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## The Economic Benefits of Skilled Immigrants to the United States. A Case Study of EB1 and EB2-NIW

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### ABSTRACT

Individuals who moved to a new country on a relatively permanent basis are known as immigrants. This study undertook to look into the economic benefits of skilled immigrants to the United States. A case study of EB1 and EB2-NIW. The study made use of Participants who have firsthand or professional knowledge of the economic activities and impacts of skilled immigrants were given the questionnaires in section. The study employed a mixed-methods design which involves the combination of both qualitative and quantitative data. Data analysis was conducted making use of SPSS. The study shows that the age range of immigrants are found at high levels between 30-55 years (34%), 42-46 years (10%). The result of the study also shows that most of these immigrants are from Asia (34%) and Africa (24%). The least was recorded for Europe and Australia (4%) respectively. The result of the study also shows that more than 80% of the applicants agreed that EB-2 NIW immigrants have a greater presence in public service and research-oriented institutions compared to EB-1 immigrants. Conclusively, the economic benefits of skilled immigrants to the United States cannot be disputed. However, there is a need to address the challenges associated with such as social and professional barriers and policies changes to allow entry of these immigrants who might have satisfied the criterion required.

**Keywords:** Skilled immigrants, Economic benefits, United States economy, EB1 visa, EB2-NIW visa, Employment-based immigration, Human capital, Labor market contribution

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## **Introduction**

Immigration, in the international context, can simply be defined as the movement of an individual from their place of birth to another country that is not their place of origin. Individuals who moved to a new country on a relatively permanent basis are known as immigrants. These immigrants are regarded as highly entrepreneurial people, majorly based on the fact that they have been involved in the launching of new companies at twice the rate of native-born Americans and creating large numbers of jobs and thus, leading to creation of jobs and opportunities. Immigrants are also known to develop the economy in terms of occupying the labor needs, purchasing goods and paying taxes.

The United States of America can be regarded as one of the best countries in the world and thus, has been regarded as the hub of immigrants and thus the intersection of every possible diaspora of the world. The issue of immigration has been in existence for a long time and has been a major source of population growth especially in developed countries like the United States of America so much that there was expansion of the economy in the late 1990s, leading to relatively low unemployment rates and also, public opinion was also more tolerant toward immigration. A January 1999 poll carried out by Public Policy Institute of California reveals that popular opinion shifted further in favor of immigration as the economy boomed” (Martin and Midgley, 2012).

The United Nations High Commissioner for Refugees (UNHCR) estimated that globally, over 260 million people are known to be international migrants. The result from UNHCR also made it known that by the end of 2020, circa 82.4 million people will be accounted for the overall number of forcibly displaced people worldwide and of these estimate, more than 48 million are internally displaced, while 26.4 million are refugees, and 4.1 million are asylum seekers. (UNHCR, 2021).

According to New America Economy, nearly 20 percent of the United States purchasing power comes from Immigrants. In a 2019 study conducted by the same source, it was recorded that immigrants in the United States have a total sum of 1.3 trillion in spending power—that’s disposable income after taxes, and about 7.5 percent of total spending power in the country (\$17.5 trillion). The United States over the years has put in place the Employment-Based First Preference (EB-1A) and the Employment-Based Second Preference National Interest Waiver (EB-2 NIW) visa categories to attract skilled workers. However, there is literally no information or empirical evidence that actually weighed the actual economic benefits of these two visa categories]. This gap in information has resulted in insufficient or lack data-driven insights to actually determine how these visa categories have over the years contributed to the economic development of the U.S. economy and whether they are meeting their intended objectives. Thus, the reason to address the economic benefits of skilled immigrants to the United States. A case study of EB1 and EB2-NIW

## **Research Methodology**

Participants who have firsthand or professional knowledge of the economic activities and impacts of skilled immigrants were given the questionnaires in section 2, 3 and 4

### **Research approach**

This research study employed a mixed-methods design which involves the combination of both qualitative and quantitative data

#### **Quantitative data**

This information was collected through questionnaire

#### **Qualitative data**

For this data extraction, semi structured interviews were used. This was done through the conduction of structured interviews

**Data collection instruments**

Structured questionnaire and interview schedule was used in the primary data generation exercise. Secondary data from textbooks, journals, books, newspaper articles and reliable internet sources were also collected and properly cited.

**Online survey**

Survey methods were used in the collection of quantitative data. This form of data extraction is known to produce a piece of inherently statistical information. This form of survey is valuable for studying issues such as public opinions.

**Online Interviews**

A semi-structured interview guide was developed. The developed interview protocol consists of an introductory section, questions of investigations, and open-ended questions based on the literature about the topic.

**Research Technique Validity and Reliability**

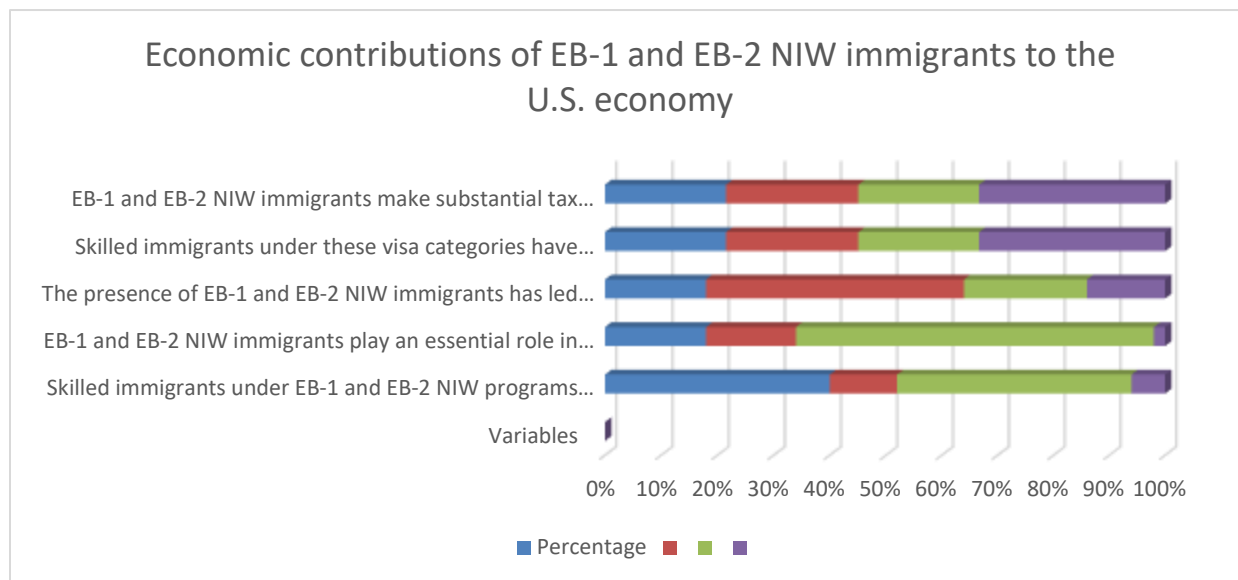
The validity of the structured questionnaire/interview schedule was examined by experts. Based on the examination of the questionnaire alongside with the objectives. The new modifications of the research instrument were then grounded on the comments of the experts before being used for data collection.

**RESULT****Table 1: Demographic Characteristics**

	<b>Variables</b>	<b>Frequency (N=50)</b>	<b>Percentage (%)</b>
<b>Gender</b>	Male	25	50
	Female	25	50
Age	18-23	2	4
	24-29	12	24
	30-35	17	34
	36-41	4	8
	42-46	5	10
	47-52	5	10
	53-57	5	10
	Above 58	0	
Country	Africa	13	26
	Asia	17	34
	North	10	20
	America	2	4
	Australia	6	12
	South	2	4
	America	0	0
	Europe Oceania		
<b>Educational Attainment</b>	Bachelors	11	22
	Masters	14	28
	Doctorate	11	22
	Professional degree	10	20
	None	4	8

<b>Immigration Category</b>	EB-2NIW	23	46
	EB-1	27	54
<b>Years of Stay</b>	0–5 years	12	24
	6-10years	6	12
	11–15 years	20	40
	16+ years.	12	24

Figure 1: Economic contributions of EB-1 and EB-



## 2 NIW immigrants to the U.S. economy

Variables
Skilled immigrants under EB-1 and EB-2 NIW programs significantly contribute to technological innovation in the United States.
EB-1 and EB-2 NIW immigrants play an essential role in promoting entrepreneurship and establishing new businesses.
The presence of EB-1 and EB-2 NIW immigrants has led to increased job opportunities for U.S. citizens and residents.
Skilled immigrants under these visa categories have enhanced overall productivity in their respective sectors.
EB-1 and EB-2 NIW immigrants make substantial tax contributions that positively impact the U.S. economy.

## The differential impacts of EB-1 and EB-2 NIW skilled immigrants across key economic sectors in the United States

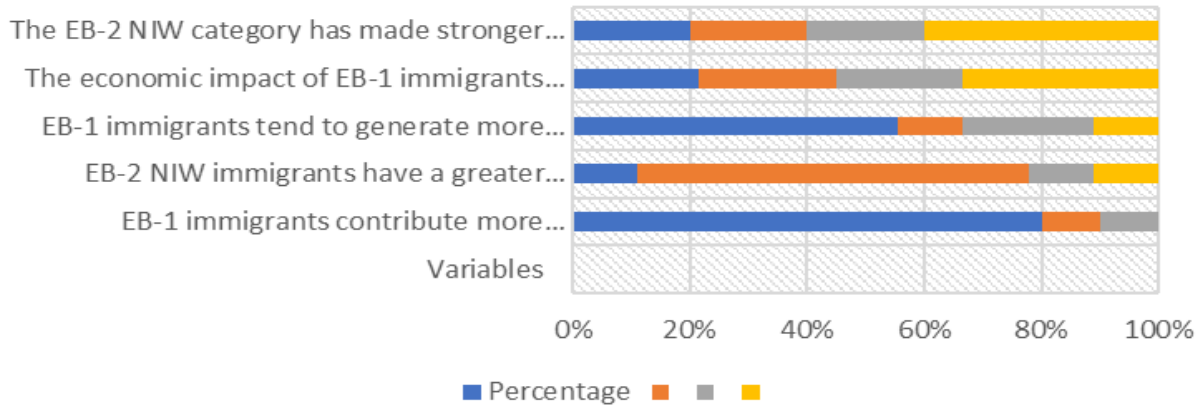


Figure 2: The differential impacts of EB-1 and EB-2 NIW skilled immigrants across key economic sectors in the United States

Variables
EB-1 immigrants contribute more significantly to the innovation sector than EB-2 NIW immigrants
EB-2 NIW immigrants have a greater presence in public service and research-oriented institutions compared to EB-1 immigrants
The economic impact of EB-1 immigrants is more visible in technology and business sectors
EB-1 immigrants tend to generate more startups and private enterprises than EB-2 NIW immigrants.
The economic impact of EB-1 immigrants is more visible in technology and business sectors..
The EB-2 NIW category has made stronger contributions to knowledge creation and scientific advancement

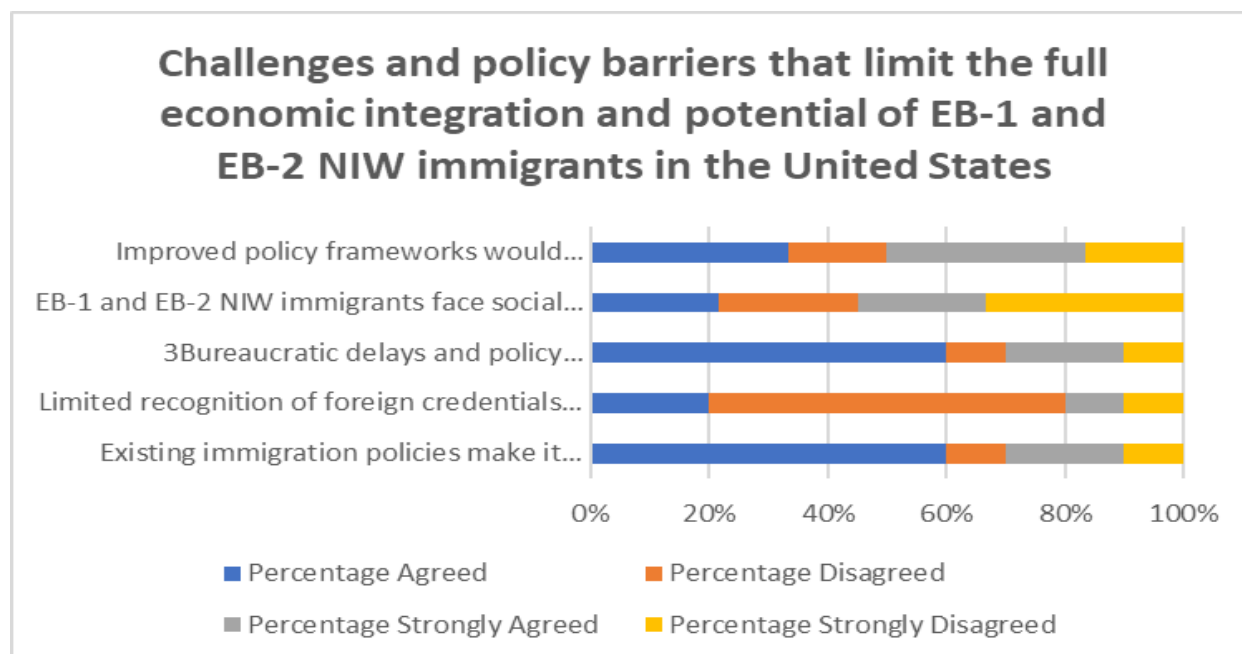


Figure 3: **Challenges and policy barriers that limit the full economic integration and potential of EB-1 and EB-2 NIW immigrants in the United States**

Variables
Existing immigration policies make it difficult for EB-1 and EB-2 NIW immigrants to fully integrate into the U.S. workforce.
Limited recognition of foreign credentials hinders the economic contributions of skilled immigrants.
Bureaucratic delays and policy uncertainty reduce the effectiveness of EB-1 and EB-2 NIW programs.
EB-1 and EB-2 NIW immigrants face social and professional barriers that affect their economic performance.
Improved policy frameworks would significantly enhance the economic impact of skilled immigrants in the U.S
Existing immigration policies make it difficult for EB-1 and EB-2 NIW immigrants to fully integrate into the U.S. workforce.

## DISCUSSION

The United States needs immigrants to stay competitive and drive economic growth. Particularly as the nation's economy starts to reopen, individuals who create jobs are absolutely critical to the country's recovery. Immigrants are innovators, job creators, and consumers with an enormous spending power that drives our economy, and creates employment opportunities for all Americans. Immigrants added \$2 trillion to the U.S. GDP in 2016 and \$458.7 billion to state, local, and federal taxes in 2018. In 2018, after immigrants spent billions of dollars on state and local, and federal taxes, they were left with \$1.2 trillion in spending power, which they used to purchase goods and services, stimulating local business activity (FED.us). The result obtained from this study aligned with the above analysis FWD.us. Based on the result obtained from this study, Participants who have firsthand or professional

knowledge of the economic activities and impacts of skilled immigrants who were employed to fill the questionnaire to achieve the objective if this study ascertained that Skilled immigrants under EB-1 and EB-2 NIW programs significantly contribute to technological innovation in the United States, EB-1 and EB-2 NIW immigrants play an essential role in promoting entrepreneurship and establishing new businesses, The presence of EB-1 and EB-2 NIW immigrants has led to increased job opportunities for U.S. citizens and residents, Skilled immigrants under these visa categories have enhanced overall productivity in their respective sectors and that EB-1 and EB-2 NIW immigrants make substantial tax contributions that positively impact the U.S. economy. In the response received back from them, only less than 20% overall strongly disagreed with this.

In terms of the differential impacts of EB-1 and EB-2 NIW skilled immigrants across key economic sectors in the United States, more than 80% of the respondents agree with the fact that there are differential impacts of these visa categories across the economic sector of the US.

The analysis conducted by Bhanot (2003) stated that “While the economic benefits of immigration supersede the costs, it can still not be considered as a perfect phenomenon. The illegal nature of immigration which is prevalent in the USA gives rise to certain notable criticisms.” The economic impact of immigrants agreed on by Bhanot in his study is in tandem with thus present study in the : Economic contributions of EB-1 and EB-2 NIW immigrants to the U.S. economy section. Thus, there us a an agreement between this present study and that of Bhanot (2003).

## **Conclusion**

While the economic benefits of immigration outweigh its costs, it cannot be regarded as a flawless phenomenon. Immigration contributes significantly to innovation, entrepreneurship, and workforce diversity, which in turn stimulate productivity and global competitiveness. Skilled immigrants often fill critical labor shortages in sectors such as technology, healthcare, and engineering—areas where domestic expertise may be limited. In conclusion, the economic advantages of skilled immigrants to the United States are undeniable. Yet, it is essential to address the accompanying challenges—such as social and professional barriers—and to implement policy reforms that ensure the fair and structured admission of immigrants who meet the required criteria. By promoting legal pathways, improving credential recognition, and fostering inclusive labor practices, the United States can fully harness the benefits of immigration while maintaining equity, stability, and long-term growth.

## **Recommendation**

Based on the study, the following are recommended:

There is need for the enhancement of Policy Frameworks to Attract More Skilled Immigrants

Develop Incentives for Retention and Integration of Skilled Immigrants.

Strengthen Collaboration Between Immigration Policy and Workforce Development Agencies

Promote Innovation Ecosystems That Leverage Immigrant Expertise

Conduct Continuous Evaluation and Data-Driven Policy Adjustments

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