WSJ | Buy Side WSJ Barron's MarketWatch IBD UPGRADE TO WSJ+

Sid Sarasvati ▼ **SUBSCRIBER UPDATES**

Q

Latest World Business U.S. Politics Economy Tech Markets & Finance Opinion Arts Lifestyle Real Estate Personal Finance Health Style Sports

Advertisement Know when AI helps you Find out more see the big picture without drowning in docs? **ATLASSIAN** Rovo If you Rovo, you know.

Quick Summary

WORLD | INDIA

The Path to the American Dream Is Narrowing for Indian Tech Workers Looming changes to the H-1B visa program upend plans, but may help

India retain talent

By Tripti Lahiri Following Sept. 26, 2025 at 5:00 am ET Gift unlocked article Listen (7 min)



• The Trump administration's new \$100,000 fee for H-1B applications impacts Indian nationals, who constitute about 70% of recipients for that visa. <u>View more</u>

Manisha Puppala, an Indian national who recently graduated with a master's degree in tech management from the Rochester Institute of Technology, planned to apply for an H-1B work visa to remain in the U.S. after her studies.

Now that the Trump administration has announced a \$100,000 fee for new H-1B

applications, her future is in doubt. Puppala, who took on \$120,000 in loans to study

in America and has been working at a Boston firm on a permit that allows foreign students to work temporarily in the U.S., had dreamed of running her own startup. "What do I do now?" she asked herself when the news broke. Indians make up about 70% of the recipients of the H-1B skilled-worker visa that is

widely used by the tech industry and has historically been a major pathway for foreign professionals to enter the U.S. Now, they stand to be the most affected as the Trump administration overhauls the program to address concerns that American tech workers are losing out on jobs to immigrants. Indians were "highly, highly responsive" to the H-1B program when it was introduced in 1990, said economist Britta Glennon, an assistant professor of management at the

Wharton School whose research has focused on immigration and innovation.

If you Rovo, you know. Find out more NOVO

 \vee

Advertisement

Know when Al turns from

tool to teammate?

Most Popular News The TV Boss Who Kicked Kimmel Off His Stations and Started a Firestorm James Comey Indicted on False Statement Charges Spending on Alls at Epic Levels. Will It Ever Pay Off?

By 2007, with demand for the visa outstripping the available spots, the U.S. government introduced a lottery system to award them. The new system prompted Indian outsourcing-services firms—which provide technology services to American clients through a mix of U.S.-based workers and teams in India—to flood the system with numerous petitions to increase their chances of securing H-1B visas, according to analysis by economists Rishi R. Sharma and Chad Sparber of Colgate University. Over the years, Indian outsourcing firms then contracted out their extra U.S.-based

Indian workers to clients, leading to complaints from American workers that they

Over the years, Indian families often urged their children to pick studies—particularly

engineering—that would give them the best shot at jobs. An elite network of state

technology schools modeled on the Massachusetts Institute of Technology helped

in hot demand in the U.S.

produce top-notch English-speaking computer experts and engineers, who have been

The prominent success of Indian computer scientists and engineers who held H-1B

Noteworthy among them: Alphabet CEO Sundar Pichai. By 2003, Indians accounted

visas encouraged students in India to invest in similar degrees, said Glennon.

for more than a third of successful H-1B applications.

were being replaced by domestic outsourcing.

"This was not their business model in 2003," said Glennon.

Alphabet CEO Sundar Pichai PHOTO: CAMILLE COHEN/AFP/GETTY IMAGES

workers.

cap.

Auto Industry Is Flashing a Warning Sign on U.S. **Economy** Trump to Impose New Tariffs on Pharma, Big **Trucks** OPINION **Most Popular** Charlie Kirk and the New **Christian GOP**

Shutdown Weapon Candace Owens Is a Latter-Day Gnostic

Is Gen Z Unemployable?

The Supreme Court and

Trump's Firing Power

Russ Vought's Secret

RECOMMENDED VIDEOS

in the U.S. Advertisement

U.S. workers have filed several complaints before the Equal Employment Opportunity

Commission about Indian tech giant <u>Tata Consultancy Services</u>, the country's biggest

tech-services firm, alleging the company fired them and <u>replaced them with H-1B</u>

TCS was granted 5,500 H-1B visas last year, second to Amazon, which had more than

14,000. The annual quota is set at 85,000 visas. Universities are exempted from the

TCS didn't respond to a request for comment. The company has said the complaints

are meritless and that it has a strong record of being an equal-opportunity employer

Economists say that salaries for H-1B hires at outsourcing firms are also on the lower

end of the scale for these types of roles, although they are obligated by law to show

Indian outsourcing firms say they have scaled back their reliance on H-1Bs and have

Puppala works for an AI firm called Trial and Error, where she is developing its

businesses and potentially sponsor themselves on other kinds of visas.

community platform H1Founders, set up to help tech immigrants start their own

that they are paying above a certain wage.

sought to train and hire more Americans. Now the U.S. is trying to overhaul the program again. In addition to the new fee, which is expected to affect first-time applicants from next year, the administration is also planning to rework the lottery to give greater weighting to higher-paid applicants.

Puppala's boss, Siddharth Sarasvati, said the new fee is a deterrent for a startup like his. The company is looking into other skilled-worker visa options for Puppala. "H-1B needed reform," said Sarasvati. "But this isn't reform, it's a sledgehammer... this ensures that only companies with the deepest pockets can play."

wave of labs, patents, innovation and startups to Bangalore and Hyderabad, Pune and Gurgaon." But while opportunities in India have increased in the past decade, the country has

SHARE YOUR THOUGHTS engineers but nothing much to engage them after graduation," said a 31-year-What will be the consequences of the old Albany, N.Y.-based software changes to the H-1B visa program? Join the engineer who came to the U.S. for a conversation below. doctoral program in 2017. After that, he

"Stories about Indian work culture are discouraging," said the engineer. "Returning to India is the very last option for us." Write to Tripti Lahiri at tripti.lahiri@wsj.com

SHOW CONVERSATION (470) 🗸

Shah, another H-1B worker based in Boston, said the news has highlighted how vulnerable his position is in the U.S. "Is this country truly home for me?" he said he is asking himself. "Or is it time to go back to the country that, no matter what, will always be?"

Some experts believe India stands to benefit if U.S. visa changes make it harder for

economy partly stems from the return of professionals who didn't secure H-1B visas.

Indian tech workers to remain in the U.S. Economists say the rise of India's tech

"Donald Trump's 100,000 H-1B fee will choke U.S. innovation, and turbocharge

India's," said Amitabh Kant, the former head of an Indian government-policy think

tank, in a post on X. "By slamming the door on global talent, America pushes the next

They helped spur the growth of tech hubs such as Bengaluru, Glennon said.

The Trump administration says the new \$100,000 fee for H-1B visas will help U.S. workers. Immigration lawyer LaToya McBean Pompy and law professor Bill Ong Hing discuss the impact. Photo Illustration: Xavier Wang

large numbers of tech graduates and many of them struggle to find well-paying jobs. Compared with the U.S., Indian work culture remains much more hierarchical, some tech professionals say. Artificial intelligence could also threaten many entry-level opportunities.

"India has a lot of good schools to train

secured an H-1B visa the first year his

company applied for him in 2022. Being on the visa was more restrictive than he thought, as it means he is tied to one employer, but he says he thrives in the U.S.'s tech culture. Concerns over work-life balance and the hassles of daily life in India mean that he and his wife—also on an H-1B—will pursue other skilled-worker visa options to remain in the U.S. if the crackdown on the program deepens. In the worst-case scenario, they would look into moving to Canada.

Videos

ADVERTISEMENT Falling Cash Yields: What to



Charles Schwab

Dianomi

Know

Charles Schwab

retirement needs

Seniors Born Between 1941-

1979 Can Receive These 10

Charles Schwab

Benefits

FinanceBuzz

7 Ways to Generate Income With a \$1,000,000 Portfolio [Free Guide] Fisher Investments Schwab offers a variety of tax-**Today's Stock Options Market** smart IRAs to fit your Update Charles Schwab

