

What Happened to the American Dream?

BY ROB SANCHEZ

The “American Dream” is an ideal that almost everyone aspires to, even though it’s unlikely that most people would be able to agree what specifically the dream is, beyond being able to live an upwardly mobile middle-class lifestyle. One thing we can all agree on is that the dream cannot be realized without good paying jobs. Those jobs must be of sufficient quality in order to provide substantial incomes to sustain such a lifestyle.

Unfortunately the U.S. economy is not providing enough quality job opportunities, which are needed for the average American to get a share of the dream.

Average Salaries by Discipline

Broad Category	Average Salary (2013)	Average Salary (2012)	Percent Change
Business	\$55,144	\$53,900	2.3%
Communications	\$44,552	\$43,717	1.9%
Computer Science	\$59,084	\$59,221	-0.2%
Education	\$40,590	\$40,668	-0.2%
Engineering	\$62,564	\$62,655	-0.1%
Social Sciences	\$38,045	\$36,988	2.9%
Math & Sciences	\$42,956	\$42,471	1.1%
Overall	\$45,633	\$44,482	2.6%

One of the least understood factors hindering Americans from obtaining quality jobs is the widespread practice of legally using the immigration system to import skilled labor into the U.S. labor market. A plethora of visas are used by U.S. employers to bring skilled foreign labor into the country. Some of the most common are H-1B, L-1, and EB-5.

Employers prosper as they import foreign workers from an almost infinite pool of cheap young labor that can be tapped from all over the world. Immigrants swell the available labor supply, which causes salaries to

stagnate as the supply of workers overtakes demand. A recent salary survey by the National Association of Colleges and Employers illustrates the beating that skilled Americans have been taking in the labor market.

Sagging U.S. salaries are even worse than the table indicates because all the percentages need to be dropped by 1.5 percent to account for the annual inflation rate.

It’s no coincidence that professions that are faring the worst are the ones that are disproportionately affected by H-1B/L-1 visas. STEM professions (Science, technology, engineering, and math) account for about 60 percent of the H-1B visas issued. The negative salary growth numbers for STEM employees is a direct result of government policies that allow foreign labor to flood into the U.S. Immigration has caused a glut of high-tech labor that puts downward pressure on wages as the number of job seekers increases faster than jobs created.

Unfortunately the downward spiral of salaries shown in the table above isn’t a temporary trend. Wages for the entire U.S. workforce have been flat since 2000 when salaries are adjusted for inflation. Income for STEM employees has been stagnant ever since H-1B became law in 1990.

Declining wages aren’t the only problem caused when large numbers of foreign workers are allowed into our labor market. Americans are having trouble finding good paying professional jobs. That’s because available job opportunities shrink as the number of immigrants swell the ranks of people who are looking for jobs. Ultimately legal immigration is being used to arbitrage the U.S. worker against a global workforce.

New immigrant arrivals are allowed to directly displace U.S. workers and college graduates. According to the Bureau of Labor Statistics (BLS), in 2009 there was a net loss of 4,570 computer/IT jobs! In other words, more computer/IT jobs were lost due to downsizing, outsourcing, layoffs, etc. than new jobs were created. That same year about 100,000 H-1B/L-1 visas were issued for high-tech foreign workers, so the U.S. had a huge glut of available workers. In situations like this something has to give — and of course Americans were the ones to suffer the loss of job opportunities. The statistics vary from year to

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year, but the bottom line is that the economy is producing less jobs than the nation needs, even without immigration being factored into the equation.

Displacement of workers occurs as the U.S. loses more high-tech jobs than it creates. With a finite num-

ber of job openings, every foreign STEM worker that is invited to work in the U.S. crowds an American out of a job position.

So, the American Dream is being given away one visa at a time! ■

Foreign Students at Record Level

One of the many provisions of the “comprehensive” immigration pact being promoted in the current Congress would encourage foreigners attending American colleges and universities to stay permanently in the United States upon graduation. Over the past year, the number of foreign students in the U. S. rose 7.2 percent to an all-time record of 819,644, fueled by an increase in Chinese undergraduates.

The top five countries of origin for foreigners studying in the U.S. in 2012-13:

- China, 235,597
- India, 96,754
- South Korea, 70,627
- Saudi Arabia, 44,566
- Canada, 27,357

In 2012, 284,000 recent American college graduates were working at minimum wage jobs, up from 127,000 in 2006, as reported by Neil Munro, “Zuckerberg to use Facebook to boost immigrant worker bill,” *The Daily Caller*, December 13, 2013. ■

(Source: Institute of International Education, via the *Wall Street Journal*, November 11, 2013, p. A 6)

—Wayne Lutton

