

Comments on:

How Did the Post-Pandemic Migration Surge Affect Labor and Housing Markets?

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What the paper does

Uses cross-metro variation to estimate how the post-pandemic migration surge affected employment, GDP, wages, rents, and domestic migration.

Paper uses Customs and Border Protection released entrants as a central benchmark, recognizing that CBP does not include people who Entered Without Inspection (EWI).

The paper carefully shows that Executive Office for Immigration Review cases are approximately proportional to the CBP measure across origins and places.

EOIR has the necessary cross-metro detail.

The regression coefficient is initially an effect per EOIR case—or per 1 pp EOIR share. Translating it to a broader migration concept requires a scaling assumption.

The scaling matters if the interpretation is “per surge immigrant”

Paper’s regression treatment: EOIR

July 2021–June 2024: $\text{EOIR} / \text{CBP} = 3.7\text{m} / 4.4\text{m} \approx 0.8$

So the paper multiplies EOIR coefficients by 0.8 when it wants to interpret them as effects per CBP entrant (or per 1 pp CBP share).

Employment example: 0.5 jobs per EOIR case $\times 0.8 \approx 0.4$ jobs per CBP entrant.

That is a sensible conversion if CBP entrants are the population of interest. But the headline migration surge is broader.

What scale works for all gross flows outside usual legal pathways?

Paper's CBP benchmark: about 4.4m released / granted-entry migrants

Add EWI: about 2.1m → gross surge inflow ≈ 6.5 m

EOIR / 6.5m ≈ 0.6 rather than 0.8.

Broader still: adding a rough ≈ 0.7 m NTA/detained would put gross entrants around 7.2m.

EOIR / 7.2m ≈ 0.5

I use 0.5 below as a broad gross-flow scaling.

Brief detour on total gross flows

Why is 7.2m larger than paper's 6.5m headline:

The paper reports that 6.5 million migrants entered the country outside of usual legal pathways between 2021 and 2024 (a longer time period)

7.2m is my estimate of gross flows of those entering US from July 21 to June 24 outside of normal legal channels

The 6.5m is **net** increase, which includes exits (emigration / movement into legal status)

How does the broader scaling change interpretation?

2021–2024 preferred IV coefficients → paper's CBP scaling ($\times 0.8$) → broad gross-flow scaling ($\approx \times 0.5$)

Employment: +0.5 jobs / EOIR → +0.4 / CBP → $\approx$ **+0.3 / gross entrant**

GDP: +1.7% → +1.4% → **+0.9% / 1 pp increase in share**

Average hourly wage: -1.7% → -1.4% → **-0.9%**

Native wage: +1.0% → +0.8% → **+0.5%**

Native rent: +1.8% → +1.4% → **+0.9%**

GDP rises much more than labor income

Using the 2021–2024 period estimates:

Real GDP: +1.5%

Employment: $0.5 \text{ jobs per EOIR entrant} \times 3.25\text{m} = 1.6\text{m jobs}$

Baseline payroll employment in the 164 metros: about 112m (Table 1)

Implied employment increase: $1.6 / 112 \approx \mathbf{+1.4\%}$

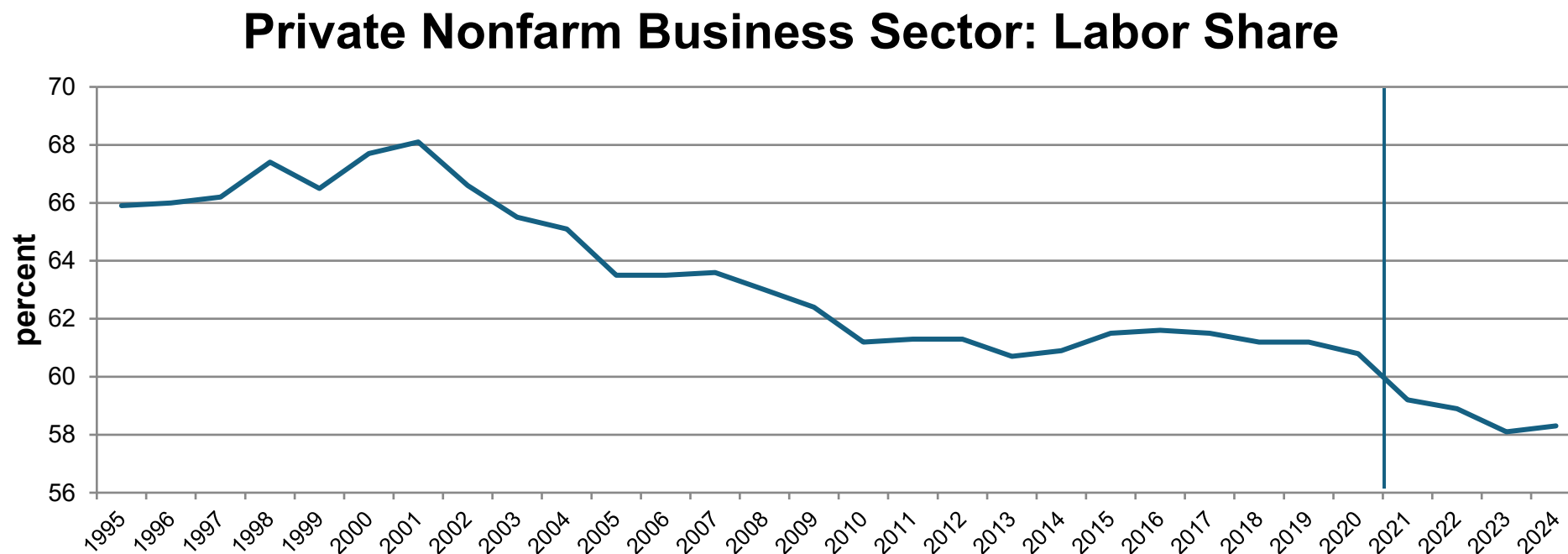
Average hourly wage: $-1.7\% \text{ per 1 pp EOIR share} \times 0.9 \text{ pp} \approx \mathbf{-1.6\%}$

Assuming hours unchanged:

Labor income down a little

GDP and aggregate income effects point to downward pressure on the labor share

The labor share did fall after 2021—but this is only a consistency check.



The net domestic migration result is especially interesting

In the average metro area, the paper says roughly 90% of the surge was offset by reduced net domestic in-migration.

Open question: did some surge migrants who arrived in earlier years subsequently leave those metros?

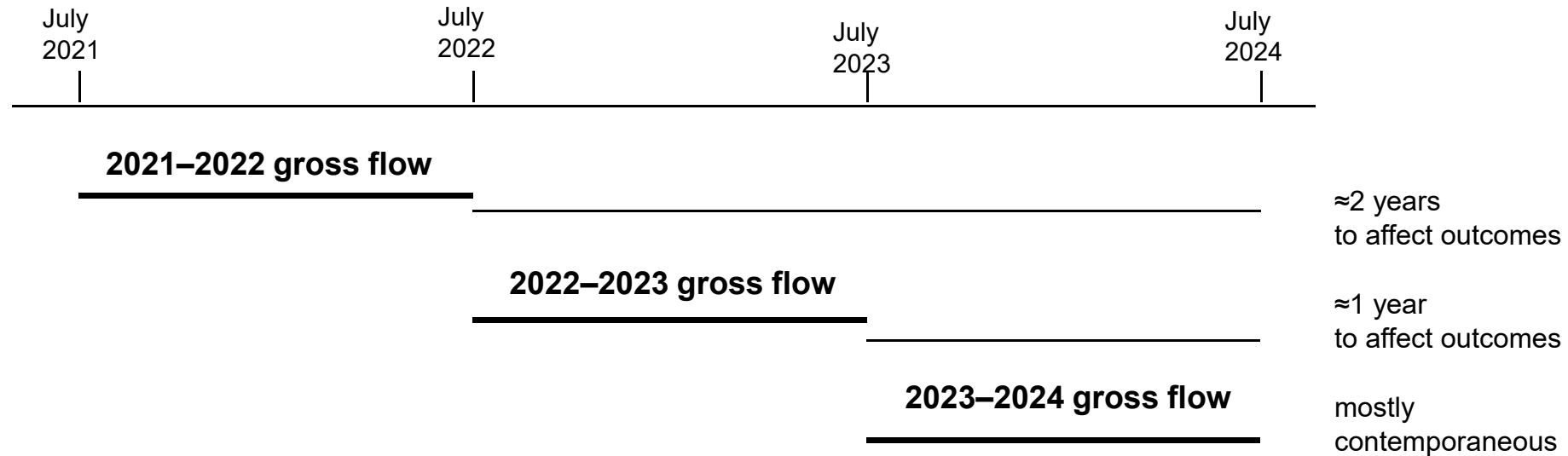
Fiscal effects: state and local impacts depend on the net change in residents, workers, renters, schoolchildren, and the tax base—not simply on gross arrivals. A fiscal effect could shrink substantially over time.

Expectations: what do households, firms, and local governments infer from the initial boost to demand, employment, output, and revenues?

Dynamics: later coefficients may partly reflect adjustment set in motion by earlier migrant cohorts.

The 2021–2024 coefficient mixes exposure horizons

Three migration years are pooled, but each cohort has a different amount of time to affect July 2024 outcomes.



Even within a migration year, timing differs. A mid-2023 arrival has much more time to affect 2024 outcomes than a mid-2024 arrival.

Implication: 2021–2024 is not a clean “effect of total gross flows”; it mixes cohorts observed over different horizons.

Domestic migration further complicates: 2021–2022 cohort may affect area’s economy in July 2024 through the reduction in domestic migration after the cohort first arrived.

Compare the annual employment effects with an immigrant-employment benchmark

2022-2023: 0.84 jobs / EOIR case $\times 0.5 \approx 0.4$ jobs per gross surge entrant

2023-2024: 0.48 jobs / EOIR case $\times 0.5 \approx 0.2$ jobs per gross surge entrant

Benchmark for a newly arrived immigrant

0.82 age 16+ $\times 0.55$ LFPR $\times 0.90$ employment rate = 0.4

2022-2023 lines up, but 2023-2024 about half the benchmark

Maybe: negative net domestic migration + serial correlation in gross flows

Population growth in area a, time t is boosted by current immigration flow but depressed by negative domestic migration following prior immigration flow

Surge relative to what?

Gross flow of immigrants outside of legal channels was not zero prior to 2021

Paper says 2021-2024 immigrants were different, but completely different?

Matters for expectations