Career Destruction Sites

What U.S. colleges have become

by Gene A. Nelson

As the father of two daughters, one already in college and the second entering college in the fall of 2006, I have grave concerns about the post 1976 transformation of American colleges and universities. In summary, many institutions of higher education have been transformed into supply nodes for "fresh (inexpensive) young blood," so that more experienced American citizens may be permanently displaced from their technology-based positions.

Passage of the obscure "Eilberg Amendment" made 1976 a watershed year for higher education. This legislation was procured via yet undisclosed considerations to the late U.S. Rep. Joshua Eilberg (D-PA) from the Association of American Universities (AAU), a trade group for highly ranked colleges and universities. This change in immigration law permitted these employers to hire unlimited numbers of foreign nationals as professors and researchers, with the institution in total control of the wages and working conditions of the foreign worker. The university did *not* have to attest that they were maintaining the wages and working conditions of American citizens (who foot most of the bills either directly via tuition or indirectly via government subsidies, including grants). In a phone conversation with him, I shared my belief that Representative Eilberg will be recognized as a key architect of the destruction of the American scientific and engineering establishment. In 1978, Eilberg was voted out of the House in connection with an unrelated scandal involving kickbacks and Hahnemann Hospital. He died in 2004.

The Eilberg Amendment was cited as precedent for the Immigration Act of 1990, which extended the ability of the private sector employer to set the wages and working conditions for an immigrant via the newly created H-1B visa program. The employer-designed program gave the employer this kind of leverage since the visa required that the immigrant be continuously employed in order legally to remain in the U.S. Furthermore, the employer could sponsor the immigrant for permanent residency, a very powerful incentive. Prior to passage, U.S. Representative John Bryant of Dallas raised objections on the House floor, correctly identifying the destructive potential of the legislation to the U.S. middle class. Regrettably, in post-Watergate Washington, the "soft rustle" of lobbyist campaign contributions quickly overcomes all reasoned arguments. The initial legislation was allegedly "temporary" but has been progressively expanded in size and scope since 1990. The U.S. workforce protections that were originally part of the law were quickly removed via executive branch actions. What scant protections remain are intentionally hobbled by a lack of enforcement resources.

As researcher Edwin Rubenstein's Fall, 1999, investigative *American Outlook* article "Piled Higher and Deeper" disclosed, colleges and universities create student openings in post-bachelor-level technical degree programs largely to meet internal needs for high skill, poorly paid teaching and research positions. Most institutions are indifferent to the talent gluts that they create, except as beneficiaries of the resultant labor pool. One example of the consequences of these policies: this author taught very demanding anatomy and physiology courses at Collin County Community College in 1995 with compensation at approximately the minimum wage level. At the time, I had a decade of relevant biomedical employment subsequent to earning my natural sciences doctorate.

The special visa program has become an important lobbying priority for employer interests, with proxy groups

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These changes affect the entire economy. The U.S. Census Bureau maintains Current Population Survey tabulations regarding family income inequality and the influence of income by educational attainment and gender. Family income inequality is summarized by Gini ratios.[1] The bigger the ratio, the greater the inequality. The rich get richer and the poor get poorer. From 1968 to 2001, the ratio has steadily increased (See chart). For all except the economic elite, workers' incomes now peak between age 40 and 50 and then decline until retirement. Both of these negative trends are fueled by the substitution of younger foreign workers for American citizens (who must train their replacements as a condition of receiving their meager outplacement benefits.)

such as ITAA (Information Technology Association of America) and CompeteAmerica established to maintain and expand this legislation. In 2002, Nobel economics laureate and free market advocate Milton Friedman critically noted: "There is no doubt…that the (H-1B) program is a benefit to their employers, enabling them to get workers at a lower wage, and to that extent, it is a subsidy."

The Bush Administration uses bogus "studies" such as TIMSS (Trends in International Mathematics and Science Study) to create the false impression that the United States does not have a large domestic supply of scientists, engineers, and programmers. These false "studies" are a smoke screen for accepting millions of lobbying dollars from employers to bloat these Federal subsidy programs even further.

A modern corollary of Gresham's Law that "bad money drives out good" is that "imported special-visa labor drives out domestic labor." The National Institutes of Health is by far the largest federal supplier of research and development grants. Examination of the top 100 grantees for 2003 shows that all hired H-1B immigrants during the three fiscal years starting October 1, 1999 (See full-page listing). Total hiring was 40,540 – numbers comparable to the entire workforce of a city of 100,000 population. In 2003, the taxpayers paid $15.8 billion in grants to the institutions. Those resources are not creating opportunities for American citizens.

Caltech Vice Provost David Goodstein summarized the problem in a 1993 *American Scholar* article: "The American taxpayer (both state and federal) is supporting extremely expensive research universities whose main educational purpose is to train students from abroad. When these students finish their educations, they either stay here, taking relatively high-paying jobs that could have gone to Americans, or they go home, taking our knowledge and our technology with them…. Congress and the public doesn't seem to have noticed that, while largely ignoring our own students, we are putting our money and our best talent into training our economic competitors. Just wait until this one hits the fan." •

[Background information is from www.zazona.com/ShameH1B. On the issue of employers seeking inexpensive labor at the expense of national interests see Professor Matloff's paper at: heather.cs.ucdavis.edu/itaa.html.
H-1B usage statistics are from www.H1b.info/lca_search.php. Please select "all years" for the fiscal year. For data from earlier years use the "advanced search" capability at: www.zazona.com/LCA-Data/AdvQuery.asp.]

NOTE

1. The Gini ratio, invented by the Italian statistician Corado Gini, is a number between zero and one that measures the degree of inequality in the distribution of income in a given society. The coefficient would register zero (0.0 = minimum inequality) for a society in which each member received exactly the same income and it would register a coefficient of one (1.0 = maximum inequality) if one member got all the income and the rest got nothing.

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