



Cato: Immigration Slowed During 2019 Economic Boom

Neil Munro

September 20, 2020

President Donald Trump's personality and policies likely get the credit for reducing immigration by roughly one million people from mid-2017 to 2020, says a report by the pro-migration Cato Institute.

"The actual [legal and illegal] immigrant population is already down by over a million people relative to the Census Bureau's 2016 projections," says the September 19 report, titled "Immigrant Share Continues Flatlining Under Trump in 2019." It adds:

The Census Bureau guessed that the number of immigrants would increase from July 2017 to July 2019 by 1.4 million when, in fact, it increased by little more than 400,000.

The reduced inflow seems to have flatlined the immigrant share of the nation's population at 13.7 percent — during the 2019 boom — even though it was predicted to rise to 13.9 percent in 2019, said the Cato report.

Trump likely caused the decline, Cato reports:

In a normal environment, immigration should have increased when unemployment reached historic lows [in an economic boom]. But the president's anti-immigration policies made that impossible, increasing deportations and imposing many new regulations on legal immigration. But it could also be that his mere presence has created a social and political environment that is seen as unfriendly toward immigrants.

Trump's reduced inflow of immigrants is a loss for business because it means that there were one million fewer workers, consumers, and renters for employers, retailers, and landlords.

But the population slowdown also is a boost for Americans because it allows them to gain higher wages and buy cheaper housing.

Each year, almost four million Americans turn 18 and begin searching for the jobs and homes they need to build their own families. But each year, the federal government also imports one million legal immigrants and keeps roughly two million foreign visa workers in U.S. jobs, so nudging down Americans' wages and nudging up their housing prices.

On September 15, the Census Bureau reported that the income of American households rose rapidly in 2019 amid the reduced immigration.

Wages for full-time male employees at the midpoint of the national wage scale grew by an average of 2.1 percent to \$57,456. Median full-time female employees gained 2.5 percent, up to \$47,299, says the report, titled “Income and Poverty in the United States: 2019.”

An extra 2.2 million jobs helped to expand the number of people with jobs in each household, so the “median household income increased 6.8 percent to \$68,703 between 2018 and 2019,” before the coronavirus crashed the economy in early 2020, the report said.

“It was a pretty banner year for households, and really across the income distribution, we got a lot of eye-popping figures in this release,” David Deull, the top economist at IHS Markit, told the *Wall Street Journal*.