

May 25, 2026

Immigration and Employment in America

The current Administration has declared that “illegal immigration” comprises a collection of “rapists, drug addicts, and murders” and are “taking jobs from Americans.” So what have they done about it? And what have been the consequences of their actions?

Before answering those questions it’s important to address the veracity of those claims.

On Crime. The conservative-leaning think tank, the CATO Institute, exhaustively analyzed incarceration data in the United States from 2010 to 2023.¹ They discovered (among their findings) that:

1. Native-born Americans are *twice* as likely to commit violent crime as illegal immigrants.
2. Native-born Americans are *four times* as likely to commit violent crime as legal immigrants.
3. Efforts aimed at reducing immigration (illegal &/or legal) will *increase* the crime rate.
4. Roughly 83 percent of those incarcerated within the United States for violent crime (whether native-born or legal or illegal immigrants) have a high

¹Landgrave, Michelangelo and Alex Nowrasteh, *Illegal Immigration Incarceration Rates, 2010-2023: Demographics of Incarcerated Immigrant*. CATO Institute Policy Analysis, Number 994: April 24, 2025.

school education or less. The remainder comprises those with some college, college graduate, or postgraduate.

5. With regard to the current Administration’s very costly mass deportation policy of illegal immigrants (that the courts have repeatedly found to be unconstitutional, with cases still in appeal), it is more likely to *increase* crime.

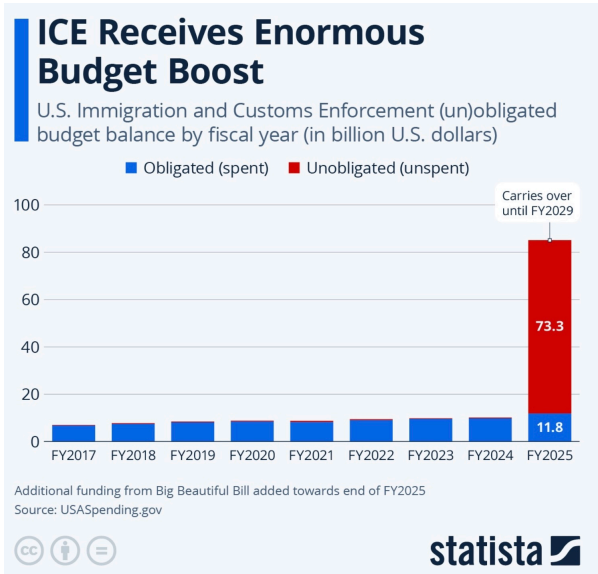


Figure 1: default

Items 4 and 5 would seem to suggest that the multi-billion dollar, multi-year (through 2029) funding of Immigration and Customs Enforcement (ICE) would likely be better spent on education.²

²The Administration requested additional funding in its FY 2026 budget proposal,

On Employment. A paper recently published by the highly regarded National Bureau of Economic Research (NBER)³ examined what impact the aggressive immigrant deportation policy has had on employment. Among their findings:

1. In areas where ‘enforcement’ has been the most aggressive with “particularly large increases in the number of arrests,” there was a net job *loss* of U.S.-born workers in “immigrant-heavy sectors.”
2. In areas where there was less aggressive ‘enforcement,’ there was *no* measurable effect on employment of U.S.-born workers.
3. Thus, the authors conclude that: “immigration enforcement reduces the number of immigrant workers, and has **harmful effects** on U.S.-born workers.”

A rationale from basic economic theory could help to explain these findings. Most businesses require a range of workers, each with different skills to bring to the job. For simplicity, think of two such groups: skilled and unskilled labor, both required to complete the tasks of production. It is not a simple matter to shift workers from skilled to unskilled jobs, or vice versa. In the language of economics, these tasks are complements, not substitutes.

but has thus far been rejected by Congress following the killing of two American citizens protesting ICE tactics (that the courts deemed illegal) in Minneapolis in January 2026.

³Cox, Elizabeth and Chloe N. East. *Labor Market Impacts of ICE Activity in Trump 2.0*. NBER Working Paper Series Number 35129: April 2026.

Looking at the labor pools in these two categories we see that many of the low-skilled jobs, e.g. in construction, are filled by immigrant labor. A large reduction in that immigrant labor pool creates a labor-shortage, as the reallocation of non-immigrant labor into those jobs (as found in the NBER study) has been very small. The consequence is that production requiring both types of labor goes unfunded, and lay-offs of non-immigrant labor as well as immigrant labor increases.

Legal Immigration. The current Administration has gone far beyond a ‘crackdown’ on illegal immigration; it has adopted a number of policies designed to restrict *legal* immigration. A recent paper by the Brookings Institute examined the consequences in today’s environment (with decreasing fertility rates in the US) of these policies for the US economy.⁴

It is first worth noting the accepted benefits of immigration into this ‘country of immigrants’ which the paper lays out:

1. Immigration contributes positively to economic growth by expanding the labor force, increasing consumer demand, and supporting overall GDP growth.
2. Empirical evidence indicates that immigrants have historically contributed more in tax revenue than

⁴Watson, Tara. *The Impact of Immigrants on the US Economy*. Brookings: March 30, 2026.

they receive in public benefits, creating a substantial fiscal surplus for the U.S. government over time.

3. Immigration plays a critical role in mitigating the economic effects of an aging population by increasing the share of working-age individuals who support social programs such as Social Security and Medicare.

Despite the need for a steady inflow of immigrants to support the US economy, the current Administration has sought ways to reduce legal immigration. It began in December, 2025 with an outright ban on travel into the US from 39 of largely African and Muslim countries, although others were also on the list. This ban was subsequently expanded in February, 2026 to encompass 75 nations in all. This “ban on travel” effectively sets a zero quota on immigration from those countries.

More recently, the current Administration has sought to curtail applications for Green Card work permits in the US, which include foreign students attending US colleges and universities. These were initially included in the ‘travel ban’ of restrictions, but have since become even more draconian in their coverage with two additional requirements placed on applications. A fee of \$100,000 must be paid upfront, which most prospective students cannot afford, and posing a threat to businesses that employ the holders of

Green Cards (which are concentrated in the high tech sector) and that process those applications, to include payment of this fee, for those employees.

In addition, new applications must be processed before entry into the US at the American consulate in the applicant's home country, and this latter restriction has been applied retroactively to many awaiting approval of their Green Card, that would effectively send them back to their country of origin to reapply. The latter requirement has been accompanied by a great deal of confusion, and given the overlapping travel bans leaves many students and their corporate and college & university sponsors in the lurch.

It's worth noting a quote that the current President made to hosts of a popular tech podcast in 2024: "I think you should get automatically, as part of your diploma, a green card to be able to stay in this country, and that includes junior colleges." MY! MY! I guess the President's political calculus has changed.