

Meeting National Security Interests Requires Workers

By Margaret Stock and Theresa Cardinal Brown



Introduction

A nation's ability to be competitive and defend itself in an international arena is dependent on its ability to produce and maintain a capable workforce. As things currently stand, the United States is facing both a [labor shortage](#) and a [demographic crisis](#), putting the nation's economic health and national security in peril. The root cause of these accelerating crises is decades of declining fertility rates and the resulting aging population on average. These trends are reflected in every aspect of society and the workforce across multiple industries, including key U.S. national security assets such as the military and security services, which are experiencing historic [recruiting shortfalls](#) despite offering historically high enlistment bonuses.

The ongoing labor shortages and adverse demographic trends pose a particular challenge at a time when the United States is attempting to respond to China's increasing economic, geopolitical, and military influence. In the [National Security Strategy](#) released last November, the Biden administration emphasized that the U.S. will "effectively compete with the People's Republic of China, which is the only competitor with both the intent and, increasingly, the capability to reshape the international order" The passage of the bipartisan [CHIPS and Science Act of 2022](#) is an example of current U.S. efforts to expand the country's competitive capabilities in the production of semiconductors and other key technologies through increased funding for research and development in numerous strategic science and technology fields. The law is intended to strengthen American innovation, manufacturing, and supply chains and, if successfully implemented, will create thousands of construction, STEM, and high-skilled manufacturing jobs.

Unfortunately, the U.S. lacks the [workforce](#) needed to properly implement the law. To address the current shortfalls, the U.S. will need to leverage its immigration apparatus to strategically attract and retain the skilled workers it needs to prosper.

The Intersection of Demographics and the Workforce

The country is also grappling with an aging population; Americans 65 and older will make up 21% of the United States population by [2030](#), up from 15% today. The prime working-age population — [those ages 25-65](#) — will grow extremely slowly, while the population over 65 will grow quickly. In fact, the ratio of those over 65 to those of prime working age [is expected to rise](#) from 34% in 2023 to 46% in 2053. The [Congressional Budget Office](#) predicts that by 2042, deaths will exceed births in the United States, and all future population growth will come from immigrants and their descendants. These factors create a glaring challenge for the United States because demographics are central to a nation's ability to create, maintain, and project global power.

Several industries in the United States are already feeling the straining effects of the ongoing demographic shift. The health care industry is losing providers to the extent that the [University of Southern California](#) has



deemed it a “public health crisis” and reports that the aging population is one of the primary causes. Furthermore, workforce shortages are impacting critical U.S. supply chains. By 2027, projections suggest that the aviation industry will experience a shortage of more than 48,000 aircraft maintenance workers. The trucking industry is already facing a shortage of 80,000 workers, and given current trends, the shortage could surpass 160,000 in 2030.

Recent cuts to legal immigration are adding to the ongoing demographic crisis in the United States. During his term in office, President Donald Trump made sweeping changes to the United States immigration system. Through implementation of policies including suspensions on entry of various immigrants from certain countries and a ban on temporary visa holders during the COVID-19 pandemic, legal immigration was cut in half during his presidency. Other policies increased denial rates for skilled H-1B visa applicants to 30% in fiscal year 2020 from 6% in fiscal year 2015. Other restrictions during the pandemic, such as the closing of overseas visa-issuing posts and some nationality-based travel restrictions, reduced net international immigration in fiscal year 2021 to only 274,000, compared with an average of more than 1 million annually in the preceding years. Since the Biden administration has come into office, immigration levels have mostly returned to pre-pandemic levels; however, there is no means to recapture the visas not issued during in previous years absent congressional action.

An Aging Population and Slowing Workforce Growth Present Challenges

Many government officials, national security experts, and academics agree that — in the face of declining fertility rates and an aging population — immigration is essential to maintaining a demographic profile that serves U.S. national interests. To remain competitive, the United States must attract and retain talented foreign-born individuals, especially those in industries at the forefront of innovation and defense. Similar to other sectors, the defense industry is facing hiring challenges, with 80% of defense companies reporting difficulty in finding qualified STEM workers to fill job vacancies. At the same time, with the passage of the CHIPS and Science Act, demand for engineers at U.S. semiconductor facilities is projected to grow by about 20%, according to the Semiconductor Industry Association.

According to the American Immigration Council, workers with STEM training and skills are some of the most sought after in the labor market. Immigrants are an important component of that workforce now, making up just under a quarter of all STEM workers in the United States. Current research suggests that U.S. students are unprepared to meet the growing demand for STEM jobs, as 66 percent of students in eighth grade are not proficient in math, placing the U.S. in an unimpressive 38th out of 71 countries for eighth-graders. Meanwhile, a large number of Ph.D.s awarded by American universities go to foreign students. Given the opportunity, many of these international graduates would like to remain and work in the United States. Additionally, many highly educated and accomplished foreign workers, seeking entrepreneurship and success, would like to immigrate to the United States if afforded the opportunity. Immigrants have founded more than half of America’s startup companies valued at \$1 billion or more.



Unfortunately, limitations on available visas for skilled immigrants prevent the United States from benefiting from these talents and contribute to the offshoring of skilled jobs. The Congressional Research Service found that almost half of all international students in the U.S were studying STEM disciplines in 2019, but U.S. immigration laws require many American-educated, foreign-born individuals to leave the country after graduation because they cannot gain one of the coveted H-1B visas granted by lottery each year, nor have a legal visa with which to start their own company. Between 2017 and 2021, the U.S. lost 45,000 international college graduates to Canada's high-skill visa program, and a recent Canadian offer of 10,000 nonimmigrant visas to existing H-1B holders in the United States was fully subscribed 48 hours after the applications went live. According to the Institute of International Education, students are now becoming less inclined to study in the United States at all, because of denials and delays in work visas after the completion of their education. We also run the risk that people with STEM degrees who also have families will opt out from coming to work in the U.S. because of current laws that force their children, known as Documented Dreamers, to self-deport after turning 21.

As a result, other countries such as the United Kingdom (UK), Canada, and Australia are emerging as more attractive destinations for international students. Other countries also have been making changes to their immigration systems to attract skilled talent. For example, the UK recently created a "Global Talent" visa for digital technology workers, while the Australian government recently announced reforms to reduce delays for permanent residence for skilled workers. Meanwhile, China is singularly focused on maintaining leadership in key technologies by luring its citizens back to China and pushing more of its graduates into technology fields. Considering these growing challenges, the United States should take the steps necessary to remain a favored destination for talented and ambitious individuals.

Challenges for Military Recruitment

Military personnel shortages pose an even more direct threat to our national security. Despite the use of record financial recruitment incentives, the military is still far below its recruiting goals. Although immigrants make up more than a tenth of the U.S. population (and a larger share of the younger, military-age population), the Department of Defense generally requires a "green card" or citizenship to enlist. This requirement makes it impossible for migrants who are waiting on a green card, or who are here in other long-term but not permanent status, to serve in the military. The recent reduction in the issuance of new green cards and long wait times exacerbate this problem. This policy is at odds with immigrants' significant role in the U.S. armed forces historically. As 18% of the workforce in the United States is made up of immigrants, alternative paths should be considered for qualified immigrants to be able to enlist in the military, helping alleviate the military's huge personnel shortage.

Previously, legal immigrants in the United States not possessing a green card were able to enlist in the military through the Military Accessions Vital to the National Interest (MAVNI) program if they spoke certain strategic languages or held certain United States-issued medical certifications. Many of these recruits had



earned college degrees from U.S. universities, often in technical, medical, or STEM fields. Through honorable military service, these soldiers were able to earn citizenship. However, the Department of Defense discontinued this program in 2017.

Solutions

To address the accelerating demographic deficit in the United States, we should allow more immigrants to live and work in this country. There are numerous practical ways to do so.

EXPAND THE NUMBER OF H-1B VISAS

More than 700,000 highly educated and accomplished individuals unsuccessfully apply for H-1B visas every year. This category of visas is for professional workers but it is capped annually with a cap that does not change based on market needs. To obtain one, a worker must be sponsored by a U.S. employer, which must demonstrate that the visa holder will fill a job that requires a bachelor's degree or higher, and meet the job qualifications. Many people applying for H-1B visas are foreign students who graduated from U.S. universities. For fiscal year 2023 about 110,000 visas were granted out of nearly 760,000 eligible applications. Given the huge, unmet demand for such workers, the H-1B cap should be substantially increased. Otherwise, we will continue to offshore talent to competitors.

EXPAND AVENUES FOR AMERICAN-EDUCATED STUDENTS TO REMAIN IN THE U.S.

We should increase the opportunities for foreign students who are educated in the United States to remain in the country after graduation. First, we should permit foreign students to possess “dual intent.” Presently, the United States allows individuals to enter the United States as full-time students at accredited academic institutions (F-1 visa holders) only if they credibly establish that they do not intend to remain the United States permanently. Permitting foreign students to hold “dual intent” would allow foreign students to apply safely for green cards while still in student status.

EXPAND U.S. DEPARTMENT OF LABOR SCHEDULE A

Another means to expand our skilled workforce would be to broaden the U.S. Department of Labor's Schedule A list of job categories that benefit from a shortened process to a green card. Schedule A lists job classifications for which the Department of Labor has pre-determined that (1) there are insufficient workers who are “able, willing, qualified, and available” to perform such work, and (2) “the wages and working condition of United States workers similarly employed will not be adversely affected” by hiring immigrants in those occupations. This means that potential employers are not required to conduct lengthy, expensive, and generally futile domestic recruitment efforts before sponsoring someone for a green card. However, currently the only groups included on Schedule A are nurses, physical therapists, and those who have an exceptional ability in the sciences or arts, including college and university teachers. Schedule A should be updated through an executive order to support current occupational shortages in strategic fields such as defense and innovative technologies, aviation, supply chains, and needed STEM occupations.



REINSTATE THE MAVNI PROGRAM

The Department of Defense should reinstate the MAVNI program. This will require repeal of the limitations on the program that were enacted through the fiscal year 2019 National Defense Authorization Act, because those limitations made the program impossible to operate. Reinstating the MAVNI program could again provide highly educated and skilled military members, with minimal recruiting costs.

ALLOW DREAMERS TO EARN CITIZENSHIP

Immigrants with Deferred Action for Childhood Arrival (DACA) should have the opportunity to earn permanent legal status and eventual citizenship. These individuals were brought to the United States as children through no fault of their own, have gone through our educational system, and have become fully acculturated and productive members of American society. Many of them would like to serve the only country they have known through military or public service, yet they cannot. They should be able to plan their lives, families, and careers without fear of eventual deportation. Furthermore, they are major contributors to our labor force as essential workers across many industries. Granting them permanent legal status would allow them to become permanent contributing members of society.

Conclusion

The United States is at a turning point as it faces a demographic and labor crisis that stems from declining fertility rates and an aging population. These trends have significant implications for the nation's economic and national security, particularly as we face the growing influence of competitors such as China. Addressing these challenges is crucial to ensure the country's prosperity.

To bolster America's competitive capabilities, lawmakers have started to take action. The passage of the CHIPS and Science Act of 2022 is a step in the right direction, but the United States currently lacks the necessary workforce to fully implement such an initiative and meet increasing demands in the economy.

To address the nation's workforce deficit and help the native-born workforce succeed, we must utilize strategic immigration as a tool to attract and retain talented individuals, especially in fields critical to innovation, technology, and national defense. This means updating our immigration system to attract and retain talent from around the world and allowing immigrants already here to stay and serve in meaningful ways, be it through military service or by working in critical industries and occupations.

Policymakers should recognize the pivotal role of immigration in advancing the U.S. economy and national security and begin to implement smart policies that align with the nation's interests. By doing so, the United States can attract and benefit from the talent and ambitions of skilled immigrants, ensuring a brighter and more sustainable future for the country in an increasingly competitive world.