

NATIONAL FOUNDATION FOR AMERICAN POLICY

NFAP POLICY BRIEF » SEPTEMBER 2026

**THE DECLINE IN THE U.S. LABOR FORCE UNDER THE
TRUMP ADMINISTRATION**

EXECUTIVE SUMMARY

Donald Trump is on track to be the only president in the 20th and 21st centuries to preside over a reduction in the U.S. civilian labor force during the length of his time in office, according to a National Foundation for American Policy (NFAP) analysis of government estimates.¹ A combination of demographics and a policy choice to reduce the labor supply by restricting legal immigration and deporting immigrant workers has resulted in a drop in America's labor force. The Bureau of Labor Statistics (BLS) reports that the total U.S. labor force has declined by 919,000 workers since the start of the Trump administration in January 2025 through August 2026, according to the BLS [seasonally adjusted estimate](#) of the U.S. labor force. The unprecedented event forecasts slower economic growth, reduced dynamism and less ability to service America's public debt. Economic growth is composed of growth in the labor supply and productivity growth, with approximately two-fifths of U.S. economic growth since 1948 attributable to growth in the labor supply, according to an NFAP analysis.²

Table 1
U.S. Civilian Labor Force (Seasonally Adjusted)

January 2025	August 2026	Decline in U.S. Civilian Labor Force
170,696,000	169,777,000	-919,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

ANALYSIS OF THE REASONS FOR THE DECLINE AND ITS IMPLICATIONS

The size of the U.S. civilian labor force has fallen, according to the official government estimate, and the Trump administration's policies have contributed to the problem. Due to the U.S. birth rate declining since 1957, the growth in the U.S.-born labor force has slowed, and the U.S. population has aged.³ That reality makes the current period more economically challenging, as slowing growth makes it more difficult to improve living standards, service existing government debts and make good on future promises such as veterans benefits and Social Security. However, rather than addressing this problem, the Trump administration has actively sought to reduce the labor force further—and appears to have succeeded. The Bureau of Labor Statistics shows a decline in the U.S. civilian labor force of 919,000 between January 2025 and August 2026.⁴

U.S. immigration policies have played a significant role in the reduction of the labor force. The Bureau of Labor Statistics [household survey](#) for August 2026 shows a decline of 1.4 million foreign-born workers since January

¹ See also Stuart Anderson and Mark Regets, "Trump is set to mark a dangerous first for the labor force," *Washington Post*, September 3, 2026. Statistics from the *Washington Post* article have been updated to reflect employment numbers through August 2026.

² Two-fifths is according to an accounting division between growth in output per worker and the number of workers. More complex estimates that include total factor productivity attribute around one-third of economic growth to growth in the labor supply.

³ <https://www.ssa.gov/oact/TR/2026/lr5a1.html>.

⁴ <https://fred.stlouisfed.org/series/CLF16OV>.

The Decline in the U.S. Labor Force Under the Trump Administration

2025, according to an NFAP analysis. It is possible the decline in the foreign-born labor force is less steep than BLS estimates, but it is clear current policies have affected the number of foreign-born workers. (See the Appendix for a discussion of BLS estimates.) From 2014 to 2024, more than half of U.S. labor force growth came from an increase in immigrant workers.

The Congressional Budget Office and the Social Security Administration population estimates made near the start of the Trump administration for immigrants assumed about 1.3 million *more* foreign-born workers in 2025 and an additional 900,000 for all of 2026.⁵ Instead, the BLS data for August 2026 show a *decline* of 1.4 million foreign-born workers since January 2025.

If the administration's policy goal was to help U.S.-born workers, it has failed: The [unemployment rate](#) for U.S.-born workers has increased to 4.6% in August 2026 from 4.3% in January 2025, when Donald Trump took office.⁶ There is no sign that U.S. workers have reentered the labor market in response to the withdrawal of foreign-born workers. The [labor force participation rate](#) for the U.S.-born aged 16 and older fell from 61.8% in June 2025 to 60.9% in August 2026. The aging of the U.S. population is at least partly responsible for the decline, but the seasonally adjusted labor force participation rate for prime-age workers (ages 25 to 54) also dropped from 83.5% in January 2025 to 83.4% in August 2026.⁷

The Trump administration has been enthusiastic in its efforts to remove workers from the labor force. The White House has established arrest quotas, hoping to achieve one million or more deportations a year, which explains why most people in ICE detention do not have criminal convictions.⁸

Administration officials have targeted immigrant workers for deportation and promoted the arrests to encourage other workers to self-deport. The high-profile arrest and shipment of immigrants to El Salvador's notorious CECOT prison appears to have been aimed at signaling immigrants to leave the country or risk being imprisoned in harsh conditions.⁹ The administration hopes to achieve a similar goal by denying bond to immigrants and forcing them to remain in inhospitable Immigration and Customs Enforcement (ICE) detention centers while awaiting an immigration hearing. Videos have shown immigration enforcement agents raiding [car washes](#), [climbing roofs](#) to arrest construction workers and [swarming laborers](#) outside Home Depot.

⁵ NFAP extrapolation of labor force numbers from CBO and SSA population estimates.

⁶ <https://fred.stlouisfed.org/series/LNU04073413>.

⁷ <https://fred.stlouisfed.org/series/LNS11300060>.

⁸ Itzel Luna, "ICE detentions spiked in June, targeting immigrants with no criminal records, new data show," *Los Angeles Times*, July 23, 2026.

⁹ See Maggie Haberman and Jonathan Swan, *Regime Change: Inside the Imperial Presidency of Donald Trump* (New York: Simon & Schuster, 2006), pp. 163-64.

The Decline in the U.S. Labor Force Under the Trump Administration

The administration has also targeted legal immigration. Based on policies enacted to date, the Trump administration has reduced the projected level of legal immigration to the United States by more than 600,000 immigrants during Donald Trump's second term, according to an NFAP estimate. The administration has lowered refugee admissions by more than 100,000 a year, or by at least 400,000 by 2028, currently admitting only white South Africans. NFAP finds that over the next three years, the Trump administration's ban on the Immediate Relatives of U.S. Citizens from multiple countries via the Dec. 16 [proclamation](#) could reduce legal immigration to the United States by another 200,000 or more immigrants. The reductions in legal immigration may be higher, since U.S. Citizenship and Immigration Services has halted processing inside the country for many potential immigrants and visa holders. Administration officials may introduce additional restrictions.

Other Trump administration policies have removed legal workers from the U.S. labor force. Trump officials ended work authorization for several hundred thousand people who entered the United States under humanitarian parole programs during the Biden administration. Administration officials have also ended Temporary Protected Status for most countries, including Haiti and Venezuela. According to the Congressional Research Service, approximately 1.3 million people had Temporary Protected Status as of March 2025.¹⁰ TPS for individuals of nearly all countries has already been terminated or will be soon. The Supreme Court effectively ended almost all legal challenges to the Trump administration's TPS decisions. The administration has claimed a high number of individuals have voluntarily departed the United States, and it has offered payments to unauthorized immigrants who leave the country. "President Donald Trump's ambitious and aggressive immigration crackdown that involved over 600,000 deportations and causing roughly 1.9 million immigrants to voluntarily leave in 2025 alone, according to an announcement made by DHS," reported PBS.¹¹ It is not possible to verify the figure of 1.9 million.

There also has always been significant emigration across all classes, including temporary and permanent visa holders.¹² A perception of a less hospitable environment may have increased emigration.¹³

Based on his past arguments, it appears Stephen Miller, the chief architect of the Trump administration's immigration policies, believes in the lump of labor fallacy, or something approximating it, i.e., the notion that an

¹⁰ <https://www.congress.gov/crs-product/RS20844?q=%7B%22search%22%3A%22tps+tp%22%7D&s=2&r=11>.

¹¹ <https://www.pbs.org/newshour/world/lawsuit-says-u-s-immigrato-in-agencies-illegally-shared-confidential-information-on-iranian-asylum-seekers-with-iran>.

¹² For example, the most recent report of the Board of Trustees for Social Security assumes an emigration rate of approximately two percent even for those who are already legal permanent residents. A more hostile environment, including for relatives who may not yet have permanent residence, could raise this rate. <https://www.ssa.gov/oact/tr/2026/>.

¹³ Stuart Anderson, "Immigrant Labor Declines As Trump Imposes New Immigration Restrictions," *Forbes*, December 17, 2025.

The Decline in the U.S. Labor Force Under the Trump Administration

economy has only a fixed number of jobs or amount of work, so reducing the number of immigrant workers will benefit or provide open jobs for existing workers. The reality is far different.

When the federal government shrinks the labor force, it gives employers less incentive to invest in skill upgrading or take a chance on marginal workers. That is because expelling immigrants and reducing the labor supply diminish economic dynamism.¹⁴ It provides fewer opportunities for employers to invest in new or existing businesses. If employers have difficulty finding enough workers to staff an existing restaurant or other business, they are unlikely to start new ones. Removing immigrants from the labor force also reduces the domestic market for goods and services because immigrants are not only workers, but also consumers. This is supported by other research: One recent [study](#) found that reducing the number of immigrants harms productivity growth, while others have concluded that a reduction in immigration leads to [fewer job opportunities](#) for [U.S. workers](#).¹⁵

The current labor situation may create new challenges for the Federal Reserve Board. A loss of workers is an inflationary supply shock to the economy that the Fed cannot easily manage without further increasing inflation or unemployment. “Having labor market tightness caused by a decline in the labor supply is a new problem,” according to labor economist and NFAP Senior Fellow Mark Regets. “In the past, the usual public policy tradeoff for the Fed was how to stimulate the economy enough so that employers would take on risks and invest in training, while hoping to avoid too much stimulation so as not to cause inflation. Given U.S. economic history, a declining labor supply is new territory.”¹⁶

HISTORICAL ANALYSIS

The National Foundation for American Policy examined each presidential term since 1900 and found none oversaw a decline in the estimated U.S. civilian labor force except for Donald Trump’s second term. The data since 1948 are available from the Bureau of Labor Statistics and the St. Louis Fed.¹⁷ Individual years since 1900 are available via Stanley Lebergott (1964), *Manpower in Economic Growth: The American Record Since 1800*.

¹⁴ According to a study by University of North Florida economics professor Madeline Zavodny, “Across 248 metro areas, a 1 percentage point higher share of the population composed of the working-age foreign born in 2010 is associated with a 0.58 percentage point higher growth rate in the number of establishments during 2010-2019. Foreign-born workers accounted for up to three-quarters of the growth in business establishments in 248 U.S. metro areas between 2010 and 2019. A 1 percentage point higher share of the population composed of foreign-born workers is associated with a 0.7 percentage point higher employment growth rate.” Madeline Zavodny, *Immigration, Employment Growth and Economic Dynamism*, NFAP Policy Brief, National Foundation for American Policy, February 2023.

¹⁵ Abhi Gupta, Lower Immigration Means Lower Productivity Growth, The Budget Lab, Yale University, May 28, 2026. Chloe N. East, Philip Luck, Hani Mansour and Andrea Velasquez, *The Labor Market Effects of Immigration Enforcement*, *Journal of Labor Economics*, 2023, 41 (4), 957–996, and Michael Clemens, “Trump’s proposed mass deportations would backfire on U.S. workers,” Peterson Institute for International Economics, March 6, 2024.

¹⁶ Analysis provided by Mark Regets.

¹⁷ <https://fred.stlouisfed.org/series/CLF16OV>.

The Decline in the U.S. Labor Force Under the Trump Administration

Below are tables detailing labor force data for each president or presidential term since 1948. Because of the post-war baby boom, the rise in female labor force participation and post-1965 immigration, all presidents since 1948, until Donald Trump's second term, saw increases in the size of the U.S. civilian labor force (seasonally adjusted) during their terms. NFAP measured the change in the size of the labor force for each president between the Bureau of Labor Statistics estimates for January during their first year in office and January of the last year of their presidential term. The analysis included Harry Truman (+2,668,000), Dwight Eisenhower in his first term (+2,989,000) and second term (+4,019,000), the Kennedy/Johnson administration (+3,122,000), Lyndon Johnson (+5,954,000), Richard Nixon (+7,964,000), the Nixon/Ford administration (+9,721,000), Jimmy Carter (+10,818,000), Ronald Reagan in his first term (+6,699,000) and second term (+8,665,000), George Bush Sr. (+5,010,000), Bill Clinton's first term (+7,056,000) and second term (+8,334,000), George W. Bush's first term (+4,229,000) and second term (+6,181,000), Barack Obama's first term (+1,553,000) and second term (+3,857,000), Donald Trump's first term (+461,000), Joe Biden (+10,615,000), and Donald Trump's second term (-919,000).

Until Donald Trump's second term, it appears no president in American history oversaw a decline in the U.S. civilian labor force during their time in office, with the possible exception of Abraham Lincoln during the Civil War due to the mobilization into the military in the North and South.¹⁸ However, data show the civilian labor force increased by 16% between 1860 and 1870, which means if Lincoln had not been assassinated in 1865, he likely would have seen a rise in the civilian labor force. FDR saw a rise in the civilian labor force during his presidency, even when including the mobilization during World War II.¹⁹

Table 2
Truman Administration: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1949	60,771,000
January 1952	63,439,000
Increase in U.S. Civilian Labor Force	+2,668,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

¹⁸ <https://archive.org/details/manpowerineconom0000lebe/mode/2up>.

¹⁹ Ibid.

The Decline in the U.S. Labor Force Under the Trump Administration

Table 3
Eisenhower Administration I: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1953	63,439,000
January 1956	66,428,000
Increase in U.S. Civilian Labor Force	+2,989,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 4
Eisenhower Administration II: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1957	66,428,000
January 1960	70,447,000
Increase in U.S. Civilian Labor Force	+4,019,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 5
Kennedy/Johnson Administration: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1961	70,447,000
January 1964	73,569,000
Increase in U.S. Civilian Labor Force	+3,122,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 6
Johnson Administration: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1965	73,569,000
January 1968	79,523,000
Increase in U.S. Civilian Labor Force	+5,954,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

The Decline in the U.S. Labor Force Under the Trump Administration

Table 7
Nixon Administration I: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1969	79,523,000
January 1972	87,487,000
Increase in U.S. Civilian Labor Force	+7,964,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 8
Nixon/Ford Administration: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1973	87,487,000
January 1976	97,208,000
Increase in U.S. Civilian Labor Force	+9,721,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 9
Carter Administration: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1977	97,208,000
January 1980	108,026,000
Increase in U.S. Civilian Labor Force	+10,818,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 10
Reagan Administration I: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1981	108,026,000
January 1984	114,725,000
Increase in U.S. Civilian Labor Force	+6,699,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 11
Reagan Administration II: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1985	114,725,000
January 1988	123,390,000
Increase in U.S. Civilian Labor Force	+8,665,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

The Decline in the U.S. Labor Force Under the Trump Administration

Table 12
Bush Sr. Administration: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1989	123,390,000
January 1992	128,400,000
Increase in U.S. Civilian Labor Force	+5,010,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 13
Clinton Administration I: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1993	128,400,000
January 1996	135,456,000
Increase in U.S. Civilian Labor Force	+7,056,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 14
Clinton Administration II: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 1997	135,456,000
January 2000	143,800,000
Increase in U.S. Civilian Labor Force	+8,344,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 15
George W. Bush Administration I: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 2001	143,800,000
January 2004	148,029,000
Increase in U.S. Civilian Labor Force	+4,229,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 16
George W. Bush Administration II: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 2005	148,029,000
January 2008	154,210,000
Increase in U.S. Civilian Labor Force	+6,181,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

The Decline in the U.S. Labor Force Under the Trump Administration

Table 17
Obama Administration I: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 2009	154,210,000
January 2012	155,763,000
Increase in U.S. Civilian Labor Force	+1,553,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 18
Obama Administration II: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January /2013	155,763,000
January 2016	159,620,000
Increase in U.S. Civilian Labor Force	+3,857,000

Source: Bureau of Labor Statistics, National Foundation for American Policy.

Table 19
Trump Administration I: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 2017	159,620,000
January 2020	160,081,000
Increase in U.S. Civilian Labor Force	+461,000

Source: Bureau of Labor Statistics, National Foundation for American Policy

Table 20
Biden Administration: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 2021	160,081,000
January 2024	170,696,000
Increase in U.S. Civilian Labor Force	+10,615,000

Source: Bureau of Labor Statistics, National Foundation for American Policy

Table 21
Trump Administration II: U.S. Civilian Labor Force Level (Seasonally Adjusted)

Dates	Size of U.S. Civilian Labor Force
January 2025	170,696,000
August 2026	169,777,000
Increase in U.S. Civilian Labor Force	-919,000

Source: Bureau of Labor Statistics, National Foundation for American Policy

CONCLUSION

An October 2025 National Foundation for American Policy analysis, which used CBO estimates and budget tools, found that due to fewer workers in the labor force, the Trump administration's immigration policies would lead to a potential labor loss to the U.S. economy of approximately 19 million worker-years by 2028 and 102 million worker-years by 2035. The policies would reduce the projected cumulative goods and services produced (GDP) in America by \$1.9 trillion, or \$5,612 per person, from 2025 to 2028, and by \$12.1 trillion, or \$34,369 per person, from 2025 to 2035. It could also lower the annual rate of economic growth by almost one-third, harming U.S. living standards.²⁰ Slower economic growth will also affect the ability to manage our debts. The NFAP [analysis](#) projected that continuing Trump's immigration policies through 2035 would add \$1.7 trillion to Federal debt.

The current labor situation may create new challenges for the Federal Reserve Board and other policymakers, since a loss of workers is an inflationary supply shock that cannot be easily managed without further increasing inflation or unemployment. Labor market tightness caused by a decline in the labor supply is a new problem. However, it is one caused largely by a deliberate policy choice by the Trump administration. Based on U.S. economic history, a declining labor supply is new territory.

²⁰ *The Economic Impact of the Trump Administration's Immigration Policies*, NFAP Policy Brief, National Foundation for American Policy, October 2025.

APPENDIX

RELIABILITY OF BLS ESTIMATES

While the monthly household survey has shown a decline in the number of immigrant workers, several reasons caution against treating its numbers as a precise estimate. For example, BLS showed an increase of 2.7 million in the U.S.-born population over age 16 between January 2025 and January 2026, while Census estimated growth of only about half that amount.²¹ Between January 2026 and June 2026, the BLS Household Survey showed an additional increase of 1.7 million in the U.S.-born population over age 16—about one million more than Census projections would suggest for a half a year of growth.

The same technical issues that lead to overestimates of the U.S.-born labor force may also lead to overestimates of the foreign-born population, thereby potentially *underestimating* foreign-born labor force losses. When BLS does not find as many people in a population category as it expected based on Census data, it adjusts its estimates to reflect its prior expectation. This is a standard and well-accepted survey practice, but it means that if BLS finds fewer foreign-born individuals, it will increase the weight given to both U.S.-born and foreign-born individuals with similar characteristics.²² If the reason BLS finds fewer foreign-born individuals is that they left the country, this will lead to an overestimate of both the U.S.-born and the foreign-born populations. This overestimate may compensate for any underestimate that results from fewer immigrants who are still in America answering the survey.²³

²¹ This is calculated using the revised January 2026 estimate that incorporates sample weights from Census population projections from July 2025.

²² Between January 2025 and December 2025, the weights on Hispanics in the Household Survey increased by 8.1% for both the U.S.-born and the foreign-born.

²³ Household-level nonresponse rates to the household survey have increased since January 2025, but at a rate consistent with the long-term decline involving immigrant and non-immigrant households.

https://data.bls.gov/timeseries/LNU09300000&from_year=2013&output_type=column.

ABOUT THE NATIONAL FOUNDATION FOR AMERICAN POLICY

Established in 2003, the National Foundation for American Policy (NFAP) is a 501(c)(3) non-profit, non-partisan public policy research organization based in Arlington, Virginia, focusing on trade, immigration and related issues. Advisory Board members include Columbia University economist Jagdish Bhagwati, Cornell Law School professor Stephen W. Yale-Loehr, Ohio University economist Richard Vedder and former INS Commissioner James Ziglar. Over the past 24 months, NFAP's research has been written about in the *Wall Street Journal*, the *New York Times*, the *Washington Post*, and other major media outlets. The organization's reports can be found at www.nfap.com. X.com: [@NFAPResearch](https://twitter.com/NFAPResearch) Bluesky: [@NFAPResearch.bsky.social](https://bsky.app/profile/nfapresearch.bsky.social)