

# What is America's "Superpower?"

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America's "Superpower" lies in merit, skills and "grit" based immigration governed by a set of secure and structured policies and processes. America is the only nation on earth founded upon an idea. As such, America is uniquely positioned to be the world's talent magnet and entrepreneurial growth engine of the global economy for the next century. We must take advantage of our unique ability to attract people who yearn for "life, liberty and the pursuit of happiness."

Before entertaining any creative solutions pertaining to immigration, the first step must be to secure America's borders and partner with Mexico to secure their borders as well. Given a more secure border and a structured orderly process, the path forward for America retaining its leadership role in the world throughout the 21st century is to attract the most successful, the most talented and the most resilient people from all other countries.

Over the past two decades, 55% of the Founders of Silicon Valley "Unicorns" (start-up companies that achieve >\$1B valuation) have been first-generation immigrants. (Anderson, 2022) America needs to shift our thinking on immigration away from it being a problem to solve, and towards it being an immense opportunity for American economic growth. According to the American Immigration Council (AIC), there are many more immigrants or children of immigrants creating American jobs in our economy. "As of 2021, almost 44%, or 219 companies, in the Fortune 500 were founded by immigrants or their children." (AIC)

As the home of Silicon Valley and global success stories from Google to Apple, America tops the global ranking of the best countries to be an entrepreneur. With a highly-skilled workforce, competitiveness and openness for business, as well as having easy access to capital for entrepreneurs, America rates highly across the board. Given that, it is no surprise that America is ranked first in the overall "best countries for entrepreneurship" in the CEOWorld Entrepreneurship Index study from 2021.

All other countries around the world are formed by geography, ethnicity, religion or some tribal history. However, America is founded on the ideas of freedom, democracy and capitalism. America is currently experiencing a renaissance of domestic manufacturing and entrepreneurship as we realized that we need more secure and reliable supply chains for all of our industries after

the Covid pandemic. According to the US Census Bureau, over the past two years more than 10 million new companies have been started in America. To make this surge of domestic growth successful we need talent, skills, capital and a willingness to take entrepreneurial risk. Immigrants are willing to take immense risk to pursue opportunity.

Comprehensive immigration reform is a political challenge, but the opportunity is massive for the future of our nation. Many of our global competitors now have declining birth rates which is a sign of an impending demographic and economic crisis. America has the benefit of being a talent magnet, and we can continue to grow our dynamic economy by attracting people of merit, skill and “grit” to our nation.

It is easy to accept that we want to attract the best minds and most successful and wealthy citizens from other countries. We also need to attract the world’s most resilient people in the form of identifying a “grit” index that can be measured and linked to a guest worker program to enable the highest performing and most law abiding guest workers to pursue a path to permanent residency over a 5-7 year period.

How can America continue to accelerate our immigrant driven innovation engine? The US Congress took a step in the right direction in March of 2022 by reauthorizing the EB-5 Immigrant Investor program for another five years. The Reform & Integrity act of 2022 has brought much needed additional compliance oversight to this 30 year old government program. The EB-5 program is an American job creating machine. The whole idea behind the EB-5 program is that America is asking immigrant investors to put their capital “at risk” in order to create American jobs in the country they want their family to immigrate to. This is a good and fair deal.

The EB-5 program is a true win-win-win program in that it provides low cost and flexible capital to American businesses sourced from successful international families whose investment creates American jobs at no cost to the US taxpayer. The Program is fully funded by fees paid to the US government by the immigrant investors and the industry participants such as real estate developers, regional centers and fund managers, like my firm, who protect the interests of the EB-5 investors.

Currently, there is an annual quota of 10,000 EB-5 visas granted by the United States Citizenship & Immigration Service (USCIS) agency. An EB-5 investor invests \$800,000 in an “at risk” project (e.g. real estate, infrastructure and other types of businesses) and then engages a US-based immigration attorney to file a several thousand-page application that is carefully vetted and reviewed by the Department of Homeland Security over a 5-7 year period of time. During that time the investor must demonstrate to USCIS that their investment in the US economy has created at least 10 American jobs and then they are eligible to receive a Green Card for permanent residency along with the return of their capital.

Why not scale up this program and make it permanent as a source of capital to address many of our national needs such as our crumbling infrastructure? This new legislation is a positive step by Congress, but we can do so much more. There are great possibilities

to have immigrant investors invest in projects that are in America's national interest. By raising the capital from international investors who want to come and live in America, we would be creating American jobs, building American infrastructure and funding projects in our national interest at no cost to the American taxpayer. Talk about a win, win, win set of policies.

Challenging problems call for creative solutions. America needs to leverage its unique position in the world to attract not only the world's best talent, but also the world's capital to solve our thorniest problems. A continuous infusion of new passionate freedom loving entrepreneurs who believe in the American Dream is exactly what we need. As President Clinton once said, "There is nothing wrong with America that cannot be cured with what is right in America."