

DISSERTATION PROPOSAL

Ashlee Li

“Essays on Immigration”

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The first chapter of the dissertation examines the role of migration networks in the location choices of Mexican-born immigrants, who are found to be highly mobile in response to labor demand shocks. We rely on the sizable variation in labor demand declines across states during the Great Recession to identify migration responses to demand shocks and use a novel set of data, the *Matrícula Consular de Alta Seguridad* (MCAS) data, to construct migration network measures. We find that migration networks indeed play an important part in Mexican migrants’ responsiveness to local demand shocks. In particular, migrants respond to local economic conditions as well as conditions in network-connected locations when making location decisions.

In recent years, the competition for the H-1B visas has become so intense that a random lottery has been put in place to allocate the specific quotas. In the second chapter, I examine the role of such a more restrictive H-1B policy in the self-selection of the immigrant workers in the U.S. Building on the basis of the Roy-Borjas Model, I construct a self-selection framework with the probability of winning the H-1B lottery incorporated. As the proposed framework suggests, a decrease in the probability of obtaining the H-1B visas will likely reinforce the direction of the self-selection of international workers, be it positive or negative. Empirically, I use Form I-129 data from USCIS and find evidence that the presence of the H-1B lottery and its decreasing odds have contributed to the intensification of the negative selection of high-skilled international workers applying for H-1B visas in the U.S.

In the last chapter, I examine the impact of high-skilled immigrant workers on U.S. firms’ access to foreign venture capital funding. Foreign venture capital has increasingly become an important player in the U.S. tech-related industries, which are the key players in generating growth and employment and ultimately shaping the future for the U.S. economy. Due to the informal nature of the venture capital market, these tech startups’ ability to attract foreign venture capital might be partly attributed to the fact that they frequently hire foreign-born high-skilled STEM workers. These immigrant workers might have connections with the tech industry in their home countries and they might also greatly facilitate both the pitching process and investment decisions through common language, cultural familiarity or personal networks. I exploit the heterogeneity in the origins of H-1B immigrant workers and origins of venture capital funding that U.S. firms receive in a given year and find empirical evidence that having a foreign worker from a certain country increases the likelihood of getting a venture capital investment from that country. I also work on constructing a framework to explore the dynamics of the foreign funding that high-skilled immigrants bring in and their displacement of native counterparts.