



The shortage of a skilled labor force has caused some U.S. employers to look outside national boundaries to fill their needs and caused lawmakers to attempt to alleviate the problem through legislation. But do exceptions to immigration laws in areas of shortages help employers in the long run, or do they keep employers from developing "home-grown" workers to fill their needs? ERW asked two experts their views on the subject. Their answers follow.

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Many of America's highest skilled occupations are dominated by immigrants. For example, last year roughly half of America's PhD engineering degrees were awarded to foreigners.

Silicon Valley and other high-technology corridors in the U.S. contain a melting pot of cultures, with each helping create and expand the industries where America is most competitive internationally. These immigrant-rich industries generate hundreds of thousands of subsidiary jobs for U.S. workers.

Robert Kelley, Jr., President of SO/CAL/TEN, an association of 200 California high tech businesses, states the same point more directly: "Without the influx of Asians, particularly the Vietnamese, we would not have had the entrepreneurial explosion we've seen in Southern California."

With the nation facing serious shortages of chemists, physicists, mathematicians, engineers, and nurses—shortages that almost every major study predicts will intensify over the next decade—American businesses must be able to recruit talented workers from abroad. This, essentially, is a competitiveness issue. If American scientific research centers, computer firms, and other high-tech industries are incapable of attracting the foreign talent they need, many of them will relocate overseas, as some already have done, or lose business to foreign competitors. This harms the American worker.

Yet U.S. immigration policies still revolve around the myth that immigrants take jobs from U.S. workers. Employers face imposing legal hurdles to gaining work authorization cards for immigrants to fill labor shortage occupations.

Last year American businesses were only permitted to bring in about 30,000 high-skilled immigrants into a 120 million person workforce. There is now a backlog of more than 100,000 employer-sponsored workers waiting to come.

In the U.S. today, businesses typically wait one to three years to recruit a technically skilled worker for a specific job slot, while in Japan and Germany the same process takes only a matter of weeks.

Employer-sponsored immigrants by definition do

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Where labor shortages develop for occupations requiring extensive education and specialized training, immigration policy is a desired means to obtain qualified workers. But the policy must be limited to exceptional cases, the guidelines specific, administration must be by an employment-oriented government agency, and the numbers admitted should be far fewer than needed. Under no conditions should it be used to admit unskilled, semi-skilled or poorly educated workers. Moreover, it should be a policy of last resort, not of general convenience.

The U.S. labor market is in a period of transformation. Industrial, occupational and geographic employment patterns are shifting rapidly and radically. In this informationally oriented, technologically dominated, and internationally influenced economic environment, the evolving employment trends overwhelmingly reveal a preference for skilled and educated workers. Unskilled persons have found diminished demand for their services and confront fierce competition for the declining number of low-skilled jobs that provide liveable incomes.

The issue is not whether existing immigration policy can supply workers—it does. All immigrants must work or be supported by those who do. Many enter the labor force immediately; most others—such as spouses and children—eventually do so.

Current immigration policy, however, pays little attention to the skills, education, English proficiency, work experience, or locational preferences of those admitted. Indeed, a study of 1987 immigrants revealed that only 4 percent were admitted because they had skills needed by U.S. employers. The political orientation of the present system makes it unable to respond to changing economic conditions. Consequently, policies to admit foreign workers (called non-immigrants) are increasingly being used to meet occupational shortages. The mounting interest of employers in the use of non-immigrants as temporary workers is symptomatic of the necessity to make the legal immigration system more flexible and responsive to demonstrated labor market needs.

As workers acquire skills and education, immigra-

MOORE (Cont'd)

not take jobs from Americans. Before a skilled worker is allowed to immigrate here, the firm must prove to the satisfaction of the Labor Department that there are no U.S. workers with the skills to take the job.

More generally, everything we know about immigrants and their economic impact is positive. A 1989 U.S. Labor Department report "exhaustively reviewed and carefully analyzed" recent research findings on

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immigrants in the workforce, the report noted. The study finds: "Neither U.S. workers in complementary jobs nor most minority workers appear to be adversely affected by immigration—especially during periods of economic expansion." It also notes that immigrant-owned businesses tend to be "prodigious creators of jobs" for the American workforce.

This is virtually the same conclusion of a new book by University of California-Santa Barbara economist George J. Borjas. Borjas concludes: "The methodological arsenal of modern econometrics cannot detect a single shred of evidence that immigrants have a sizable adverse impact on the earnings and employment opportunities of natives in the United States."

In earlier periods of American history—such as at the turn of the century—the U.S. has allowed almost twice as many immigrants as today. These large numbers of immigrants did not create long unemployment lines, but rather contributed to unprecedented economic activity and technological growth.

The Irish, the Poles, the Germans, the Chinese and so many others that passed through Ellis Island played an incalculable role in transforming America into the world's premier economic power. Why is it that what we now recognize to have been so beneficial in the past, is viewed with fear and trepidation today?

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Members of Congress and labor groups insist that a more generous immigration policy will lead to increased joblessness for U.S.-born workers. Rep. Bruce Morrison of the House Immigration Subcommittee has even proposed an immigrant tax to help displaced U.S. workers and new requirements that immigrants must receive "prevailing wages." The evidence is clear that such protectionist immigration policies will do more harm than good for the American worker.

BRIGGS (Cont'd)

tion policy could give priority to admitting experienced workers who possess such qualifications. Given the nation's paucity of attention to human resource development, there may be no alternative. But the immigration option must not be allowed to diminish the market pressures on employers and governmental bodies needed to make citizen preparation the preferred long-run solution.

Using immigration policy in this role means that those workers who are admitted will have permanent resident status and will eventually be entitled to become naturalized citizens. They would be entirely different from non-immigrant workers. Where "guestworker programs" that admit foreign workers for fixed time periods with no citizenship obligations have been tried in other industrialized nations, they have been unsuccessful. The presence of foreign workers distorted normal labor market operations and stigmatized certain occupations so that citizen workers no longer sought such jobs.

Protections would be required to prevent such occurrences. There must be ways to confirm occupations in short supply, to identify what programmatic and financial commitments are being made to respond to such labor shortfalls, to indicate what recruitment and training bottlenecks hinder the preparation of workers for such jobs, to estimate how many immigrants could be admitted *without reducing the shortage pressures* needed to warrant human resource investments by citizens for such vocations, and to state how long such admission preferences would be permitted.

The administration of a directed labor market policy should be vested solely with the Labor Department or a new agency to coordinate employment, training, immigration and education policies.

With the job prospects for unskilled and semi-skilled workers becoming dimmer, the long-run human resource strategy must be predicated on ways to enhance the employability of current workers facing reduced demand for their services and to prevent

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future workers from confronting similar prospects. The fact that too many of those currently lacking sufficient skills and education are from the nation's growing minority populations only adds urgency to this domestic challenge. The nation cannot allow its labor force to polarize along racial class lines if it hopes to prosper and persevere.

The national objective must be to build a high-wage, high-productivity labor force similar to the goals pursued by Japan and West Germany. Under certain conditions, immigration can contribute to this quest.