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America's Labor Party - By: Norm Matloff

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My title here refers to the…Republican Party. No, of course the GOP hasn't gone socialist, but it seems to be the only major party in which at least some people are speaking out in behalf of the American worker, at least for tech jobs. The party includes people like Senators Grassley and Sessions, and now even Ronald Reagan's son is speaking out about the H-1B sham.

Reagan titles his piece, "Do Citizens Have a Lobby?", like the powerful tech industry does. Reagan's answer is of course no, and he opens the piece with

I'm beginning the sympathize more and more with the average man who thinks the system is rigged against him.

And he notes that irony about what will happen when the SCE IT workers who were replaced by foreign workers apply for unemployment benefits:

According to News10, "with the exception of two managers, everyone inside the office [in the state employment department] is from outside of the U.S. They are employed by Deloitte, a major U.S. IT company hired by the state to create and manage its Unemployment Insurance Modernization project. The mostly Indian nationals are allowed to work here under a visa program called H-1B."

Computerworld reports "Information technology workers at Southern California Edison (SCE) are being laid off and replaced by workers from India. Some employees are training the H- 1B visa holding replacements, and many have already lost their jobs."

That's really pouring salt in the wound. First the company makes you train the foreign workers replacing you then, after you're fired, more foreign workers process your unemployment claim.

Reagan is beginning to sound like Democratic Senators Sherrod Brown and Elizabeth Warren — except that we aren't hearing anything like that on H-1B from Brown and Warren. Nor are we hearing from Democratic Senator Deborah Stabenow, who was quite critical of H-1B when she first ran for the Senate. (She defeated Senator Spencer Abraham, architect of the 2000 H-1B expansion bill.) Not a peep either out of Democratic Representative Bill Pascrell, who several years ago introduced legislation to tighten up the visa program.

And obviously, we surely aren't hearing such words from our Democratic President Obama. On the contrary, Obama has repeatedly advocated expansion of foreign tech worker program, and his constitutionally-dubious executive action to give H-1B spouses the right to work — WITHOUT them counting toward quota, mind you — is about to go into effect.

And today we heard Obama speak the by-now classic (nearly 20 years old) industry lobbyist line: "We need American training and education for the future in order to stop depending on H-1Bs, but in the mean time we need that visa program." Granted, he didn't quite go so far to say it that way, but the message was clear, given that H-1B employer fees will be used to fund the training programs. This of course was the rationale given in the 1998 expansion of H-1B, which doubled the quota but instituted the user fees to fund training programs.

And to further the *deja v*u feeling, guess what kinds of programs will be funded? Community college courses and the like (modern version: tech boot camps) — to train for jobs NOT taken by H-1Bs! That is exactly what happened in the years following enactment of the 1998 legislation. The fees were used to fund programs at community colleges to train technicians, not software engineers. After a few years, the Dept. of Commerce did an audit and found that therefore the money wasn't reducing the tech industry's dependence on the visa program. (See "Failing Grades: H-1B Fees Fail to Lessen Reliance on Imported IT Skills," *eWeek*, September 18, 2000.)

But note carefully that this "failure to lessen reliance" was NOT due to the funds being misdirected. Instead, the problem is that the money wasn't needed to begin with. We didn't have a tech labor shortage then, nor do we have one now. Wages for new computer science graduates are going DOWN, clearly contradicting the industry's claim of a shortage. What

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the industry really wants is cheap, immobile workers, and the training issue is a red herring.

I was pleased to see Obama become our first black president in 2008, and he obviously is one of the most intelligent presidents we've had, but even accounting for the politics, I cannot for the life of me understand why he has chosen to do the wrong thing on H-1B. He can't claim ignorance; on the contrary, the wife of employed electrical engineer Darin Wedel once confronted Obama in the latter's online town hall meeting, asking him why he was supporting the H-1B program when people like her husband were out of work. (Wedel was partly handicapped by a need to stay in the Dallas area, but his failure to get hired in the EE hotbed region Dallas spoke volumes, especially since Texas Instruments, a heavy user of the H-1B program, is headquartered there.)

Meanwhile the Senate Judiciary Committee, chaired by Republican Senator Grassley, has scheduled a hearing "Immigration Reforms Needed to Protect Skilled American Workers" for Tuesday, March 17 at 10:00 a.m. What an ironic contrast to the Republican-sounding rhetoric of our Democratic president, who among other thingsis relying on an economist who says that immigrants work for less and extols that "benefit" to employers.

So my hat is off once again to Grassley and Sessions, and look forward to their hearing. (I must add, though, that I hope the hearing discusses reforms to H-1B as a whole, not just addressed to the problems with the Indian "bodyshops," always a top concern of mine.)