

Document de treball de l'IEB 2011/17

GIVE ME YOUR WIRED AND YOUR HIGHLY SKILLED: MEASURING THE
IMPACT OF IMMIGRATION POLICY ON EMPLOYERS AND SHAREHOLDERS

Carl Lin

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ABSTRACT: This paper links finance theory to labor economics in the context of migration and immigration policy. Using event analysis, I measure the impact of immigration policy on the firm profits, in particular the American Competitiveness and Workforce Improvement Act (ACWIA) of 1998 nearly doubled the available number of H - 1B visas for skilled foreign workers in FY 1999. The empirical results show that top H - 1B visa user industries enjoyed significant and positive excess returns with the passage of the Act, while industries with little need for H - 1B visas experienced no significant changes. Several robustness checks support the results.

JEL Codes: J61, G14, K31,

Keywords: Skilled immigrants, immigration policy, employers, shareholders, event study,
H - 1B visa

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* The title is originated from William J. Holstein of U.S. News & World Report, "Give Us Your Wired, Your Highly Skilled: Tech Firms Are Winning the Battle of the Visas", on October 5, 1998.

I would like to thank all participants in the Empirical Micro Workshop at Rutgers University – New Brunswick, Seminar at Rutgers University – Newark, 2010 Southern Economic Association (SEA) 80th Annual Conference, 2011 Eastern Economic Association (EEA) 37th Annual Conference, Seminar at Beijing Normal University, 2011 Midwest Economic Association (MEA) Annual Conference, The Society of Labor Economists (SOLE) 16th Annual Meetings, The 8th IZA Annual Migration Meeting (AM2) and the 3rd Migration Topic Week, and the IV The Barcelona Economics Institute (IEB) Summer School in Public Economics: Immigration and Public Policy for helpful comments and extended discussions.

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