

U.S. Sees Other Countries Luring Expatriates to Return

By [JULIA PRESTON](#)

The United States is facing intense competition from foreign countries, especially China, that are seeking to persuade highly skilled citizens who have settled in this country to return home to start businesses there, according to a [report released](#) Tuesday by an [immigration](#) group led by Mayor [Michael R. Bloomberg](#) of New York.

“China is proving the most aggressive and ambitious” among the United States’ economic competitors in seeking to reverse a brain drain and lure back their scientists, engineers and entrepreneurs, the report by Mr. Bloomberg’s group, the Partnership for a New American Economy, found.

The report was broadly critical of the American immigration system, which it said is slow, inflexible and not synchronized with the nation’s labor needs. “Self-inflicted economic wounds” caused by the system, the report says, discourage foreigners from investing and block foreign students with advanced degrees from American universities from remaining here. The report was prepared by Mr. Bloomberg’s group and the Partnership for New York City, a business organization.

Two years ago, China started a program focused on “talent development” to draw in Chinese who studied or worked abroad, according to the report. China is offering bonuses equivalent to about \$158,000 to experienced university professors and researchers, particularly in the sciences and technology, who return to teach.

Returning scholars and business people are offered housing subsidies and tax exemptions to locate new enterprises in government-designated districts. One program is designed to attract Chinese expatriates who hold overseas patents in specialized science fields, the report found. China is also recruiting Chinese managers in high-level positions in non-Chinese companies.

A review of the results of the Chinese program showed that 55 percent of Chinese who returned under its auspices came from the United States.

Last year, the study found, about 160,000 students from China were enrolled in American universities, more than from any other country, and they were far more likely than Americans to be studying engineering, science or technology. While the growth of American students in those fields is “among the lowest of any academic category,” the analysis reported, about 60 percent of foreign graduate students in this country in 2010 were enrolled in those subjects.

Limits on residence visas for foreign students graduating from American universities has forced thousands to leave in recent years, the study finds. The United States has no visa for foreign entrepreneurs with novel ideas for starting businesses here.

But Canada and other countries are also vigorously recruiting highly skilled foreigners trained in the United States who are frustrated with the cumbersome immigration system here, according to the report.

Singapore gives a one-year visa as well as matching funds to foreign entrepreneurs who invest \$50,000, with the possibility of renewal. Chile offers work visas and subsidies up to \$40,000 to technology entrepreneurs who go there to start businesses.

Mr. Bloomberg has been an outspoken advocate for immigration, saying it has been vital to the continued growth of New York. The report dismissed as a “short-term challenge” the lingering high unemployment in this country that has generated forceful resistance to expanding immigration in Congress.

In a move Tuesday that showed progress in the American system but also highlighted its inefficiencies, Citizenship and Immigration Services, the agency that grants immigration documents, started a Web site where for the first time foreigners can apply electronically. Until now, all procedures have been done on paper.

Alejandro Mayorkas, the agency’s director, called the [Web site](#) a “significant milestone” in its history.

For now, though, the site will handle only one type of application, for temporary visitors who want to stay longer. The agency hopes all documents will be processed electronically “within the next few years,” said Christopher Bentley, an agency spokesman.

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