In a globalized world, America’s prosperity depends to a great degree on our competitiveness. We must continue to produce the goods—from Hollywood films to new pharmaceuticals to digital hardware and software—that the rest of the world wants to buy. More than anywhere else in the country, the Bay Area and California are home to the engines of innovation that create the products the U.S. exports.

The technology sector, especially, demands well-educated and trained personnel, both entrepreneurs who invent products and start companies, and workers who design and produce the goods. Other countries are an important source of this talent, and each year the U.S. draws tens of thousands of students and temporary workers from India, China, Japan, Europe and elsewhere. We educate them here in the Bay Area at our many fine universities, and train them through short-term work at our high-tech companies.

And then we kick them out of the United States, sending them home to use this knowledge to start or staff companies in their home countries that compete with U.S. businesses. The U.S. government will issue only temporary work or student visas to these foreign visitors, under the theory that if they stayed in the United States, they would be taking jobs away from U.S. citizens. There is a cap of about 117,000 annually on the number of HB-1 visas that allow foreigners to work temporarily in the United States. This is a tiny number, given that there are about 6 million high tech jobs in the United States.

In Silicon Valley, university and corporate leaders have been lamenting the HB-1 limits for years, trying to convince Congress to reform this situation so that they can get the workers they need.

The notion that foreign tech industry employees are taking jobs away from Americans is an outdated, mid-20th century concept. Today the tech industry has more demand for workers than there are employees available in the U.S. workforce. Foreign-born tech workers live in the United States and contribute to the U.S. economy, and they start companies based in the United States that employ Americans and create profits for our economy. A Harvard Business School study has found that HB-1 visa holders register a significant number of patents. By sending U.S.-educated and trained workers home after a few years, we are in fact underwriting competition that diminishes our own economy.

But solving the HB-1 visa problem is one more issue that seems getting the U.S. Congress and the federal government, as the Brits so pithily put it, twisted up in their knickers. No solutions have been forthcoming despite two decades of discussion of this problem. Meanwhile, China and other competitors are busy hiring the U.S.-trained engineers and businesspeople we eject every year.

Now a Sunnyvale-based enterprise has stepped forward, backed initially by PayPal founder Peter Thiel, with an innovative approach to this problem. Called Blueseed, the concept is to have a floating platform, probably a retired cruise ship or a barge, fitted out as live-work space for foreign engineers and entrepreneurs, anchored 12 miles off the coast of the Bay Area in international waters. It is described as like a floating Googleplex or other high-tech company campus, with wireless everywhere, exercise facilities, food service and other amenities. You can read about this concept at blueseed.co.

Blueseed would provide ferry service from the offshore pod for workers to Silicon Valley, or for entrepreneurs to go ashore to meet with venture capitalists or start-up teams for new companies. These individuals would obtain short-term tourist or business visas, which are easier to get than longer-term work visas.

There are of course both technical and political issues that would need to be solved to bring the concept into being. How would such a vessel be moored safely in the open ocean? How much time would it take to ferry residents to San Francisco or Silicon Valley and would this be practical on a daily basis? How would it be assured that the businesses started by Blueseed residents were in fact based in the U.S. and contribute to the U.S. economy? And there would of course be taxation issues.

It sounds like a slightly wacky idea. But let’s put it bluntly. The federal government is not solving major problems or updating U.S. laws and practices to reflect the realities of the 21st century.

The federal government is not solving major problems or updating U.S. laws and practices to reflect the realities of the 21st century. The kind of paralysis special interest groups are exerting in Congress is quite visible on the issue of work visas, with narrow interests swaying U.S. policy in their direction, while preventing what is good overall for our economy. Outside-the-box solutions must be found, and Blueseed is an idea that creatively addresses the needs of our regional economy. It is an entrepreneurial, problem-solving approach, of the kind that is needed to bust through the current public policy impasse.

Dr. Gloria C. Duffy
President and C.E.O.

InSight

Innovation, Ahoy!

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