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Macro Roundup Artcile

Headline: Skilled Immigrants, Firms, and the Global Geography of Innovation

Article Link: https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.38.1.3

Author(s)	Britta Glennon
Publication	Journal of Economic Perspectives
Publication Date	February 09, 2024

Tweet: Firms seeking skilled workers are a key driver of skilled immigration to the US; US-based multinational companies account for about 1/3 of H-1B visa applications. @BrittaGlennon

Summary: In the US economy, US-based multinational companies account for about one-third of H-1B visa applications, not including foreign multinational companies who also hire H-1B workers. Not coincidentally, US multinational companies account for 80% of the research and development done by US firms. A relatively small group of industries accounts for most of the H-1B visas. Figure 1 illustrates that most firms utilizing the program are in the same industry— Professional, Scientific, and Technical Services—with Manufacturing a distant second. In 2022 five firms Tata Consultancy, Amazon, Google, Microsoft, and Infosys accounted for nearly 10% of all H-1B approvals. This skewness has increased over time. The skewness is apparent geographically as well; 22.5% of approved H-1B petitions were allocated to employers in California alone. Related: Third-Country Effects of U.S. Immigration Policy and Top Talent, Elite Colleges, and Migration: Evidence from the Indian Institutes of Technology and The Economics of Inequality in High-Wage Economies

Primary Topic: Immigration

Topics: Academic paper, Immigration, Workforce

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