

It's a Terrible Time to Reject Skilled Workers **Don't we want the world's brightest fixing our banks?**

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Thanks to the Employ American Workers Act (EAWA), which was folded into the stimulus bill, it's become harder for companies getting government support to hire skilled immigrants with H-1B visas -- they'll have to show they haven't laid off or plan to lay off an American from a similar occupation.

Supporters say the law will help U.S.-born workers and stimulate our economy, but this is just wrong. The economy is not of fixed size, in which more foreign-born workers necessarily mean fewer U.S. workers. Productive foreign-born workers can help create more jobs here. Keeping them out damages us.

Start with the damage to companies that have received money from the Troubled Asset Relief Program (TARP). Over 400 firms now face a sharply curtailed talent pool, precisely when they need visionary talent to rebuild amidst the world's most severe economic crisis in decades. Without the best talent, ultimately they'll create fewer jobs.

There is also indirect, unforeseen damage that's beginning to appear in higher education. In 2007, the U.S. exported \$15.7 billion in educational services and, consistent with our strong comparative advantage in education, ran a trade surplus of \$11.2 billion. America has built the world's most dynamic university system largely by welcoming foreign scholars and students. This year at our own Tuck School of Business in Hanover, N.H., 31% of tenured and tenure-track professors and over 35% of MBA candidates are foreign born.

That dynamism is now in question. Here at Tuck -- and at many fellow business schools as well -- several foreign-born students had their job offers rescinded in response to EAWA. If foreign-born students cannot legally work here after earning their degrees, fewer will enroll.

Foreign-born MBA candidates often choose to study in America because they aim to apply what they learn from our world-class schools right here. The same is true across the academic fields: According to the National Science Foundation, 42% of Ph. D. science and engineering workers in the U.S. today are foreign born.

A reverse brain-drain caused by EAWA means that Tuck's U.S.-born students will endure a poorer classroom environment. Tuck and other schools will face a less-dynamic campus -- and eventually fewer jobs here as a result. Some schools will suffer declining enrollments, with commensurate declines in overall U.S. higher-education exports.

And where will all these foreign-born students go? To countries whose leaders recognize their job-creation potential and shape policy accordingly. For example, current British immigration policy welcomes an unlimited supply of the world's best and brightest business minds. Since 2004, the

U.K. Highly Skilled Migrant Programme has maintained a list of 50 of the world's top business schools. Anyone who earns an MBA from a business school on this list is automatically eligible to work in the U.K. for at least one year.

Quite apart from their contributions to higher education, skilled immigrants have long contributed to American jobs and standards of living. They bring ideas for new technologies and new companies. And they bring connections to business opportunities abroad, stimulating exports and affiliate sales for multinational companies.

Turning away skilled immigrants will hurt, not help, the U.S. It is unlikely that supporters of the Employ American Workers Act saw the link from jobs at companies receiving TARP money to enrollments at American universities and graduate schools. But we ignore at our peril the indirect yet significant harm done by laws that try to wall America off from the global economy.

Today U.S. colleges and universities are suffering. Who will be next? And who in Washington will have the wisdom and courage to change course?

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