Norm Matloff University of California at Davis

EEOC, San Francisco

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

Norm Matloff University of California at Davis

EEOC, San Francisco

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EEOC, San Francisco Prologue: Infosyses and Intels

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

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- Typically sponsor their foreign workers for green cards.
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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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- Reduced labor costs
- Immobile workers, especially under green card sponsorship.

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### Reduced Labor Costs

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

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# Discrimination Issues

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Recent DOJ press release: More vigorous investigation of H-1B-related discrimination issues.

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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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## Case Study: Bank of the West

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- There are plenty of U.S. citizens, permanent residents who could do this work.

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EEOC, San Francisco History, cont'd.

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- Tech boom, industry claims dire labor shortage.
- Despite White House skepticism, cap temp. raised to 115,000.
- H-1B-dependent employers restriction imposed, aimed at the Infosyses. — first instance of scapegoating.
- Congress commissions NRC to study claims of labor shortage, age discrimination.

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• Again strident industry claim of a dire labor shortage.

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- Again strident industry claim of a dire labor shortage.
- Congress enacts further increase to 195,000/yr in 2000 just weeks before tech stocks tank, Dot Com Bust begins.

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

Norm Matloff University of California at Davis

EEOC, San Francisco

# More History

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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
- My bio: http://heather.cs.ucdavis.edu/matloff.html

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