Immigration director seeks to reassure Silicon Valley on keeping foreign entrepreneurs in US

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MOUNTAIN VIEW, Calif. — The Obama administration's top immigration official said Wednesday he wants to keep more foreign-born high-tech entrepreneurs in the U.S. But to make that happen, he said he needs those entrepreneurs to turn their creativity to immigration itself.

Members of Silicon Valley's startup community met with U.S. Citizenship and Immigration Service Director Alejandro Mayorkas for what the agency billed as a summit to officially launch its unusual "Entrepreneurs in Residence" program.

The event held on the campus of the NASA Ames Research Center sought to address a common tech industry complaint: Non-citizens who come to the U.S. to study end up starting companies in their home countries because they say the immigration process has become too daunting.

With its new program, Mayorkas said the immigration service hopes to become more responsive to the fast-changing needs of tech startups. He said the agency would ultimately choose five applicants from the private sector to guide policy and training for officials who make decisions on individual immigration applications.

The goal, Mayorkas said, is to keep the agency from applying traditional formulas to the unorthodox business models common on the startup scene.

"To fail to do so is to fail to capture the lost potential to create jobs for U.S. workers when the need for those jobs is most acute," he said.

One questioner, Scottish entrepreneur Scott Allison, said he came to Silicon Valley to start his company, an online human resources software service called Teamly. He said immigration piled one more uncertainty on top of the many difficulties startups face.

"The immigration process shouldn't be something we have to worry about," Allison told Mayorkas. "But we do have to worry about it. I don't know where my home is."

The Obama administration has pushed for more liberal policies to keep foreign-born engineers and scientists in the U.S. In this year's State of the Union address, he called for reforms:

"Let's at least agree to stop expelling responsible young people who want to staff our labs, start new businesses, defend this country," the president said.

In December, the House of Representatives overwhelmingly passed a bill that would eliminate caps on the percentage of visas that could go to immigrant workers from a specific country, clearing the way for more Indian and Chinese engineers to come to the U.S. The bill, which is pending before the Senate, does not increase the total number of available visas.

Opponents of easing the immigration path for highly skilled workers argue that equally qualified U.S. citizens are displaced by foreign-born employees willing to work for less in exchange for gaining the right to live in the U.S.

In a 2010 study, Harvard Business School associate professor William Kerr found that fluctuations in the number of visas granted to skilled workers over several years appeared to have little effect, positive or negative, on the job market for native-born engineers and scientists.

On Wednesday, Mayorkas presented five naturalized immigrant entrepreneurs with the agency's Outstanding Americans by Choice awards. One recipient, Welsh-born Michael Moritz, a venture capitalist with high-powered Silicon Valley firm Sequoia Capital, ran down a list of significant U.S. tech companies whose founders have immigrant ties, from Russian-born Google Inc. co-founder Sergey Brin to Yahoo Inc. co-founder Jerry Yang, who was born in Taiwan.

Moritz said the obstacles posed by U.S. immigration policies to bringing in talented workers stands as Silicon Valley's greatest challenge. "Take immigrants out of Silicon Valley and you have no Silicon Valley," he said.

Another award recipient, entrepreneur and Duke University researcher Vivek Wadhwa, said his work has shown that immigrants helped found more than one-quarter of all U.S. engineering and technology companies between 1995 and 2005. The outspoken proponent of more liberal immigration policies for scientists and engineers said immigrants founded more than half of Silicon Valley startups over the same period.

He called the immigration service's "Entrepreneurs in Residence" program a patch that alone won't fix what he calls the "reverse brain drain" of foreign-born entrepreneurs leaving the U.S. to found companies back home that compete with this country's businesses.

"We will now have created competitors worldwide we didn't need to create," he said.

http://www.washingtonpost.com/national/immigration-director-seeks-to-reassure-silicon-valley-on-keeping-foreign-entrepreneurs-in-us/2012/02/22/gIQAFQjwTR_story.html