Silicon Valley's Success Built by Immigrants

Without immigrants, there would be no Silicon Valley

By George Koo
January 25, 2006

"Silicon Valley is back," proclaimed the organizers of the State of the Valley conference sponsored by Joint Venture: Silicon Valley Network. Formed in 1993, this non-profit measures the economic health of the world-famous wellspring of technology.

Every year since the dot com bust in 2000, the valley's total employment has declined. This conference celebrated the reversal of this trend when the Silicon Valley payroll last year showed an increase of about 2000 jobs, or about 0.2% of the workforce of around one million.

From its peak to the trough, the valley actually lost more than 200,000 jobs. The minuscule gain was hopefully a sign that the hemorrhage has stopped.

Nonetheless, the industry leaders and pundits at the event were quick to self-congratulate and applaud the Silicon Valley's ability to reinvent itself and remain the world's center for innovative technology. First it was innovation on integrated circuits, then information technology, then the Internet and life sciences, and now as the world leader in an idea economy.

Beneath the thin veneer of good news, however, there is food for thought that can cause indigestion and keep one up at night—at least for those worried about the future of this country.

According to the survey released, Silicon Valley made up 1% of the nation's population but filed 11% of the patents and soaked up over 25% of all the venture capital invested in the U. S. Certainly by any measure, this was a confirmation of the innovative and unique character of the valley.

This uniqueness can be attributed to demographics that are different from anywhere else in the U. S. Here, whites are already a minority at 40% of the population. Asians make up 33% and is the second largest ethnic group.

Foreign born make up 38% of the denizens of Silicon Valley and account for 53% of the engineers and scientists working in the valley. One can only conclude that the Silicon Valley spirit of innovation and entrepreneurism is inseparable from the presence of immigrants.

Without immigrants, there would be no Silicon Valley. Yet since 9-11, our national policy is to keep foreigners out. This policy is indiscriminate and affects our ability to attract the talents needed in the valley—some would even argue that the anti-immigrant policy has been used to keep out foreign students from China and India.

This country's past greatness, built on the backs of immigrants, is frequently forgotten. There are even some thought that raising the barrier for foreign entry would thus lower the bar of entry for native born Americans. Unfortunately, technological excellence cannot be wrung from those with mediocre credentials.

Every year at the unveiling of the scorecard for Silicon Valley of the year just past, leaders complained about the inadequate quality of K12 education in this country and publicly wondered about where the next wave entry engineers will be coming from.

Had it not been for foreign students that came to study and decided to remain and work in the valley, there would not be the horses to drive innovation.

This country is not just leaving any child behind. A whole generation is being left behind. A recent international math test of 15 year olds rank the U. S. 29 out of 34 nations tested. This is just one of a stream of indications. We should be frightened out of our wits but we have been hearing these kinds of results for much too long.

Out of the 300 semifinalists of the prestigious Intel Science Fair this year, a national competition for high school students, 67 of them have a Chinese surname. That's roughly ten-fold higher than pro rata share based on their population in the U. S.

In the Bay Area, there were 9 semifinalists, two with surnames from India and four from China or Taiwan. One cannot tell by their surnames if the other three came from immigrant families.

Instead of talking about white flight from Asian dominated high schools in Cupertino, we should be worrying about how to motivate more kids of any ethnic group to take an interest in math and science.

We don't teach our kids to be good in math and science. Yet we don't want immigrants that are highly trained and motivated and thus being too formidable a competition for native born American kids.

What does this say about the future of the U. S.? How long can we continue to ring the gong of good news in Silicon Valley?

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