



Legal Immigration to US Reduced 92% in Second Half of 2020; Sharpest Drop in History

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A recent report by David Bier at the CATO Institute revealed that legal immigration into the US dropped by 92% in the second half of FY 2020 compared to the first half, the largest annual decline in US history. Bier argues that this unprecedented decline will negatively impact the short-term and long-term economic growth of the US economy.

“Fewer workers mean that jobs will take longer to fill and slow the economic recovery, and in coming years, fewer workers will support more retirees,” said Bier.

This decrease is certainly affected by the COVID-19 pandemic, however a large portion of this sharp drop in legal immigration can be contributed to an executive order issued by President Donald Trump in April, which halted the issuance of almost all new visas. In June, Trump extended the order through December 31st.

While the primary stated purpose in President Trump’s executive order was to protect the American labor market during the economic recovery following COVID-19, it is worth noting that economists by and large argue that immigrants do not take jobs, but rather create them.

The “Lump of Labor Fallacy” assumes that there are a finite number of jobs within an economy that immigrants will take. However, in reality, immigrants often fill jobs that natives are unwilling to do, and they drive economic growth and create more jobs through their consumer spending.

If and when President Trump wins re-election, allowing his executive order to expire and restarting our legal immigration system will help spur one of the greatest economic recoveries the US has ever experienced.