

# The H-1B Work Visa History, Loopholes and Scapegoats

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- *Scapegoating*  
The Infosyses are no angels, but they are being unfairly scapegoated.

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- Another fallback is Optional Practical Training, part of the F-1 student visa.
- Typically sponsor their foreign workers for green cards. Again, not an issue with me.

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- Recent 60 Minutes episode, unfortunately, continued that scapegoating.

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- Common sense: Wages basically flat (see OES data), so no shortage.

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What then is so attractive to tech employers about the  
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- **Reduced labor costs**
- **Immobile workers**, especially under green card sponsorship.

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- Type II: Younger foreign workers cost less than older (35+) Americans. This really is the crux of the H-1B problem with the Intels.

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- Famous anti-poaching collusion case (Google, Apple) wasn't really about wages; it was about immobility.

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  - NOT a matter of discrimination on the basis of national origin. The Indian engineer with a green card is not exploitable and thus suffers the same difficulties as the U.S. natives.

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  - Novel new titles, e.g. Junior Software Engineer (HP).

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  - Immobility also enables wage exploitation, e.g. smaller raises.

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- Plugging “quantitative analyst Bank of the West” into LinkedIn (People section) shows almost all were undergrads abroad, thus likely H-1Bs.
- Most are from China.
- Most are ordinary people, not “the best and the brightest.” Their U.S. grad degrees are NOT from top schools.
- There are plenty of U.S. citizens, permanent residents who could do this work.

The H-1B  
Work Visa  
History,  
Loopholes and  
Scapegoats

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  - Congress enacts further increase to 195,000/yr in 2000 — **just weeks before tech stocks tank, Dot Com Bust begins.**

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  - For the Intels, added a special 20,000-visa category for foreign students with MS/PhD degrees.



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# For More Information

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- These slides: <http://heather.cs.ucdavis.edu/EEOC.pdf>
- Some of my research papers:  
<http://heather.cs.ucdavis.edu/Mich.pdf>,  
<http://heather.cs.ucdavis.edu/MigLtrs.pdf>,  
<http://www.epi.org/publication/bp356-foreign-students-best-brightest-immigration-policy/>
- My blog: [normsaysno.wordpress.com](http://normsaysno.wordpress.com)
- My bio: <http://heather.cs.ucdavis.edu/matloff.html>