

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

DOMINGO ARREGUIN GOMEZ et al.,

Plaintiffs,

v.

DONALD J. TRUMP, President of the United
States of America et al.,

Defendants.

Civil Action No. 1:20-cv-01419

DECLARATION OF JENNIFER HUNT

I, **Jennifer Hunt**, hereby submit this declaration pursuant to 28 U.S.C. § 1746 and declare as follows:

1. I am a Professor of Economics at Rutgers University. From 2013-2014, I served as the U.S. Department of Labor’s Chief Economist. From 2014-2015, I served as Deputy Assistant Secretary for Microeconomic Analysis at the U.S. Department of the Treasury. Prior to joining Rutgers in 2011, I held positions at McGill University, the University of Montreal and Yale University. I have a Ph.D. in Economics from Harvard University and a Bachelor’s degree in Electrical Engineering from the Massachusetts Institute of Technology. My current research focuses on the geographic spread of technology, immigration and wage inequality.

2. I am familiar with Presidential Proclamation 10014, signed by President Trump on April 22, 2020, (the “April Proclamation”); and Presidential Proclamation 10052, signed by President Trump on June 22, 2020, as amended by Presidential Proclamation 10054, signed by President Trump on June 29, 2020 (the “June Proclamation,” and together with the April Proclamation, the “Proclamations”).

3. The April Proclamation suspended the entry of most immigrants to the United States for 60 days. It justified this entry suspension principally on the ground that during the economic downturn caused by the COVID-19 pandemic, “there is no way to protect already disadvantaged and unemployed Americans from the threat of competition for scarce jobs from new lawful permanent residents by directing those new residents to particular economic sectors with a demonstrated need not met by the existing labor supply.”

4. The June Proclamation extended the April Proclamation’s entry suspension on immigrants through at least December 31, 2020, stating that there are “[in]sufficient means to protect unemployed Americans from the threat of competition for scarce jobs from new lawful permanent residents,” and that “the United States faces a potentially protracted economic recovery with persistently high unemployment if labor supply outpaces labor demand.”

5. Both Proclamations suffer from two fatal flaws. First, in seeking to restrict most immigration to the United States while a pandemic grips the entire globe, the Proclamations are ringing a fire alarm when there is, effectively, no fire. Although the Proclamations highlight “the impact of foreign workers on the United States labor market,” the Proclamations ignore that *immigration naturally declines during a recession*, such as the one caused by the COVID-19 pandemic.¹ When the United States experiences a recession, immigration slows because the

¹ For example, immigration slowed during the Great Recession. See Alan Berube, *Is Immigration Down in the U.S.?*, The New Republic, Sept. 22, 2009, <https://newrepublic.com/article/69596/immigration-down-the-us>; Carol Morello & Dan Keating, *Number of Foreign-Born U.S. Residents Drops*, Wash. Post, Sept. 22, 2009, <https://www.washingtonpost.com/wp-dyn/content/article/2009/09/21/AR2009092103251.html>; Demetrios Papademetriou & Aaron Terrazas, *Immigrants in the United States and the Current Economic Crisis*, Migration Policy Institute, (Apr. 1, 2009), <https://www.migrationpolicy.org/article/immigrants-united-states-and-current-economic-crisis>; accord Pia Orrenius and Chloe Smith, *Without Immigration, U.S. Economy Will Struggle to Grow*, Federal Reserve Bank of Dallas, (April 9, 2020), <https://www.dallasfed.org/research/economics/2020/0409> (noting that “net international

number of jobs decreases and a significant benefit of immigrating to the United States evaporates for many immigrants. Consulate closures and travel restrictions imposed by many foreign governments and airlines in response to the COVID-19 pandemic have further served to prevent many immigrants from entering the United States. The State Department's data on immigrant visa issuance shows that even without the Proclamations in place, immigration to the United States has declined significantly: in March 2020, the State Department issued only 24,383 immigrant visas, compared to 37,618 immigrant visas issued in March 2019, or a 35 percent decrease.² In April 2020, which had normal visa processing for all but a week after the April Proclamation took effect at 11:59 pm ET on April 23, the State Department issued only 1,521 visas, compared to 38,573 visas issued in April 2020—a 97 percent decrease, reflecting how severely the entire globe shut down in response to the COVID-19 pandemic.³ There are comparable declines for nonimmigrant visas.⁴

migration fell by more than 40 percent between 2001 and 2010, a period that spanned two recessions"); Andrés Villareal, *Explaining the Decline in Mexico-U.S. Migration: The Effect of the Great Recession*, 51 DEMOGRAPHY 2203 (2014) (finding a decline in Mexico-U.S. migration from 2005 to 2012, with the largest declines occurring in economically active young men with low education, the demographic most affected by the Great Recession). /

² U.S. Dep't of State, *Immigrant Visa Issuances By Foreign State of Chargeability or Place of Birth, March 2019 (FY2019)*, <https://tinyurl.com/yxz4f8cn>; U.S. Dep't of State, *Immigrant Visa Issuances By Foreign State of Chargeability or Place of Birth, March 2020 (FY2020)*, <https://tinyurl.com/y6fgvg6m>.

³ U.S. Dep't of State, *Immigrant Visa Issuances By Foreign State of Chargeability or Place of Birth, April 2019 (FY2019)*, <https://tinyurl.com/y6ejte9l>; U.S. Dep't of State, *Immigrant Visa Issuances By Foreign State of Chargeability or Place of Birth, April 2020 (FY2020)*, <https://tinyurl.com/yymyspkf>.

⁴ U.S. Dep't of State, *Nonimmigrant Visa Issuances Nationality, March 2019 (FY2019)*, <https://tinyurl.com/y4emq473>; U.S. Dep't of State, *Nonimmigrant Visa Issuances Nationality, March 2020 (FY2020)*, <https://tinyurl.com/yxv55rue>; U.S. Dep't of State, *Nonimmigrant Visa Issuances Nationality, April 2019 (FY2019)*, <https://tinyurl.com/yxr9s682>; U.S. Dep't of State, *Nonimmigrant Visa Issuances Nationality, April 2020 (FY2020)*, <https://tinyurl.com/ykxhfkfo>.

6. The Proclamations are therefore imposing immigration restrictions when none is actually necessary. Immigration has already decreased on its own, without changes in the United States' immigration policies. The problem, however, is that these restrictions will prevent immigration from rebounding when the worst of the pandemic has passed and an increase in immigration and the resulting growth in population would provide economic stimulus, as discussed in further detail below. In addition, workers banned from coming to the United States and prevented from taking job offers here may instead move permanently to another country, depriving the United States of their contributions. The short-term effects and benefits of the Proclamations are almost certainly near zero – but once the pandemic starts receding, the longer-term effects of the Proclamation's immigration restrictions will almost certainly harm the country's economic recovery.

7. Second, both Proclamations rest on the false assumption that immigrants pose a threat to job opportunities for U.S. workers. Although this assumption often surfaces among immigration restrictionists as a justification for limiting immigration to the United States, the notion that inflows of immigrants threaten domestic jobs and the nation's economy has been thoroughly debunked by decades of established, peer-reviewed economic research. The Proclamations therefore rely on a faulty premise—that immigrants harm United States workers—to justify policies that will, in practice, actually harm the workers those policies are supposed to protect.

8. Indeed, in 2017, the National Academies of Sciences, Engineering, and Medicine (“NAS”) published an exhaustive, 642-page Consensus Study Report entitled “The Economic and Fiscal Consequences of Immigration” (the “NAS Report”). The NAS Report, the product of three years of research and deliberation, represents the consensus of a panel of fourteen established, respected economists and sociologists across the policy and political spectrum, including myself, as well as “immigration sceptics” who favor immigration restriction, such as George Borjas. The report's

unanimous conclusion was that *immigration increases economic growth while having no negative impact on native employment and little or no impact on average native wages.*⁵ As a member of the expert panel that produced the NAS Report, I agree with its findings.

9. Importantly, it is the consensus of the NAS panel of experts that the inflow of foreign-born workers, through either non-immigrant or immigrant visas, is integral to the nation's economic growth.⁶ Such inflows supply workers, which increases GDP and have helped the United States avoid the problems facing stagnant economies created by purely demographic forces—in particular, an aging (and, in the case of Japan, a shrinking) workforce.⁷

10. Moreover, the infusion by high-skilled immigration of human capital has boosted the nation's capacity for innovation, entrepreneurship, and technological change.⁸ My own research has shown that a one percentage point increase in the immigrant college graduates' population share increased patents per capita by 9 to 18 percent.⁹ The NAS Report credited this research, as well as multiple other papers, for its conclusion that immigrants raise patenting per capita, which ultimately contributes to productivity growth.¹⁰ Indeed, a survey of 1,300 “High-impact”

⁵ The Nat'l Acad. Of Scis., Eng'g., and Med., *The Economic and Fiscal Consequences of Immigration* 5-6 (The National Academies Press 2017), <https://doi.org/10.17226/23550>.

⁶ *Id.* at 317.

⁷ *Id.* at 6.

⁸ *Id.*

⁹ Jennifer Hunt and Marjolaine Gauthier-Loiselle, *How Much Does Immigration Boost Innovation?*, 2 *Am. Econ. J.* 31, 31-56 (2010).

¹⁰ The Nat'l Acad. Of Scis., Eng'g., and Med., *supra* note 1, at 264-269; *see also* William Kerr & William F. Lincoln, *The Supply Side of Innovation: H-1B Visa Reforms and U.S. Ethnic Invention*, 28 *J. of Labor Econ.* 473, 473-508 (2010); Jennifer Hunt, *Which immigrants are most innovative and entrepreneurial? Distinctions by entry visa*, 29 *J. of Labor Econ.* 417(2011), <https://www.journals.uchicago.edu/doi/abs/10.1086/659409>.

technology firms and 2,000 founders across the United States reveals that 16 percent of firms have at least one immigrant founder;¹¹ immigrants have started 25 percent of new high tech companies with more than \$1 million in sales in 2006;¹² and immigrants represented 25 percent of founders of recent public venture-backed companies.¹³

11. The NAS Report therefore found that the contribution of immigrants to human and physical capital formation, entrepreneurship, and innovation play an important role in economic growth. Innovation carried out by immigrants also has the potential to increase the productivity of native-born workers, raising economic growth per capita. In short, the prospects for economic growth in the United States would be considerably dimmed without the contributions of high-skilled immigrants.¹⁴

12. The positive impact of immigrants is partly due to the fact that foreign workers in the visa categories are carefully selected and sponsored by their United States employers, who have committed to sponsoring workers who have proven themselves to be the best candidate for the job. Sponsoring a worker in any visa category, for an immigrant or non-immigrant visa, is an expensive and time-consuming endeavor, one that businesses undertake only after extensive cost-benefit

¹¹ David M. Hart, Zoltan J. Acs, & Spencer Tracy, *High-technology immigrant entrepreneurship in the U.S.*, 25 *Econ. Dev. Q.* 116 (2011).

¹² Vivek Wadhwa, AnnaLee Saxenian, Ben Rissing, & Gary Gereffi, U.C. Berkeley School of Information, *America's New Immigrant Entrepreneurs* (May 2016), http://people.ischool.berkeley.edu/~anno/Papers/Americas_new_immigrant_entrepreneurs_I.pdf.

¹³ Stuart Anderson and Michaela Platzer, National Venture Capital Association, *American Made: The Impact of Immigrant Entrepreneurs and Professionals on U.S. Competitiveness* (Feb. 2006), http://www.contentfirst.com/AmericanMade_study.pdf.

¹⁴ The Nat'l Acad. Of Scis., Eng'g., and Med., *supra* note 1, at 317.

evaluations. This is true for visa programs for both highly skilled and lesser-skilled foreign-born workers.

13. The damage from freezing entries on H-1B visas is particularly clear. H-1B workers are largely concentrated in computer science, engineering, and science—areas that are fundamental drivers of economic growth.¹⁵ They file patents at nearly double the rate of native-born United States workers.¹⁶ Top scholars from around the world join the faculty of American universities on H-1B visas. And as more of us continue to work remotely, whether by choice or necessity, H-1Bs workers' contribution to filling the jobs that support and power online platforms takes on an even greater urgency, reflected in the unemployment rate of only 4.3 percent in computer occupations in June, compared to an overall unemployment rate of 11.2 for the country generally.¹⁷

14. Workers with L-1 intracompany transferee visas are also likely to be particularly productive because they are already working for the company that will employ them in the United States: the employer is in the best position to know how well an existing employee will fit an open job and maximize the employee's economic contribution. L-1 workers are professional, skilled workers whose United States roles require hard-earned, specialized understanding of their company's business operations and products.

¹⁵ The Nat'l Acad. Of Scis., Eng'g., and Med., *supra* note 1, at 249; see also Jones, C. (2002). Sources of U.S. economic growth in a world of ideas. *American Economic Review*, 92(1), 220-239.

¹⁶ Hunt, *supra* note 10.

¹⁷ U.S. Bureau of Labor Statistics, *Labor Force Statistics from the Current Population Survey*, (July 2, 2020), <https://www.bls.gov/web/empsit/cpseea30.htm>.

15. Less-skilled workers, such as those who would enter on H-2B visas, also contribute to the American economy by diversifying the skills of the workforce and thus increasing specialization and productivity.¹⁸ Most less-educated, less-skilled immigrants have do not have the language and communication skills of native-born workers. Their arrival therefore leads native-born workers in occupations favored by such immigrants to move into more language and communication-intensive occupations, mitigating negative wage effects and increasing the degree to which workers specialize in what they do best. Native-born workers in certain other occupations are complementary to less-skilled immigrant workers, because the skills of the different worker types must be combined to produce a good or service. This means that demand for native-born workers in these occupations increases with the arrival of low-skilled immigrants, and consequently their wage does too.

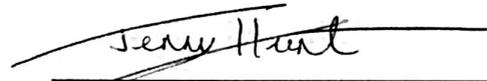
16. Suspending the entry of foreign workers on non-immigrant and immigrant visas, even as a temporary response to COVID-19 concerns, is a misguided move. There is simply no economic or evidentiary basis for the assertions in the Proclamations about foreign workers “pos[ing] a risk of displacing and disadvantaging United States workers.” And banning hundreds of thousands of foreign workers hand-picked by their United States employers will not result in an equal number of job opportunities for United States workers. It will neither protect the American workforce nor jumpstart the economy.

17. Instead, the Proclamations will prevent immigration—and thus, the economy—from rebounding when the worst of Covid-19 has passed and increased population would provide

¹⁸ See Giovanni Peri & Chad Sparber, *Task Specialization, Immigration, and Wages*, 1 Am. Econ. J.: Applied Econ. 135 (2009), http://giovanniperi.ucdavis.edu/uploads/5/6/8/2/56826033/peri_sparber_task_specialization_immigration_2010.pdf.

economic stimulus. The Proclamations thus undermine their asserted goal of protecting the United States labor market and post-coronavirus economic recovery.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed on July 30, 2020 at Sydney, Australia.


~~Jennifer Hunt~~