

As Americans have awoken to the failure of our nation's economic policy, politicians have clamored to promise new paths forward across a range of vital areas. But anyone can give a good speech. With *Table Stakes*, American Compass highlights the key policy commitments that citizens should expect from any leader serious about tackling each challenge.

${f 1}$ enforce the LAW with mandatory e-verify

The heart of any immigration system is the political will and practical ability to enforce the rules. America has the practical ability to ensure that only those legally authorized to work can enter the labor market—what is needed is the political will. Congress should immediately require universal use of the E-Verify system by U.S. employers and establish serious penalties for employers who violate the law. This will also diminish the

attractiveness of illegal immigration and slow the flow of workers into low-wage segments of the labor market, which increases labor supply faster than demand—to the benefit of employers, but at the expense of low-wage workers.

 $\label{thm:example legislation: The Mandatory E-Verify Act of 2024 (Sens. Mitt Romney, Tom Cotton, Bill Cassidy)$

2 CRACK DOWN ON H-1B GUESTWORKER PROGRAM ABUSES

In theory, temporary guestworker programs like the H-1B visa program, intended to allow skilled foreign talent to temporarily fill labor shortages, can make sense. The United States should seek to attract the best and brightest from around the world. In practice, however, temporary guestworker programs are routinely abused by employers to the detriment of domestic labor. H-1B employers consistently underpay H-1B workers, undercutting U.S. wages, and employers frequently fail to attempt recruiting U.S. workers before using guestworkers. Of the top H-1B visa employers, 40% are outsourcing firms whose explicit business model is to replace domestic labor with temporary foreign labor—and often to permanently offshore

those jobs once the guestworker is trained. More than 8 in 10 H-1Bs are awarded to lower-skilled or junior workers, in contravention of the program's intent. Congress should reform the program to ensure H-1B visas are awarded exclusively to genuinely needed high-skilled guestworkers, prohibit the use of guestworker visa programs to facilitate offshoring American jobs, and crack down on employers who illegally underpay guestworkers and fail to recruit Americans before turning to guestworkers.

Example legislation: The H–1B and L–1 Visa Reform Act of 2023 (Sens. Chuck Grassley, Dick Durbin)

3 CAP THE H-2A AND H-2B VISA PROGRAMS

The U.S. government must end its massive, distortionary program of subsidizing the labor costs of firms via low-skilled worker visa programs. Both the H-2A and H-2B programs—for temporary agricultural and other seasonal work, respectively—provide employers with an alternative to offering jobs to Americans at competitive wages in good conditions. The only economic rationale for doing so is to artificially suppress wages and prices below levels where the market would otherwise

settle, benefiting consumers and employers at the expense of American workers, and disproportionately benefiting higher-income households that enjoy the lower prices without seeing their own labor undercut. Congress should cap the number of visas provided by these programs at their current level, and they should establish a predictable schedule to phase down that number over the next decade.

FURTHER READING

- The Balancing Act: Options for Policymakers on Globalization, American Compass, March 2022
- Jobs Americans Would Do, American Compass, May 2023

Policy Brief: Mandatory E-Verify, American Compass, May 2023