

Pledge Allegiance – to India

by Rob Sanchez

The India Caucus has become one of the most effective caucuses on Capitol Hill”⁷ claimed Rep. Jim Greenwood (R-PA), the outgoing co-chairman of the 2004 caucus. Greenwood isn’t just boasting – his Caucus has managed to methodically push India friendly free-trade ideology down the throats of the unsuspecting American public. Greenwood considers this mass betrayal of public trust as a marvelous accomplishment but for Americans concerned about the future of their country and with their own employment prospects, India’s swift rise to power and influence in the halls of Congress is just another sordid demonstration of how our democracy has been subverted by money and greed.

Behind closed doors corporate and foreign lobbyists use “good ol’ boy” networks within the India Caucus to gain political favors. Deal-making is hidden from the public spotlight because decisions are often contradictory to the welfare of the nation. Legislative decisions are made in an undemocratic process that rivals the cronyism of the smoke-filled rooms of yesteryear.²

The House India Caucus was formed in 1994. Its founder, Kapil Sharma, understood that his pro-Indian advocacy could best be served by forming a caucus because they are one of the most powerful decision-making bodies in American government. Sharma used the Black Caucus³ as a model because he felt that they were very effective at winning legislative favors. Sharma convinced Congressman Frank Pallone to be the first chairman and, since then, the Caucus has grown to 182 members.¹⁹ Congressional caucuses are formed for pragmatic reasons in a system of under-the-table negotiations so it’s unlikely we will ever know exactly

what Sharma promised Pallone to inaugurate the caucus.¹¹ Sharma said that he wanted to target a Congressman in a district with a large Indian population so perhaps he promised to deliver votes, and of course the most important thing in Washington D.C. – money.

House and Senate ethics rules on caucuses are complex and allow politicians to have great discretion in deciding whether an activity is permitted or not. Subjective interpretations of the rules leave a lot of room for foreign interests to actively lobby politicians even when the resultant legislation runs contrary to the interests of the voting public. These ethics laws have been diluted by the new campaign-finance law that makes it very unlikely that politicians will get into trouble if Indian citizens shower them with cash in trade for favors.⁴

The India Caucus mission statement²⁰ claims that they are interested in the “facilitation of trade and commerce with India... visas,... and the promotion of Indian culture in the United States.” Their true agenda is to thwart all attempts by labor advocacy groups to limit the offshoring of jobs to India, provide unlimited and unregulated H-1B and L-1 visas so that Indians can wreak labor arbitrage in the United States, and to drive a wedge between our country and Pakistan. Adding insult to injury this betrayal of trust is subsidized at taxpayers’ expense.

Taxpayers aren’t the only ones who foot the caucus bill. The National Association of Software and Service companies (NASSCOM) and the Confederation of Indian Industries (CII) are funded by Indian businesses that consider spending money to woo our Congress a worthwhile business expense. These organizations sponsor lavish junkets for our politicians in Mumbai and Bangalore to influence their voting behavior. As an example, in April of 2003 an entourage of Democratic caucus members were wined and dined in Mumbai. Junketeers included Reps. Sheila Jackson Lee (TX), Chris Bell (TX), Kendrick Meek (FL), and Joseph Crowley (NY). These representatives assured Indian

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millionaires that they don't have to worry about labor activists in the United States who strive to preserve a semblance of the American middle-class by saving good-paying jobs. Sheila Jackson Lee's speech in Mumbai must have sounded like a soothing mantra to her Indian audience when she ranted against "unhealthy" legislation to protect American workers from the ravages of outsourcing. Lee sang to the choir when she told the wealthy aristocrats that it's a "win-win situation" when U.S. jobs are sent to Mumbai.⁸ Jackson reassured her cheering Mumbai audience that she will do everything possible to raise the H-1B yearly cap so that more Indians can flood our labor markets.

"The India Caucus has been so effective at changing U.S. foreign policy that Pakistan is now trying to form their own caucus to counter India's influence."

Another notorious example of junketeering at its worst occurred in January, 2004, when nine members of the India Caucus took a trip to New Delhi. A significant portion of the \$165,000 cost was paid for by U.S. taxpayers.⁶ Participants included Reps. Joe Crowley, Steve Israel (NY), Linda Sanchez (CA), Jim Marshall (GA), and Barbara Lee (CA). High-tech workers strongly protested the junket because of its obvious conflict of interest and because these politicians are considered "pro-labor." CII senior director Kiran Pasricha tried to calm the dispute by claiming that she has been organizing junkets to India since 1995 but it's not clear why she thought that would ease concerns that India was hijacking our Congress. Pasricha tested her skills at comedy by claiming that, "India is no longer a country of snake charmers and sweatshops and cheap labor" and then went on to claim that the outsourcing controversy is nothing but election year campaign fodder. Rep. Linda Sanchez tried to persuade detractors that caucus members didn't capriciously spend taxpayers' money by claiming, "Nobody was cooling us with palm fronds and peeling us grapes." Sanchez might be telling

the truth about the palm fronds but it's doubtful that caucus members slept on dirt floors in straw huts either.

While our politicians stampede to India with promises of a continuance of our self-destructive trade policies, India never offers reciprocal concessions. India imposes very strict tariffs and immigration policies to protect their domestic workforce and industries. India's pervasive trade barriers are enforced with tariffs up to 45% to insure that foreign competitors can't undercut their own industries.¹⁷ The United States stands alone in its desire to offshore jobs without constraints and to issue temporary guest-worker visas so that foreign workers can take our most coveted jobs.

Indian corporations aren't the only ones which shower the politicians within the India Caucus with money. Some of the most notorious of these lobbyists include the Information Technology Association of America (ITAA), American Immigration Lawyer Association (AILA), and the U.S. Chamber of Commerce. These organizations want to insure that politicians continue to support legislation to enable the importation of cheap foreign labor and to guard against any restrictions to the outsourcing gravy train.

The India Caucus has been so effective at changing U.S. foreign policy that Pakistan is now trying to form its own caucus to counter India's influence. Our Congress is being bought by nations who are willing to be the highest bidder while American workers are duped into believing that Congress is their advocate for economic security.¹⁴

India's influence over American policy-making accelerated in the year 2002 when a group of Indian activists, led by Yash Aggarwal, created a lobby group named the United States India Political Action Committee, or USINPAC. Aggarwal explained that this PAC was patterned after the highly effective Israeli lobby – American Israel Public Affairs Committee (AIPAC).¹² Aggarwal may be a U.S. citizen but he is very active in politics both here and in India.¹³ His true loyalty probably lies wherever money is to be made.

USINPAC is registered with the U.S. government as a nonprofit lobbying organization.⁵ They claim that their mission is to advance the interests of Indian-American citizens but that's a transparent charade to hide the fact that they represent rich Indian-owned business organizations such as NASSCOM and CII. PACs cannot receive money from foreign nations so USINPAC claims

that all their funding is from rich businesses both inside and outside of the United States.

USINPAC's sole purpose is to raise money to lobby Congress and to channel money to both presidential campaigns (see box below). Their hope is that whether our next president is Bush or Kerry, the winner will be loyal to their cause. They prefer Republicans but contribute to the Democrats almost equally to insure that democracy doesn't get in the way of their agenda.²² It's no coincidence that their agenda is identical to that of the India Caucus – expanded visas for Indian nationals, no restrictions to the offshoring of jobs to India, and insuring that Pakistan doesn't get too cozy with the United States.

"Only two years old, USINPAC already has organized House and Senate India caucuses; gained some 27,000 members; helped defeat the candidacy of Republican congressman Dan Burton for chair of the House International Relations Subcommittee on South Asia (Burton is perceived by some as unfriendly to India); and, as the *Washington Times* has reported, convinced most of the leading Democratic presidential candidates to offer position papers on Washington's relationship with Delhi."
– Excerpt from USINPAC Newsletter ²¹

USINPAC claims that they represent Indian businessmen and citizens of Indian ancestry. PACs cannot legally accept money from foreign interests so it's not surprising that they make this claim. In all likelihood there is much more to their money supply than meets the eye. It could be a conduit to launder money from India's coffers directly to USINPAC — and then into the pockets of our Congressmen. India's highest levels of government and industry consider the mission of USINPAC as critical to their economic future so it would be naive to think that they aren't fueling this organization with foreign money. The Prime Minister of India promised to give the PAC support from Indian policy makers, and invited a delegation of USINPAC officers to India in January 2004 to meet with the money moguls of India. During that meeting with the Indian Ambassador, Lalit Mansingh, and the Joint Secretary, P S Raghavan, the Prime Minister told USINAC that, "The mission you have started has to succeed."

USINPAC mentions the names any of our politicians who do their bidding on their website.

Presidential candidates including Dick Gephardt, Joe Lieberman, John Kerry, Howard Dean, Wesley Clark, and John Edwards wrote letters of support for offshoring and H-1B visas to USINPAC for all to see on their website.²⁰

Until recently, the India Caucus was limited to the House but like a metastasizing cancer tumor it has spread to the Senate, thanks to the money and influence of USINPAC. On April 29, 2004, Sanjay Puri, the Executive Director of USINPAC, proudly announced the formation of a bipartisan Senate version of the India Caucus dubbed the "Friends of India." According to Puri the Senate caucus was created at the behest of USINPAC. Puri didn't mention how much money was spent to lobby the Senators but you can bet that he expects something in return.¹⁵ Puri recognized the value of the junkets to India when he wrote: "After recalling her fond memories of trips to India as first lady, Sen. Clinton commented: "It is imperative that the United States do everything possible to reach out to India." Clinton reached out to India as soon as the price was right to become the co-chairman of the Friends of India.

The Friends of India includes 33 members and is chaired by John Cornyn (TX). Other powerful Republicans in this caucus include Bill Frist (TN), Orrin Hatch (UT), and Charles Grassley (IA). Hillary Clinton (NY) is the co-chair and is joined by Democrats such as Thomas Daschle (SD), Paul Sarbanes (MD), Joe Lieberman (CT), and Edward M. Kennedy (MA).¹⁶

This bi-partisan Senatorial sellout was a bad omen for American workers but it signaled celebration time in India. Lalit Mansingh, an Indian ambassador, said he was ecstatic over the news that the Senate created the caucus because he now knows that India's influence on Congress has made a huge leap forward.

Cornyn and Clinton were logical choices to lead the Friends of India because they are long-time supporters of outsourcing and H-1B. Cornyn has voted in favor of the H-1B guest-worker bill – a visa that is favored by Indian high-tech workers. Senator Hillary Clinton's connections with Indian power brokers has a long and scandalous history that goes back to her days as First Lady. Vinod Gupta, the president of the Indian-owned bodyshop Tata, got a call from the Clintons for a dinner banquet during Prime Minister Vajpayee's visit, and afterward was invited to a sleepover at the White House. Gupta thanked Hillary Clinton by giving her a \$2,000 donation to support

her campaign and more than \$100,000 to the Democratic National Committee. More recently Sen. Clinton gave a red-carpet welcoming party when Tata and its CEO, Subramaniam Ramadorai, opened an office in Buffalo, NY.

The triumvirate of the India Caucus, Friends of India, and USINPAC makes a powerful voice for India's self-interest in exporting workers to the U.S. by using H-1B and L-1 visas and accelerating the offshoring of our industries. The *Hindu Business Line* remarked that "There can be no doubt that the caucus will make a great impact as an influential platform for projecting India's stand on various issues. They were jubilant that they snared Sen. Hillary Clinton because she is the wife of another ardent supporter of India – former President Bill Clinton."¹⁸ They go on to explain that the Friends of India may have even more influence than the India Caucus because unlike the House, the Senate will be easier to manipulate – 32 Senators out of the existing 100 signed up to the caucus. Simply put, 32% of the Senate is already on their side.

Dubious behavior of India Caucus members brings doubt that the Congressional oath to bear "true faith and allegiance" to the Constitution¹ is taken seriously by our politicians. These Benedict Arnolds have shown scant compunction to support the interests of the American workers who built this nation and who voted them into office. Now the only question left is whether voters will endorse the treasonous behavior of their Congress by re-electing them. •

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Special Groups that Cater to India

India Caucus – Over 180 Congressional Representatives who favor the interests of Indian nationals over the welfare of United States Citizens. Formed in 1994.

Friends of India – The Senate version of the India Caucus. Formed in 2004.

United States - India PAC (USINPAC) – A political action campaign whose sole purpose is to raise money to lobby both houses of Congress and the President. They claim to represent American-Indian citizens but their true allegiance is to India. Formed in 2002.

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Economist says American workers lose \$1,700 a year

WASHINGTON – Two decades of growth in the supply of immigrant workers cost native-born American men an average \$1,700 in annual wages by 2000, a top economist has concluded.

Hispanic and black Americans were hurt most by the influx of foreign-born workers, says a report by Harvard University's George Borjas, considered a leading authority on the impact of immigration.

The findings, to be released today, could influence wide-ranging immigration proposals being urged by lawmakers and White House officials.

Congressional Democrats plan today to launch comprehensive legislation whose provisions would legalize immigrant workers already here, guarantee labor rights and allow an increased flow of legal, temporary foreign workers.

Earlier this year, President Bush announced his own massive overhaul for immigration that would offer temporary legal status to workers now here and open the door for greater numbers of "willing workers" from abroad to take temporary jobs in America.

In his report, Borjas suggests that one effect

of such proposals would be to depress wage growth for Americans at all levels of education and job skills.

His study of two decades of wages concluded that U.S.-born high school dropouts suffered the most – a 7.4 percent drop in annual wages by the year 2000. For high school graduates and workers with some college, the loss was a little more than 2 percent. And for college graduates, wages were held back an average 3.6 percent.

Borjas found that U.S.-born Hispanic workers saw their wages reduced by an average 5 percent, and U.S.-born blacks experienced a 4.5 percent drop.

"The reduction in earnings occurs regardless of whether the immigrants are legal or illegal, permanent or temporary," said Borjas, an immigrant from Cuba. "It is the presence of additional workers that reduces wages, not their legal status."

The Borjas study on the impact is unusually bleak, said Jared Bernstein, senior economist with the Economic Policy Institute, a research group financed by labor unions.

"I think the magnitude of the effect is quite large relative to other research," Bernstein said,