Labor Market Shocks and Immigration Enforcement

By SERGIO BARRERA, BRIANNA FELEGI, AND SARINA HERON [1]

Immigration consistently ranks as one of the most important political issues in the United States. Partly because of its political importance, there exists a vast economic literature examining the impacts of changes in immigration on a wide variety of outcomes.[2] Much less work examines the forces that drive sentiment towards immigrants, or the policies adopted surrounding the issue.

In this paper, we examine whether negative local labor market shocks influence the adoption of anti-immigration policy by examining changes in the likelihood of any county within a commuting zone forming a partnership with United States Immigration and Customs Enforcement (ICE) following changes in the unemployment rate as a result of the Great Recession. Our context centers around 287(g) agreements, which were first adopted by the state of Florida in 2002 and have expanded to over 150 counties across the US in 2020.

Our dataset consists of commuting zone (CZ)-level information from 2000 to 2020. We combine data on the universe of local law enforcement agency 287(g) agreements with commuting zone level demographic information from the American Community Survey and Decennial Censuses. Information on the effects of the Great Recession and controls for exposure to import competition come from Yagan (2019), Autor, Dorn and Hanson (2021) and Pierce and Schott (2020).

Using a standard difference-in-differences design, we find that law enforcement agencies in commuting zones that experienced larger increases in the unemployment rate following the Great

[1] Barrera: Virginia Polytechnic Institute and State University, (email: sbarrera@vt.edu); Felegi: Virginia Polytechnic Institute and State University, (email: bfelegi@vt.edu); Heron: Virginia Polytechnic Institute and State University (email: herorina3@gmail.com). We would like to thank Joaquín Alfred-Angel Rubalcaba for creating the dataset on 287(g) agreements used in this project as well Marcus Perez-Davis for his excellent research assistance. All opinions expressed in this paper represent those of the authors and not necessarily the institutions with which they are affiliated. All errors in this paper are solely the responsibility of the authors.

[2] See Abramitsky and Bouston (2017) and Alesina and Tabellini (2024) for excellent reviews on the labor market and political effects of immigration.

Recession were more likely to adopt 287(g) partnerships with ICE. Additionally, we find that the increase in local adoption of 287(g) is concentrated among commuting zones that had above median non-white population, foreign born population, or adults working in construction industries in 2000. We find that the link between local economic shocks and the adoption of anti-immigration policy is also apparent when considering other immigration enforcement policies including local compliance with E-Verify and law enforcement in the commuting zone being an early adopter of the Secure Communities Program.

Our results are consistent with the idea that additional local immigration enforcement is enacted in response to increased anxiety of immigrants competing with the native-born population for scarce jobs following an economic downturn. We find these results despite research suggesting increased immigration promotes better economic recoveries following recessions (Borjas, 2001; Cadena and Kovak, 2018).

The previous literature examining the determinants of anti-immigration sentiment and policy has focused on individuals' contact with immigrants (Steinmayr, 2020; Bursztyn et al., 2021), and misperceptions about immigrants' characteristics (Alesina et al., 2022). Our findings build upon these papers by illustrating that the adoption of immigration enforcement policy is influenced by the business cycle. Additionally, this paper, to the best of our knowledge, is the first to examine the forces that led to the adoption of the 287(g) and Secure Communities programs. Other work has explored how civil rights investigations effected participating law enforcement agencies behavior towards Latinx motorists (Rubalcaba et al., 2024). Other work has estimated the effects of 287(g) and Secure Communities on economic outcomes including migration destination (Watson 2013) self-employment (Gutierrez-Li and Garcia 2023) and labor market outcomes (East et al 2023).

Background

The 287(g) program is named after section 287(g) of the Immigration and Nationality Act, that allows the Department of Homeland Security (DHS) to enter into formal written agreements with state or local law enforcement agencies. The program deputizes state and local law enforcement officers to perform certain functions of federal immigration agents (American Immigration Council, 2021). In general, deputized officers are authorized to interview individuals to ascertain their immigration status; check DHS databases for information on individuals; issue immigration detainers to hold individuals until ICE takes custody; issue a Notice to Appear;[3] make recommendations for detention and immigration bond; and transfer noncitizens into ICE custody.[4]

Opponents of 287(g) policies argue that these agreements are used to incite racial profiling of the local Latinx population (American Civil Liberties Union, 2022) and can also serve as a measure of local anti-immigration sentiment (Caps et al., 2011). Furthermore, 287(g) agreements are voluntarily entered into by local law enforcement agencies – most often county sheriff's departments – through the signing of a Memorandum of Agreement with ICE. Since practically all county sheriff's departments are ran by elected officials, an agency signing a 287(g) agreement can be directly influenced by local politics. This design feature of 287(g) policies provides a more direct route from local voter preferences to policy when compared to other measures of anti-immigrant sentiment which is often centered around local vote shares of parties with anti-immigrant views (Tabellini, 2024).

Data and Methods

[3] A Notice to Appear (NTA) is the official charging document that begins an individual's removal process.

[4] Originally, there were four types of 287(g) agreements local law enforcement agencies could adopt. However, since 2012 only the jail enforcement and warrant service officer models are allowed. We do not separate our results by 287(g) model, but instead focus on the likelihood of adopting any agreement.

A. Data

287(g) Agreements.— Our main outcome variable of interest is an indicator for whether any county law enforcement agency within a commuting zone adopted a 287(g) agreement in a given year. We collected information on the timing of adoption of the 287(g) programs through archived records available on the U.S. Immigration and Customs Enforcement website (Immigration and Customs Enforcement, 2024). Our dataset includes information on when each program was adopted, the type of program authorized, and the termination year. Our dataset covers all programs adopted between 2002 and 2020.

Commuting Zone Characteristics.— Our explanatory variable of interest is a commuting zone's change in unemployment during the Great Recession. We collect information on unemployment rate changes from 2007 to 2009 using publicly available data from Yagan (2019). Our preferred specification includes baseline commuting zone characteristics and controls for additional economic shocks – the rise in automation and exposure to greater import competition – using data available from Pierce and Schott (2020) and Autor, Dorn and Hanson (2021).

Other Immigration Enforcement Policies.— We also include the analysis of the impact of the Great Recession on the adoption of other local immigration policies including early adoption of the Secure Communities (SC) Program, and E-Verify.[5] Information on the roll-out of SC and E-Verify were obtained from East et al. (2023) and are limited to the years 2000 to 2016.

[5] While SC was a federal policy it was rolled out on a county-by-county basis between 2008 and 2013. Therefore, the outcome variable of interest in this specification is an indicator for whether a county in a commuting zone launched SC in given year prior to 2012. Furthermore, we separate out the analysis on E-Verify by whether all sectors of employment required it's use or only the public sector.

B. Difference-in-Differences Design –

To identify the impact of the Great Recession on the likelihood to adopt a 287(g) program we adopt the methodology in Yagan (2019) which exploits spatial variation in the Great Recession's severity to study its long-term impact on employment and earnings. Our main regression is:

$$(1)\ Has287g_{zt} = \beta_1 Post_t \cdot Shock_z + \sum_{t=2000}^{2020} \phi_t (1\{year = t\} \cdot X_z^{2000}) + \alpha_z + \lambda_t + \epsilon_{zt}$$

where $Has287g_{zt}$ is an indicator for whether a commuting zone, *z,* has adopted a 287(g) agreement in year *t*; $Post_t$ is an indicator that equals one in the years after the onset of the Great Recession (2007); $Shock_z$ is a measure of the impact of the Great Recession on a commuting zone, defined as the change in the unemployment rate from 2007 to 2009 ; α_z and λ_t are standard commuting zone and year fixed effects and ϵ_{zt} is our idiosyncratic error term.

ϕ_t captures potentially time-varying effects of initial commuting zone-level characteristics including the share of the commuting zone's population in 2000 without a college degree, identify as a veteran, are foreign born, the change in import competition from China from 2000-2007, the routine-share of employment, and the normal trade relations tariff rates in 1990. We also include interaction terms to account for the phasing out of the global Multi-Fiber Arrangement to account for the other economic shocks. All standard errors allow for the arbitrary correlation in errors at the commuting zone level.

Our coefficient of interest is β_1, which captures the change in the likelihood a commuting zone adopts a 287(g)-agreement given a one percentage point increase in the unemployment rate from 2007 to 2009. The key identifying assumption behind this strategy is that there are no shocks related to adopting immigration enforcement partnerships that coincide with the timing of the Great Recession and are correlated to its severity

We also disaggregate our main results by several baseline commuting zone characteristics – share of the 2000 population that identify as Non-Hispanic White, are foreign born, and the share employed in the construction industry, to test whether the impacts differ by commuting zone characteristics. We calculate these estimates by introducing interactions of the commuting zone subgroup with the $\beta_1 Post_t \cdot Shock_z$ indicator in Equation (1).

Results

A. The Impact of the Great Recession on 287(g) Adoption –

Table 1 shows the difference-in-differences results for our baseline specification and heterogeneity analysis. Overall, we find that commuting zones that faced greater changes in the unemployment rate due to the Great Recession saw statistically significant increases in the likelihood to adopt a 287(g) program. The coefficient in column (1) shows that a 1 percentage point increase in the unemployment rate during the 2007-2009 Great Recession was associated with a 1 percentage point increase in the likelihood that a county signed a 287(g) agreement.

We see much larger effects when we disaggregate our results by subgroups. Columns (2)–(4) in Table 2 show that the increase in the likelihood to adopt a 287(g) agreement is driven by commuting zones with initially high shares of non-White individuals (those that do not identify as Non-HispanicWhite), foreign-born individuals, or individuals employed in construction(an industry heavily reliant on immigrants). These results are consistent with Group Threat theory, which posits that when resources are perceived to be scarce, a large "out group" population (such as the immigrant community) will trigger greater anxiety amongst "in-group" members (in this case non-Hispanic Whites) (Blalock, 1967; Esses et al., 2001; Schlueter and Scheepers, 2010). In our case, the Great Recession may have generated greater anxiety over scarce employment

opportunities and as a result, these commuting zones were more motivated to enact partnerships to reduce competition from immigrants.

TABLE 1 – THE IMPACTS OF THE GREAT RECESSION ON THE ADOPTION OF 287(G) AGREEMENTS

Specifications	Baseline	Population Non-White	Population Foreign Born	Population Construction
	(1)	(2)	(3)	(4)
Panel A. Indicator for Adopts 287(g) Program				
$Post_t \cdot Shock_z$	0.01**	0.00	0.00	0.00
	(0.004)	(0.003)	(0.003)	(0.003)
Interaction with Above Median 2000 share	-	0.07***	0.09***	0.10***
		(0.028)	(0.033)	(0.029)
Post-Period Mean	0.052	0.012	0.004	0.014
Observations	15,162	15,162	15,162	15,162

Notes: Robust standard errors in parentheses. All standard errors are clustered at the commuting zone level. Each coefficient is the result of a separate estimation. All regressions include commuting zone and year fixed effects and baseline covariates. A description of what variables are contained in the baseline covariates can be found in the main text. $Shock_z$ is defined as the change in the unemployment within a commuting zone from 2007 to 2009 as in Yagan (2019). The heterogeneity analysis is completed by estimating Equation (1) with the inclusion of interactions of the commuting zone subgroup with the $\beta_1 Post_t \cdot Shock_z$ indicator. Post-period mean reports the share of commuting zones with a 287(g) agreement after 2006. For columns (2)-(4), the post-period mean reports the value for commuting zones that fall below to 2000 median share.

*** Significant at the 1 percent level.

** Significant at the 5 percent level.

* Significant at the 10 percent level.

B. The Impact of the Great Recession on Other Local Immigration Policy –

Table 2 presents the difference-in-differences results when we replace the outcome variable of interest in Equation (1) to indicators for the adoption of the Secure Communities Program (column (1)), E-Verify in the Public sector (column (2)), or E-Verify in all sectors of employment (column (3)). We find consistent evidence that commuting zones that faced greater impacts from the Great Recession had a higher probability of adopting immigration enforcement policies. Specifically, we find that a 1 percentage point increase in the unemployment rate from the Great Recession was associated with a 1 percentage point increase in the likelihood of a county being an early adopter of Secure Communities, a 2 percentage point increase in the likelihood of adopting E-Verify in the public sector and a 3 percentage point increase in the likelihood of adopting E-Verify in all sectors.

TABLE 2— THE IMPACTS OF THE GREAT RECESSION ON OTHER IMMIGRATION POLICIES

	Adopts Secure Communities by 2012	Adopts E-Verify in Public Sector	Adopts E-Verify in All Sectors
$Post_t \cdot Shock_z$	0.01***	0.02***	0.03***
	(0.003)	(0.008)	(0.006)
Post-Period Mean	0.436	0.330	0.115
Observations	8,664	11,552	11,552

Notes: Robust standard errors in parentheses. All standard errors are clustered at the commuting zone level. Each coefficient is the result of a separate estimation. All regressions include commuting zone and year fixed effects and baseline covariates. A description of what variables are contained in the baseline covariates can be found in the main text. $Shock_z$ is defined as the change in the unemployment within a commuting zone from 2007 to 2009 as in Yagan (2019). The heterogeneity analysis is completed by estimating Equation (1) with the inclusion of interactions of the commuting zone subgroup with the $\beta_1 Post_t \cdot Shock_z$ indicator. Data on the roll-out of the Secure Communities Program and E-Verify come from East et al. (2023). There are fewer observations for these specifications as data is only available until 2014 for SC and 2016 for E-Verify. Post-period mean reports the share of commuting zones with the corresponding policy after 2006.

*** Significant at the 1 percent level.

** Significant at the 5 percent level.

* Significant at the 10 percent level

Conclusion

Overall, our findings are consistent with the Great Recession leading to greater anxiety over competition from immigrants for local employment opportunities. As a result, local governments sought to either reduce the size of the undocumented immigrant pool through more cooperation of local law enforcement with deportation authorities in the form of 287(g) and Secure Communities or sought to prevent undocumented immigrants from employment opportunities by requiring employers to ascertain immigration status. We found that these results were stronger in commuting zones with a higher share of the population identifying as non-White, foreign-born, or employed in the construction before the recession.

Our findings help to understand how local economic downturns and demographic composition affect the adoption of local immigration policy. These findings are especially relevant given the rising importance of immigration in national politics coupled with the recent COVID-19 recession. Future work will explore whether these more contemporary forces further drive the adoption of these policies.

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