Tech Industry Lies About H-1B Visas

by Phyllis Schlafly December 20, 2006

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The technology industry has dispatched its wallet-filled lobbyists to demand that the new Congress vastly increase the number of foreign computer software techies and engineers who can be imported on H-1B visas. This demand is based on the claim that we suffer a labor shortage in those fields, but that's a bare-faced lie to erect a smokescreen around the real reasons.

Three reasons motivate the tech giants to use their political clout and PAC contributions to increase H-1Bs. (a) Cost-cutting: H-1Bers are paid much less than Americans. (b) The influx of H-1Bers depresses the "prevailing wage" for all computer techies and engineers.

(c) The hiring of H-1Bers prevents potential competition from Americans who might resign to work for other firms or start companies of their own. H-1B visas are not for entrepreneurs or executives, but are for employees who are tied to the company that imports them (much like indentured servants) and are supposed to depart from the United States after a few years.

A technology industry coalition called Compete America gathered at Stanford University in November for a TechNet Innovation Summit, but the goal wasn't innovation. This Coalition, backed by Microsoft, Intel and other computer giants,

has sent a letter to every Member of Congress calling for more H-1B visas so businesses can bring in Indian, Pakistani and Chinese engineers to take U.S. jobs.

H-1Bers cut industry costs but do nothing to improve innovation. Most innovators are Americans, and the successful immigrant entrepreneurs the industry brags about did not come here as guest-workers on H-1B visas, but entered as children and were educated in U.S. universities.

Current law allows industry to bring in 85,000 H-1B visas a year, but industry lobbyists seek to double or triple the number. They would really like the Cornyn-Shadegg SKIL bill (known to engineers as the KILL bill), which could import 1.5 million underpaid H-1B workers by 2013.

The computer giants have laid down the gauntlet: If Congress doesn't give them more H-1Bs, they will just outsource the jobs. "Outsourcing is the perfect argument for increasing the numbers" of H-1Bs, said a Compete America spokesman.

But if it's really better to outsource, there is no need for H-1Bs. Nobel economist Milton Friedman labeled H-1Bs a government "subsidy" to enable employers to get workers at a lower wage.

America has more than enough U.S. engineers. After the dot com bust in 2000, Silicon Valley lost about 100,000 engineering jobs, and many of those who lost out are unemployed or underemployed or have taken jobs in other industries.

Research by Professor Norman Matloff of the University of California/Davis confirms that there is no shortage of U.S. engineers or computer techies. If there were a shortage, salaries would be going up, but starting salaries for bachelor's degree graduates in computer science and electrical engineering, adjusted for inflation, are flat or falling.

A major study made by the Pratt School of Engineering at Duke University also found that there is no shortage of U.S. engineers. Eighty percent of respondents to a Pratt survey say U.S. engineering jobs are filled within 4 months, and 88 percent didn't offer signing bonuses.

Many companies hire student engineers from India and China with only 2 or 3 years of college and then train them in their own facilities. U.S. students with 2 or 3 years of college get no job offers.

Much of the Compete America discussion involved blaming the U.S. educational system and the fact that fewer U.S. students are going into math and computer sciences. Yes, U.S. students have figured out that our engineers have a bleak future of unemployment and lower remuneration because of insourcing foreigners and outsourcing plants.

The Compete America globalists are not interested in preserving America as the greatest nation and economy in the world, or in protecting American industry or jobs or universities or national security. They rejoice in economic redistribution from rich and prosperous nations to other countries around the world.

Bill Gates spoke for the globalists: "The United States has been spoiled by being a global leader for so long that there may be an adjustment. We've got to get used to the fact that our relative share of everything — our ability to exercise unilateral decisionmaking, military power, and economic power — won't be as out of line with our 5 percent share of world population as it is today."

Anyone who rejoices that the United States is losing its preeminence and distributing our wealth around the rest of the world must have lost all appreciation for the Yankee ingenuity essential to our prosperity. H-1Bs are a form of servitude that offends the free enterprise that made us the economic leader of the world.