



**The Programmers Guild**  
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June 12, 2004

[This letter is being sent to U.S. Congress and Senate]

## **Letter to Congress urging opposition to legislation to exempt Masters and PhD graduates of U.S. Universities from the H-1B cap**

Dear U.S. Representative,

The **Programmers Guild** is one of many grass-roots organizations comprised of U.S. technology workers who have been displaced or otherwise harmed by the H-1B visa.<sup>1</sup> Upwards of 500,000 U.S. technology workers have become unemployed in the past few years – many of whom have Masters or PhD degrees.

In a May 5, 2004 letter to Congress<sup>2</sup>, "**Compete America**" alleged that American employers face difficult challenges in recruiting new graduates at the Masters or PhD level. But the facts belie this. Neither HP (Roseville CA) nor Intel (Folsom CA) has run a help wanted ad in the Sacramento Bee for years. Searches of their websites reveal miniscule openings for such new graduates, and they do not recruit for such positions at the local colleges. Intel recruiters have stated that "Intel is not very interested in PhDs," adding that a PhD would not have enough to challenge them at Intel, except in rare cases.<sup>3</sup> The situation is the same across the country.

**Compete America** contends that increasing the H-1B limit will somehow stimulate the economy. This has proven to be false: In 1999, under pressure from intense lobbying the H-1B limit was increased to 195,000 for 2000 through 2002. Astonishingly congress was duped into raising the H-1B cap at the very same time corporations were announcing mass layoffs.<sup>4</sup> In fact the American economy collapsed after corporate America received their increase in the H-1B visa to quench their thirst for cheap labor. Corporations cannot blame the collapse of the economy on a lack of H-1B workers.

**Compete America** cites that DOL granted 65,000 H-1B visas between October 2003 and February 2004. Similarly, **Compete America** fails to disclose that the U.S. economy did not create that many new technology jobs during that period, and that corporations are using the H-1B visa to hire foreign workers that unfairly compete with U.S. workers on U.S. soil. Congress should explain why it allows foreign workers to be hired when qualified U.S. workers are available and desperately need the work. Instead, Congress proposes that these displaced U.S. technology workers be "retrained" into other occupations - often after being forced to train their foreign replacements by many of the corporate signers of the "Compete America" letter. But Congress fails to answer, "Retrain to do what?"

If corporations and congress are serious about retraining U.S. workers then they should prove it. Congress should demand that corporation's step-up to the plate and hire and retrain American workers rather than firing Americans while hiring cheap foreign labor.

**Compete America's** claim that "almost half (47%) of H-1B visa holders possess a Masters degree or higher" is false. Norm Matloff's research finds the number to be about 8%.<sup>5</sup> And over 20% of H-1B candidates have fraudulent credentials.<sup>6</sup>

According to the Bureau of Labor Statistics, upwards of 20% of U.S. computer programmers are either unemployed or displaced from their profession.<sup>7</sup> The H-1B visa codifies blatant discrimination against U.S. workers on the basis of age and national origin. Corporations are using the H-1B visa to facilitate the offshoring of U.S. jobs and technology overseas.

Rather than increasing the limits, Congress should suspend these nonimmigrant visas immediately – at least until the unemployment rate of U.S. tech workers falls below the average of all occupations.

The right to practice in one's chosen profession is a Constitutional liberty<sup>8</sup> that is violated by visas that force Americans to train their foreign replacements or otherwise result in displacement by foreign workers.

Sincerely,

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## ENDNOTES

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<sup>1</sup> This harm is well documented. See e.g. the testimonials of signers of the petition at [www.prestwood.com/h1b/](http://www.prestwood.com/h1b/)

<sup>2</sup> [http://www.competeamerica.org/news/alliance\\_pr/20040505\\_letter.html](http://www.competeamerica.org/news/alliance_pr/20040505_letter.html)

<sup>3</sup> <http://www.itpaa.org/modules.php?name=News&file=print&sid=535>

<sup>4</sup> Corporate Layoff Announcements circa 1999:

<http://www.pbs.org/wnet/moneyshow/cover/040601.html>

<http://www.harpercollege.edu/mhealy/eco211/lectures/intro/layoffs.html>

<http://money.cnn.com/1999/12/07/companies/layoffs/>

[http://www.theindependent.com/Archive/052999/stories/052999/New\\_monfort29.html](http://www.theindependent.com/Archive/052999/stories/052999/New_monfort29.html)

<http://www.applesforhealth.com/HealthyBusiness/corpyear2.html>

[http://www.sptimes.com/News/042200/news\\_pf/Business/Winn\\_Dixie\\_layoffs\\_a\\_shtml](http://www.sptimes.com/News/042200/news_pf/Business/Winn_Dixie_layoffs_a_shtml)

<http://houston.bizjournals.com/houston/stories/1999/02/08/weekinbiz.html>

<sup>5</sup> <http://archive.midrange.com/cpf0000/200309/msg00051.html>

<sup>6</sup> <http://www.mercurynews.com/mld/mercurynews/news/6797668.htm>

<sup>7</sup> [www.programmersguild.org/docs/bls\\_150000\\_programmers.htm](http://www.programmersguild.org/docs/bls_150000_programmers.htm)

<sup>8</sup> Gibson v. Berryhill, 411 U.S. 564, 571 (1973)

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