



High-Skill Immigration

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Classes of admission

- n **Legal immigration, 2001-2003: 2.8 million**
 - n Family preference / immediate relatives of U.S. citizens: 1.8 million
 - n Employment-based immigrants: 436 thousand
 - n Refugees and asylees: 280 thousand
 - n Diversity visas: 131 thousand



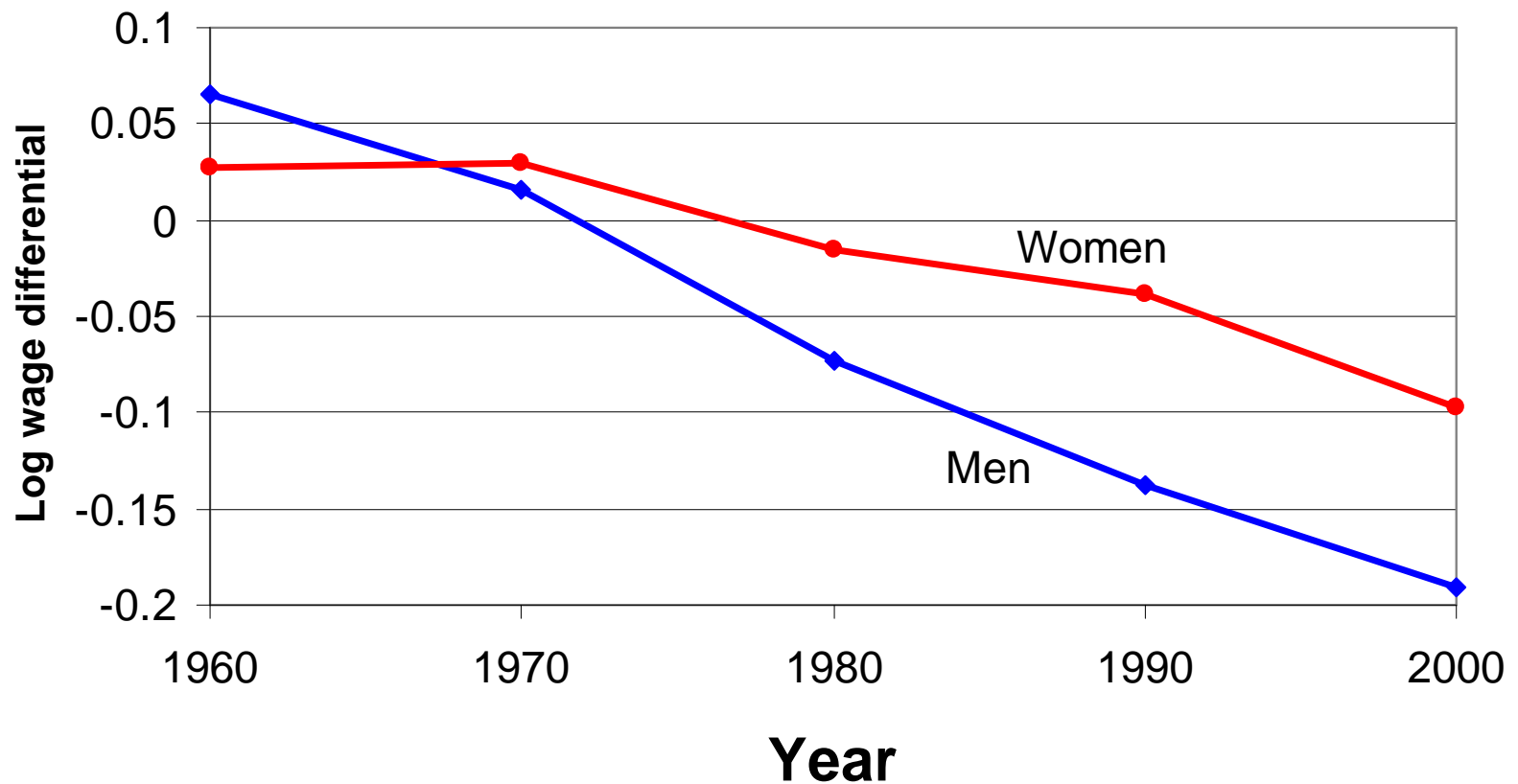
2. Illegal immigration

- n Two types of illegal immigration: EWIs (entry without inspection) and visa overstayers
- n Jan. 2000: BCIS estimates 7 million illegal aliens live in the United States; 2.2 million live in CA
 - n 4.8 million of the illegal aliens come from Mexico. The next largest source country is El Salvador (189,000).
- n BCIS also estimates that the annual net flow of illegal aliens is around 350,000
- n One problem: Census undercount of illegal immigrants

Source: http://uscis.gov/graphics/shared/aboutus/statistics/III_Report_1211.pdf

Relative earnings of immigrants

Wage differential between immigrants and natives





4. Foreign student program (temporary visas)

- n Two types of temporary visas for persons wishing to study in the United States.
 - n The “F-1” visa for academic studies.
 - n The “M-1” visa for vocational studies.
- n Program has grown rapidly over time: from 75 thousand visas in early 1970s to 315 thousand in 2000. Most of them to students in academic programs.
- n Between 10 and 20 percent of them stay in U.S. Retention rate is higher for foreign students in Ph.D. programs: 50 to 60 percent stay.



5. H1-B “high-tech” program (temporary visas)

- n Allows employers to sponsor the entry of temporary workers in “specialty occupations.” Most of the workers entering the country with an H-1B visa are employed either in computer-related occupations or in engineering (70 percent in 2000).
- n Between 1990 and 1994, the number of H-1B visas hovered around 100,000 annually. In 1996, this number increased to 144,548; to 240,947 in 1998; and to 302,326 in 1999.
- n Number of annual visas have hovered around 370 thousand since 2001.



6. Some issues to think about

- n Skills play a small role in determining who gets a permanent residence visa. Other countries use point systems to address this issue.
- n Skilled immigration has both benefits and costs.
- n Benefits: usual arguments made about the contribution of skilled workers to economic growth; externalities; higher tax receipts; fewer demands on public services; probably assimilate faster.
- n Costs: Increase in supply of foreign-born mathematicians has a sizable impact on wage of mathematicians. Lowers economic well being of current mathematicians and reduces incentives of young Americans to become mathematicians. Many now become lawyers instead. What is the right balance?