



How Johnson's 'Great Society' boosted Silicon Valley

By Swaminathan Aiyar

The choice of Satya Nadella as Microsoft chief executive drives home the fact that the US has become the world's leading technology power by harnessing the skills of millions of skilled Asian immigrants. It is also a vindication, 50 years after the fact, of US President Lyndon Johnson's legislation to create a "Great Society" that uplifted the poor and ended racial discrimination.

As part of his landmark civil rights initiatives, Johnson signed into law the 1965 Hart-Cellar Act, which was then viewed as a minor tweak but had revolutionary consequences. The legislation brought to an end the discrimination in immigration imposed in the 1920s in the form of quotas favouring northern Europeans and excluding Asians and Africans altogether. It decreed that future immigration would be non-discriminatory, and based on skills and family reunions.

By enabling the world's best brains to come to America, Johnson unwittingly helped make the US the world's most innovative economy. Big economies such as Germany and Japan, which neither wanted nor received millions of skilled immigrants, depended on homegrown brains. The US, meanwhile, garnered the best brains from the whole world, Asia especially. Wall Street, American academia, business, medicine and law all gained phenomenally. Asian-Americans have won a dozen Nobel prizes.

The tech industry, too, has been given a world-beating boost from Asian immigration. Vivek Wadhwa of Duke University has shown that "as of 2005, 52.4 per cent of Silicon Valley's companies had a chief executive or lead technologist who was foreign-born, and Indians founded 25.8 per cent of these companies". Mr Nadella joins Asians such as Jerry Yang, one of Yahoo's founders, and Steve Chen and Jawed Karim, co-founders of YouTube.

When the Hart-Cellar Act was debated in Congress, politicians treated it simply as a logical extension of civil rights legislation. They expected little demographic change, with most additional migration coming from Italy, which had a backlog of 250,000 visa

applications. Dean Rusk, then secretary of state, estimated 8,000 Indians would enter in the next five years. The number turned out to be 27,859. Arrivals from Europe were soon dwarfed by those from Latin America and Asia. Today the nation has 18m US and foreign-born Asian-Americans, including 4m Chinese-Americans and 3m Indian-Americans.

The act started a demographic revolution that intensified with further liberalisation of immigration laws. Until the 20th century, immigration comprised overwhelmingly North Europeans, along with enslaved Africans. But after Hart-Cellar, non-whites and Hispanics soon began to dominate immigration. The outcome is that the historically dominant white, non-Hispanic majority in the US will become a minority by 2040. This has already happened in California.

In many other countries, such a demographic shift would have provoked political opposition, social chaos and racial strife. This is evident in western European countries that have far lower levels of migration but have experienced the rise of anti-immigrant parties such as the National Front in France and the Freedom party in the Netherlands. The Swiss, who banned minarets a few years ago, have now voted in a referendum to curb immigration from the EU, risking a serious political dispute. Non-racist parties are experiencing such popular pressure that they are seeking much tougher curbs on immigration, even in historically liberal countries such as Sweden.

The US is unique in continuing to welcome immigrants from all nations, even when this means reducing the original migrant group to a minority. Of all American claims to exceptionalism, this is the strongest. China, because of its large population, may in a few decades overtake America in terms of gross domestic product – but not in per capita income or brainpower. The US will remain, by virtue of its ability and willingness to attract the best global talent, the world's most powerful economy.

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