THE ECONOMIC CONTRIBUTIONS OF HIGH-SKILLED IMMIGRATION

EXECUTIVE SUMMARY

Immigrants, international students and H-1B visa holders contribute significantly to America, innovation and the U.S. economy, according to new research from the National Foundation for American Policy (NFAP). The study includes original research and an extensive review of the economic literature on immigration. The research and literature review conclude that Americans, U.S. businesses and the U.S. economy would benefit from increasing the entry of foreign-born talent to the United States.

In his final speech in office, President Ronald Reagan told Americans that openness to immigration remained one of the country's greatest strengths. "Other countries may seek to compete with us; but in one vital area, as a beacon of freedom and opportunity that draws the people of the world, no country on Earth comes close," said Reagan. "This, I believe, is one of the most important sources of America's greatness. We lead the world because, unique among nations, we draw our people—our strength—from every country and every corner of the world. And by doing so we continuously renew and enrich our nation."[1]

Among the study's findings:

- Restricting the entry of H-1B visa holders discourages investment and reduces U.S. employment opportunities. Economists Giovanni Peri (UC Davis), Kevin Shih (UC Riverside), Chad Sparber (Colgate) and Angie Marek Zeitlin (Partnership for a New American Economy) found, "The number of jobs for U.S.-born workers in computer-related industries would have grown at least 55% faster between 2005-2006 and 2009-2010, if not for the denial of so many applications in the recent H-1B visa lotteries." According to the research of Peri, Shih, Sparber and Zeitlin, if 178,000 H-1B applications had not been rejected in 2007 and 2008 because of the low annual limit, U.S. metropolitan areas would have created as many as 231,224 more jobs for U.S.-born tech workers. Further analysis by the National Foundation for American Policy estimates that, based on the number of H-1B petitions in computer-related occupations in FY 2024 and FY 2025 that USCIS rejected due to the annual limit, up to 615,000 more jobs for U.S.-born technology workers could have been created in the United States with a higher H-1B annual limit.

- International students boost U.S. innovation, while restrictions harm it. A 10% decrease in international students in science and engineering could cost the U.S. economy $334 billion a year and a 20% decrease could cost $668 billion, according to a National Foundation for American Policy analysis of research by economists Gnanaraj Chellaraj (World Bank), Keith E. Maskus (Univ. of Colorado) and Aaditya Mattoo

[1] Remarks at the Presentation Ceremony for the Presidential Medal of Freedom, January 19, 1989; https://www.reaganlibrary.gov/archives/speech/remarks-presentation-ceremony-presidential-medal-freedom-5.

(World Bank). According to Chellaraj, Maskus and Mattoo, an additional foreign STEM graduate student results in 0.57 patents granted. Based on the value of patents and the number of STEM international graduate students enrolled in the United States in Fall 2024, a 10% increase in enrolled STEM international graduate students at U.S. universities would add $334 billion to the U.S. economy each year and a 20% increase would benefit the U.S. economy by $668 billion a year.

- International students encourage more U.S. students to enter STEM fields. "Each additional 10 bachelor's degrees—across all majors—awarded to international students by a college or university leads to an additional 15 bachelor's degrees in STEM majors awarded to U.S. students," according to research by University of North Florida economics professor Madeline Zavodny. Additional NFAP calculations find Zavodny's research suggests that admitting and awarding bachelor's degrees to 100 more international students at 200 U.S. universities could lead to up to 30,000 more bachelor's degrees in STEM majors awarded to U.S. students each academic year.

- H-1B visa holders do not harm the employment prospects of U.S. professionals. According to a study by economist Madeline Zavodny, "H-1B visa holders do not adversely affect U.S. workers. On the contrary, the evidence points to the presence of H-1B visa holders being associated with lower unemployment rates and faster earnings growth among college graduates, including recent college graduates." The research also found, "The results suggest the presence of more H-1B visa holders leads to faster earnings growth for U.S. workers. The magnitude of the estimates suggests that a 1 percentage point increase in the share of workers with an H-1B visa in an occupation boosts the earnings growth rate in that occupation by about 0.1 to 0.26 percentage points."

- Immigrants and H-1B visa holders contribute significantly to economic growth, which is composed of labor force growth and productivity growth. Economists Giovanni Peri, Kevin Shih and Chad Sparber found, "When we aggregate at the national level, inflows of foreign STEM workers explain between 30% and 50% of the aggregate productivity growth that took place in the United States between 1990 and 2010." Economists note that this means up to 1/6 of U.S. economic growth over those 20 years came from foreign-born science and engineering professionals, primarily H-1B visa holders.

- Increased immigration can reduce the federal deficit. Exempting master's and Ph.D. holders in STEM fields from employment-based green card limits could reduce the U.S. federal budget deficit by $634 billion over 20 years, according to research by former CBO director Douglas Elmendorf and Dartmouth economics professor Heidi Williams.

- Immigrants are a crucial source of entrepreneurs and innovation for the U.S. economy. "Immigrants have founded or cofounded 59% (455 of 775) of America's privately held startup companies valued at $1 billion or more," according to a National Foundation for American Policy analysis. Approximately two-thirds (66%) of U.S. billion-dollar companies (unicorns) were founded or cofounded by immigrants or the children of immigrants. Nearly 80% of America's unicorn companies (privately held, billion-dollar companies) have an immigrant founder or an immigrant in a key leadership role, such as CEO or vice president of engineering. Almost one in four U.S. billion-dollar companies, or 24%, have a founder who came to America as an international student.

- Immigrants account for 32% of aggregate innovation in America, with over half of that innovation driven by making their U.S.-born collaborators more innovative, according to economists Shai Bernstein (Harvard), Rebecca Diamond (Harvard), Abhisit Jiranaphawiboon (Stanford), Timothy McQuade (UC-Berkeley) and Beatriz Pousada (Stanford).

- The children of H-1B visa holders and immigrants contribute to America. "Eighty-three percent (33 of 40) of the finalists of the 2016 Intel Science Talent Search, the leading science competition for U.S. high school students, were the children of immigrants," according to NFAP research. "Moreover, 75%—30 out of 40—of the finalists had parents who worked in America on H-1B visas. That compares to 7 children who had both parents born in the United States." According to NFAP research by Madeline Zavodny, "If the children of immigrants currently living in the United States did not attend U.S. colleges or universities, undergraduate student enrollment would plummet by almost 23% and graduate student enrollment by about 16% over 2025-2037."

- Economists Konrad B. Burchardi (Stockholm Univ.), Thomas Chaney (Sciences Po), Tarek Alexander Hassan (Boston Univ.), Lisa Tarquinio (Univ. of Western Ontario) and Stephen J. Terry (Boston Univ.) found, "The large inflow of foreign migrants into the U.S. since 1965 may have contributed to an additional 8% growth in innovation and 5% growth in wages."

- Accepting German Jewish refugees escaping Nazi Germany benefited American science. An analysis by Petra Moser (Stanford), Alessandra Voena (Univ. of Chicago), and Fabian Waldinger (Univ. of Warwick) concluded, "U.S. invention increased by 31% after 1933 in fields of U.S. émigrés." The refugees were innovative and made U.S. chemists more innovative.

- Immigrants have won 40% of the Nobel Prizes awarded to Americans in chemistry, medicine and physics since 2000, according to an analysis by the National Foundation for American Policy. Since 1901, immigrants have been awarded 39% of the U.S. Nobel Prizes in physics, 38% in chemistry and 32% in medicine. Immigrants have also won 32% of the Nobel Prizes awarded to Americans in economics, including 28% since 2000.

- H-1B visas are crucial to startup companies. “Relative to other firms that also applied for H-1B visas, firms with higher lottery win rates are more likely to receive additional venture capital funding and to have a successful exit via an IPO or acquisition,” according to a study by Stephen Dimmock (Nanyang Tech. Univ.), Jiekun Huang (Univ. of Illinois at Urbana-Champaign), and Scott Weisbenner (Univ. of Illinois at Urbana-Champaign). “H-1B visa lottery winners also subsequently receive more patents and patent citations. Overall, our results show that access to high-skill labor is a critical determinant of success for start-up firms.”

- Restrictions on H-1B visas push more work and investment out of the United States. Britta Glennon, an assistant professor at the Wharton School of Business at the University of Pennsylvania, found, “Firms respond to restrictions on H-1B immigration by increasing foreign affiliate employment at the intensive and extensive margins, particularly in China, India and Canada.” Research and development jobs were most affected. “[A]ny policies that are motivated by concerns about the loss of native jobs should consider that policies aimed at reducing immigration have the unintended consequence of encouraging firms to offshore jobs abroad.”

While debate continues over U.S. immigration policy, one should not lose sight of the consensus among economists that immigrants, international students and H-1B visa holders contribute significantly to America, innovation and the U.S. economy.

H-1B VISAS ARE ASSOCIATED WITH MORE JOBS FOR U.S. TECH WORKERS

The H-1B annual limit discourages investment and limits expansion opportunities, harming U.S. professionals. Economists Giovanni Peri, Kevin Shih, Chad Sparber and Angie Marek Zeitlin found, "The number of jobs for U.S.-born workers in computer-related industries would have grown at least 55% faster between 2005-2006 and 2009-2010, if not for the denial of so many applications in the recent H-1B visa lotteries."[2]

Table 1
Number of Additional Jobs for U.S.-Born Workers in Computer-Related Industries With Higher H-1B Annual Limit

Number of H-1B Applications or Registrations in Computer-Related Occupations Exceeding the H-1B Annual Limit	Potential Estimated Number of Jobs Created For U.S.-Born Workers in Computer-Related Industries
473,880 in FY 2024 and FY 2025	615,000*
178,000 in FY 2007 and 2008	231,224

Source: Analysis of Giovanni Peri, Kevin Shih, Chad Sparber and Angie Marek Zeitlin, *Closing Economic Windows: How H-1B Visa Denials Cost U.S.-Born Tech Workers Jobs and Wages During the Great Recession*, Partnership for a New American Economy, June 2014; USCIS data. *Extrapolation from the original study.

While critics have argued that H-1B visa holders "take" jobs from U.S. workers, economic research has found the opposite. According to Peri, Shih, Sparber and Zeitlin, if 178,000 H-1B applications had not been rejected in 2007 and 2008 because of the low annual limit, U.S. metropolitan areas would have created as many as 231,224 more jobs for U.S.-born tech workers. Many of these jobs would have gone to U.S.-born individuals without a college degree.

NFAP estimated that, based on the number of H-1B petitions in computer-related occupations that USCIS rejected in FY 2024 and FY 2025 because of the annual limit, a much higher annual limit could have created up to 615,000 more jobs for U.S.-born technology workers. That is implied by Peri, Shih, Sparber and Zeitlin's ratio of new U.S.-born employment to new H-1B visa holders.

The researchers concluded that the tech jobs lost "as a direct result of the 2007 and 2008 visa lotteries" likely underestimated the impact.[3]

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[2] Giovanni Peri, Kevin Shih, Chad Sparber and Angie Marek Zeitlin, *Closing Economic Windows: How H-1B Visa Denials Cost U.S.-Born Tech Workers Jobs and Wages During the Great Recession*, Partnership for a New American Economy, June 2014; https://www.americanimmigrationcouncil.org/report/h1b-report/.

[3] Ibid. "Altogether, that means that U.S. employers in computer-related fields would have had as many as 409,000 additional jobs of all backgrounds (U.S.-born and foreign-born) by 2009- 2010 if not for the H-1B visa lottery—a substantially larger employment base that would have expanded the U.S. income tax revenue and potentially contributed to innovation and patenting levels at America's tech firms."

THE SIGNIFICANT ECONOMIC VALUE OF INTERNATIONAL STUDENTS

A 10% decrease in international students in science and engineering fields could cost the U.S. economy $334 billion a year, according to a National Foundation for American Policy analysis of research by economists Gnanaraj Chellaraj, Keith E. Maskus and Aaditya Mattoo. According to Chellaraj, Maskus and Mattoo, the marginal productivity of an international graduate student in a STEM field is 0.57 patent grants. That means an additional foreign STEM graduate student results in 0.57 patents granted.[4]

Table 2
Economic Value of STEM International Graduate Students

Change in the Number of STEM International Graduate Students	Economic Value to the U.S. Economy (Annual)
A 10% Increase in the Number of STEM International Graduate Students	+$334 Billion
A 20% Increase in the Number of STEM International Graduate Students	+$668 Billion
A 10% Decrease in the Number of STEM International Graduate Students	-$334 Billion
A 20% Decrease in the Number of STEM International Graduate Students	-$668 Billion

Source: National Foundation for American Policy; Gnanaraj Chellaraj, Keith E. Maskus and Aaditya Mattoo, "The Contribution of Skilled Immigration and International Graduate Students to U.S. Innovation," *Review of International Economics*, 16(3), 444-462, 2008.

Based on the value of patents and the number of STEM international graduate students enrolled in the United States in the Fall 2024, a 10% increase in enrolled STEM international graduate students at U.S. universities would result in nearly 17,932 additional patents with a value of $334 billion a year.[5] A 10% decrease in STEM international graduate students would cost the U.S. economy $334 billion. A 20% increase in STEM international graduate students would benefit the U.S. economy by $668 billion a year, while a 20% decrease would cost the U.S. economy $668 billion a year.

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[4] Gnanaraj Chellaraj, Keith E. Maskus and Aaditya Mattoo, "The Contribution of Skilled Immigration and International Graduate Students to U.S. Innovation," *Review of International Economics*, 16(3), 444-462, 2008; https://ideas.repec.org/a/bla/reviec/v16y2008i3p444-462.html. "We provide systemic evidence that the presence of foreign graduate students has a positive and significant effect on American innovation, as measured by patent applications and grants," according to Gnanaraj Chellaraj, Keith E. Maskus and Aaditya Mattoo. "Larger enrollments of international graduate students as a proportion of total graduate students result in a significant increase in patents awarded to both university and non-university institutions, as well as increases in total patent applications. This finding points out the importance of scientific contributions made by international graduate students in both settings."

[5] The estimate of 17,932 patents is based on Chellaraj, Maskus and Mattoo finding that the marginal productivity of a foreign graduate student is 0.57 patent grants. A 10% increase in STEM international graduate students from the fall of 2024 would equal 31,459. "The mean patent . . . generates $18.62 million of economic value," according to Shai Bernstein, Rebecca Diamond, Abhisit Jiranaphawiboon, Timothy McQuade and Beatriz Pousada, *The Contributions of High-Skilled Immigrants to Innovation in the United States*, National Bureau of Economic Research, Working Paper 30797, August 2025.

The economic value to society would likely be much greater than the figures cited above because they represent the estimated value to the patent owner and do not include knowledge spillovers, increases in consumer surplus and productivity gains. It also excludes other benefits to the United States of admitting international students.

International Students Encourage U.S. Students to Enter STEM Fields

Research shows increasing the number of international students attending U.S. universities would lead to more U.S. students entering STEM fields. In a study for the National Foundation for American Policy, Madeline Zavodny, an economics professor at the University of North Florida, found, "Enrolling more international undergraduate students does not crowd out U.S. students at the average American university and leads to an increase in the number of bachelor's degrees in STEM majors awarded to U.S. students. Each additional 10 bachelor's degrees—across all majors—awarded to international students by a college or university leads to an additional 15 bachelor's degrees in STEM majors awarded to U.S. students."[6] Zavodny's research involved data on over 1,200 universities between 1990 and 2018.

Table 3
Estimate of Additional U.S. Students Earning Degrees in STEM Fields With Increase in International Students at U.S. Universities

Additional International Students Awarded Bachelor's Degrees	Additional Bachelor's Degrees in STEM Majors Awarded to U.S. Students
100 more students at 200 U.S. universities	Up to 30,000 each academic year

Source: Analysis of Madeline Zavodny, *The Impact on Men and Women in STEM Fields of Increases in International Students*, NFAP Policy Brief, National Foundation for American Policy, April 2021.

Additional NFAP calculations find Zavodny's research suggests that admitting and awarding bachelor's degrees to 100 more international students at 200 U.S. universities could lead to up to 30,000 more bachelor's degrees in STEM majors awarded to U.S. students each academic year.

Zavodny explained the connection between international students and U.S. STEM majors. "International students are considerably more likely to major in STEM fields than in most other areas of study, indicating U.S. students are taking more classes with international students rather than avoiding majors popular with international students," writes Zavodny. "Colleges and universities that attract more international students likely are devoting more

[6] Madeline Zavodny, *The Impact on Men and Women in STEM Fields of Increases in International Students*, NFAP Policy Brief, National Foundation for American Policy, April 2021; https://nfap.com/studies/the-impact-on-u-s-men-and-women-in-stem-fields-of-increases-in-international-students/.

resources to STEM areas, such as increasing the number of courses and adding fields offered within STEM, hiring more faculty, and providing new lab spaces and buildings. To the extent such changes are occurring, they also appear attractive to U.S. students."[7]

A study by Kevin Shih, currently an economics professor at the University of California, Riverside, supports Zavodny's conclusion about the benefits of international students. "Overall, foreign students appear to increase domestic enrollment. This positive effect is linked to cross-subsidization, whereby high net tuition payments from foreign students help subsidize the cost of enrolling additional domestic students."[8] Shih adds, "The primary findings reveal that international students actually raise domestic enrollment. Preferred estimates indicate that 10 additional international students increase domestic enrollment by roughly 8."[9]

H-1B Visas are Associated with Lower Unemployment Rates, Faster Earnings Growth

Research has found that hiring H-1B visa holders does not reduce employment for U.S. workers. In a May 2020 National Foundation for American Policy study, economist Madeline Zavodny found, "H-1B visa holders do not adversely affect U.S. workers. On the contrary, the evidence points to the presence of H-1B visa holders being associated with lower unemployment rates and faster earnings growth among college graduates, including recent college graduates."[10]

The study uses data from 2005 to 2018 to examine how the share of approved petitions to hire H-1B visa holders among college graduates in each of 22 occupations affects the unemployment rate and earnings growth rate in those occupations. The study analyzes U.S. Citizenship and Immigration Services (USCIS) data on approved H-1B petitions and American Community Survey (ACS) data on the U.S. workforce. The analysis finds:

- An increase in the share of workers with an H-1B visa within an occupation, on average, reduces the unemployment rate in that occupation. The results indicate that a 1 percentage point increase in the share of workers with an H-1B visa in an occupation reduces the unemployment rate by about 0.2 percentage points. The findings suggest the presence of H-1B visa holders boosts employment among other workers

[7] Ibid.
[8] Kevin Shih, *Do International Students Crowd-Out or Cross-Subsidize Americans in Higher Education?*, September 25, 2017. https://kevinyshih.weebly.com/uploads/5/5/8/7/5587146/shih_crowdcross_2017.pdf.
[9] Ibid.
[10] Madeline Zavodny, *The Impact of H-1B Visa Holders on the U.S. Workforce*, NFAP Policy Brief, National Foundation for American Policy, May 2020; https://nfap.com/studies/the-impact-of-h-1b-visa-holders-on-the-u-s-workforce/.

in an occupation. The results provide no evidence that the H-1B program has an adverse impact on labor market opportunities for U.S. workers.

- The results suggest the presence of more H-1B visa holders leads to faster earnings growth for U.S. workers. The magnitude of the estimates suggests that a 1 percentage point increase in the share of workers with an H-1B visa in an occupation boosts the earnings growth rate in that occupation by about 0.1 to 0.26 percentage points. A larger share of H-1B visa holders, therefore, may push up wages and wage growth for U.S. workers. While critics often allege that H-1B visas reduce wages or suppress wage growth, this finding of the opposite is consistent with research showing that H-1B visa holders earn at least as much as similar U.S. workers, if not more.

- The results indicate H-1B visa holders do not adversely affect U.S.-born college graduates during the early years of their careers. Having more approved total or initial H-1B petitions, on average, reduces the unemployment rate within a major occupation for recent graduates. The results provide no evidence that recent college graduates have worse labor market outcomes if there are more H-1B visa holders in jobs closely related to their college major.[11]

H-1B Visa Holders Crucial for Economic and Productivity Growth

Economic growth is composed of labor force growth and growth in productivity. Immigrants and visa holders are important to both.

Economists Giovanni Peri, Kevin Shih and Chad Sparber found, "When we aggregate at the national level, inflows of foreign STEM workers explain between 30% and 50% of the aggregate productivity growth that took place in the United States between 1990 and 2010."[12] That means up to 1/6th of U.S. economic growth over that 20-year period was due to the flow of foreign-born professionals in science and engineering fields, primarily H-1B visa holders, according to Johns Hopkins economics professor Michael Clemens.[13]

The research also found a positive impact on wages for U.S.-born workers. "We find that a 1 percentage point increase in the foreign STEM share of a city's total employment increased the wage growth of native college-educated labor by about 7–8 percentage points and the wage growth of non-college-educated natives by 3–4 percentage points. We find insignificant effects on the employment of those two groups," according to Peri, Shih

[11] Ibid.
[12] Giovanni Peri, Kevin Shih, and Chad Sparber, "STEM Workers, H-1B Visas, and Productivity in US Cities," Journal of Labor Economics 33, no. S1 (2015): S225–55. Research can be retrieved at https://giovanniperi.ucdavis.edu/uploads/5/6/8/2/56826033/stem-workers.pdf.
[13] Stuart Anderson, "New Immigration Limits Loom As AI Drives H-1B Visas For Tech Companies," *Forbes*, February 8, 2026.

and Sparber. "These results indicate that STEM workers spur economic growth by increasing productivity, especially that of college-educated workers."[14]

INCREASED IMMIGRATION WOULD REDUCE THE BUDGET DEFICIT

If Congress exempts master's and Ph.D.'s in STEM fields from employment-based green card limits, it could reduce the U.S. federal budget deficit by $634 billion over 20 years. Such a reform passed the U.S. House of Representatives in 2022 as part of the CHIPS and Science Act, but Sen. Charles Grassley (R-IA) blocked its inclusion in the final legislation.

Table 4
Reduction in U.S. Federal Budget Deficit By Exempting Ph.D. and Master's Degree Recipients in STEM Fields From Employment-Based Green Card Limits

Policy Change	Fiscal Impact
Exempting foreign nationals with a Ph.D. or master's degree in STEM fields from annual employment-based green card limits.	Reduction in U.S. federal budget deficits of $634 billion over 20 years.

Source: Douglas Elmendorf and Heidi Williams, *How Does Accounting for Population Change Affect Estimates of the Effect of Immigration Policies on the Federal Budget?* Penn Wharton, University of Pennsylvania, January 18, 2024.

"We report estimates from the Penn Wharton Budget Model (PWBM) that exempting employment-based green cards from statutory limits for applicants (and their families) who have earned a doctoral or master's degree in a STEM field—similar to Section 80303 in H.R. 4521—would reduce federal budget deficits by $129 billion from 2025 to 2034," write former CBO director Douglas Elmendorf and Dartmouth economics professor Heidi Williams.[15] Over an additional decade, the decrease in the budget deficit would have reached $634 billion, according to the research.[16]

[14] Giovanni Peri, Kevin Shih, and Chad Sparber, "STEM Workers, H-1B Visas, and Productivity in US Cities."
[15] Douglas Elmendorf and Heidi Williams, *How Does Accounting for Population Change Affect Estimates of the Effect of Immigration Policies on the Federal Budget?* Penn Wharton University of Pennsylvania, January 18, 2024. https://budgetmodel.wharton.upenn.edu/issues/2024/1/18/population-change-effect-immigration-policies-on-federal-budget.
[16] Ibid. Elmendorf and Williams note that using a "population-change" model that accounts for realistic changes in economic activity produces a positive fiscal outcome from increases in high-skilled immigration. The economists explain that when legislation is not considered "major," the CBO produces estimates that treat immigrants, including highly educated immigrants, as a potential net loss.

H-1B Visa Holders Lead To An Increase in Patents

A study by economists William R. Kerr (Harvard Business School) and William F. Lincoln (University of Michigan) examined patenting and concluded, "Total invention increases with higher [H-1B] admission levels primarily through the direct contributions of immigrant inventors."[17]

The Children of H-1B Visa Holders

The contributions of the children of immigrants and visa holders to America may be substantial. “An impressive 83% (33 of 40) of the finalists of the 2016 Intel Science Talent Search, the leading science competition for U.S. high school students, were the children of immigrants,” according to research from the National Foundation for American Policy. “Moreover, 75%—30 out of 40—of the finalists had parents who worked in America on H-1B visas. That compares to 7 children who had both parents born in the United States.”[18]

These outstanding children of immigrants would never have been in America if their parents had not been allowed into the U.S. The science competition has been called the “Junior Nobel Prize.” (Regeneron is now the sponsor.)

Even though former H-1B visa holders represent less than 1 percent of the U.S. population, they were four times more likely than parents both born in the United States to have a child as a finalist in the 2016 Intel Science Talent Search.

Parents who were international students were also more likely to have a child as a finalist than native-born parents. A total of 27 of the 40 children—68%—had a parent who came to America as an international student.[19]

NFAP found similar results when it examined the 2004 and 2011 Intel Science Talent Search.

The children of immigrants are also essential to America’s future in higher education. “If the children of immigrants currently living in the United States did not attend U.S. colleges or universities, undergraduate student enrollment

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[17] William R. Kerr and William F. Lincoln, “The Supply Side of Innovation: H-1B Visa Reforms and U.S. Ethnic Invention,” NBER, Working Paper 15768, February 2010.
[18] Stuart Anderson, *The Contributions of the Children of Immigrants to Science in America*, NFAP Policy Brief, National Foundation for American Policy, March 2017; https://nfap.com/studies/the-contributions-of-the-children-of-immigrants-to-science-in-america/.
[19] Ibid. Among the 40 finalists of the 2016 Intel Science Talent Search, 14 had parents both born in India, 11 had parents both born in China, and 7 had parents both born in the United States. To put these numbers in perspective, people of Indian and Chinese birth represent only about 1 percent of the U.S. population each, according to the Pew Research Center. In addition to China, India and the United States, the countries of origin for the parents of 2016 Intel Science Talent Search finalists represent a diverse set of countries, including Canada, Cyprus, Iran, Japan, Nigeria, Singapore, South Korea and Taiwan.

would plummet by almost 23% and graduate student enrollment by about 16% over 2025-2037," according to NFAP research by Madeline Zavodny.[20]

IMMIGRANTS AND BILLION-DOLLAR COMPANIES

Many immigrants have discovered America to be a land of opportunity. "Immigrants have founded or cofounded 59% (455 of 775) of America's privately held startup companies valued at $1 billion or more," according to a National Foundation for American Policy (NFAP) analysis. "Approximately two-thirds (66%) of U.S. billion-dollar companies (unicorns) were founded or cofounded by immigrants or the children of immigrants. Nearly 80% of America's unicorn companies (privately held, billion-dollar companies) have an immigrant founder or an immigrant in a key leadership role, such as CEO or vice president of engineering."[21]

Almost one in four U.S. billion-dollar companies, or 24%, have a founder who came to America as an international student.

The collective value of the 455 immigrant-founded billion-dollar companies is $5.0 trillion, more than the total market value of companies listed on stock markets in all but 7 countries, including the UK and Germany, and a demonstration of immigrants' wealth-creating power. The collective value of immigrant-founded billion-dollar companies rises to over $5.8 trillion if one includes unicorn companies that have gone public since 2016.

Given that each cofounder contributes to a startup company's success, it appears likely that few of the billion-dollar companies with at least one immigrant founder would exist or been created in the United States if the foreign-born founder had not been allowed to come to America, implying America would have fewer than half as many billion-dollar companies, hundreds of thousands fewer jobs and up to $5.0 trillion less wealth.

Cutting-edge startups are crucial to an economy because entrepreneurship often drives innovation. The best ideas will never be applied or perfected without people willing to take a chance on those ideas, and billion-dollar companies are among America's and the world's most innovative businesses. U.S. billion-dollar companies with

[20] Madeline Zavodny, *The Importance of Immigrants and International Students to Higher Education in America*, NFAP Policy Brief, National Foundation for American Policy, May 2025; https://nfap.com/studies/the-importance-of-immigrants-and-international-students-to-higher-education-in-america/.
[21] Stuart Anderson, *Immigrants and U.S. Billion-Dollar Companies*, NFAP Policy Brief, National Foundation for American Policy, June 2026; https://nfap.com/wp-content/uploads/2026/06/IMMIGRANTS-AND-US-BILLION-DOLLAR-COMPANIES.NFAP-Policy-Brief.2026-5.pdf. The research involved interviews and gathering information on over 700 U.S. startup companies valued at over $1 billion (as of April 2026) that have yet to become publicly traded on the U.S. stock market and are tracked by the firm CB Insights. The companies, so-called "unicorns," are all privately held, valued at $1 billion or more and have received venture capital financing.

immigrant founders represent America's cutting-edge companies in AI, medical research, space, defense, healthcare, cybersecurity, enterprise management and other fields.

The research found that the privately held U.S. billion-dollar startup companies with immigrant founders have created an average of 833 jobs per company.[22]

Founding a company valued at $1 billion is a remarkable achievement. NFAP has identified *at least 15 immigrants who have founded two or more billion-dollar companies*—Noubar Afeyan (born in Lebanon), Mohit Aron (India), Jyoti Bansal (India), Ashutosh Garg (India), Al Goldstein (Uzbekistan), Michael Gronager (Denmark), Arvind Jain (India), Ignacio Martinez (Spain), Elon Musk (South Africa), Sachin Nayyar (India), Christopher Ré (France), Ajeet Singh (India), Ion Stoica (Romania), Ilya Sutskever (Canada) and Vlad Tenev (Bulgaria). Six of the 15 were born in India before immigrating to America. Noubar Afeyan founded five companies that became valued at $1 billion, including Moderna, which went public, Indigo Ag, Generate Biomedicines, Tessera Therapeutics and Lila Sciences. Elon Musk has been a founder or cofounder of four companies valued at $1 billion or more—SpaceX, OpenAI, The Boring Company and Neuralink and is also the CEO of Tesla. The research found that the immigrant founders of billion-dollar companies are self-made individuals who typically came from modest means before achieving the American Dream.[23]

IMMIGRANTS INCREASE INNOVATION AND MAKE U.S.-BORN MORE INNOVATIVE

Immigrants are responsible for 32% of aggregate innovation in America, over half of which is due to making their U.S.-born collaborators more innovative, according to the model developed by economists Shai Bernstein (Harvard), Rebecca Diamond (Harvard), Abhisit Jiranaphawiboon (Stanford), Timothy McQuade (UC-Berkeley) and Beatriz Pousada (Stanford). "Immigrants represent 16% of inventors, but authored 23% of patents. Immigrant inventors contribute to knowledge diffusion across borders. Using variation from premature inventor deaths, we find immigrant inventors create stronger innovation productivity spillovers on their collaborators, as compared to U.S.-born inventors."[24]

"We conclude that 32% of total U.S. innovative output, since 1990, can be ascribed to US-based immigrants, despite only making up 16 percent of the inventor workforce and only directly authoring 23% of patents. This additional 9 percentage points of innovation, over and beyond immigrants' direct output, is due to immigrants' substantial human

[22] Ibid. Note: Some data in the study were updated after initial release. Job totals as of April 2026. The majority of jobs in the United States.
[23] Ibid. SpaceX went public after the NFAP's study's release and has a market capitalization of appproximately $2 trillion, $500 billion more than its valuation at the time the study was published.
[24] Shai Bernstein, Rebecca Diamond, Abhisit Jiranaphawiboon, Timothy McQuade and Beatriz Pousada, *The Contributions of High-Skilled Immigrants to Innovation in the United States*, National Bureau of Economic Research, Working Paper 30797, August 2025; http://www.nber.org/papers/w30797.

capital externalities on US-born inventors. Moreover, the decomposition also highlights the importance of the two-way spillovers between immigrant inventors and US-born inventors, with one-quarter of US innovation attributable to this source."[25]

H-1B Visa Holders Help Cutting-Edge Startups Succeed

Venture-backed startup companies are crucial to American innovation. Most of America's cutting-edge companies began as venture-backed startups.

"Relative to other firms that also applied for H-1B visas, firms with higher lottery win rates are more likely to receive additional venture capital funding and to have a successful exit via an IPO or acquisition," according to a study by Stephen Dimmock (Nanyang Technological University Singapore), Jiekun Huang (University of Illinois at Urbana-Champaign), and Scott Weisbenner (University of Illinois at Urbana-Champaign). "H-1B visa lottery winners also subsequently receive more patents and patent citations. Overall, our results show that access to high-skill labor is a critical determinant of success for start-up firms."[26]

According to Dimmock, Huang and Weisbenner, "We find that firms with higher win rates in the H-1B lottery are significantly more likely to go public. For example, a one standard deviation increase in the win rate is associated with a 1.5 percentage point increase in the probability of an IPO, representing a 23% increase relative to the baseline IPO rate over a five-year window following the lottery." They also found, "A one standard deviation increase in the win rate is associated with a 4.8% increase in the number of patents and a 4.0% in the number of adjusted patent citations. These results suggest that highly skilled foreign workers contribute to the innovation success of start-up firms."[27]

Other research has produced similar findings. "Based on consistent and robust results from the two natural experiments, we conclude that high-skilled foreign labor enhances VC-backed startups' financial performance and the quantity and quality of their innovation. We find these effects are primarily driven by imperfect labor substitution between local and foreign workers," according to research by Jun Chen (Renmin University of China), Shenje Hshieh (City University of Hong Kong) and Feng Zhang (University of Utah).[28]

[25] Ibid.
[26] Stephen Dimmock, Jiekun Huang, and Scott Weisbenner, *Give Me Your Tired, Your Poor, Your High-Skilled Labor: H-1B Lottery Outcomes and Entrepreneurial Success*, NBER Working Paper No. 26392, October 2019; https://www.nber.org/papers/w26392.
[27] Ibid.
[28] Jun Chen, Shenje Hshieh and Feng Zhang, *The Role of High-Skilled Foreign Labor in Startup Performance: Evidence from Two Natural Experiments*, March 2021. https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3459001.

"We examine the role of high-skilled foreign labor in VC-backed startups through two natural experiments. First, we show that winning more H-1B visas in random lotteries enhances VC-backed startups' financial performance, likelihood of going public, and quantity and quality of innovation. Second, we show that the H-1B quota reduction in 2004 caused permanent damage to the performance of startups that previously had used H-1B workers. The findings imply that high-skilled foreign workers possess skills or talents that are difficult to replace and that barriers to securing H-1B visas lower startups' innovation and financial performance."[29]

The authors note that for high-tech startup companies, "Their success depends on the supply of high-skilled labor, a large proportion of which is foreign-born."[30]

More International Graduate Students Means More Startups

"Creating innovative companies is an important channel through which immigrants contribute to US innovation and economic growth," note economists Michel Beine (University of Luxembourg), Giovanni Peri (University of California, Davis), and Morgan Raux (Aix-Marseille School of Economics).[31]

The research found that international master's students significantly contribute to producing startup companies in America. "We found that an increase of 10 percentage points in the share of foreign-born students at the cohort-school level (equal to its standard deviation) has an effect of producing about 0.3 additional start-ups created by the average cohort of about 650 students, within the 5 years following graduation. This is a substantial effect, as the average start-up creation in a university cohort is 0.10 for public universities and 0.34 for private ones."[32]

U.S. students and the American economy benefit in another way. "As much as 30-45% of the total effect is due to the spillover on US-origin students, while the remaining 55-70% of the total effect is due to the direct start-up creation by foreign-origin entrepreneurs," according to the authors. "A large part of this spillover seems connected to the higher propensity of natives who have studied with foreign-born students to co-found a start-up with them or with other foreigners."[33]

According to Beine, Peri and Raux, "The results of this paper are particularly remarkable if one considers that foreign-born Master's students are much less likely than US students to remain in the US. Many of them, due to the lack of available visas, have to leave the US only a few years after graduation (see Beine et al., 2023). This analysis

[29] Ibid.
[30] Ibid.
[31] Michel Beine, Giovanni Peri, and Morgan Raux, *The Contribution of Foreign Master's Students to US Start-Ups,* NBER Working Paper No. 33314, December 2024; https://www.nber.org/papers/w33314.
[32] Ibid.
[33] Ibid.

shows that the benefit of retaining some of these international Master's students in terms of new firms, innovation, and new jobs can be substantial."[34]

THE SIGNIFICANT BENEFIT OF IMMIGRANT COLLEGE GRADUATES

Research shows immigrants with a variety of skills and education can be beneficial. "The 1.3 percentage point increase in the share of the population composed of immigrant college graduates increased patenting per capita by about 20%," according to research by economists Jennifer Hunt (McGill) and Marjolaine Gauthier-Loiselle (Princeton). "The 0.7 percentage point increase in the share of post–college immigrants increased patenting per capita by about 21%, and the 0.45 percentage point increase in immigrant scientists and engineers increased patenting per capita by about 22%."[35]

"These impacts include the positive spillovers of skilled immigrants, which are a substantial share of the total impact: calculations based on individual–level data of the impacts without spillovers suggest impacts of about 8–9% for all three skill groups.20 We do not find evidence that immigrants crowd out natives from certain occupations or states."[36]

HISTORICAL ECONOMIC RESEARCH SHOWS THE BENEFITS OF IMMIGRATION

Two studies examining decades of data show the benefits of immigration, including on innovation. "We show a causal impact of immigration on innovation and growth in U.S. counties," according to economists Konrad B. Burchardi, Thomas Chaney, Tarek Alexander Hassan, Lisa Tarquinio and Stephen J. Terry. The economists examined 130 years of "detailed data on migrations" to U.S. counties.[37]

According to the economists, "We show immigration has a positive causal impact on innovation, measured as patenting of local firms, and on economic growth, measured as real income growth for native workers. We interpret those results through the lens of a quantitative model of endogenous growth and migrations. A structural estimation of this model targeting the well identified causal impact of migration on innovation suggests the large inflow of foreign migrants into the U.S. since 1965 may have contributed to an additional 8% growth in innovation and 5% growth in wages."[38]

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[34] Ibid.
[35] Jennifer Hunt and Marjolaine Gauthier-Loiselle, *How Much Does Immigration Boost Innovation?*, NBER Working Paper No. 14312, September 2008; https://www.nber.org/system/files/working_papers/w14312/w14312.pdf.
[36] Ibid.
[37] Konrad B. Burchardi, Thomas Chaney, Tarek Alexander Hassan, Lisa Tarquinio and Stephen J. Terry, *Immigration, Innovation, and Growth*, NBER Working Paper No. 27075, May 2020, Revised November 2021; https://www.nber.org/papers/w27075.
[38] Ibid.

Accepting German Jewish refugees escaping Nazi Germany benefited American science. "Baseline estimates compare changes in patenting by U.S. inventors after 1933 in chemistry for research fields of German émigrés with fields of other German chemists," according to Petra Moser, Alessandra Voena, and Fabian Waldinger. "This analysis indicates that U.S. invention increased by 31% after 1933 in fields of U.S. émigrés."[39]

"The data also indicate that networks of co-inventors may have helped to amplify the émigrés' effects on U.S. innovation. U.S. inventors who collaborated with émigré professors began to patent at substantially higher levels in the 1940s and continued to be exceptionally productive in the 1950s. These patterns suggest that émigré professors helped to increase U.S. invention in the long run, by training a new group of younger U.S. scientists, who then continued to train other scientists."[40]

RESTRICTIONS ON H-1B VISAS PUSH OUT JOBS AND INNOVATION

Research shows restrictions on H-1B visas drive jobs and innovation outside of the United States. The studies indicate Congress should consider liberalizing H-1B rules rather than enact more restrictions if one is concerned about jobs leaving America.

Companies involved in international markets have options and are the most likely to offshore jobs in response to immigration restrictions. "When U.S. firms are denied H-1Bs, they go abroad, setting up new foreign affiliates and hiring talent there instead of in the U.S.," said Britta Glennon, an assistant professor at the Wharton School of Business at the University of Pennsylvania. "For the most global multinational companies, this is at almost a 1:1 rate. The results demonstrate an important unintended consequence of immigration restrictions: the movement of jobs and talent abroad, with major implications for U.S. competitiveness."[41] Glennon calculated that multinational companies "hire 0.9 employees abroad for every visa rejection."[42]

Glennon found, "Firms respond to restrictions on H-1B immigration by increasing foreign affiliate employment at the intensive and extensive margins, particularly in China, India and Canada." According to the research, "The most impacted jobs were R&D [research and development] intensive ones, but there is some evidence that non-R&D employment was also affected. The paper highlights a means by which firms can circumvent constraining policies and mitigate country-level risk."[43]

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[39] Petra Moser, Alessandra Voena, and Fabian Waldinger, *German-Jewish Emigres and U.S. Invention*, NBER Working Paper No. 19962, March 2014; https://www.nber.org/system/files/working_papers/w19962/w19962.pdf.
[40] Ibid.
[41] Stuart Anderson, "U.S. Companies Denied H-1B Visas Hire Talent Abroad," *Forbes*, April 4, 2023.
[42] Britta Glennon, *How Do Restrictions on High-Skilled Immigration Affect Offshoring? Evidence from the H-1B Program*, Management Science, Articles in Advance, March 15, 2023.
[43] Ibid.

"[A]ny policies that are motivated by concerns about the loss of native jobs should consider that policies aimed at reducing immigration have the unintended consequence of encouraging firms to offshore jobs abroad," concluded a study by Glennon.[44] Numerical limits act as a significant restriction on immigration and, the research finds, push more jobs outside the United States.

IMMIGRANTS AND NOBEL PRIZES

Immigrants have been awarded 40% of the Nobel Prizes won by Americans in chemistry, medicine and physics since 2000, according to an analysis by the National Foundation for American Policy (NFAP).[45] In 2026, one of the two U.S. winners of a Nobel Prize in a science category was an immigrant to the United States: Francis Halzen, an immigrant from Belgium, who was awarded the 2026 Nobel Prize in Physics "for decisive contributions to the IceCube Neutrino Observatory and the discovery of high-energy neutrinos of astrophysical origin." He was affiliated with the University of Wisconsin–Madison when he received the award.

Table 5
U.S. Nobel Prize Winners in Chemistry, Medicine and Physics: 2000-2026

Category	Immigrant	U.S.-Born	Percentage of Immigrant Winners
Physics	20	23	47%
Chemistry	17	23	43%
Medicine	12	27	31%
TOTAL	49	73	40%

Source: National Foundation for American Policy, Royal Swedish Academy of Sciences, George Mason University Institute for Immigration Research.

Since 2000, immigrants have received 47% of the U.S. Nobel Prizes in physics, 43% in chemistry and 31% in medicine. Katalin Karikó, an immigrant from Hungary, and Drew Weissman shared the 2023 Nobel Prize in Physiology or Medicine "for their discoveries concerning nucleoside base modifications that enabled the development of effective mRNA vaccines against Covid-19."[46] Both are affiliated with the University of Pennsylvania.

[44] Britta Glennon, *How Do Restrictions on High-Skilled Immigration Affect Offshoring? Evidence from the H-1B Program*, April 5, 2020.
[45] *Immigrants and Nobel Prizes: 1901-2026*, NFAP Policy Brief, National Foundation for American Policy, October 2026. https://nfap.com/research/new-nfap-policy-brief-immigrants-and-noble-prizes-1901-2026/. For more background on Nobel Prize winners, see https://www.nobelprize.org/.
[46] https://www.nobelprize.org/prizes/medicine/2023/kariko/facts/.

Between 1901 and 2026, immigrants have been awarded 36% of the Nobel Prizes won by Americans in chemistry, medicine and physics. Since 1901, immigrants have been awarded 39% of the U.S. Nobel Prizes in physics, 38% in chemistry and 32% in medicine.

Immigrants have also won 32% of the Nobel Prizes awarded to Americans in economics, including 28% since 2000, according to an analysis by the National Foundation for American Policy. Five immigrants to America won the Nobel Prize in economics in 2024 and 2025; four were former international students. Joel Mokyr, an immigrant to America born in the Netherlands, was awarded half of the 2025 Nobel Prize in Economic Sciences "for having identified the prerequisites for sustained growth through technological progress." In 2025, three of the six U.S. winners in the three Nobel Prize science categories were immigrants to the United States. In 2023, four of the six U.S. Nobel Prize recipients in medicine, chemistry and physics were immigrants to the United States. In 2021, three of the four U.S. recipients of Nobel Prizes in medicine, chemistry and physics were immigrants to America.

The Nobel Prize winners reflect immigrants' increasing influence and importance in American science. Between 1901 and 1959, immigrants won 22 Nobel Prizes in chemistry, medicine and physics, but won 97 prizes in these fields between 1960 and 2026, more than four times as many.

The pre-1960 immigrant (and U.S.) Nobel Prize total would have been lower if not for the many Jewish scientists who overcame significant restrictions against immigration in the 1930s and fled to the United States to escape European fascism.

CONCLUSION

While debate continues in the United States over immigration policy, one should not lose sight of the consensus among economists that immigrants, international students and H-1B visa holders contribute significantly to America, innovation and the U.S. economy. As Ronald Reagan said, "We lead the world because, unique among nations, we draw our people—our strength—from every country and every corner of the world. And by doing so we continuously renew and enrich our nation."[47]

[47] Remarks at the Presentation Ceremony for the Presidential Medal of Freedom, January 19, 1989; https://www.reaganlibrary.gov/archives/speech/remarks-presentation-ceremony-presidential-medal-freedom-5.

APPENDIX

H-1B VISAS AND WAGES

Many published studies conclude that H-1B visa holders earn the same as, or more than, comparable U.S. professionals (i.e., people with similar degrees and experience). Under U.S. law, employers must pay the higher of the actual or prevailing wage paid to U.S. workers with similar experience and qualifications.[48] That does not include often significant legal and government fees employers must pay to petition for H-1B professionals.

The primary arguments made against admitting H-1B visa holders are 1) a fixed number of jobs exist, and 2) there are anecdotes, in some cases from a decade ago, of companies laying off U.S. professionals and contracting with a firm that employed H-1B visa holders. These anecdotes assume that if a different contractor had been selected, one without H-1B visa holders, then all employees would have continued working at the company.

The studies listed below are part of an extensive body of research on H-1B visas.

- A paper by Johns Hopkins economist Michael Clemens concluded H-1B visa holders earn, on average, 6% more than comparable U.S.-born professionals "when using equivalent wage concepts and comparing workers of the same age, gender, education, and tenure, in the same occupation and local labor market."[49]

- The Government Accountability Office (GAO) found in the category Electrical/Electronics Engineering Occupations (age group 20-39), the median salary for an engineer in H-1B status was $5,000 higher than for a U.S. engineer.[50]

[48] https://uscode.house.gov/view.xhtml?req=granuleid%3AUSC-prelim-title8-section1182&num=0&edition=prelim. To gain approval of an H-1B petition, an employer must pay "at least- (I) the actual wage level paid by the employer to all other individuals with similar experience and qualifications for the specific employment in question, or (II) the prevailing wage level for the occupational classification in the area of employment, *whichever is greater*."
[49] Michael Clemens, *Immigrant-Native Wage Gaps and Immigration Tariffs: Examining the Case for an H-1B Visa Tax*, Rockwool Foundation, Berlin, March 13, 2026; https://www.iza.org/publications/dp/18435/immigrant-native-wage-gaps-and-immigration-tariffs-examining-the-case-for-an-h-1b-visa-tax.
[50] *H-1B Visa Program: Reforms Are Needed to Minimize the Risks and Costs of Current Program*, GAO, GAO-11-26, January 14, 2011; https://www.gao.gov/assets/a314508.html. The report noted that when examining H-1B and U.S. workers, "salary gaps" appear "to be explained by differences in ages, which may reflect differences in the extent of their work experience." One would expect more experienced workers to earn higher salaries whether comparing U.S. workers to H-1B visa holders or U.S. workers to other U.S. workers.

- An analysis by Glassdoor concluded: "Across the 10 cities and roughly 100 jobs we examined, salaries for foreign H-1B workers are about *2.8 percent higher* than comparable U.S. salaries on Glassdoor."[51]

- University of Maryland researchers Sunil Mithas and Henry C. Lucas, Jr., after examining the skills and compensation of over 50,000 IT professionals, wrote, "[C]ontrary to popular belief, non-U.S. citizen IT professionals are not paid less compared to American IT professionals."[52]

- Economists Magnus Lofstrom and Joseph Hayes with the Public Policy Institute of California found, "[O]verall H-1B workers in STEM occupations have higher earnings than their otherwise observationally similar U.S. born counterparts."[53]

- According to economists Giovanni Peri, Kevin Shih and Chad Sparber, "We find that a 1 percentage point increase in the foreign STEM share of a city's total employment increased the wage growth of native college-educated labor by about 7–8 percentage points and the wage growth of non-college-educated natives by 3–4 percentage points."[54]

In the presidential proclamation establishing a $100,000 H-1B fee, the Trump administration cited study it reported claimed the "wages for American computer scientists would have been 2.6 percent to 5.1 percent higher and employment in computer science for American workers would have been 6.1 percent to 10.8 percent higher in 2001 absent the importation of foreign workers into the computer science field."[55] The proclamation failed to note that the paper claims only that wages and jobs among U.S. natives might have gone up a little more in their counterfactual example, *not* that either fell during the 1990s. It also does not acknowledge that consumers and businesses benefited in the study's example.

The authors of the study note a significant improvement for computer workers during this period. Employment of computer scientists and software developers *rose by 161%* from 1990 to 2000, and median real wages rose by

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[51] Andrew Chamberlain, *Dispelling Myths: What H1B Visa Workers Are Really Paid*, Glassdoor, April 3, 2017; https://www.glassdoor.com/blog/h1b-workers/.
[52] Sunil Mithas and Henry C. Lucas, *Are Foreign IT Workers Cheaper? United States' Visa Policies and Compensation of Information Technology Professionals*, February 16, 2010; https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1358621.
[53] Magnus Lofstrom and Joseph Hayes, *H-1bs: How Do They Stack Up to Us Born Workers?,* IZA Discussion Paper No. 6259, May 9, 2025; https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1981215.
[54] Giovanni Peri, Kevin Shih, and Chad Sparber, "STEM Workers, H-1B Visas, and Productivity in US Cities," Journal of Labor Economics 33, no. S1 (2015): S225–55. Research can be retrieved at https://giovanniperi.ucdavis.edu/uploads/5/6/8/2/56826033/stem-workers.pdf. The research was also cited earlier.
[55] "Restriction on Entry of Certain Nonimmigrant Workers," by the President of the United States of America, a proclamation, September 19, 2025. The study is John Bound, Gaurav Khanna and Nicolas Morales, *Understanding the Economic Impact of the H-1B Program on the U.S.*, NBER Working Paper No. 23153, February 2017; https://www.nber.org/system/files/working_papers/w23153/w23153.pdf.

18%.[56] The proclamation fails to acknowledge the unrealistic counterfactual the authors of the study used. The study assumed that from 1994 to 2001, the United States was "the only producer of IT" in the world, which eliminates the most common way U.S. employers respond to immigration restrictions on highly skilled workers: offshoring and hiring outside of America. An article reviewing the study concluded, “That assumption strains credulity, since faced with current and past immigration restrictions, nearly all major and even mid-sized U.S. companies have set up or expanded offices and placed high-skilled people abroad. Policymakers who support restrictions on high-skilled immigration by assuming U.S. companies will not respond by placing even more work abroad are mistaken.”[57]

U.S. IT Professionals Earn More Than Other Americans

If U.S.-born professionals in computer occupations were harmed by the presence of H-1B visa holders, they might be expected to earn lower salaries than Americans in other fields. However, research shows this is not the case. Economist Madeline Zavodny analyzed data from the Current Population Survey, American Community Survey, and National Survey of College Graduates that showed “a large premium for information technology (IT) professionals or computer and information systems-related majors” over time and in recent years.[58]

The research found that the median earnings of IT professionals were 40% higher than the median earnings of other professionals, according to data on U.S.-born workers from the Current Population Survey for the period 2002 to 2020; the median earnings of U.S.-born college graduates with a computer-related major are 35% higher than other STEM majors and 83% higher than non-STEM majors; and the median earnings of U.S.-born recent bachelor’s degree recipients with a computer-related major are about 15% to 40% percent higher than other STEM majors, while median earnings of recent master’s degree recipients with a computer-related major are approximately 10% to 40% percent higher than other STEM majors.[59]

[56] Stuart Anderson, “President Trump’s Executive Order Targeting Foreign Techies Will Hurt American Companies and Workers,” *Reason*, April 20, 2017.
[57] Ibid.
[58] Madeline Zavodny, *The Earnings of IT Professionals Compared With Other Professionals*, NFAP Policy Brief, National Foundation for American Policy, June 2021; https://nfap.com/studies/the-earnings-of-it-professionals-compared-to-other-professionals/.
[59] Ibid. “The stable-to-increasing earnings premium among U.S.-born IT professionals and computer-related majors during a period that critics characterize as high levels of immigration is consistent with a large literature that concludes that highly educated immigrants have not harmed U.S.-born workers,” concludes Zavodny.

ABOUT THE NATIONAL FOUNDATION FOR AMERICAN POLICY

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) nonprofit, nonpartisan public policy research organization based in Arlington, Virginia, focusing on trade, immigration and related issues. Advisory Board members include Columbia University economist Jagdish Bhagwati, Cornell Law School professor Stephen W. Yale-Loehr, Ohio University economist Richard Vedder and former INS Commissioner James Ziglar. 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. X.com: **@NFAPResearch** Bluesky: @NFAPResearch.bsky.social.

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