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ICE Arrests Result in a Decline in Employment: State-Level Projections

It is increasingly clear that the program of mass deportation being carried out by the Trump Administration is hurting American workers, both immigrants and those born in the United States.

The overall labor market in 2025 was weaker than in 2024, with higher unemployment, slower hiring, and stagnating wages. Numerous [news articles](#) report that employers are having a hard time finding workers due to heightened ICE activity, with [no indication of gains in either wages or employment](#), or that U.S.-born workers are taking the jobs left behind. And recent analyses have [found sizable declines in](#) foot traffic and consumer spending following Trump 2.0-era ICE raids, which could reduce demand for workers.

Economic studies based on instances of mass deportations prior to the second Trump Administration showed that arresting and deporting immigrants in large numbers resulted in a shrinking of the economy and reduced opportunities for U.S.-born workers. When the second Trump Administration promised a massively expanded program of arrests and deportations, economists used these previous studies to [predict that the result](#) would be negative impacts for both immigrants and U.S.-born workers.

The data is now in and confirms these predictions.

A [new national study](#) by two of the authors of this report, summarized here, uses employment statistics from January to November 2025 to measure the impact of mass deportations on jobs. The conclusion is that arresting and deporting immigrants results in a cascade of job loss. Immigrants who are arrested lose their jobs directly. Other immigrants, including many who have work authorization, experience a chilling effect and stay home or [leave the country](#). And, as the consumer base shrinks and co-workers who support the daily operation of local businesses are arrested, U.S.-born workers also lose their jobs.

For every 1,000 ICE arrests of immigrant men, there is a 2.5 percent decline in employment for immigrant men in the at-risk group—a higher level than found in past studies, likely due to the increased chilling effect of the seemingly indiscriminate nature of current ICE activity.

And, as predicted by previous studies, but contrary to promises from the Trump Administration, the study finds a **decline** in employment for U.S.-born men in areas of enhanced ICE activity. In particular, the study finds that for every 1,000 immigrants arrested there is a statistically significant 0.54 percent decline in the employment of U.S.-born men in the area. The study also finds no increase in wages for those men who continue to hold a job.

The study largely focuses on men (measured based on sex, rather than gender in the data) since over 90 percent of those arrested by ICE in the second Trump administration, and before, were male.

The study compares areas that are otherwise similar, but some experienced large and sudden increases in ICE activity in 2025 while others did not. Prior to President Trump's second inauguration, employment and pay across both types of areas were trending similarly. This makes it possible to separate out the impacts due to

ICE activity from other changes that occurred in the economy.

This approach also allows us to extrapolate to the state level what the likely impact would be if the state experienced the level of ICE arrests that was typical of intensified ICE activity in the first year of the second Trump term. However, we do not extrapolate to the total number of jobs across the entire U.S. since our method does not allow us to measure impacts on the whole country at once.

To understand what this could mean for states' labor forces, we modeled a scenario in which one percent of the immigrants most at risk are arrested.¹

In Colorado, a statewide ICE surge that arrested one percent of the immigrants most at risk would result in a direct removal of 1,000 immigrant men from their jobs, and would shrink the labor force by an additional 2,700 immigrant men due to chilling effects and employment decline. The largest employment loss would ultimately be on U.S.-born men, whose employment level would shrink by 6,800. Wages for those remaining employed are not predicted to change.

In California, if there were a dramatic statewide surge in enforcement that resulted in the arrest of one percent of the most at risk population, we predict it would cause a direct removal of 15,600 immigrant men from their jobs, and cause a drop in employment of another 615,000 immigrant men. This chilling effect and employment decline is bigger, proportionately, in states with a bigger immigrant share of the labor force. In this scenario, the predicted job loss of a massive statewide ICE surge for U.S.-born men in California is 466,000.

These estimates presume that arrests continue to focus overwhelmingly on immigrant men, and that the actions are conducted evenly across all states. Women, however, may begin to be targeted more heavily, shifting the predicted sectors of employment decreases, but with the level of employment change likely to be at least as large. And, ICE arrests so far have increased in all areas of the country, but have been particularly pronounced in Republican-led areas that collaborate with ICE, and in Democratic-led areas that were the political targets of the administration, a point documented in an [NBER paper](#) by two of the authors of this piece.

PREDICTED IMPACT OF ICE SURGE THAT ARRESTS 1% OF IMMIGRANTS MOST AT RISK

State	Number of Arrests	Chilling Effect and Decline in Employment Among Other Immigrant Men	Decline in Employment of U.S.-Born Men
Alabama	400	-400	-1,900
Alaska	n/a	n/a	n/a
Arizona	1,700	-7,000	-11,700
Arkansas	400	-400	-1,200
California	15,600	-615,000	-466,000
Colorado	1,000	-2,700	-6,800
Connecticut	800	-1,500	-2,500
Delaware	200	-100	-200
District of Columbia	n/a	n/a	n/a
Florida	7,600	-144,000	-128,500
Georgia	2,100	-10,800	-21,100
Hawaii	300	-300	-400
Idaho	300	-200	-600
Illinois	2,800	-20,100	-33,200
Indiana	800	-1,800	-6,100
Iowa	400	-400	-1,300
Kansas	500	-600	-1,500
Kentucky	400	-400	-1,900
Louisiana	500	-500	-1,900
Maine	n/a	n/a	n/a
Maryland	1,400	-4,900	-7,000
Massachusetts	1,700	-7,400	-10,900
Michigan	900	-2,000	-9,300
Minnesota	700	-1,300	-4,500
Mississippi	100	0	-300
Missouri	500	-500	-3,100
Montana	n/a	n/a	n/a
Nebraska	300	-200	-600
Nevada	1,200	-3,600	-3,300
New Hampshire	n/a	n/a	n/a
New Jersey	3,100	-24,400	-22,800
New Mexico	400	-400	-700
New York	5,900	-88,600	-91,000
North Carolina	1,800	-7,900	-18,600
North Dakota	n/a	n/a	n/a
Ohio	800	-1,800	-10,700
Oklahoma	600	-800	-2,200
Oregon	700	-1,100	-2,900
Pennsylvania	1,300	-4,000	-16,800
Rhode Island	300	-200	-300
South Carolina	600	-900	-3,200
South Dakota	n/a	n/a	n/a
Tennessee	800	-1,600	-6,100
Texas	9,700	-237,800	-266,100
Utah	600	-900	-2,300
Vermont	n/a	n/a	n/a
Virginia	1,400	-4,800	-10,500
Washington	1,600	-6,400	-11,700
West Virginia	0	0	-100
Wisconsin	500	-600	-3,300
Wyoming	n/a	n/a	n/a

Fig. 1. Numbers are rounded independently to the nearest hundred. N/A refers to states with fewer than 10,000 immigrant men considered most at risk.

Explaining the Results

The notion that deporting immigrants causes job losses for US-born workers runs counter to some common narratives about deportation. It is, however, very much in line with the economic research on mass deportations including the [past studies](#) on mass deportations in the Obama era by one of the authors of this piece.

There are a [few key reasons](#) why deportations cause a decrease rather than an increase in jobs for U.S.-born workers.

When immigrant workers are removed from the labor market through detention and deportation, it shrinks the workforce and shrinks the economy because these people no longer shop at businesses, eat at restaurants, and pay taxes. The decline in consumer spending likely explains the study's finding that employment reductions are concentrated in "non-tradeable" sectors, those driven by local spending (e.g. restaurants) rather than sectors oriented toward exports (e.g. manufacturing).

Exacerbating this is a chilling effect. Some immigrants, including some with authorization to work, such as those with green cards and those who are U.S. citizens, stay away from work and other activities in order to protect themselves from ICE actions that appear knowingly reckless. These chilling effects are roughly double those found during a mass deportation campaign in the Obama administration, likely due to the fact that ICE is operating at an [unprecedented scale and with few visible restraints](#).

Also: immigrants who are undocumented and U.S.-born people are concentrated in different types of jobs. Jobs where undocumented immigrants play a particularly big role are often complementary to jobs with higher numbers of U.S.-born workers. For instance, in the construction industry, a high concentration of roofers and construction laborers are immigrants, and are often undocumented, while a high concentration of electricians and plumbers are U.S.-born. Then when construction companies cannot find laborers, they build less, and hire fewer electricians.

Making a large group of workers vulnerable to ICE targeting also makes them vulnerable to exploitation by employers. In general, having a group of workers with fewer rights results in negative impacts for all workers. [Studies](#) have shown, in fact, that ICE targeting results in an increased number of on-the-job accidents and minimum wage violations for all workers, as workers feel less empowered to report workplace safety and labor law concerns. These impacts may be significantly reduced in industries where labor unions can stand up for the rights of both immigrants and U.S.-born workers.

The focus of this study is on the impacts of ICE raids on men, but parallel research about [impacts of recent ICE raids on the child-care sector](#) shows chilling effects on immigrant women as well. Where ICE raids have been most intense, immigrants working in child care, who are mostly women, protect themselves by moving out of more regulated and visible settings, such as childcare centers, and into employment in private households. Because of this, there has been a decline in the female labor force. Since care work is what allows many U.S.-born people, especially women, to work outside the home, the result is a twofold negative impact on U.S.-born women—at work for the same reasons as men, and at home because of a shortage of care workers.

Similarly, ICE activity can affect not just working-age individuals but also children. The [Marshall Project reported](#), based on data from the Deportation Data Project, that 6,200 children have been put in detention by ICE during the first fifteen months of the second Trump Administration. The consequences for children and families are devastating.

The media has also reported situations where ICE apprehensions have left family members struggling [financially](#) or with [taking care of children](#). [New evidence](#) suggests that over 145,000 U.S. citizen children have had a detained parent since January 2025. Even in households that have experienced no arrests, a decline in employment and subsequent income can make it hard for families financially. For some mixed-status households this means U.S.-born teenagers may drop out of school and work more to make up for lost income, as has been documented in another [report](#) done by two of the co-authors of this piece. For younger children, school absences have been [linked](#) to heightened ICE activity. The effects on these children have the potential to be long lasting, as research shows that high school graduates have [higher earnings](#) and [better health](#) in adulthood.

The available data for the second Trump administration only allow us to measure short-run impacts, but we can look to past research to learn about what to expect in the longer-run. [Research](#) on an Obama-era mass deportation policy by one of the authors of this report, found that even three years later, the harmful economic impacts on both immigrants and U.S.-born workers persist. Contrary to its stated goals, the Trump administration's ICE campaign is weakening our economy now and for years to come.

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Notes

¹ Those we consider at risk are drawn from estimates calculated from American Community Survey (ACS) data. Because the ACS does not report documentation status, we calculate a proxy based on observed characteristics, as is commonly done in immigration research. In this table we define likely undocumented to include male foreign-born individuals between the ages of 20 and 64 with at most a high school degree. Because the U.S. labor market is significantly segmented by gender, the decline in employment of immigrant men is reflected more in the employment of U.S.-born men than of U.S.-born women.