

NFAP COMPLETES ITS 14th YEAR

The National Foundation for American Policy (NFAP) completed its 14th year of operation in 2016. To date, the organization has produced 98 research reports. Overall, its research has been cited extensively in the media. Since 2003, the National Foundation for American Policy has been cited by the *Wall Street Journal* (94 times), the *Washington Post* (36 times), the *New York Times* (25 times) and by several other media outlets.

NFAP RESEARCH AND MEDIA IN 2016

- In 2016, NFAP research was cited 8 times in *The Wall Street Journal* and 5 times in the *Washington Post*.
- To date there have been 1.2 million Pageviews on Forbes.com for NFAP research and viewpoints, including more than half a million in 2016.
- In March 2016, NFAP released two reports: *Immigrants and Billion Dollar Startups* and *Startup Visa Proposals and Job Creation*. The research featured profiles of successful entrepreneurs, which appeared on *Forbes*, and concluded, “Immigrants have started more than half (44 of 87) of America’s startup companies valued at \$1 billion or more and are key members of management or product development teams in over 70 percent (62 of 87) of these companies.”
- *The Wall Street Journal* reported on the March 2016 studies and featured them in an online video interview. The research received coverage in more than 40 other domestic and foreign news outlets, including the *New York Times*, *Washington Post*, NBC News, *San Francisco Chronicle*, *Des Moines Register, Inc.* and *The Hill*, as well as news sites in Israel, France, China, Japan, Russia, Sweden, Ukraine and Canada.
- In May 2016, NFAP released an analysis of presidential candidate Donald Trump’s plan to raise tariffs on imports from China, Mexico and elsewhere. The report produced by a team of economists and cited in *Politico*, *CNN/Money*, *Foreign Policy* and other publications, showed such policies could cost the typical U.S. household \$30,000 over 5 years and would likely result in a trade war.
- Also in May, a critique by NFAP’s executive director of Donald Trump’s plan to “make Mexico pay for the wall” was featured on CBS News and in a *Washington Post* article by Bob Woodward and Robert Costa.
- In August 2016, NFAP released two reports: *Setting the Record Straight on High-Skilled Immigration* and *The Real World Impact of Proposed High-Skilled Immigration Restrictions*. The research concluded, “High-skilled foreign nationals make important contributions to the U.S. economy and American society, filling key positions as everything from engineers to cancer researchers.” Senator Orrin Hatch (R-UT) cited the reports

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in a press release. *Wall Street Journal* columnist Jason Riley devoted an entire column to the research and highlighted the key points of the reports, including refuting news articles claiming H-1B visa holders take jobs from natives.

- Another August 2016 study found that work visas would do a better job than a wall to reduce illegal immigration in a sensible and humane manner. Following the research, *The Wall Street Journal* published an op-ed by NFAP's executive director entitled "Some Big Holes in Trump's Wall."
- A *Wall Street Journal* editorial in September 2016 cited NFAP research that found immigrants have been awarded 40 percent of the Nobel Prizes won by Americans in chemistry, medicine and physics since the year 2000.

Research in 2016

Immigrants and Billion Dollar Startups – March 2016

<http://nfap.com/wp-content/uploads/2016/03/Immigrants-and-Billion-Dollar-Startups.NFAP-Policy-Brief.March-2016.pdf>

Startup Visa Proposals and Job Creation – March 2016

<http://nfap.com/wp-content/uploads/2016/03/NFAP-Policy-Brief.Analysis-of-Startup-Visa-Proposals1.pdf>

The Trump Tariffs: A Bad Deal for Americans – May 2016

<http://nfap.com/wp-content/uploads/2016/05/Impact-of-the-Trump-Tariffs.NFAP-Policy-Brief.May-20161.pdf>

Setting the Record Straight on High-Skilled Immigration – August 2016

<http://nfap.com/wp-content/uploads/2016/08/Setting-the-Record-Straight-on-High-Skilled-Immigration.NFAP-Policy-Brief.August-20162.pdf>

The Real World Impact of Proposed High-Skilled Immigration Restrictions – August 2016

<http://nfap.com/wp-content/uploads/2016/08/Real-World-Impact-of-Proposed-High-Skilled-Immigration-Restrictions.NFAP-Policy-Brief.August-20161.pdf>

Work Visas Better Than a Wall – August 2016

<http://nfap.com/wp-content/uploads/2016/08/Work-Visas-Work-Better-Than-A-Wall.NFAP-Policy-Brief.August-2016.pdf>

Immigrants and Nobel Prizes – October 2016

<http://nfap.com/wp-content/uploads/2016/10/Immigrants-and-Nobel-Prizes.NFAP-Policy-Brief.October-2016.pdf>

SELECTED PRESS CLIPS – NFAP 2016

The Wall Street Journal

August 16, 2016

Trump Misses the Point on Tech Visas

Employers hire high-skill immigrants for the same reason they hire low-skill ones: out of necessity.

By Jason L. Riley

It was an example of what Rush Limbaugh calls “drive-by media” coverage—the sensational and superficial reporting of a story while skimping on context.

In June of last year, the [New York Times](#) wrote on its front page that the [Disney](#) World resort in Orlando, Fla., had furloughed about 250 tech workers. The employees were offered severance packages and bonuses if they remained for a few months to train their replacements. One hundred and sixty of the displaced workers retired or were rehired in new jobs by Disney. About 90 took the severance.

No one likes to read about someone losing his job, but Disney employs more than 70,000 people in Orlando alone. The fact that 90 of them ultimately were pushed out is free-market economic churn and wouldn't normally be news. The reason the Times highlighted the story is because some of the replacement hires were high-skill immigrants. The layoffs at Disney and other companies, such as Southern California Edison, said the Times, “are raising new questions about how businesses and outsourcing companies are using the temporary visas, known as H-1B, to place immigrants in technology jobs in the United States.”

The suggestion here is that U.S. companies are gaming the visa system by using foreign-based outsourcing firms to replace more-expensive Americans with less-expensive immigrants. It's what those who see labor markets in zero-sum terms—an immigrant worker's gain is a U.S. worker's loss—would have us believe. [Donald Trump](#) invited the laid-off Disney workers to a rally in Alabama in February, showing once again that the Republican presidential nominee's opposition to immigration isn't limited to the illegal [variety](#).

But a [report](#) released last week by the [National Foundation for American Policy](#) challenges some of the basic assumptions in the outsourcing debate. For starters, both government and academic research

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shows that H-1B visa-holders, on balance, are not paid less than comparable U.S. workers. In fact, the data show the opposite. “After comparing the median reported salaries of U.S. workers and H-1B professionals in the same fields and age groups, the Government Accountability Office (GAO) found H-1B professionals generally earn the same or more than their U.S. counterparts,” says the new report.

Nor is it clear that eliminating these visas would stop or even reduce the likelihood that a company would outsource. Typically, companies outsource so that they can focus more on their core activities, and handling accounting or IT functions in-house no longer makes sense. “Companies are not replacing long-time employees with new workers doing the exact same jobs,” according to the study, “but rather replacing the employees with new systems in an attempt to perform the function in a more efficient way.”

The study’s author, Stuart Anderson, told me that scapegoating immigrants for these layoffs assumes that immigration law is driving the decision to outsource. In reality, hiring a contractor is often done through a competitive bidding process, and the company doesn’t know beforehand whether or to what extent the winning bidder will use H-1B visa holders.

But the bigger oversight is the assumption that these U.S. workers would have retained their jobs if Disney and other companies that outsource had chosen firms that employ only U.S. workers. Mr. Anderson found no evidence to support that. Once the contracting decision was made, some employees unfortunately were going to lose their jobs, either to a visa-holder or another U.S. worker.

U.S. employers turn to high-skill immigrants for the same reason they turn to low-skill immigrants—out of necessity. Foreign nationals, who tend to be either more skilled or less skilled than the typical U.S. worker, fill niches in our labor markets and make them more efficient and productive. Between 2006 and 2012, immigrants started one-third of U.S. venture-backed companies that became publicly traded. In recent years, more than half of the billion-dollar startups based in the U.S., including Uber and SpaceX, had at least one immigrant founder.

The technology revolution that began in the 1990s has dramatically increased the demand for workers in the fields of math and science. But more than 70% of full-time graduate students in electrical engineering and computer science at American universities are international students. Over the past three decades, college-degree holders outside of the U.S. have more than doubled, while the U.S. share of those with college degrees has declined by 30%. Employers want access to this international pool of talent because that’s where the people with desirable skill sets are concentrated.

[Hillary Clinton](#) (on trade) and Donald Trump (on trade and immigration) are too busy scaring voters to be bothered with a sober discussion on the causes and effects of outsourcing. But the winner in November will have to produce faster economic growth if he or she wants a second term. And that won’t happen if U.S. companies can’t hire and retain the workers they need to stay competitive in a global economy.

Mr. Riley, a Manhattan Institute senior fellow and Journal contributor, is the author of “Please Stop Helping Us: How Liberals Make It Harder for Blacks to Succeed” (Encounter Books, 2014).

The Wall Street Journal

Review & Outlook

October 10, 2016

Nobels Pouring Across the Border

All six U.S. prize winners this year are immigrants.

Congratulations to Oliver Hart and Bengt Holmstrom, who on Monday were announced as this year's winners of the Nobel Prize in economics. Our contributor David Henderson describes their contributions to the study of finance and financial crises nearby, but in America's current political climate the economists are also notable for being immigrants.

Mr. Hart is from the United Kingdom and Mr. Holmstrom from Finland. Both men followed the well-worn path of the last century in getting degrees abroad but then moving to the United States to study and earn their Ph.D.s. Mr. Holmstrom graduated from Princeton in 1974 and Mr. Hart from Stanford in 1978. They also did what immigrants rich and poor often do: get married and stay in the U.S. They both now live in Massachusetts.

As it happens, the U.S. had six Nobel prize winners this year, and all six are immigrants. Chemistry winner Sir J. Fraser Stoddart is from the United Kingdom but now teaches at Northwestern. This year's three physics winners—David Thouless, Michael Kosterlitz and Duncan Haldane—are also from Britain but now live and work in the U.S. Give Britain credit for an education system that produces these minds, but the U.S. is fortunate to have a great network of research universities to attract and keep talent from around the world.

These details were tipped to us by Stuart Anderson of the [**National Foundation for American Policy**](#) who has tracked Nobel winners for many years. He reports that immigrants have won 40%, or 31 of the 78 Nobels won by Americans in chemistry, medicine and physics since 2000. The winners come from many countries including Japan, Canada, Turkey, Austria, China, Israel, South Africa and Germany.

If you want to get political, you might even say these Nobel winners are pouring across the border. We're glad they came.

Wall Street Journal

March 17, 2016

Study: Immigrants Founded 51% of U.S. Billion-Dollar Startups

By Yoree Koh



AppDynamics CEO and founder Jyoti Bansal says he had to wait seven years for his green card.

A new non-partisan study on entrepreneurship gives some credence to the tech industry's stance that American innovation benefits from robust immigration.

[The study](#) from the **National Foundation for American Policy**, a non-partisan think tank based in Arlington, Va., shows that immigrants started more than half of the current crop of U.S.-based startups valued at \$1 billion or more.

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These 44 companies, the study says, are collectively valued at \$168 billion and create an average of roughly 760 jobs per company in the U.S. The study also estimates that immigrants make up over 70% of key management or product development positions at these companies.

The foundation examined 87 U.S. companies valued at \$1 billion or more as of Jan. 1, as tracked by the Journal's [Billion Dollar Startup Club](#). The authors of the study used public data and information from the companies to create biographies of the founders.

The three highest valued U.S. companies with immigrant founders include car-hailing service Uber Technologies Inc., data-software company Palantir Technologies Inc. and rocket maker Space Exploration Technologies Inc.

Stuart Anderson, the study's author and the foundation's executive director, says the findings show that the U.S. economy could benefit from the talents of foreign-born entrepreneurs even more so if it were easier for them to obtain visas.

Tech leaders including [Mark Zuckerberg](#) and [Bill Gates](#) have called for increasing the number of H-1B visas that let skilled foreign workers stay in the country. They argue that immigration greatly benefits the tech community, and that it is difficult for companies to hire foreign-born workers and for immigrant entrepreneurs to start businesses due to the visas' constraints.

Critics argue that tech executives are simply looking for cheaper labor, and some politicians, as well as Republican presidential hopeful [Donald Trump](#), aim to curb the work visa program. A bill introduced by Republican presidential candidate and Sen. [Ted Cruz](#) (R., Texas) and Sen. Jeff Sessions (R., Ala.) in December that the lawmakers say aims to reform the H-1B visa program would require petitioners to hold an advanced university degree, have worked at least 10 years overseas and not get paid materially less than U.S. workers.

Either way, the process to secure a visa is lengthy and cumbersome. The visas are capped at 85,000 per year — 65,000 are set aside for foreign workers applying for the first time and 20,000 are for foreign students graduating from American universities. In 2015, the [lottery to obtain a visa](#) hit capacity within one week, according to the U.S. Citizenship and Immigration Services. The USCIS said it received [nearly 233,000 H-1B petitions](#) during the filing period.

Mr. Anderson said the law makes it difficult for entrepreneurs to qualify because it is meant for employers to petition on behalf of their employees. And the decision to start a company while waiting for a H1-B visa to come through is risky. Mr. Anderson said in most instances, immigrant entrepreneurs are only able to get their businesses off the ground after first gaining permanent residence, then obtaining a green card.

“How would you ever raise money for it?” Mr. Anderson said. “Who is going to invest in a company if the founder of the company may not be able to stay in the U.S.?”

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Jyoti Bansal said he had to wait seven years for his employment-based green card before he could start AppDynamics Inc., a software company that helps companies monitor the performance of their networked applications and that has been valued at \$1.9 billion. According to the study, Mr. Bansal couldn't leave his job to start a new company because it was unclear if he'd be able to keep his H-1B status.

While bills to address these issues have been introduced – most recently in the form of the EB-JOBS Act of 2015 which was introduced in July – they have failed to gain traction due to the overall standstill on immigration policy. The EB-JOBS Act of 2015 would provide entrepreneurs with a two-year green card that would be revoked if certain financial and job-creation requirements aren't met.

The Ewing Marion Kauffman Foundation, which funded the study, estimated the EB-JOBS Act provision would create 1 million to 3.2 million jobs over 10 years.

According to the study, founders of billion-dollar startups most often hail from India (14), followed by Canada and the U.K., with eight each, then Israel (7) and Germany (4). Two originated from France and the Collison brothers, the co-founders of payments startup Stripe, make up the pair from Ireland.

The Wall Street Journal

September 11, 2016

Opinion

Some Big Holes in Trump's Wall

A new agreement between Mexico and Canada seriously undermines the rationale for a border wall.

By Stuart Anderson

New players often play chess poorly because they make aggressive moves without anticipating how their opponents will react. They capture a pawn—only to lose a queen. This dynamic isn't very different from [Donald Trump](#)'s proposal to build a wall along the U.S.-Mexico border: The policy doesn't consider how people will respond.

A wall across the southern border, as Mr. Trump has proposed, would cost billions of dollars and take years to complete. Yet no matter what material is used, or who pays for it, the wall would never be impenetrable. Migrants will always find ways to enter the U.S. illegally.

Consider Canada's decision to grant visa-free travel to Mexicans. Beginning Dec. 1, virtually any citizen of Mexico can buy a plane ticket, fill out a form online and arrive in Canada. "The Government of Canada has made it a top priority to re-establish and strengthen our relationship with one of our most important partners, Mexico," explained a June statement from the office of Canada's prime minister.

What would this mean in practice? Even if a wall is built, Mexicans could travel to Canada without a visa and, if they desire, try to illegally enter the U.S. through its porous northern border. It's as if Mr. Trump built a 30-foot wall across his front lawn—but his neighbors let people come through the backyard.

Would President Trump respond by vowing to build a wall across the 4,000-mile-long U.S.-Canada border? Would he make Canada pay for it?

A wall would also have no practical impact on Central Americans seeking asylum in the U.S. Such migrants make up as much as half of the current illegal-immigration flow, according to the U.S. Border

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Patrol. Anwen Hughes, deputy legal director of Human Rights First, verified in an interview that anyone can walk up to a lawful port of entry and request asylum or at least present enough information to be screened for a credible fear of persecution.

Immigration courts already face a backlog of more than 500,000 cases, according to the Justice Department. These could take years to process, making it difficult to deport even those denied asylum.

There is a much more effective way than the charade of a wall to reduce illegal entry into the U.S. The best approach is allowing more people to work legally by improving existing immigration categories for temporary work visas and establishing new ones for lower-skilled jobs.

In 1954, U.S. Immigration and Naturalization Service Commissioner Joseph Swing liberalized the use of the Bracero program for Mexican agricultural workers. As the admission of legal Mexican workers rose, illegal entry plummeted. From 1953-59, illegal entry, as measured by apprehensions at the border, fell by 95%, according to the [U.S. Border Patrol](#).

Efforts to increase enforcement won't have much effect until we establish new ways to work in the U.S. Mr. Trump shouldn't try to build a wall around common sense.

*Mr. Anderson is executive director of the **National Foundation for American Policy**, a research group based in Arlington, Va.*

<http://www.hatch.senate.gov/public/index.cfm?p=releases&id=757277B9-CD4D-479E-82E8-360779663F0A>

New studies demonstrate need for Hatch immigration bill

SALT LAKE CITY—Senator Orrin Hatch, R-Utah, issued the following statement following the National Foundation for American Policy’s release of two studies that highlight the economic benefits of the high-skilled immigration visa program, and criticize legislative proposals to restrict it:

“In today’s technology-driven economy, we must ensure that high-skilled professionals from other countries who wish to work in the United States can come here and stay here. That’s why I joined Senators Rubio, Coons, and Klobuchar in introducing the bipartisan Immigration Innovation “I-Squared” Act. This commonsense legislation will boost productivity and strengthen American ingenuity by allowing companies to hire more high-skilled immigrants, including engineers, scientists, and software developers that help Utah companies compete on a global scale.”

Senator Hatch introduced the bipartisan Immigration Innovation “I-Squared” Act of 2015 last January. You can find out more about it [here](#).

The New York Times

August 26, 2016

U.S. Proposes Immigration Rule Aimed at Entrepreneurs

By STACY COWLEY

Foreign entrepreneurs building new companies in the United States could soon gain a new immigration option that would grant them temporary entry for up to five years, under a rule proposed on Friday by the [Department of Homeland Security](#).

The [proposal](#), which does not require congressional approval, would allow immigration officials to admit entrepreneurs case by case. To qualify, an applicant must have an “active and central role,” and a significant ownership stake, in an American company founded in the last three years.

The move is one of many piecemeal efforts by the Obama administration to expand America’s immigration policies without action from Congress. Entrepreneurs in any industry would be eligible to apply, but the new rule would be especially significant for the technology field. Creating an immigration route for start-up founders has been one of Silicon Valley’s political priorities.

“This is a big step in the right direction,” said Patrick Collison, an Irish immigrant and the chief executive of [Stripe](#), a payment processing company based in San Francisco. “I think it will have major impact on U.S. entrepreneurship, and potentially on the broader economy.”

More than half of American tech start-ups valued at \$1 billion or more had at least one immigrant founder, according to a [recent study](#) by the **[National Foundation for American Policy](#)**, a research group that focuses on immigration issues.

Mr. Collison and his brother John started Stripe five years ago while attending colleges in Massachusetts. Dealing with the brothers’ visa issues was one of the biggest challenges Stripe had to overcome in its early days, Mr. Collison said. The company now has more than 500 employees, and Mr. Collison is part of a group of Silicon Valley executives and investors pressing for immigration reform.

President Obama made it a signature policy issue, speaking frequently about the need for a path that would allow skilled entrepreneurs to build new companies and create jobs, but efforts to create a [“start-up visa” for foreign entrepreneurs](#) have repeatedly died in Congress.

In 2014, Mr. Obama changed tactics, using [an executive action](#) to order federal officials to draft a plan for granting some entrepreneurs temporary immigration status.

The proposal put forth on Friday circumvents visas by relying on a federal law that lets the secretary of homeland security temporarily admit people whose entry into the United States would create “significant public benefit.” Around 3,000 entrepreneurs a year may qualify, according to an [estimate](#) from the Department of Homeland Security.

[Sophie Alcorn](#), an immigration lawyer in Mountain View, Calif., said the new rule, if adopted, could significantly ease the challenges faced by fledgling entrepreneurs, especially those who came to the United States to attend college and began working on a new venture.

“I get calls every day from desperate start-up founders who are brilliant and accomplished, but they get into this chicken-and-egg problem,” she said. “Investors won’t give them money unless they can be confident that people can get into the country, or remain here.”

Immigration has become a major flash point in this year’s presidential race, with the Republican nominee, Donald J. Trump, calling for stricter limits on entry and his Democratic opponent, Hillary Clinton, proposing automatic green cards for foreign students who earn advanced degrees in technical fields from American universities.

[Deepak Kamra](#), a venture capitalist, testified before Congress three years ago in favor of a visa for entrepreneurs. The idea had broad bipartisan backing, he said, but kept falling apart over the issue’s politics.

“Establishment Republicans and Democrats all support this, but they all then back up and say, ‘It should be part of comprehensive immigration reform,’ which is code for, ‘It’s not going anywhere,’” Mr. Kamra said.

The main immigration pathway for foreign workers with specialized skills, the H-1B visa program, has been plagued by [controversy](#) and [abuses](#), and labor groups generally oppose efforts to expand it. But past proposals to create pathways for entrepreneurs have drawn fairly little criticism, in part because the suggested programs are typically small and targeted.

The Department of Homeland Security’s [155-page proposal](#) will be open for public comment for 45 days. After that, the department can move forward with a final rule, which could take effect as soon as next year.

Washington Post

April 5, 2016

Trump reveals how he would force Mexico to pay for border wall



[View Photos](#)

The Republican candidate continues to dominate the presidential contest.

By [Bob Woodward](#) and [Robert Costa](#) April 5 at 6:00 AM [Follow @realbobwoodward](#) [Follow @costareports](#)

Donald Trump says he will force Mexico to pay for a border wall as president by threatening to cut off the flow of billions of dollars in payments that immigrants send home to the country, an idea that could

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decimate the Mexican economy and set up an unprecedented showdown between the United States and a key diplomatic ally.

In a [two-page memo](#) to The Washington Post, Trump outlined for the first time how he would seek to force Mexico to pay for his 1,000-mile border fence, which Trump has made a cornerstone of his presidential campaign and which has been repeatedly scoffed at by current and former Mexican leaders.

The proposal would jeopardize a stream of cash that many economists say is vital for Mexico's struggling economy. But the feasibility of Trump's plan is unclear both legally and politically, and also would test the bounds of a president's executive powers in seeking to pressure another country.

Get the best analysis of the presidential race.

In the memo, Trump said he would threaten to change a rule under the USA Patriot Act antiterrorism law to cut off a portion of the funds sent to Mexico through money transfers, commonly known as remittances. The threat would be withdrawn if Mexico made "a one-time payment of \$5-10 billion" to pay for the border wall, he wrote.

"It's an easy decision for Mexico," Trump said in the memo, which was written on campaign stationery emblazoned with "TRUMP Make America Great Again."

After the wall is funded, Trump wrote, transfer payments could continue "to flow into their country year after year." He gave the memo to The Post in response to a written question provided to him before an interview last week.

Nearly \$25 billion was sent home by Mexicans living abroad in 2015, mostly in the form of money transfers, according to the Mexican central bank. In his memo, Trump said that "the majority of that amount comes from illegal aliens."

But that figure includes cash from around the world, not just the United States. In addition, a [Government Accountability Office report in January](#) said that it is difficult to track how much money illegal Mexican immigrants are sending versus those working legally in the United States.

Throughout the campaign, Trump has claimed that he could build his proposed U.S.-Mexico barrier for about \$8 billion — a figure that numerous experts have described as dubious because of the costs and other obstacles to building a lengthy, impenetrable concrete barrier through numerous jurisdictions.

The odds of success for Trump's proposal to pay for such a wall also are fraught with challenges. Although there is a shortcut in the [Administrative Procedure Act](#) that allows for "interim" regulations that take effect immediately without going through the regular public notice and comment process, there are limitations on that authority.

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Based on the process for changes laid out in the Federal Register, Trump as president could potentially invoke a change by making the argument that illegal immigration is an emergency that must be addressed immediately or is a threat to public health or safety.

But such a rule would presumably apply to limiting wire transfers, canceling visas or raising visa fees — not about directly limiting immigration. That could make it harder for Trump to argue that any of those criteria meet the exceptions, according to some experts.

After reviewing Trump's proposal, one expert on immigration law said he is skeptical.

"Trump is giving an extremely broad definition of this section of the Patriot Act and what it allows, and it'd surely be litigated," said Stuart Anderson, executive director of the **National Foundation for American Policy**, a nonpartisan think tank in Virginia. "It would be a large expansion beyond what the text reads."

Anderson said Trump's memo also leaves unaddressed how normal financial transactions across borders would be affected and whether there would be an overly aggressive federal intrusion into the growing number of financial transactions that take place over the Internet.

Entitled "Compelling Mexico to Pay for the Wall," the memo is the latest attempt by the Republican presidential front-runner to offer more specifics about his proposal at a time when he faces tough headwinds, including [a potential loss Tuesday](#) to Sen. Ted Cruz of Texas in Wisconsin's Republican primary.

The memo includes rationales for a number of potential intimidation tactics, including increased trade tariffs, the cancellation of visas, and higher fees for border-crossing cards.

But at the core of Trump's approach is a focus on the remittances of illegal immigrants, which he argues are crucial to Mexican economic stability and are a way of pressuring the country to disburse billions of dollars to the United States to fund construction of his wall.

Trump's official immigration plan, released last year, featured a pledge to "impound all remittance payments from illegal wages" and to hike fees on temporary visas, among other actions, but it did not go into further detail.

The playbook outlined in Trump's memo echoes suggestions that have long been made by Sen. Jeff Sessions (Ala.), a Trump confidant and a hard-line voice on immigration policy within the Republican Party. Stephen Miller, a former top aide to Sessions, is Trump's policy adviser.

Starting on "day 1," Trump writes, he would issue a warning to Mexico that unless it pays his desired amount, he will promulgate a new federal provision that would lead to a sweeping confiscation of funds sent by Mexicans in the United States who lack documentation of their "lawful presence."

On "day 2," Trump continued, "Mexico would immediately protest." But he would declare that Mexico must choose between the enforcement of his provision or acquiescing.

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To explain how he would have the standing to pursue his aggressive strategy, Trump begins by citing a provision in the Code of Federal Regulations that sets the standards for financial institutions in identifying their customers.

That provision, Trump says, makes it possible for the executive branch to “issue detailed regulations on the subject.” He predicted that Mexico would react by initially balking, then doing what he wants.

Trump writes that “if the Mexican government will contribute \$__ billion to the United States to pay for the wall, the Trump Administration will not promulgate the final rule, and the regulation will not go into effect.”

Many academics and economists have said that Trump’s notion of impounding remittances could have devastating consequences, harming poor communities and families who rely on funds from abroad to provide food and shelter.

Trump leaves open the option of using other methods to coerce Mexico, including “trade tariffs, or enforcement of existing trade rules,” “cancelling visas” and “visa fees.”

“Our approvals of hundreds of thousands of visas every year is one of our greatest leverage points,” Trump writes. “We also have leverage through business and tourist visas for important people in the Mexican economy.”

Trump ends with a scathing critique of Mexico, claiming that it has “taken advantage” of the United States for years through “gangs, drug traffickers and cartels” responsible for “the extraordinary daily cost of this criminal activity.”

“We have the moral high ground here, and all the leverage,” Trump concludes.

Evelyn Duffy and Eric Yoder contributed to this report.

Politico

August 10, 2016

NFAP UNVEILS NEW H-1B STUDIES: The National Foundation for American Policy is out with a pair of new papers this morning criticizing legislative proposals to restrict H-1B visas, reports POLITICO's Alex Byers. The H-1B program, which quickly hits its 65,000-visa cap after employers apply each April, benefited some 26,000 employers in 2015, according to the NFAP's research. Indian based companies submitted only 13 percent of approved visa petitions, the group reports -- a statistic meant to address criticism that Indian outsourcers hog the visas. The NFAP is arguing for a higher H-1B cap.

The NFAP says a bill from Sens. Dick Durbin (D-Ill.) and Chuck Grassley (R.-Iowa) would allow the Department of Labor to micromanage human resources policies of American companies, and that a measure proposed by Sens. Ted Cruz (R.-Tx.) and Jeff Sessions (R.-Alabama) would effectively force international students out of the U.S. after graduation. Watch for the papers here, later today:

<http://bit.ly/2bd2RDJ>

Politico

August 31, 2016

NFAP report: Mexican illegal entry down 82 percent in past ten years

By Cogan Schneier

As Donald Trump prepares to deliver a major speech today on immigration, a new [study](#) from the nonpartisan and non-profit National Foundation for American Policy reports that arrests of Mexicans at the border declined 82 percent during the previous ten years.

The study said that with the exception of 2011, 2015 saw the lowest level of border apprehensions since 1972. The report attributed the decline to economic and demographic factors.

Illegal entry by Central American immigrants, the report said, increased significantly in recent years due to violence in the region. Between fiscal years 2011 and 2014, non-Mexican apprehensions increased to 252,600, up from 46,997.

But the study said that increase could be addressed through economic-based visas. "If parents could work in the United States legally and travel back and forth to Central America," the authors wrote, "or petition legally for their children (or spouse), then the situation of unaccompanied minors and family units appearing at the border likely would never have happened - and would not in the future."



Immigrants Are Creating 'Unicorns' in the U.S.

A new report shows immigrants are at least partially responsible for more than half of the country's privately held billion-dollar startups.



SpaceX CEO Elon Musk, who was born in South Africa, is one of many immigrants to have built billion-dollar startups after arriving in the U.S.

By [Andrew Soergel](#) March 18, 2016, at 1:26 p.m. + More

2016 NFAP ANNUAL REPORT

More than half of America's billion-dollar startups have been founded by immigrants, according to a new report suggesting skilled foreign workers are helping to create jobs and stimulate America's overall economic growth.

The report, which was published this week by the [National Foundation for American Policy](#), looked at 87 privately held U.S. startup companies valued at \$1 billion or more – nicknamed "unicorns" because of their relative rarity – as of Jan. 1. It found that 44 of these companies (51 percent) were either founded or co-founded by immigrants. SpaceX's Elon Musk, Uber's Garrett Camp and AppDynamics' Jyoti Bansal are among the laundry list of domestic entrepreneurs hailing from outside the U.S.

"The collective value of the 44 immigrant-founded companies is \$168 billion, which is close to half the value of the stock markets of Russia or Mexico," the report said. "With 14 entrepreneurs on the list, India was the leading country of origin for the immigrant founders of billion-dollar companies, followed by Canada and the United Kingdom with eight each, Israel (seven), Germany (four), China (three), France (two), Ireland (two) and 12 other countries with one."

Citing prior studies conducted by the National Venture Capital Association, the new report suggests immigrants' prominence in the U.S. startup scene has grown over the last few decades. A [2006 NVCA study](#) found that 1 in 4 venture capital-backed companies that launched an initial public offering between 1990 and 2005 had at least one immigrant founder. In 2013, a [follow-up study](#) found that a third of venture-backed companies that became publicly traded between 2006 and 2012 were founded or co-founded by an immigrant to the U.S.

But the NFAP's new report is one of the first to look specifically at immigrants' roles in some of America's most valuable startups. And while about half of the country's billion-dollar startups were founded at least in part by an immigrant to the U.S., nearly three-quarters of such institutions employed an immigrant in a key management position, like chief technology officer or vice president of engineering.

"The research also identified the number of jobs created in the immigrant-founded company, revealing an average of about 760 employees per company," the report said, noting that SpaceX employs roughly 4,000 people, while management consulting firm Mu Sigma provides jobs for 3,500 people and Palantir Technologies maintains a payroll of about 2,000.

It's worth noting, however, that not all of these jobs are based in the U.S. Though the report says the "vast majority" are American-based, it doesn't break down exactly how many positions have been created inside the U.S. Mu Sigma, for example, is headquartered in Chicago but still maintains an outfit in Bangalore, India.

Still, it's difficult to ignore the impact skilled immigrants have had on the U.S. labor market. Transportation services company Uber employs about 900 direct workers, but reportedly boasts more than 162,000 active drivers inside the U.S. alone.

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"New immigration restrictions would likely prevent many future cutting-edge companies from being established in the United States," the report said. "If S. 2394, a bill [sponsored] by Sens. Ted Cruz (R-Texas) and Jeff Sessions (R-Ala.), had been in effect over the past decade, few if any of the billion-dollar startup companies with an immigrant founder would have been started in the United States."

Cruz has taken a hard-line approach to immigration both in his senatorial career and his presidential campaign and has called for further restrictions to the country's H-1B visa program. The program as it stands is generally open to employers looking to hire non-immigrant foreign workers for a specialty occupation, [defined by the Department of Labor](#) as a job "that requires the application of a body of highly specialized knowledge and the attainment of at least a bachelor's degree or its equivalent."

The program allows employers to recruit talent from overseas if they can't find domestic workers with the qualifications that they're seeking. H-1B visas are [currently capped](#) at 65,000 per fiscal year.

The practice has deeply divided legislators; some argue that H-1B visas should be further restricted so that the 7.8 million individuals counted as [unemployed](#) by the Labor Department have a better shot at landing a job. Cruz has called for a [temporary suspension](#) of the H-1B program and an eventual overhaul that would limit companies' abilities to help would-be immigrants acquire such visas.

Others, however, look at the country's 5.5 million job openings and more modest [hiring trends](#) and suggest firms are missing out on productivity that would be gained by employing a foreign worker. These folks argue that companies aren't hiring domestically because their qualified applicant pools are extremely limited, particularly for high-skill positions.

Amr Awadallah, co-founder of software company Cloudera (valued at about \$4.1 billion), said in the report that demand for tech talent in the U.S. is "off the charts." He described the number of qualified applicants in this country, however, as "very limited."

At the same time, however, he said his company doesn't apply for many new H-1B visas on behalf of prospective candidates simply because of how long it takes the government to process the requests. Assuming Cloudera managed to lock down an H-1B for a potential worker before the government reached its 65,000-visa cap, Awadallah said the process could still take up to nine months to finalize. Some of his colleagues expressed similar frustration over how long it can take to clear regulatory hurdles.

"I waited seven years for my employment-based green card and I wanted to leave my job and start a new company but couldn't," AppDynamics' Bansal said in an interview for the report. "I have friends who became frustrated with the uncertainty and after years of waiting they finally left the United States."

Bansal obtained an H-1B visa after graduating from the Indian Institute of Technology in Delhi, India – one of the country's premier engineering schools. And although he said he was "fascinated with the concept of startups and creation," legislative red tape prevented him from starting his own company until he obtained a green card.

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A year after he received an employment authorization document in 2007, Bansal founded AppDynamics – an enterprise software company that is now valued at nearly \$2 billion and employs more than 900 people.

"America has everything we need to create great companies here. We have great openness," Jyoti said. "But in technology it's all about talent. We need an immigration system that allows people to keep coming here."

Andrew Soergel is an Economy Reporter at U.S. News. You can connect with him on [LinkedIn](#), follow him on [Twitter](#) or email him at asoergel@usnews.com.

NBC News

Over Half of \$1 Billion Startups Are Founded By Immigrants

By Brian Latimer

Half of startups worth \$1 billion or more in the U.S. were founded by immigrants, and laws should make it easier for would-be entrepreneurs to enter the country, says a group which recently released research on immigrants and the economy.

A [study](#) released by the [National Foundation for American Policy](#), a non-partisan organization which does research on trade and immigration, found that immigrant entrepreneurs started 44 \$1 billion startups, which comes out to about 51 percent of the companies surveyed.

Stuart Anderson, the Executive Director of NFAP and writer of the report, said immigrants also hold management and product development positions in as many as 71 percent of startups worth more than \$1 billion.

Anderson said the cap on H-1B hinders potential entrepreneurs from creating jobs, and measures like [S.2394](#) introduced by Sen. Ted Cruz (R.-TX) in December would make potential immigrants work abroad for 10 years post-degree to apply.

The report calls for, "a startup visa to enable foreign nationals who start companies and create jobs would be an important addition to the U.S. immigration system."

"What's interesting about this is that not only that half had immigrant founders, it's that most of the companies have immigrants in key positions," Anderson said. "Even if an immigrant isn't the founder, they are CTO or in a comparably high position that drives innovation and creates jobs for Americans."

India produced the highest number of entrepreneurs on the list; 14 immigrants founded a startup in the U.S. Canada and the United Kingdom tied for second in the list, with eight founders moving to the states. The list also includes Argentina, Singapore, Armenia, Uzbekistan and South Korea.

"The results show that immigrants make many important contributions to the U.S. economy and job creation, and would make even more with intelligent reforms to the legal immigration system."

"Many people who had challenges attaining an H-1B visa had to wait seven years because there is no 'startup visa' in the U.S. immigration system," Anderson said. "If you have the idea to start up, and you want to stay here, it falls between categories in the immigration system."

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Collectively, these companies are worth \$168 billion and employ over 33,000 people. On average these companies employ 760 people each. [SpaceX](#), founded by South African [Elon Musk](#), employs the most on the list, with over 4,000 workers.

"These are unusual companies and it's why they're interesting," Anderson said. "They're unicorns because of the rarity of a privately owned company with a billion dollar valuation."

Jyoti Bansal, the founder of [AppDynamics](#), which is valued at \$1 billion and employs more than 900 people said he had to wait years to get his idea started in the U.S.

"I waited seven years for my employment-based green card and I wanted to leave my job and start a new company but couldn't," he said to Anderson for the report. "What is most frustrating about the green card process is you have no control over a major part of your life. I have friends who became frustrated with the uncertainty and after years of waiting they finally left the United States."

The U.S. Citizenship and Immigration Services issues 65,000 [H-1B visas](#) per year.

"The results show that immigrants make many important contributions to the U.S. economy and job creation, and would make even more with intelligent reforms to the legal immigration system," Anderson concluded.

The Des Moines Register

March 24, 2016

Editorial: Immigrants create, not take, American jobs



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(Photo: Register file photo)

To those who say immigrants are “taking American jobs,” here’s a morsel to mull over: Immigrants drove the creation of more than half the current U.S.-based technology startups valued at \$1 billion or more, according to a new [report](#) from the National Foundation for American Policy.

The nonpartisan think tank examined 87 privately held companies tracked by the Wall Street Journal and Dow Jones VentureSource. Forty-four had at least one immigrant founder. These companies were collectively valued at \$168 billion and created an average of 760 jobs each in the U.S. At 62 of the companies, at least one immigrant helped the company grow and innovate.

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“The billion-dollar startup companies with an immigrant founder excel at job creation,” according to the report. From California to Illinois, these companies employ Americans in sectors including technology, health, energy and financial services. Uber, co-founded by a Canadian immigrant, directly employs at least 900 people, but reported having more than 162,000 “active drivers” in the United States as of December 2014.

Instead of being displaced by immigrants, Americans are being employed by them.

Of course, this flies in the face of the anti-immigrant sentiment being spewed by some high-profile politicians in recent days. Instead of talking about “building walls,” Washington leaders should be doing more to welcome international students to our universities and finally expand access to H-1B visas that allow skilled foreign workers to remain in this country.

Nearly one-fourth of the 87 startup companies examined in the study had a founder who first came to America as an international student. Again this year, the federal government’s [lottery](#) to obtain one of the 85,000 H-1B visas available is expected to hit capacity within only one week.

The United States should make it easier for the best and brightest entrepreneurs to permanently locate here. Yet some politicians would make it more difficult. Republican presidential candidate and U.S. Sen. Ted Cruz introduced legislation requiring those seeking a visa to not only have an advanced degree, but also to have worked outside the United States for at least a decade.

This legislation “would have guaranteed that almost none of the billion-dollar startup companies with an immigrant founder would have been started in the United States,” according to the study.

American politicians talk about leading the world in innovation, job creation and economic development. Yet thousands of foreign nationals are unable to work and open businesses here. It makes no sense.

Visas can hamper entrepreneurs

The report “Immigrants and Billion Dollar Startups” profiles several foreign-born entrepreneurs. Among them is Jyoti Bansal, who graduated from India’s top engineering school and has received more than 30 patents related to complex software systems. He founded AppDynamics, a California-based company valued at \$1.9 billion that employs 900 people.

He arrived in America in 2000 and received an H-1B visa, which allowed him to work long-term for a company here. Yet the visa generally does not allow people to start their own companies.

“I waited 7 years for my employment-based green card and I wanted to leave my job and start a new company but couldn’t,” he said. “What is most frustrating about the green card process is you have no control over a major part of your life. I have friends who became frustrated with the uncertainty and after years of waiting, they finally left the United States.”

Fortune

March 18, 2016

Immigrants Are Driving Billion-Dollar Startups, Study Finds

by Hilary Brueck

They're creating an average of 760 U.S. jobs each, the study finds.

Space X's Elon Musk, Zenefits' Laks Srin, Uber's Garrett Camp, and Palantir's Peter Thiel. They're all founders of billion-dollar startups. They're also all immigrants.

And they're not the only ones.

A new study from a nonpartisan think tank says immigrants played a founding role in more than half of the 87 American startups with billion-dollar-plus valuations.

The report, by the [National Foundation for American Policy](#), says at least 51 percent of these so-called unicorn startups, valued at a billion dollars or more, had at least one immigrant founder. Put those 44 companies together, and they're worth a collective \$168 billion. The study cites companies like Stripe, ZocDoc, Cloudera, FanDuel, and Mu Sigma among the startups with immigrants serving in roles like CEO, CTO, or vice president of engineering.

India topped the new list, with 14 of the billion-dollar startup founders hailing from the country, and Canada and the U.K. tied for second place, with eight each.

The foreign-born entrepreneurs also create an average of 760 U.S.-based jobs per company, the study says.

The report comes as tech entrepreneurs like [Mark Zuckerberg](#) rally to make it easier for workers to secure more H-1B visas they say are a boon for the tech industry. These are the temporary stay passes that permit highly skilled employees to work in the country. But some say these kinds of short stays simply promote [cheap labor practices](#).

The application window for these visas, which opens in April, is greeted with an onslaught of applications every year, which top the 85,000 visa slots within days. This month the White House announced a new push to extend certain visa stays for foreign students, but only those graduating from STEM (science, technology, engineering and mathematics) programs.

San Jose Mercury News

December 2, 2016

Tech's foreign workers worry as they await Trump administration

By [Michelle Quinn](#) | mquinn@bayareanewsgroup.com

It's not quite Plan B time for the thousands of foreign nationals living the Silicon Valley dream. But some are already taking steps to prepare for the Donald Trump presidency.

Companies that rely on the ability to hire highly-skilled foreign workers are rethinking their plans. Some are accelerating efforts to apply for green cards for current foreign employees. Entrepreneurs here on visas are wondering if they will be able to stay. Even Canadians, of all people, here thanks to a visa that's part of the NAFTA trade agreement, are considering whether they need a backup plan.

Yes, the prospect of a Donald Trump administration has upended the plans of many. In Silicon Valley, which relies on a complex mix of highly-skilled technical workers from other countries, foreign investors, and entrepreneurs from around the globe, the president-elect's focus on immigration during the campaign has set off new rounds of worry and uncertainty.

Since the election, foreign nationals here and those who work with them have described swinging from confidence that not much will change for them to anxiety over what could happen if Trump cracks down on H1-B visas or renegotiates trade agreements.

"There's a certain hope and confidence that was taken away," said Karthik Sridhar, an Indian entrepreneur who founded SupplyAI, a software firm, with U.S. headquarters in Palo Alto.

How big is the foreign population here? More than one out of every three people in Silicon Valley is foreign born, according to the Silicon Valley Institute of Regional Studies. Of workers in computer and mathematical fields in the region, 67 percent were born outside the U.S. And immigrants have started more than half of the 87 so-called "unicorns," startups valued more than \$1 billion, according to the **National Foundation for American Policy**, an immigration research group.

As a result, the Trump win is having an effect even before he takes office. Already, some foreign businesses that were thinking of expanding in the U.S. are holding off, said Romish Badani, chief executive of Bridge US, an immigration legal service provider for tech startups and other industries.

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“We’re seeing hesitation,” he said. “Small companies are saying, ‘Maybe hiring foreign talent isn’t worth it at this stage,’ and some foreign entrepreneurs are starting to shy away,” he said. “They say they are going to wait to see how this plays out.”

The uncertainty extends to foreign students hoping to work here on an Optional Practical Training visa after they graduate. They wonder what will happen now that Trump has picked as his attorney general Sen. Jeff Sessions, a strong critic of OPT and other skilled immigration programs.

Still, among some, there’s wishful thinking that Trump will be too busy focused on other parts of the government, or illegal immigration, to zero in on skilled immigration in the tech industry.

There’s also hope that a Trump administration might welcome foreigners who create jobs, rather than do work a U.S. citizen could do. There may be a renewed effort to offer a “startup visa” for foreign entrepreneurs or to expand the number of green cards available for workers here.

“Those who are replacing jobs should be looked at differently than those creating jobs,” said Manan Mehta, the co-founder of Unshackled Ventures, a venture capital firm with a focus on foreign entrepreneurs. Some, including Mehta’s co-founder, are here on H-1B visas, temporary work visas.

“This is still America,” says Mehta. “A business man will be running our country. That may create some good positive stuff.”

The story of Karthik Sridhar, who founded SupplyAI, is illustrative.

He started his company, which serves the retail market, in India. He came to the U.S. on a visitor visa that didn’t allow him to work while he was in the 500 Startups Accelerator program, with the goal of expanding his business here in the US. He recently switched to an L-1 visa, which allows him to be here for a year with the understanding his business will grow and he will create jobs.

So far, his firm has 10 workers, a mixture of people from the U.S., Europe and India.

Even as he gains more U.S. customers, Sridhar said he is exploring setting up an office in Canada in case he can’t stay in the U.S. or needs a contingency if he wants to hire people who can’t come here. His wife is still in India with their 5-year-old daughter. “She is concerned every day,” he said.

One of his entrepreneur friends outside the U.S. decided not to sell his software in the here in person. Instead, he will do his sales calls by phone. “They have changed their business model,” said Sridhar. “That has a long term impact.”

Editorial

Hartford Courant

November 26, 2016

Hands Off Sanctuaries Of Learning

[Wesleyan University](#) President Michael Roth is a brave man for [declaring](#) his school a sanctuary campus. That means the Middletown university won't cooperate with immigration agents or police in rounding up and questioning students or staff solely because they lack the proper immigration paperwork.

He's right. Why should bright, talented students from abroad be threatened with deportation? Why would this country slam its doors to immigrant brains? That's what it will do if President-elect Donald Trump succeeds in ousting undocumented students.

Mr. Trump should put the nation's energies into attracting more global talent, not scaring it away.

Resistance To Deportation

Wesleyan is part of a growing number of colleges and universities vowing to resist federal efforts to deport undocumented students and staff. UConn's Undergraduate Student Government has [voted](#) to make the school a sanctuary. More than 100 Trinity College faculty have [signed](#) a letter supporting the same move for their school. More than 2,300 Yale students and faculty have [signed](#) a similar letter.

Yale's hometown, New Haven, already has declared itself a sanctuary city, as has Trinity's hometown of Hartford.

These aren't idle declarations. Mr. Trump has threatened to punish sanctuary cities by cutting off their federal funds. (Good for Gov. Dannel P. Malloy for saying he'll sue if the Trump administration tries that.)

Mr. Trump is also [promising](#) to terminate the program President Barack Obama put into place, Deferred Action for Childhood Arrivals, that shields undocumented immigrants who were brought here as children from deportation and lets them work and attend school.

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That would include Larissa Martinez, Yale Class of 2020, who revealed in her valedictory speech at her Texas high school earlier this year that she was an undocumented immigrant. She had planned to become a neurosurgeon. Now she has to worry that she and her family will be deported.

Don't Threaten The Brightest

How shortsighted Mr. Trump's xenophobia is. Immigrants have founded more than half the billion-dollar startups in this country, including Uber, [says](#) the **National Foundation for American Policy**. Highly educated immigrants make jobs.

Second-generation children like Ms. Martinez help drive this nation's success. "The children of immigrants [the second generation] are among the strongest economic and fiscal contributors in the U.S. population, contributing more in taxes than either their parents or the rest of the native-born population," the National Academies of Sciences, Engineering and Medicine said in a September [report](#).

Yet Mr. Trump claims that undocumented immigrants are "taking our money. They're killing us."

He didn't always think so.

A Time magazine [article](#) by Massimo Calabresi — the grandson of immigrants who fled fascist Italy for New Haven in 1939 — has documented that Mr. Trump had a hand in getting undocumented Polish laborers to work on the site of Trump Tower in 1980.

Mr. Trump has often been inconsistent on immigration. Since [saying](#) last year that he would deport all 11 million undocumented immigrants in the U.S., he's backed off a bit. Now he [says](#) he will make a priority of deporting those with criminal records.

Maybe his change of heart has come about because, by several [estimates](#), deporting all undocumented immigrants would cost hundreds of billions of dollars and put at least a trillion-dollar dent in the nation's gross domestic product.

Everyone agrees that real criminals should be deported. But don't threaten the best and brightest who do so much for the nation's economy, Mr. Trump. It's their drive that has done much to make the U.S. a global economic leader.

CNN/Money

May 19, 2016

Trump's tariffs will cost Americans thousands, report says

By Tami Luhby

Donald Trump's tough talk of imposing tariffs on China, Japan and Mexico gets big cheers at his rallies. What his supporters may not realize, however, is how much those tariffs will cost them.

Trump has repeatedly said America has been on the losing end of trade deals for years. In his view, the [tariffs](#) would level the playing field by making imports more expensive. That, in turn, would prompt American companies to produce more domestically and bring back jobs.

Experts, however, say boosting tariffs would be a bad deal for Americans, particularly for the poor.

The tariffs would cost the average household \$2,200 a year, or 4% of their after-tax income, according to a new [study](#) from the non-profit **National Foundation for American Policy** conducted by David Tuerck, Paul Bachman and Frank Conte, all of Suffolk University. This is largely because imports under Trump's policy would become more expensive, raising the price of competing American-made goods by 11%. That would effectively levy a consumption tax on purchases and cut into the incomes of shoppers.

"All of the benefits for producers would be extracted from consumers," said Tuerck, who heads the economics department at Suffolk. "It's using a blunt sword to do brain surgery. It would cost consumers an awful lot for rather small benefits for U.S. producers."

The levy would fall even more heavily on the poor since they spend more on necessities and more of their purchases are low-cost imported goods, experts say.

The tariffs would eat up 18%, or \$934, of the annual income of those in the bottom 10% of households. But they would only dent the income of the richest decile by 3%, or \$5,001, the researchers estimated.

The Suffolk University study assumes Trump would levy a 45% tariff on goods and services from China and Japan and 35% on Mexican products. The presumptive Republican candidate has not laid out a specific trade policy, but has talked of implementing such tariffs.

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Another study found that Trump's plan would cost consumers \$250 billion a year -- or \$778 per person. The report, conducted by the conservative American Action Forum, looked at imposing a 45% tax on all goods imported from China and a 35% tariff on Mexican auto imports to discourage U.S. companies from locating their manufacturing facilities abroad, both of which Trump has mentioned in the past.

What's more, broad-based tariffs on imports from these countries could wind up hurting globally competitive [American companies](#), particularly ones in higher-skilled industries that pay better wages. If the U.S. cuts down on buying imports, foreign countries may have less money to buy U.S. exports or they may retaliate by imposing their own levies on U.S. goods, said Peter Petri, professor of international economics at Brandeis University.

That will hurt makers of more advanced products, such as pharmaceuticals, computer chips and chemicals, while protecting lower-wage manufacturers, such as garment and toy companies. But even if the makers of these commodity products were to set up shop again in the U.S., they likely would be highly automated and not create many jobs.

"It would increase jobs not done in America today because they pay too little, but decrease export-oriented jobs with higher wages," said Petri, noting that globally competitive exporters pay up to 18% more, on average, than those that don't export. "We'll put shackles on our most competitive industries."

The Washington Post

The Daily 202: Kentucky governor, not sold on Trump, embraces his role as a Clinton foil

By [James Hohmann](#) May 13 at 8:56 AM

-- That stipulated, an independent analysis of Trump's tariff proposal finds that it could cost the average U.S. household more than \$6,000 per year, with much of the burden falling on households with the lowest incomes. "We find that a Trump tariff proposal against all countries would cost U.S. consumers \$459 billion annually and \$2.29 trillion over five years," David Tuerck and Paul Bachman, a pair of economists at Suffolk University in Boston, write for the nonpartisan National Foundation for American Policy.

The Daily Caller

August 24, 2016

High-Skilled Immigrants Fuel Economic Growth

By Stuart Anderson

Since 2009, the U.S. economy has grown slowly, which, one hopes, would inspire elected officials to support policies to improve productivity, labor force growth and entrepreneurship. Despite this, with the exception of Senator Orrin Hatch (R-UT) and his “I-Squared” Act, most members of Congress who have introduced immigration bills have aimed to shut down high-skilled immigration, rather than adopt policies to promote economic growth.

Efforts to restrict high-skilled immigration, which are expected to reemerge in the next Congress, strike at the heart of America’s economic growth engine by slowing the growth of high-skilled labor and limiting those workers most important to improving U.S. productivity. “Economic growth stems from two main sources: putting more people to work or enabling workers to operate more efficiently (i.e., better productivity),” explains *The Economist*. “With the workforce in many developed economies likely to stagnate or decline in the next two decades as the baby-boomer generation retires, a lot is riding on improvements in productivity.”

Economists Giovanni Peri (UC, Davis), Kevin Shih (UC, Davis) and Chad Sparber (Colgate University) concluded that H-1B visa holders significantly improve U.S. productivity: “The productivity growth and skill biased growth due to growth in foreign STEM [science, technology, engineering, and math] workers may explain between 10 and 25 percent of the aggregate productivity growth and 10 percent of the skill-bias growth that took place in the U.S. during the period 1990-2010.”

Arguments against high-skilled immigration ignore a simple fact – the labor market is global. That is why immigration restrictions, such as the low quotas on H-1B visas and employment-based green cards, are ineffective in “protecting” U.S. workers. Companies unable to hire or retain a talented foreign-born individual in the U.S. can hire and place the individual abroad. This means immigration restrictions most harm startups and small companies without international offices, despite critics’ assertions that such restrictions will most hurt large companies.

Amr Awadallah and Cloudera, the company he cofounded in 2008, illustrate how America gains more from openness than restriction. When Amr left Egypt to study at Stanford he intended to return home to

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become a professor. Instead, Amr became so immersed in the school's entrepreneurial culture that he later received an H-1B work visa and started two companies, the second of which, Cloudera, is today valued at \$4.1 billion. More than half of America's startup companies valued at \$1 billion or more had at least one immigrant founder.

Cloudera delivers a modern platform for data management and analytics, helping farmers, companies and governments with crops, medical research and counterterrorism. A fast-growing company, Cloudera employs over 1,000 people in the U.S. and until recently had conducted all of its research and development in America. However, the company could not find enough people in the desired specialties in the U.S. and the H-1B visa process is too uncertain and takes too long. As a result, the company felt it had no choice but to establish an office in Budapest, which, due to the European Union's (EU) rules on labor mobility, allows it to hire anyone within the EU.

To understand why U.S. employers petition for high-skilled foreign nationals note that 77 percent of the full-time graduate students in electrical engineering and 71 percent in computer science at U.S. universities are international students. An H-1B visa often represents the only practical way to hire high-skilled foreign nationals to work long-term in the United States, which is why it's so important. Despite concerns from critics, on an annual basis, new H-1B visa holders represent only 0.07 percent of the U.S. labor force and approximately 54 percent earn a master's degree or higher.

A bill (S. 2394) by Senators Jeff Sessions (R-AL) and Ted Cruz (R-TX) would essentially expel international students from America by eliminating any means for them to stay and work after graduation, and would require them to work 10 years outside the country before returning (two years if a Ph.D. holder). It would be difficult to design a bill more aimed at weakening America's ability to grow and innovate, although Senators Richard Durbin (D-IL) and Charles Grassley (R-IA) try hard. The Durbin-Grassley bill, S. 2266, similarly aims to prevent high-skilled foreign nationals from working in America, including even those who already work overseas for U.S. multinational companies.

Lagging business investment has slowed U.S. economic growth and preventing companies from hiring key personnel discourages business investment in the United States. With America already experiencing problems in growing its economy, preventing high-skilled foreign nationals from working in the United States would harm economic growth, entrepreneurship and job creation at a time the country can least afford it.

Stuart Anderson served as executive associate commissioner for policy and counselor to the Commissioner of the Immigration and Naturalization Service from August 2001 to January 2003 and is executive director of the National Foundation for American Policy, a nonpartisan research group based in Arlington, Va.

The Daily Caller

May 9, 2016

Mr. Trump, Please Tear Down This Wall

By Stuart Anderson

Donald Trump's pledge to build a wall on our southern border and "make Mexico pay" for it has come to symbolize his campaign. It's bold, politically incorrect and, as his campaign's recent memo on paying for the wall helps illustrate, kind of a dumb idea.

The wall and how to force Mexico to pay for it illustrates the problem with many Trump proposals: It is counterproductive, turns an ally into an enemy and, if ever implemented, would result in unintended consequences.

A March 31, 2016 Trump campaign memo threatened that unless Mexico paid America "\$5 to \$10 billion" to build the wall, the U.S. government would impose a "requirement that no alien may wire money outside of the United States unless the alien first provides a document establishing his lawful presence in the United States." The Trump campaign might want to review this proposal.

As Ian M. Comisky, a former assistant U.S. attorney and now a partner at Blank Rome LLP in Philadelphia, points out, contrary to the memo's assertion, wire transfer companies like Western Union already must adhere to the Patriot Act. Moreover, the memo cites not only the wrong number of the Patriot Act's regulation but a part revised more than 5 years ago. In addition, the Trump memo argues for expanding the Patriot Act by executive branch rule in a manner that would actually require Congress to change the law. The memo argues that the part of the law that merely requires financial institutions to know the identity of their customers could be expanded to require clerks in money transfer establishments to demand proof of legal immigration status. Such a reading of the law is not supported by the text and is sure to be litigated.

If Donald Trump changed wire transfer rules as his campaign memo intends, then one of two things would happen. As Mary Anastasia O'Grady has pointed out in the *Wall Street Journal*, a likely consequence is people would avoid the rules through a variety of means, such as using smugglers to transport money or employing straw senders, such as relatives or friends here lawfully. The other possible outcome is that if Mexican workers in the United States could not send money to their families in Mexico, then they would bring those families to America, thereby encouraging more illegal immigration.

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No one who follows Mexican politics thinks any Mexican politician who wishes to remain in office would succumb to Trump's threats and send the U.S. Treasury a check to build a wall. Rather than making Mexico our enemy, the United States should seek greater cooperation, which would be impossible under the Trump plan. Mostly unnoticed is how at U.S. request, as even noted in State Department Senate testimony, the Mexican government has worked to make it more difficult for Central Americans to make it through Mexico and into the United States. "The Mexican crackdown has clearly been devised in tandem with the U.S. government," reported *The Guardian*.

Even if a wall were built, it would likely have the opposite of its intended effect. Rather than keeping people out, it would encourage anyone who makes it across to stay. That has been the experience in the past. When the United States vastly increased the number of Border Patrol Agents – but did not create any additional legal ways for people to work in the United States – the unauthorized immigrant population rose from 3.5 million to 11.8 million between 1990 and 2007. In contrast, during a period of increased availability of legal ways to work in the 1950s under the Bracero program, although not a perfect program, the United States saw large decreases in illegal entry from Mexico.

This may not be the last attempt by a U.S. entity to use wire transfer rules to achieve other ends. Oklahoma now taxes certain remittances and Sen. David Vitter (R-LA) has introduced a bill to require proof of lawful immigration status before sending a wire transfer abroad. Donald Trump's plan to use the threat of a remittance cutoff to compel Mexico to pay for a wall is an example of rhetoric over reality, and it is unlikely to ever become a reality.

Stuart Anderson served as executive associate commissioner for policy and counselor to the Commissioner of the Immigration and Naturalization Service from August 2001 to January 2003 and is executive director of the National Foundation for American Policy, a nonpartisan research group based in Arlington, Va.

Forbes

August 20, 2016

7 Facts You Didn't Know About High-Skilled Immigrants

By STUART ANDERSON

Immigration has been a hot-button issue in America for over 150 years and may be for another couple of centuries. Still, amid the controversy, there are a number of facts that I've discovered through research about high-skilled immigrants that give a sense of the overlooked benefits and contributions of immigrants, as well as policies that warrant fixing in the U.S. immigration system.

Immigrants from India Can Wait 70 Years for a Green Card

Employment-based immigrants face both a 140,000 annual quota and a per country limit. That means only about 2,800 to 3,000 people a year from a single country can immigrate in an employment-based category, which results in much longer waits for individuals from countries with large populations (China and India in particular). I estimate approximately 210,000 Indians remain in the employment-based 3rd preference (EB-3) backlog. Since only 3,000 Indians can receive permanent residence (green cards) a year in that category, that means it would take potentially [70 years](#) for an Indian national who applies today to receive an employment-based green card in the EB-3 preference (the most common employment category). Eliminating the per country limit would reduce the wait times for Indians in this category from 70 to 12 years; increasing the annual quotas for high-skilled immigrants would further reduce the wait times. These wait times can be crushing for individuals and their families, forcing people to live in uncertainty for many years.

Half Of The 140,000 Green Cards For Skilled Immigrants Are For Spouses And Kids

While Congress allocated 140,000 immigrant visas (for permanent residence) a year for employment-based immigrants, it did not explicitly exempt the dependents of those sponsored. That means, in practice, only half of those visas go to the skilled immigrant, while the other half, actually more than half in most years, go to the dependents (spouses and children) of the principal immigrants. In other words, only about 65,000 to 70,000 green cards are issued each year to the employment-based immigrants themselves.

Current Immigration Quotas Were Set Before Smartphones And The World Wide Web

The 1990 Immigration Act set into law the 140,000 quota on employment-based green cards, the per country limit, and the 65,000 annual limit on H-1B visas, which, with only minor modifications, have not changed in 25 years. But think for a moment about how much the world has changed over the past 26 years and how those changes have dramatically increased the demand for high-skilled labor. [Back in 1990](#), the World Wide Web did not exist on a global basis for individuals. No social media. No online gaming. No 3D printers. No streaming video. There were also no smartphones, which meant there were no mobile apps (or a need for people to develop those apps). Members of Congress could not have predicted the world of 2016 back in 1990, and given the long backlogs and the quotas reached several months before the start of every fiscal year it's clear they did not. As a result, more jobs, investment and innovations are pushed outside of the United States when individuals are not able to be hired in America. (See [here](#) for an example.)

High-Skill Visas Have Funded Over 70,000 Scholarships For U.S. Students In STEM Fields

Few policymakers in Washington realize that a provision put into law in 1998 – charging companies a fee of \$1,500 per H-1B petition – has resulted in nearly \$4 billion in fees having been collected that go to fund scholarships and job training in the United States. Since the 1998 law passed, H-1B fees paid by companies have funded more than [70,000 scholarships for U.S. students](#) in math and science through the National Science Foundation, as well as hands-on science programs for more than 303,600 elementary, middle and high school students and 11,700 teachers.

42% of America's Top Cancer Researchers are Immigrants

Another well-kept secret is the contribution that immigrants make to cancer research in America. The National Foundation for American Policy examined approximately 1,500 biographies of cancer researchers at the nation's leading cancer research centers (as measured by grants received from the National Cancer Institute). The [study](#) found 42% of the researchers at the top 7 cancer research centers are foreign-born. At the University of Texas MD Anderson Cancer Center 62% of the cancer researchers are immigrants. At Memorial Sloan-Kettering Cancer Center in New York, 56% of the researchers are foreign-born.

Immigrant scientists have played an important role in improving the cancer survival rates experienced by Americans, including at such comprehensive cancer centers as Johns Hopkins in Baltimore, the Dana-Farber Cancer Institute in Boston and the Fred Hutchinson Cancer Research Center in Seattle. The researchers at the top 7 cancer centers come from more than 50 countries, led by China, India and Germany. Four immigrant cancer researchers have won the Nobel Prize: Elizabeth Blackburn (2009), born in Tasmania, Australia, Baruj Benacerraf (1980), born in Italy, and Carl and Gerty Cori (1947), husband and wife researchers born in Austria-Hungary.

70% Or More Of Grad Students In Key Tech Fields Are International Students

Globalization is a reality at U.S. universities, as people from all over the world desire to receive a top-notch education, particularly in cutting-edge fields. While many Americans enter these fields as well, when employers recruit on U.S. campuses they find that [international students](#) account for 77% of the full-time graduate students in electrical engineering and 71% in computer science, according to the National Science Foundation. The labor market is global, economists note, which means if those students are not hired in the United States, then they will be hired overseas either by U.S. companies or their competitors. When such students are hired outside the United States they take their education with them, as well as the related jobs and capital investment that follows them.

More Than Half Of America's Billion Dollar Startups Had An Immigrant Founder

Immigrants have started more than half (44 of 87) of America's startup companies valued at \$1 billion or more and are key members of management or product development teams in over 70% (62 of 87) of these companies. The [research](#) found that among billion dollar startup companies, immigrant founders have created an average of approximately 760 jobs per company in the United States.

Among the outstanding immigrant entrepreneurs who founded or cofounded billion dollar companies are Elon Musk, founder of SpaceX; Garrett Camp, cofounder of Uber; [Noubar Afeyan](#), cofounder of Moderna Therapeutics and 37 other companies, primarily through Flagship Ventures, the firm he heads; [Jyoti Bansal](#), who waited 7 years for his employment-based green card to start AppDynamics, which employs 900 people and provides the equivalent of a 24/7 MRI for company websites; [Amr Awadallah](#), co-founder of Cloudera, which allows organizations in various fields to profit from their data; and [Michelle Zatlyn](#), cofounder of CloudFlare, which uses the power of its global network to help websites with traffic and security.

While immigration is likely to remain a controversial topic for years to come, allowing some facts to enter the discussion can never hurt.

Forbes

October 16, 2016

Immigrants Flooding America With Nobel Prizes

By STUART ANDERSON

In 2016, all 6 American winners of the Nobel Prize in economics and scientific fields were immigrants. Moreover, since 2000, immigrants have been awarded 40 percent, or 31 of 78, of the Nobel Prizes won by Americans in Chemistry, Medicine and Physics, according to [research](#) from the National Foundation for American Policy.

Table 1
Immigrant Nobel Prize Winners in Chemistry, Medicine and Physics Since 2000

Immigrant Nobel Winners Since 2000	31 of 78 American winners have been immigrants
Percentage of Immigrant Winners Since 2000	40%

Source: Royal Swedish Academy of Sciences, National Foundation for American Policy, George Mason University Institute for Immigration Research. Numbers and percentage for chemistry, medicine and physics prizes.

These achievements by immigrants point to the gains to America of welcoming talent from across the globe. Of course, it does not mean America should welcome only Nobel Prize winners. Such a policy would be impossible to implement, since most immigrant Nobel Prize winners enter the United States many years before being awarded this honor. Most people immigrate to another country in their 20s, particularly employment-based immigrants, who either study in America or come here to work shortly after obtaining a degree abroad. The average of age of Nobel Prize winners at the time of the award is 59.5 years, according to economist [Mark J. Perry](#).

Nobel Prize winners represent great individual achievement but also reflect the state of research, openness and scientific advancement within a society. American students, research colleagues and the U.S. economy gain from the work performed by outstanding scientists and researchers, including Nobel Prize winners.

The right immigration laws matter, particularly in determining whether the United States gains from increased globalization and rising educational achievement in India, China and elsewhere. The

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Immigration and Nationality Act of 1965 eliminated the discriminatory national origin quotas and opened the door to Asian immigrants, while the Immigration Act of 1990 increased employment-based green card numbers. Those two pieces of legislation have been important factors in drawing international students to the country and enhancing the ability of America to assimilate talented individuals into our culture and economy.

While the rise in immigrant Nobel Prize winners reflects an overall increase in the reputation and capability of American institutions and researchers post-1960, a greater openness to immigration has helped make the United States the leading global destination for research in many different science and technology fields, including computers, cancer research and many others.

One can see the increasing influence and importance of immigrants on science in America over the past half century. Between 1901 and 1959, immigrants won 25 Nobel Prizes in Chemistry, Medicine and Physics but won 79 prizes in these fields – *more than three times as many* – between 1960 and 2016.

Sir J. Fraser Stoddart, winner of the Nobel Prize in Chemistry in 2016 and an immigrant from the United Kingdom, [notes](#) that “his research group at Northwestern University has students and scientists from a dozen different countries.” Stoddart [believes](#) scientific research will remain strong in America “as long as we don’t enter an era where we turn our back on immigration.”

Forbes

October 2, 2016

3 Reasons Why Immigrants Are Key to Economic Growth

By STUART ANDERSON

Immigrants are essential to economic growth in America. That is the conclusion of a recent report on [The Economic and Fiscal Consequences of Immigration](#) released by the National Academy of Sciences (NAS).

What are the three reasons why immigrants are important to economic growth? Labor force growth, entrepreneurship and human capital.

Labor Force Growth: If those who oppose immigration were correct, then Japan, an immigrant-unfriendly country, should be an economic juggernaut. It is not. Japan is facing an economic and demographic crisis. “Japan has the world’s oldest population, as well as a low birth rate and little immigration, but its growth problems go far deeper,” noted a recent analysis by [Bloomberg](#). “In the early 1990s, the country’s postwar growth boom collapsed – decades of deflation followed and Japan started to suffer a shortage of workers.”

In contrast, the National Academy of Sciences concluded, “Immigration supplies workers, which increases GDP [gross domestic product] and has helped the United States avoid the fate of stagnant economies created by purely demographic forces – in particular, an aging (and, in the case of Japan, a shrinking) workforce.”

Entrepreneurship: “The contribution of immigrants to human and physical capital formation, entrepreneurship, and innovation are essential to long-run sustained economic growth,” according to the NAS report.

Despite this recognition of immigrant entrepreneurs, a shortcoming in the National Academy of Sciences report is that at the same time it stated that Americans gain from immigrant entrepreneurship and innovation, it left these out of its numerical calculations. (Much time in the study is spent on the small distribution effects that are conceded to be short-term and focused, to the extent they exist, which itself is a subject of debate, on recent immigrants and natives that did not graduate from high school.)

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To give an idea of how large the benefit of immigrant entrepreneurship likely is in America, note that a recent National Foundation for American Policy [study](#) of just 87 startup companies valued at \$1 billion or more found 44 (more than half) had at least one immigrant founder. Moreover, at \$168 billion, the collective value of just these 44 immigrant-founded companies was almost half the value of the stock markets of Russia and Mexico.

Immigrant [Noubar Afeyan](#), CEO of Flagship Ventures, founded or cofounded 38 companies in the United States and has over 100 patents. Indian-born immigrant [Jyoti Bansal](#) is the sole founder of AppDynamics, a company employing more than 900 people and valued at \$1.9 billion. Yet the National Academy of Sciences calculations imply Noubar and Jyoti would only make an economic contribution to America to the extent they as workers increased the supply of labor. That makes little sense since it ignores the dynamic, job creation (and other) contributions Noubar Afeyan, Jyoti Bansal and other immigrant entrepreneurs make to the U.S. economy.

To place this in a nationwide perspective: “Immigrant business owners make significant contributions to business income, generating \$67 billion of the \$577 billion in U.S. business income, as estimated from 2000 U.S. Census data,” according to a report by the Small Business Administration. “They generate nearly one-quarter of all business income in California – nearly \$20 billion – and nearly one-fifth of business income in New York, Florida, and New Jersey.”

Human Capital: A similar story can be seen with patents and human capital. “Perhaps even more important than the contribution to labor supply is the infusion by high-skilled immigration of human capital that has boosted the nation’s capacity for innovation and technological change,” reported the National Academy of Sciences. But again, no dollar figure is estimated for this benefit. University of Colorado economist Keith Maskus found that for every 100 international students who earn science or engineering Ph.D.’s from American universities, the nation gains an impressive 62 future patent applications.

The bottom line conclusion: “Innovation carried out by immigrants also has the potential to increase the productivity of natives, very likely raising economic growth per capita,” according to the National Academy of Sciences. “In short, the prospects for long run economic growth in the United States would be considerably dimmed without the contributions of high-skilled immigrants.”

Forbes

September 17, 2016

America's Most Important Immigrant

By STUART ANDERSON

He was one of America's earliest immigrants and likely its most important. Within only 14 months of arriving in America he wrote and published a pamphlet that galvanized public opinion in the colonies in favor of independence from England. Who was Thomas Paine and why was he important?

Before coming to America at age 39, Thomas Paine failed at everything, according to historian Robert Middlekauff, author of *The Glorious Cause*. In England, he failed as a corset-maker, a tax collector, a teacher, a husband and a shopkeeper. But the man could write.

In January 1776, a little more than a year after landing in America, he wrote *Common Sense*. Paine used plain language to argue for independence on moral and practical grounds, noting the numerous civil and European wars the British Crown had become entangled in and skewering the notion that men should be ruled by kings who inherited their power without receiving the consent of the governed.

"The publication of Paine's *Common Sense* could not have been better timed," writes Cornell University historian Isaac Kramnick. "The delegates who read it on the January day it appeared in Philadelphia were, like most Americans at the time, confused and ambivalent. Tied by kinship, culture, commerce and decades of loyalty to England, they found themselves suddenly at war with His Majesty's troops. But Paine, the Englishman, had no doubt about the right course. Boldly he announced that America's purpose in these battles was to achieve complete independence, to break all ties with corrupt and tyrannical Britain."

One should not view American independence as inevitable, since divisions existed not only between those who remained loyal to the Crown and those dissatisfied with English rule, but also among those who held grievances against the king. It is estimated no more than one-third of the members of the Second Continental Congress favored declaring independence between late 1775 and early 1776. Thomas Paine changed that.

An estimated 500,000 copies of *Common Sense* were distributed in 1776, a total equal to 20 percent of the population of the American colonies at that time. "No single event seems to have had the catalytic effect of Paine's *Common Sense*," notes Kramnick. And Paine's role did not end there. During the Revolutionary War, Thomas Paine rallied colonists during difficult times by producing *The Crisis*, a series of essays that George Washington read to his troops.

Reflecting later on his role as a new immigrant to America who became its fiercest advocate for independence, Paine wrote, “When the country, into which I had just set my foot, was set on fire about my ears, it was time to stir. It was time for every man to stir. Those who had been long settled had something to defend, those who had just come had something to pursue; and the call and the concern was equal and universal.”

Immigrants to America often appreciate their liberties even more than those of us born here, since immigrants may possess first-hand experience of life under oppressive or arbitrary rule. It was a group of refugee scientists who drafted the letter fellow refugee Albert Einstein sent to President Roosevelt that led to the Manhattan Project. The refugees feared what would happen should Adolf Hitler build an atomic bomb before the United States.

“The determination to defend America at all costs spurred the newcomers no less than the Americans, and the European-born may have come to this determination somewhat earlier than the native-born, driven by stronger personal emotions,” wrote Laura Fermi, author of *Illustrious Immigrants*, which described the race to build the first atomic bomb. “The picture of their country under Nazi power in the event of a German victory was something the Americans could imagine only with difficulty.” These immigrants had already seen their countries overrun.

The immigrants who played key roles in building the atomic bomb included Eugene Wigner, George Gamow, Felix Bloch, Hans Bethe, Edward Teller, and Victor Weisskopf, building on the work of Niels Bohr and Enrico Fermi. They made great scientific and economic contributions to America and its defense. But without Thomas Paine, they may not have had a country to defend.

Forbes

September 4, 2016

Illegal Entry By Mexicans Fell 82% in Past 10 Years

By STUART ANDERSON

The rationale for building a wall is that illegal entry by Mexicans has been increasing unabated across the U.S.-Mexico border. However, illegal entry by Mexicans, as measured by apprehensions at the Southwest border, fell by 82% between 2005 and 2015, and the numbers so far in 2016 are much the same, notes a recent [study](#) from the National Foundation for American Policy. In other words, illegal immigration from Mexico is at about a 40 year low.

Historically, apprehensions along the Southwest border are a good indicator of illegal entry. “Despite their limitations, then, as now, INS apprehension figures are the best available indication of the degree of illegal immigration,” noted the Congressional Research Service. In general, the fewer the apprehensions, the lower the flow of illegal immigration, while an increase in apprehensions generally means more illegal entry. Law enforcement, market conditions, demographics and the availability of legal entry all affect the illegal flow.

Over the past decade, two factors have contributed to this enormous drop in attempted illegal entry by Mexicans. First, the U.S. economy slowed down leading up to the “Great Recession” that began in 2007. Second, demographics have played a major role in the decline of Mexicans attempting to enter the United States unlawfully.

“Undocumented migration from Mexico actually began to decline in 1999, not because of border enforcement, but because of that country’s demographic transition,” according to Douglas S. Massey, a professor of sociology and public affairs at Princeton University and co-director of the Mexican Migration Project. “From a fertility rate of around seven children per woman in the 1960s, Mexican fertility fell rapidly in subsequent years and today stands at 2.25 children per woman.” Massey explains that, “The fertility rate is important because migration is undertaken by young people. The probability of migration rises sharply in the teens, peaks around age 20 and falls to low levels by age 30.”

In FY 2015, there were 186,017 apprehensions of Mexicans along the Southwest border, compared to approximate 1 million apprehensions 10 years earlier in FY 2005, according to the U.S. Border Patrol.

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For the first 10 months of FY 2016, there were 160,196 apprehensions of Mexicans along the Southwest border.

The increase in the use of H-2A visas for agricultural workers since 2011 may have contributed to the decline in attempted illegal entry by Mexican nationals, as individuals who in the past may have attempted to enter illegally instead used the legal visa process, which is a positive development. That would follow the historical pattern. Between 1953 and 1959, a large increase in the use of the Bracero program resulted in a 95% decline in illegal entry by Mexicans, as measured by apprehensions at the Southwest border.

Despite the problems with H-2A visas, the demand for labor has increased their use, with the number of H-2A visas issued rising from 55,384 in FY 2011, to 108,144 in FY 2015. Still, processing delays remain a problem for growers and industry sources note that many agricultural employers are excluded from using the visa and others struggle to meet the visa category's housing requirements.

America still does not possess a means for individuals to fill lower-skilled jobs with legal visas in year-round industries like construction, hotels and restaurants. The influx of children and other migrants from Central America is one manifestation of the lack of economic-based visas.

Parents from Honduras, Guatemala and El Salvador who first came to the country to work have found that increased enforcement means it is not advisable to travel back and forth. Having established economic footholds superior to those in their home countries many have sent for their children to join them to escape the violence.

If parents could work in the United States legally and travel back and forth to Central America or petition legally for their children (or spouse), then the situation of unaccompanied minors and family units appearing at the border likely would never have happened – and would not happen in the future.

The increase in enforcement personnel starting in the 1990s (along with a change in border strategy) had the unintended consequence of encouraging people to remain in the country after making it to the United States. The unauthorized immigrant population in the United States rose from 3.5 million to 11.8 million between 1990 and 2007, according to the Department of Homeland Security. During those same years, the number of authorized U.S. Border Patrol Agents increased from 3,733 to 14,923 (and is over 20,000 today). In other words, as enforcement efforts increased, so, too, did the unauthorized (illegal) immigrant population.

Building a wall while neglecting to add new ways for individuals to work legally at lower-skilled jobs would continue the status quo. It is neither a smart, nor a new approach, to reducing illegal immigration.

Forbes

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CTO of Cloudera: “I Absolutely Recommend People Go Into High-Tech Fields”

By STUART ANDERSON

Amr Awadallah is a highly successful entrepreneur whose views on tech issues are in demand in Silicon Valley. Amr came to America planning to earn a Ph.D. at Stanford and then to return to Egypt and become a professor. Instead, he was able to work on visas (J-1 and then H-1B) and became another in a long line of highly successful immigrant entrepreneurs in America. (Read his full story [here](#).)

Cloudera, the company he cofounded in 2008, is known as an innovative company focused on delivering a modern platform for data management and analytics, helping medical researchers fight disease, assisting governments in combatting terrorism, and providing companies a way to get the most out of their data. Cloudera, valued at \$4.1 billion, employs more than 1,400 people worldwide to serve customers around the globe, including more than 1,000 employees in the United States. For those wondering, relatively few employees are foreign nationals on H-1B visas, in part because the current visa process can take too long to get someone on board for a fast-moving, growing company.

As chief technology officer (CTO) of Cloudera, Amr, now a U.S. citizen, is well-positioned to evaluate both current and future trends in high-tech fields. During a recent press call to release [new research](#) from the National Foundation for American Policy, I asked Amr his opinion on whether he would recommend Americans go into high-tech fields. I think the exchange is instructive for policymakers, young people and those contemplating the best career choices.

Stuart Anderson: Sometimes during the debate and in hearings, you’ll hear people get so wrapped up about “immigrants taking jobs,” as the argument goes, that they’ll actually discourage young people from going into high-tech fields. Would you recommend people to go into high-tech fields?

Amr Awadallah: I absolutely recommend people go into high-tech fields for a number of reasons. The first one, we are in the middle of the Big Data revolution but also the Artificial Intelligence, Machine Learning revolution. It’s huge. It’s really one of the biggest shifts that we have seen in the last few decades. And it’s creating demand, off the charts demand, and this is across all industries. This is not something specific just to companies in Silicon Valley.

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We have farmers now that need to be able to leverage data in new ways to figure out how to optimize the yield of crops they are generating. We have pharmaceutical companies who need to be able to go over the DNA genomic sequence and analyze them in deeper ways. We have manufacturing companies that want to predict the failures of their machines before the machines fail. It's happening across every single industry. The demand is the highest it has ever been. That's why we are forced to get people over here with H-1B visas or go, like Cloudera did, and open an office in Budapest to find these people, because there is not enough. There absolutely is not enough. That is number one.

Number two, yes, I would love for all of my children to be in this space because I know this space is only growing. The future need for people with high technical skills when it comes to data analytics, artificial intelligence and machine learning is going to be off the charts. And since the need for them is going to be off the charts obviously the salaries they will get, the income, and the lives they can sustain will be very, very good. So I highly advise people to go down that path. No question about it.

Forbes

April 2, 2016

Did A Ride From The Airport Lead To An Immigrant's \$4 Billion Company?

By STUART ANDERSON

A ride from the airport changed Amr Awadallah's life. Amr earned a B.A. and M.A. in electrical engineering from Cairo University in Egypt. He applied for Ph.D. programs abroad and was accepted to Stanford. He intended to follow in his father's footsteps and return to Egypt to become a professor.

"Coming in from the airport, I saw the headquarters for HP and Oracle, and just seeing them excited me about the possibilities of business," said Amr in an interview. "And Stanford inspires you with the culture of entrepreneurship, the courses, the speakers, and how to start a company and raise money. It changed me."

Amr left Stanford before completing his Ph.D. and was fortunate enough to be eligible for a J-1 visa, which allowed him to work for two years and start a company called VivaSmart, which was acquired by Yahoo. He worked for Yahoo for 8 years and finished his Ph.D. in electrical engineering. Despite his own Ph.D., Amr said, "When it comes to working for companies, getting a Ph.D. can be a mistake. Companies are not really that interested in Ph.D.s. One should get a Ph.D. to teach or as an important personal achievement but not for business."

In 2008, Amr started [Cloudera](#) with three co-founders and today serves as chief technology officer. The four founders raised important initial capital from Accel. Cloudera's leadership feels less pressure to go public, according to Amr, because it has raised \$670 million in equity funding and its largest investor is Intel. The company has grown rapidly, employing 1,100 people with a valuation of \$4.1 billion. (Amr was featured in a recent report from the National Foundation for American Policy on [Immigrants and Billion Dollar Startups](#).)

Amr summarizes Cloudera as follows: "The company sells software that allows organizations to profit from their data." Based in Palo Alto, California, Cloudera describes itself as delivering "the modern platform for data management and analytics to help you get value from all your data" and calls Cloudera Enterprise "the world's most popular Apache Hadoop solution."

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The idea behind the company is to help organizations use software to manage and analyze data in the most productive way possible. Cloudera helps governments use data to guard against cyberattacks, prevent terrorist attacks and predict veteran suicidality. Medical researchers have used Cloudera to learn more about the human genome and predict disease patterns. Cloudera has also helped agricultural companies to use data more effectively to increase crop yields.

The demand for tech talent is “off the charts,” notes Amr, and the pool of candidates in the U.S. is “very limited,” particularly those with skills related to big data and analysis. The inability to find enough tech talent in the United States led Cloudera to open an engineering office in Budapest. Since Hungary is a member of the European Union (EU), Budapest gives the company important access to the EU workforce. Under European Union rules, any EU citizen can work in any EU country without the need for immigration processing.

Fast-growing companies and startup companies more generally need to move quickly when hiring. The process for new H-1B visas is so uncertain that Cloudera rarely petitions for new H-1Bs, said Amr, since it can take six to nine months even if an employer secures a visa before the quota is reached. The company will sometimes hire a foreign national on an existing H-1B visa, since that can usually be done without such a long wait.

When asked what he is most proud of in his career, Amr points to the large number of employees working for the company in California, today totaling over 900 in the state. “When we can hire engineers, we can create many more jobs for Americans. And when I look out on the company I see it’s not just the employees and our customers who benefit from Cloudera but all the families of those employees. That’s what makes me the most proud about what we’ve created.”

Forbes

March 26, 2016

Jyoti Bansal Waited 7 Years For A Green Card To Start His \$1.9 Billion Company

By STUART ANDERSON

Jyoti Bansal graduated from India's top engineering school and, like many immigrant entrepreneurs, believed America was the best place for him to build his career. "I wanted to come to Silicon Valley," Jyoti told me in an interview. "I was fascinated with the concept of startups and creation, and wanted to work for a startup company in America."

He arrived in America on July 4, 2000. He received an H-1B visa, which proved to be both a blessing and a curse. It was a blessing because an H-1B visa is, in practice, typically the only way a foreign national can work long-term in America. It was a curse because individuals on H-1Bs are generally unable to start a company. Jyoti began working for startup companies but he also wanted to launch his own company.

"I waited 7 years for my employment-based green card and I wanted to leave my job and start a new company but couldn't," he said. "What is most frustrating about the green card process is you have no control over a major part of your life. I have friends who became frustrated with the uncertainty and after years of waiting they finally left the United States." (Jyoti was featured in recent reports from the National Foundation for American Policy on [Immigrants and Billion Dollar Startups](#) and [Startup Visa Proposals and Job Creation](#).)

In 2007, Jyoti received an employment authorization document (EAD) as part of the green card process. He left his employer and started [AppDynamics](#). "America has everything we need to create great companies here," said Jyoti. "We have great openness. We have a good legal structure and access to capital. But in technology it's all about talent. We need an immigration system that allows people to keep coming here."

Jyoti Bansal founded AppDynamics in 2008 and today the company employs over 900 people and is valued at \$1.9 billion.

AppDynamics describes its service as the equivalent of a 24 hour/7 days a week MRI for an organization's website, picking up small problems before they debilitate a business and anger

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consumers. “AppDynamics is a fully realized website monitoring service for businesses, and a leader in both the website monitoring and application performance monitoring (APM) spaces. It’s our Editors’ Choice for enterprises,” declared *PC Magazine* in an extensive review of the company.

AppDynamics is not for all companies with a website. “AppDynamics is designed for extremely large environments,” explains *PC Magazine*. The company works with HBO to ensure the streaming of original programming performs smoothly for HBO’s online viewers. AppDynamics also helps 8 of the 10 top banks in the U.S. and Europe make the online banking experience satisfying for customers.

After serving as CEO for many years Jyoti Bansal recently changed roles to become executive chairman of the board and chief strategist of AppDynamics. In his career, he has received more than 30 patents related to complex software systems. When asked about his future, Jyoti said, “I’m not done creating companies. I want to keep creating companies and solving problems for the rest of my life.”

Forbes

March 23, 2016

The Story Behind The Canadian Immigrant Who Helped CloudFlare Succeed In America

By STUART ANDERSON

When Michelle Zatlyn was growing up as a girl in Saskatchewan it was hardly obvious she would someday cofound a \$1 billion company in America. After attending college in Canada, the time came for a decision, one that few people make casually – in which country would she live?

“My older sister had moved to the U.S. and was successful and I decided I wanted to come to America as well,” Michelle Zatlyn told me in an interview. She found a prospective employer but could not obtain a work visa and had to return to Canada. As fate would have it, that turned out to be a blessing in disguise. (Michelle was featured in a recent National Foundation for American Policy [study](#) that revealed 44 out of America’s 87 privately-held startup companies valued at \$1 billion or more had at least one immigrant founder.)

Michelle’s second attempt to make it to America proved more successful – and it changed the course of her life. She was accepted to Harvard Business School and it was there she met Matthew Prince, one of her future cofounders.

Matthew and a friend, Lee Holloway, who became the third cofounder of [CloudFlare](#), had established an entity called Project Honey Pot, an “open source initiative to track abuse, fraud and other malicious behavior that occurs online.” To Michelle’s ears, this was a noble, public-spirited endeavor that involved thousands of people helping to stop bad guys on the Web but she didn’t see any commercial prospects for it. However, as she and Matthew discussed it, she thought there was a potential for a company that harnessed the power of the crowd to help individual and company website owners.

Michelle and Matthew worked on the idea while at Harvard. Following graduation, Michelle obtained 12 months of work authorization under Optional Practical Training (OPT). “The best thing the U.S. government has done on immigration is OPT to allow international students a chance to stay and work for a time after graduation,” she said. “It allowed me to work with Matthew on the business plan that helped create the company.”

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After Matthew and Michelle graduated from Harvard, they packed up a U-Haul, driven by Matthew's mother, and headed to Silicon Valley. They joined with Lee Holloway to create CloudFlare and began raising money from venture capital firms. But Michelle was not finished with the U.S. immigration system, which contains no mechanism to stay in America as a founder of a company. The only way to stay in America would be for the company to apply for an H-1B visa on Michelle's behalf.

At first her case was not approved and additional evidence was requested to support the application. "It was not fun," recalls Michelle. The company submitted letters of recommendation, including from investors, and ultimately the H-1B visa was approved. "If I hadn't obtained the visa I would have gone back to Canada and tried to work on CloudFlare from there," she said. "If that had happened, CloudFlare would not be where it is today. It would have clearly affected our development."

One reason for that is CloudFlare, like other companies with three cofounders, started as a proverbial three-legged stool – remove one leg from the stool and it no longer functions as intended. Matthew is the company's CEO and strategist. Lee is the technical cofounder and lead engineer. Michelle is head of user experience. Her job is "translating the technical capabilities of the company into something customers understand."

It would be hard to argue with the team's success. In addition to employing 250 people, the company has developed a large customer base since its founding in 2009. There are 4 million websites now in the CloudFlare network, with an average of 7,000 new sites added each day.

What does CloudFlare do for these websites? CloudFlare helps websites with traffic and security, with a sliding scale of services that includes a free option. Many websites are able to operate fine with the free service. Others pay \$20, while larger customers pay hundreds or thousands of dollars a month depending on the range and complexity of their needs. Customers are also able to add "third party services," such as Google AdWords, with one click, rather than individuals needing to add JavaScript themselves.

"Once your website is a part of the CloudFlare community, its Web traffic is routed through our intelligent global network," according to CloudFlare's description of its service. "We automatically optimize the delivery of your webpages so your visitors get the fastest page load times and best performance. We also block threats and limit abusive bots and crawlers from wasting your bandwidth and server resources."

Michelle believes the diverse backgrounds of CloudFlare's founders has contributed to the company's success. "Diversity is ideal when solving hard problems because people who are different look at problems in different ways, whether it's their gender, where they're from, or other characteristics," said Michelle. "Combine that with trust and a shared vision and you're likely to have success."

Forbes

March 19, 2016

In His Spare Time, Noubar Afeyan Has Started 38 Companies in America

By STUART ANDERSON

Starting one successful company is a fine achievement. How does one describe someone who has helped found 38 companies?

Noubar Afeyan was born to Armenian parents in Lebanon. At the age of 13, he immigrated with his family to Canada and attended college there. Noubar was accepted to a Ph.D. program at the Massachusetts Institute of Technology (MIT), at the time the only school with an advanced program in biochemical engineering.

After earning his Ph.D. at the age of 24, Noubar started his first company. “I was naïve to think I could start a company with so little experience,” he told me in an interview. But it worked out. For 10 years, Noubar Afeyan headed PerSeptive Biosystems, which became the number two company in the bio-instrumentation field before it was acquired by Perkin Elmer/Aplera Corporation in 1998. While CEO of PerSeptive Biosystems he founded or co-founded 5 more companies.

[Recent research](#) from the National Foundation for American Policy (NFAP) reported on the strong entrepreneurial drive of many immigrants, examining the impact of immigrants on the current universe of “billion dollar” startups. The impact is significant. “Immigrants have started more than half (44 of 87) of America’s startup companies valued at \$1 billion or more and are key members of management or product development teams in over 70 percent (62 of 87) of these companies,” according to the NFAP study. These billion dollar startups with at least one immigrant founder have created an average of more than 700 jobs per company.

In 1999, Noubar evaluated the way his startups were formed – and startups in general – and thought perhaps the often disjointed, “trial and error” approach typical of startups could be reduced to something more systematic and organized. That’s when he founded [Flagship Ventures](#), which develops new companies through its in-house division VentureLabs. It also invests in startups.

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VentureLabs, which Noubar oversees as senior managing partner and CEO of Flagship Ventures, takes a unique approach. It conducts its own research and forms new companies after the research has started to bear fruit. Using this approach, Flagship Ventures and VentureLabs have launched dozens of startup companies, primarily in the life sciences and sustainability.

“We spend a lot of time at Flagship Ventures identifying problems and coming up with solutions that produce intellectual property that can be used to create innovations and ultimately new approaches and new companies,” he said. Noubar has over 100 patents to his name.

[Moderna Therapeutics](#), which Noubar co-founded and helps lead as chairman, may be Flagship Ventures’ most successful startup. Founded in 2009, the Cambridge, Massachusetts-based company is already valued at \$3 billion and employs over 300 people.

Breakthroughs in using messenger RNA or mRNA have fueled growth and raised expectations for Moderna Therapeutics. CNBC named the company “number one” on its 2015 Disruptor 50 list. “Instead of making protein medicines in factories very far away, what we are trying to do is to inject you with messenger RNA so that your own body will make the protein” said Stéphane Bancel, Moderna’s French-born president and CEO, in a 2015 CNBC interview.

In January 2016, Moderna announced it had become a clinical stage company when it launched its first human trial, a Phase I study to treat patients with infectious diseases with investigational mRNA therapeutics in Europe. The ultimate goal is to treat patients with “infectious diseases, rare diseases, cancer and cardiovascular diseases.”

Noubar Afeyan explains the promise of messenger RNA by comparing it to the more controversial concept of changing an individual’s DNA. He notes changes to DNA can be essentially permanent, like hardware. By contrast, messenger RNA is more like software: it can be used to perform a task and then can be programmed to disappear.

Moderna Therapeutics is a company with the potential to benefit the health of millions of people. The irony is it may never have come into being if Noubar Afeyan had not been accepted to MIT. Noubar says what he liked about the atmosphere at MIT as an international student is that the school was merit-based. “Nobody felt they had an advantage over you just because they were born in the United States and you weren’t. It was a very good environment and remains so.”

Noubar believes being an immigrant and an entrepreneur are complementary. “What keeps you from innovating is being comfortable,” he said. “If you’re an immigrant, then you’re used to being out of your comfort zone.”

ABOUT THE NATIONAL FOUNDATION FOR AMERICAN POLICY

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) non-profit, non-partisan public policy research organization based in Arlington, Virginia, focusing on trade, immigration and related issues. The Advisory Board members include Columbia University economist Jagdish Bhagwati, former U.S. Senator and Energy Secretary Spencer Abraham, Ohio University economist Richard Vedder, former INS Commissioner James Ziglar and other prominent individuals. Over the past 24 months, NFAP's research has been written about in the *Wall Street Journal*, the *New York Times*, the *Washington Post*, and other major media outlets. The organization's reports can be found at www.nfap.com.