employed to legally work in the United States for three years, with the possibility of extensions.

FACT 2. Shortages

Kenya Downs 2017 (journalist) Public Radio International (PRI) 28 Aug 2017 " How H-1B work visas transformed tech and education in the US and India" <https://www.pri.org/stories/2017-08-28/how-h-1b-work-visas-transformed-tech-and-education-us-and-india>

In 2016, US companies looking to hire highly skilled, foreign workers [filed more than 236,000 petitions](https://www.uscis.gov/news/alerts/uscis-completes-h-1b-cap-random-selection-process-fy-2017) that went into a lottery for the maximum 65,000 H-1B visas available each year. An additional 20,000 visas are offered as an exception for applicants with advanced degrees.

FACT 3. The I-Squared Act of 2018

NEWSWEEK 2018. "Republicans Propose H-1B Visa Expansion as Trump Considers Slashing the Program 26 Jan 2018 <http://www.newsweek.com/republicans-propose-h-1b-visa-expansion-trump-considers-slashing-program-792620>

Senators Orrin Hatch of Utah and Jeff Flake of Arizona on Thursday introduced the Immigration Innovation “I-Squared” Act of 2018, which aims to increase the annual quota from 65,000 to 85,000 for the H-1B visa, a non-immigrant document that allows U.S. companies to employ graduate-level foreign workers in fields that require technical and theoretical expertise.

OBSERVATION 2. The Plan.

Congress passes the Immigration Innovation I-Squared Act of 2018 to raise the H-1B visa quota.

OBSERVATION 3. ADVANTAGES

ADVANTAGE 1. US workers benefit

A. The Khanna & Morales Study finds net benefit to US workers of $1,345 per additional H-1B worker

Dr. Guarav Khanna 2017 (PhD economics, Univ of Michigan) August 2017 Technology, Innovation, and the American Dream: New Study Finds H-1B Visas Benefit US and Indian Workforce <https://www.cgdev.org/blog/technology-innovation-and-american-dream-new-study-finds-h-1b-visas-benefit-us-and-indian>

Amidst the ongoing debates in both the United States and India about the H-1B visa program, [*The IT Boom and Other Unintended Consequences of Chasing the American Dream*](https://www.cgdev.org/publication/it-boom-and-other-unintended-consequences-chasing-american-dream), prepared with my colleague Nicolas Morales, demonstrates the positive impacts of the H-1B visa program in both the United States and India. We find that the program provides benefits to US and Indian workers and consumers, and that it is a contributing factor to the expanding hi-tech sectors in both countries. Relevant to the ongoing US debate about immigration policy, we offer this evidence-based report examining the relationship among migration, the IT sector, and the economy. We found that: **US workers are on average, better off by about $431 million** (or $1,345 per additional migrant) in 2010 because of the H-1B program.

B. H-1B raises US workers' wages and increases productivity growth

Noah Smith 2018 (former assistant professor of finance at Stony Book Univ.) 12 March 2018 Cuts to Skilled Immigration Degrade a U.S. Strength <https://www.bloomberg.com/view/articles/2018-03-12/cuts-to-h-1b-visas-for-skilled-immigrants-hurt-u-s-economy> (brackets in original)

This is why even if they lower wages at a particular company, H-1B workers raise native-born wages overall. A [2015 study](http://giovanniperi.ucdavis.edu/uploads/5/6/8/2/56826033/stem-workers.pdf) by economists Giovanni Peri, Kevin Shih and Chad Sparber found:  
Increases in [foreign] STEM workers are associated with significant wage gains for college-educated natives. Gains for non-college-educated natives are smaller but still significant. Our results imply that foreign STEM [workers] increased total factor productivity growth in US cities.  
If Trump’s immigration policies break this virtuous cycle, the tech industry could eventually decide to make its home elsewhere -- in immigrant-friendly [Canada](http://www.cbc.ca/news/business/immigration-high-tech-canada-global-skills-strategy-1.4391409), or even in emerging economies of China and India. That would result in many fewer good jobs, and lower wages, for American workers -- skilled and unskilled alike.

ADVANTAGE 2. Health care

A. Link: Big doctor shortage

CBS News 2017 (journalist Mary Brophy Marcus) 20 Mar 2017 "New report predicts "troubling" shortage of doctors in the U.S." <https://www.cbsnews.com/news/doctor-shortage-us-impact-on-health/>

[A new report](https://aamc-black.global.ssl.fastly.net/production/media/filer_public/a5/c3/a5c3d565-14ec-48fb-974b-99fafaeecb00/aamc_projections_update_2017.pdf) by the Association of American Medical Colleges (AAMC) predicts that a shortage of physicians in the U.S. is going to grow worse. The report estimates a shortfall ranging from 34,600 to 88,000 doctors by 2025, compared to what our growing and aging population may need. By 2030, the shortfall is expected to total anywhere from 40,800 to 104,900 doctors.

B. Impact: Human health harmed

Carnahan Group Strategic Healthcare Advisors 2017 ( a strategic healthcare firm in **Tampa, FL** and **Nashville, TN** that has consulted with the world’s largest for-profit and non-profit health organizations in the areas of community needs assessments, valuations, transactions, and strategic planning ) 17 July 2017  INTRODUCTION: IS THERE A PHYSICIAN SHORTAGE IN THE U.S.? <http://carnahangroup.com/industry-news/maldistribution-physicians-united-states/>

When a market is experiencing a physician shortage, the patient population often encounters extended wait times at healthcare facilities and increased difficulty in accessing a physician. These side effects of a physician deficit often negatively impact the overall health of patients in the market.

C. Solvency: H-1Bs can help solve the coming shortage of doctors

Sara McElmurry 2017 (nonresident fellow at the Chicago Council on Global Affairs) How Do H-1B Visas Support US Economic Competitiveness? <http://digital.thechicagocouncil.org/h1b-visas#home/8>

[Healthcare](https://www.thechicagocouncil.org/publication/midwest-diagnosis-immigration-reform-and-healthcare-sector) faces critical worker shortages with growing demand from aging Baby Boomers. A [quarter](https://www.forbes.com/sites/nicolefisher/2016/07/12/25-of-docs-are-born-outside-of-the-u-s-can-immigration-reform-solve-our-doc-shortage/#3bb88292155f) of current doctors in the United States are foreign born. We will need an additional [90,000 doctors](https://www.thechicagocouncil.org/publication/midwest-diagnosis-immigration-reform-and-healthcare-sector) by 2025. [American medical students](https://www.thechicagocouncil.org/publication/midwest-diagnosis-immigration-reform-and-healthcare-sector?_ga=2.14950388.355575834.1523580021-566398997.1523580021) aren’t graduating fast enough to meet this demand. H-1Bs are one way some hospitals can hire qualified health workers from abroad.

ADVANTAGE 3. US Economic Growth

A. Skilled H-1B immigrants spark innovation, new hiring, and higher wages in technology clusters in the US

Noah Smith 2018 (former assistant professor of finance at Stony Book Univ.) 12 March 2018 Cuts to Skilled Immigration Degrade a U.S. Strength <https://www.bloomberg.com/view/articles/2018-03-12/cuts-to-h-1b-visas-for-skilled-immigrants-hurt-u-s-economy>

Moreover, studies that find negative impacts of H-1Bs tend to look only at the specific companies that hire skilled workers. The presence of more smart people in an industry or a city cause new ideas and technologies to flourish. These then diffuse to companies, allowing business to innovate faster, hire more workers and pay higher wages. Skilled foreigners help keep new ideas flowing in [technology clusters](https://www.bloomberg.com/view/articles/2017-05-19/growth-takes-off-when-smart-people-are-neighbors) like Silicon Valley; Austin, Texas; and Raleigh, North Carolina.

B. Increased H-1B would help the US economy compete globally

BOSTON GLOBE 2013. (*president and chief executive officer of Natixis Global Asset Manaement — The Americas and Asia, chairman of the New England Council* ) The benefits of the H-1B visa 2 Apr 2013 <https://www.bostonglobe.com/opinion/2013/04/02/the-benefits-visa/WPOr4ET4gZnTKGDhopQ0AL/story.html>

Countries from the United Kingdom to Australia already recognize the intensity of this global contest for talent and are in the process of lifting restrictions on foreign-born workers. The ability to scour the globe for experienced, knowledgeable and well-trained workers — and to put them to work quickly on American soil — would at least allow the United States to keep pace. And increasing the number of H-1B visas would help lift the US economy as a whole — helping spur new growth in many regional markets.

ADVANTAGE 4. Reduce poverty in India

A. Link: H-1B motivated boom in computer careers in India

Dr. Guarav Khanna and Nicolas Morales 2017 (Khanna - PhD economics, Univ of Michigan. Morales – PhD student at Univ of Michigan) Aug 2017 " The IT Boom and Other Unintended Consequences of Chasing the American Dream" https://www.cgdev.org/sites/default/files/it-boom-and-other-unintended-consequences-chasing-american-dream.pdf

In India, the H-1B program induced Indians to switch to computer science (CS) occupations, increasing the CS workforce and raising overall IT output in India by 5 percent. Indian students enrolled in engineering schools to gain employment in the rapidly growing US IT industry via the H-1B visa program. Those who could not join the US workforce, due to the H-1B cap, remained in India, and along with return-migrants, enabled the growth of an Indian IT sector, which led to the outsourcing of some production to India.

B. Link: Software is key to India's economic growth and jobs

CNN 2017. (journalist Rishi Iyengar) H-1B debate: Trump is making India's tech industry nervous 15 Feb 2017   
http://money.cnn.com/2017/02/14/news/economy/india-h1b-visa-software-industry/index.html

India's economy is growing fast, and its IT outsourcing industry is one of the biggest drivers of that growth. It contributes nearly 10% of India's gross domestic product and generated close to $150 billion in revenue last year, according to government data. It's also a massive job creator -- employing 3.7 million people at home and abroad.

C. Solvency & Impact: Poverty has terrible impacts in India and economic growth is key to reducing it

Pradeep Agrawal 2015 (Professor and Head, RBI Unit, Institute of Economic Growth, Delhi) Reducing Poverty in India: The Role of Economic Growth http://iegindia.org/upload/publication/Workpap/wp349.pdf

Poverty continues to remain a serious problem in India, with its consequent toll on human welfare in the form of poor health, low levels of education and a poor quality of life. Unfortunately, about 33 per cent of India's population still lives in acute poverty (less than $1.25 per person per day). Thus, a careful analysis of the determinants of poverty and of various government policies that can help reduce poverty is very desirable. This is the purpose of this paper. Many economic studies have emphasised the role of higher economic growth to tackle the problem of poverty. This has been supported empirically by the work of Tendulkar (1998), Ravallion and Datt (1996) and Besley and Robins (2000). Using data from nearly 80 countries, Kray (2006) shows that in the medium-to-long-run, 66–90 per cent of the variation in changes in poverty can be accounted for by growth in average incomes, and all of the remainder is due to changes in relative incomes. The role of economic growth in poverty reduction has also been supported by Deaton and Drèze (2001), Bhagwati (2001) and Datt and Ravallion (2002).