HIGH-SKILLED IMMIGRATION

AMERICA’S KEY FOR COMPETITIVENESS AND NATIONAL SECURITY

COUNCIL ON NATIONAL SECURITY AND IMMIGRATION
INTRODUCTION

China's economy, soft power, and military capabilities are more robust than ever. While the United States remains the leading global hegemon, China is projected to surpass America, all else remaining equal, within the next few decades. As highlighted by a recent White House national security report, "China is the only competitor potentially capable of combining its economic, diplomatic, military, and technological power to mount a sustained challenge to the United States."[1] In other words, unless our country presents an intelligent and united front to face the challenges of China’s growth, America's global predominance may soon be over. Luckily, the United States has an ace in the hole to prevent and reverse this situation: Immigrants. As former U.S. Secretary of State Dr. Condoleezza Rice pointed out in a recent interview for the George W. Bush Presidential Center, "immigration is America's secret weapon."[2]

CHINA'S ECONOMY, SOFT POWER, AND MILITARY CAPABILITIES ARE ON THE RISE

In the economic field, recent reports show that China will overtake the United States as the world's largest economy by 2028.[3] That prediction is, in part, sustained by the fact that the tech industry in China has grown exponentially in the last few years. In 2019, for instance, China surpassed the United States for the first time as the top source of international patent applications filed with the World Intellectual Property Organization (WIPO).[4] Since then, China has maintained this lead. This situation is worrying because while patents are not necessarily an indicator of innovation, economists have long demonstrated a direct correlation between technological innovation and economic growth.[5] Hence, if Chinese innovation continues to outpace American innovation, China is likely to become the world’s leading economy.

In terms of soft power—understood as the ability of a country to persuade others to do what it wants without force or coercion[6]—China's influence is expanding rapidly worldwide. Boosted by the Chinese Belt and Road Initiative (BRI)[7]—which is China's most ambitious infrastructure project that would stretch from East Asia to Europe, significantly expanding the country's economic and political influence[8]—and the increasing permeation of Chinese technology companies, the presence of China is ubiquitous.[9] Hence, the Chinese penetration of global markets, traditionally dominated by the United States, should be a red flag and incentive for American policymakers to help U.S. tech companies outperform their Chinese competitors. To achieve that goal, the United States needs to attract and retain the brightest minds in science, technology, engineering, and math.

In terms of military capability, China has never been as powerful as it is today. Recent satellite images reveal that China is building a second nuclear missile silo field, which constitutes "the most significant expansion of the Chinese nuclear arsenal ever."[10] Moreover, as recognized by the White House, China's pattern of malicious cyber activity poses a major threat to U.S. economic and national security.[11] Recent Chinese-backed ransomware attacks, cyber-enabled extortion, crypto jacking, and cyber-espionage of American companies[12] have made evident America's need to identify and attract the best technological minds in the world to protect our nation.

**AMERICA'S "SECRET WEAPON": IMMIGRANT STEM WORKERS**

To address this challenge, America must boost its high-tech industries. In a bipartisan effort to achieve this goal, the Senate passed the U.S. Innovation and Competition Act of 2021 on June 8.[13] The legislation—which is supported by President Biden and awaits consideration in the House of Representatives—represents the most significant investment in U.S. science and technology in decades. It will authorize more than $100 billion over five years "to discover, build, and enhance tomorrow's most vital technologies—from artificial intelligence to computer chips, to the lithium batteries used in smart devices and electric vehicles—right here in the United States."[14]

Nevertheless, the number of qualified American workers in the STEM fields (science, technology, engineering, and math) is not enough to capitalize on such a significant investment. The United States faces a worrying deficit of STEM workers [15] and will need the help of immigrants with STEM degrees to ensure America's competitiveness. As of 2021, immigrants make up 26% of the STEM workforce in the U.S.,[16] with the number of foreign-born STEM workers increasing from 509,000 (11.9% of the STEM workforce) in 1990 to almost two million (24.3% of the STEM workforce) in 2015.[17]

Studies have indicated that a 1% increase in foreign college graduates results in a 15% increase in patents per capita.[18] Similarly, recent statistics also suggest that immigrants are fueling the next generation of high-growth U.S. companies, such as Moderna, Tesla, and eBay.[19] This is no surprise considering that first- or second-generation immigrants founded 45% of high-tech companies on the

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Moreover, half of U.S. private companies worth more than $1 billion have founders who first came to the U.S. as international students. The COVID-19 pandemic has laid bare the importance of attracting and retaining international talent, with foreign-born scientists and entrepreneurs playing critical roles in the development of life-saving vaccines. In doing so, the U.S. can not only produce future innovators and investors, but counter significant labor gaps in STEM fields—such as engineering and medical sciences—that cannot be addressed solely through the domestic workforce. In short, STEM immigrant workers directly increase the production of knowledge through patents, innovation, and entrepreneurship.

**ATTRACTION AND RETENTION OF IMMIGRANT STEM WORKERS TO REMAIN COMPETITIVE WITH CHINA**

Reforming the U.S. immigration system is critically urgent to strengthen U.S. competitiveness vis-a-vis China. Most STEM immigrant workers come to the United States as students. Attracted by the international prestige of American higher education institutions, approximately 1 million students each year from 193 countries enroll in U.S. colleges and universities. While there is no guaranteed path for international students to stay in the U.S. after graduation, they have a few paths to work and remain in the United States. These options include using Optional Practical Training (OPT), petitioning for an H-1B nonimmigrant visa, or applying for a green card.

Yet, international students face multiple bureaucratic hurdles if they seek to study and later work in the U.S. In response to the restrictive policies of the last five years, some future CEOs, inventors, and researchers have looked to study elsewhere. Total new enrollment of international students plummeted 43% between fall of 2019 and fall of 2020. These numbers are deeply concerning for the U.S. economy, particularly considering that international students are more likely to start businesses than U.S. citizens.

Congress can take steps to address this potential STEM shortfall, modernizing the visa system by applying market-based principles to increase the number of visas for STEM immigrants while also protecting American workers. Such a simple reform would serve a twofold purpose to outcompete China. On the one hand, it would allow the United States to attract the brightest minds to our country. In turn, it would increase the quality and quantity of high-skilled research and development.
development (R&D) on American soil. On the other, it would create the appropriate conditions for Chinese entrepreneurs and engineers to develop their ideas in the U.S., to the detriment of China.

High-level officials of the Chinese Communist Party (CCP) are painfully aware of their high-skilled exodus problem and the labor shortage that it creates. They have stressed that "the number of top talents lost in China ranks first in the world."[31] In other words, one of the best and most straightforward solutions to maintain America’s dominance and outperform China in R&D is to invest in immigration.

To that purpose, in 2021, the Biden administration revived the International Entrepreneur Parole Program[32] and endorsed the U.S. Citizenship Act of 2021, which would provide temporary legal status to certain individuals in STEM fields who would no longer count towards employment-based green card caps.[33] And in July, Representative Zoe Lofgren (D-California) introduced another important piece of legislation, the Let Immigrants Kickstart Employment (LIKE) Act (H.R. 4681), which would create a startup visa for international entrepreneurs.[34] Also, in June 2020, Representatives James Langevin (D-Rhode Island) and Elise Stefanik (R-New York) introduced the bipartisan National Security Innovation Pathway Act.[35] Had it passed, the bill would have provided a pathway to permanent residency for immigrants doing essential work promoting national security and innovation in strategically important fields.[36]

CONCLUSION

One of the guiding principles of the Council on National Security and Immigration (CNSI) is to prioritize immigration policies and administrative structures that strengthen our economy and advance our national security posture, including ensuring that "the United States remains competitive in the ongoing, strategic competition with China."[37] We encourage the U.S. government to put in place "forward-thinking immigration policies and administrative structures that encourage innovation and attract, welcome and retain high-skilled foreign nationals and entrepreneurs."[38]

Regardless of politics or ideology, we must unite in our efforts to strengthen America's economic and military competitiveness. More than ever, the United States needs immigrant STEM workers from...
across the globe to outcompete China in the race for global leadership. Many in the U.S. national security community recognize this reality. The National Security Commission on Artificial Intelligence, for instance, emphasized in its Final Report that “immigration reform is a national security imperative.” [39] Simply stated, we agree that "immigration is America's secret weapon."[40]

The biggest threat to the United States' global predominance does not lie along its southern border. The real challenge is coming from China's rapid economic growth and increasing international influence. If the U.S. aims to maintain its global economic, military, and social advantages, it must create a 21st Century immigration system, enacting overdue reforms to provide opportunities for high-skilled immigrant workers who are eager to make America stronger.