

## High-tech jobs recovery? Don't believe the hype

By Marcus Courtney

**Ask IT leaders about the high-tech economy these days, and they'll no doubt tell you about the dramatic nationwide recovery, the rapid growth of jobs and the subsequent rise in technology employment levels.**

Many have even said they can't hire skilled workers fast enough, despite an abundance of available jobs.

These assessments stand in stark contrast to the Bureau of Labor Statistics' latest national employment figures, however, which showed far fewer jobs added in June than economists or business leaders had projected.



The tech sector, most notably, is suffering from the longest jobless recovery since World War II, having lost more than 400,000 jobs since the start of the March 2001 recession. The recession "officially" ended in November that same year, but for thousands of American tech workers, such claims of a full-blown IT rebound are vastly exaggerated.

According to a recent study prepared by the University of Illinois at Chicago's Center for Urban Economic Development ([click here for a PDF of the full report](#)), only 76,300 new IT jobs were created nationwide during the last three years. That's less than one quarter of the number of tech jobs lost earlier in the decade.

The news isn't all bad, of course. At the national level, the CUED study suggests that a modest recovery may actually be starting. Pockets of the United States--namely Seattle and Washington, D.C.--have bounced back of late and surpassed 2001 job totals.

But in markets like Los Angeles and Boston, things are much bleaker. While annual IT employment in L.A. grew sharply between 1999 and 2000, it has been declining ever since. All told, more than 20 percent of that market's tech jobs have disappeared, with no sign of a local turnaround in sight. Dallas, Chicago and other markets are equally anemic.

Discerning the truth in this jumble of economic data is certainly not easy.

Large technology companies claim they have so much work to spread around that recruiters can't find enough skilled American workers to fill the cubicles in their high-

tech campuses. That's why Microsoft Chairman Bill Gates made a trip to Capitol Hill recently to try and persuade lawmakers to increase the number of immigration visas for engineers, developers and other skilled professionals his company hopes to lure from other nations.

Yet at the same time, large numbers of unemployed tech workers are being turned away outright or are forced to take temporary positions far below their skill level, with reduced pay levels adding insult to injury. Worse yet, tens of thousands of manufacturing and call-center support jobs are being shipped overseas to low-wage companies. Projections for the next decade suggest that 3.3 million U.S. industry jobs and \$136 billion in wages will move offshore to countries such as India, Russia, China and the Philippines.

IT has been called the industry of the future, but the future for tech workers is threatened by corporate strategies and federal policies that simply aren't in the best interest of America's work force.

Government plays a critical role in compounding this problem. Federal and state tax subsidies routinely encourage companies to move jobs offshore, and the H-1B visa program allows businesses to essentially import foreign workers at lower costs, often leaving American workers with highly specialized technical skills out in the cold.

The spread of IT during the 1990s fueled the resurgence of the U.S. economy, in part by creating thousands of living-wage jobs that supported families and strengthened communities in need. And there's little doubt that information technology innovations will continue to significantly affect economies and the way we live. IT workers have the skills and the vision to bring those innovations to life, but private and public policies must support their efforts.

The time has come for industry and government leaders to align their words with their actions. We need an economic agenda that leverages our nation's greatest assets to create sustainable, good paying jobs in the U.S.--not for tech workers alone, but for all workers.

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