HCL IS A LEADER IN OFFSHORING JOBS TO INDIA



POSTS

# Verizon Lays Off 44,000; American Workers Left in Lurch

The headline financial news story of late is Verizon's announcement that it offered a voluntary severance package to about 44,000 employees or about one-third of its workforce. But the subtitle is equally disturbing. Verizon will transfer more than 2,500 jobs – some insiders peg the total at closer to 5,000 – to India-based Infosys as part of a \$700 million outsourcing agreement. Thousands who were once Verizon employees will soon work for Infosys.

IT analysts know that Infosys has a history of eliminating benefits which transferred employees enjoyed and that the company will eventually displace them with lower cost Indian nationals. Verizon is candid about its goals if not its methods: by 2021, the wireless carrier hopes to slash \$10 billion from its total \$114 billion debt load.

Outsourcing is an American worker job killer. A Deloitte Global Outsourcing survey conducted this year found that many corporations use, or are about to use outsourcing. The official corporate excuse is that outsourcing makes their operations more flexible, a vague and difficult-to-prove claim. Known for certain, however, is that outsourcing means lower labor costs for the employer.

A General Accounting Office report showed that a majority of H-1B visa holders fall into the lowest of four categories, while only 6

percent are included among the higher skilled, and therefore more well-paid groups.

Beyond the IT and immigration worlds, little is known about Infosys. In a nutshell, Infosys uses the H-1B visa to hire Indian engineers and programmers, then assigns them to American firms that falsely claim they cannot find Americans to fill their employment needs. Subsequently, many of the jobs initially filled in the U.S. are reassigned in India. With that well-established pattern in mind, Infosys' ballyhooed commitment to hire 10,000 Americans in Indiana by 2021 must be viewed with extreme skepticism. Infosys' promise is more likely a decoy in response to President Trump's 2017 "Buy American and Hire American" executive order.

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Inarguably, Infosys has a well-established track record of taking advantage of loose U.S. federal immigration laws to enhance its already substantial \$11 billion bottom line. About 60 percent of Infosys' revenue is generated in North America where the company employs more than 20,000 workers, mainly Indians on H-1B visas. Beyond its dubious H-1B visa practices, Infosys was caught red-handed importing workers on B-1 visas allegedly to attend business conferences or training sessions. In fact, the B-1 holders ended up employed, an immigration status that the visa specifically excludes.

In 2013, Infosys paid \$34 million in a civil settlement with the Justice Department and other federal agencies, which accused the company of systemic abuse of visa rules. Various other lawsuits filed against Infosys are currently pending, including two brought by former in-house lawyers. One litigant charged that Infosys is fundamentally an India-run corporate caste system and that "people who are not Indian are at the bottom."

In 2016, then-Infosys Chief Executive Officer Vishal Sikka admitted that there is no shortage of U.S tech workers: "There are enough universities, enough ability to hire, enough ability to teach." The abundant availability of American workers didn't stop Infosys from tapping the foreign market while U.S. techies sat idle. Sikka's statement and the GAO's conclusion that significant reforms are badly needed in the H-1B visa program Congress created in 1990 have yielded little change. Although the federal government painstakingly goes out of its way to not publish foreign workers' totals in the U.S., the

investment bank Goldman Sachs estimates that the aggregate number is between 900,000 and one million.

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That's a million jobs that Americans have been denied, the incomes from which would have paid their mortgages, their children's college tuition, and bulked up their savings accounts.

Immigration's original, noble but long-ago forgotten and still elusive purpose is to help Americans. At a minimum, immigration shouldn't, as it does today, work against American citizens and its workers.



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Our mission is to foster a movement that unites tech workers, pressures the federal government for visa program reform and ensures companies hire U.S. tech workers first before recruiting abroad.

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