



Insight Report: Los Angeles in Turmoil: Assessing the Fallout from Federal Immigration Actions for California's Economy and Business Community

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Executive Summary

Trigger:

In early June 2025, Los Angeles experienced significant unrest following large-scale immigration enforcement raids by federal authorities. The raids targeted workplaces and public spaces, resulting in mass arrests and sparking widespread protests.

Scale of Response:

The federal government deployed over 2,000 National Guard troops and 700 Marines to Los Angeles, despite strong objections from state and local leaders. Protests escalated into clashes with law enforcement, road blockades, and property damage.

Top 3 Takeaways for Clients:

1. Business Disruption: Operations in affected areas face risks from property damage, workforce shortages, and supply chain interruptions.
2. Legal and Regulatory Uncertainty: Ongoing state-federal conflict does increases compliance risks and operational challenges.
3. Reputation and Economic Risk: Persistent unrest threatens business reputation, consumer confidence, and regional economic stability.



Police vehicles parked on the 101 freeway during a protest against ICE immigration raids in downtown Los Angeles on June 8, 2025.

Overview of Los Angeles Protests and Government Response

Escalation and Causes

Protests in Los Angeles have intensified since the deployment of the National Guard and the execution of immigration raids by federal authorities. These actions are consistent with the Trump administration's strict stance on illegal immigration, but the decision to federalize and deploy the National Guard against American citizens sparked immediate backlash, which eventually turned violent.

Protest Factions

The protests have been characterized by two main factions:

- Violent Demonstrators: Some groups appeared determined to cause chaos, engaging in property destruction and confrontations with law enforcement.
- Progressive Activists: Others were motivated by a commitment to protect the rights of undocumented individuals, advocating for social justice and immigrant rights.

Community and Organizational Support

Organizations such as Unión del Barrio have publicly supported efforts to resist ICE and other federal agencies, emphasizing their mission to protect the rights of Mexican and indigenous people in the United States.

Protesters' Demands

Protesters are primarily calling for:

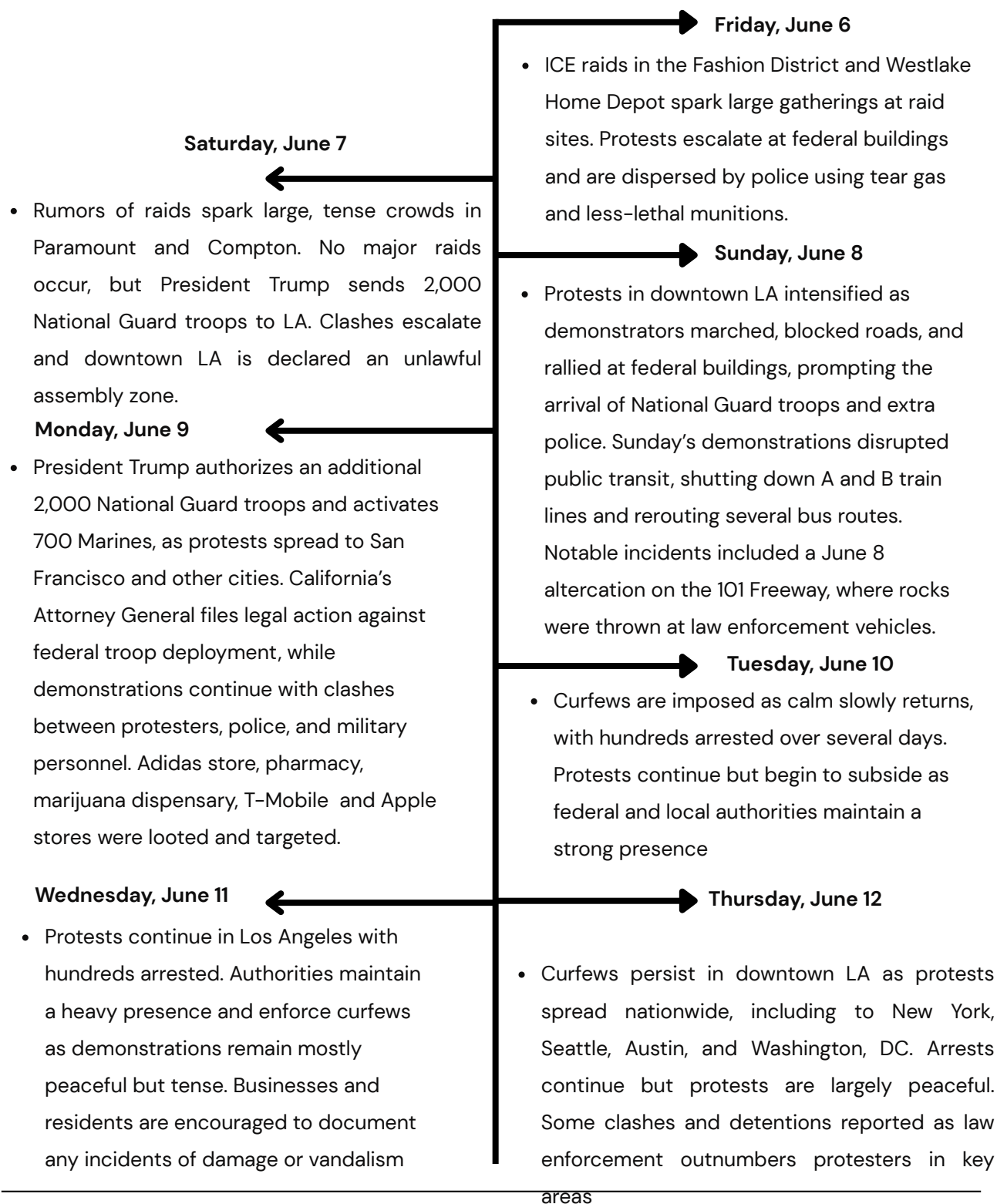
- Justice for migrants arrested in the raids
- Protection of undocumented individuals' rights
- Release of those detained by ICE

Property Damage and Looting

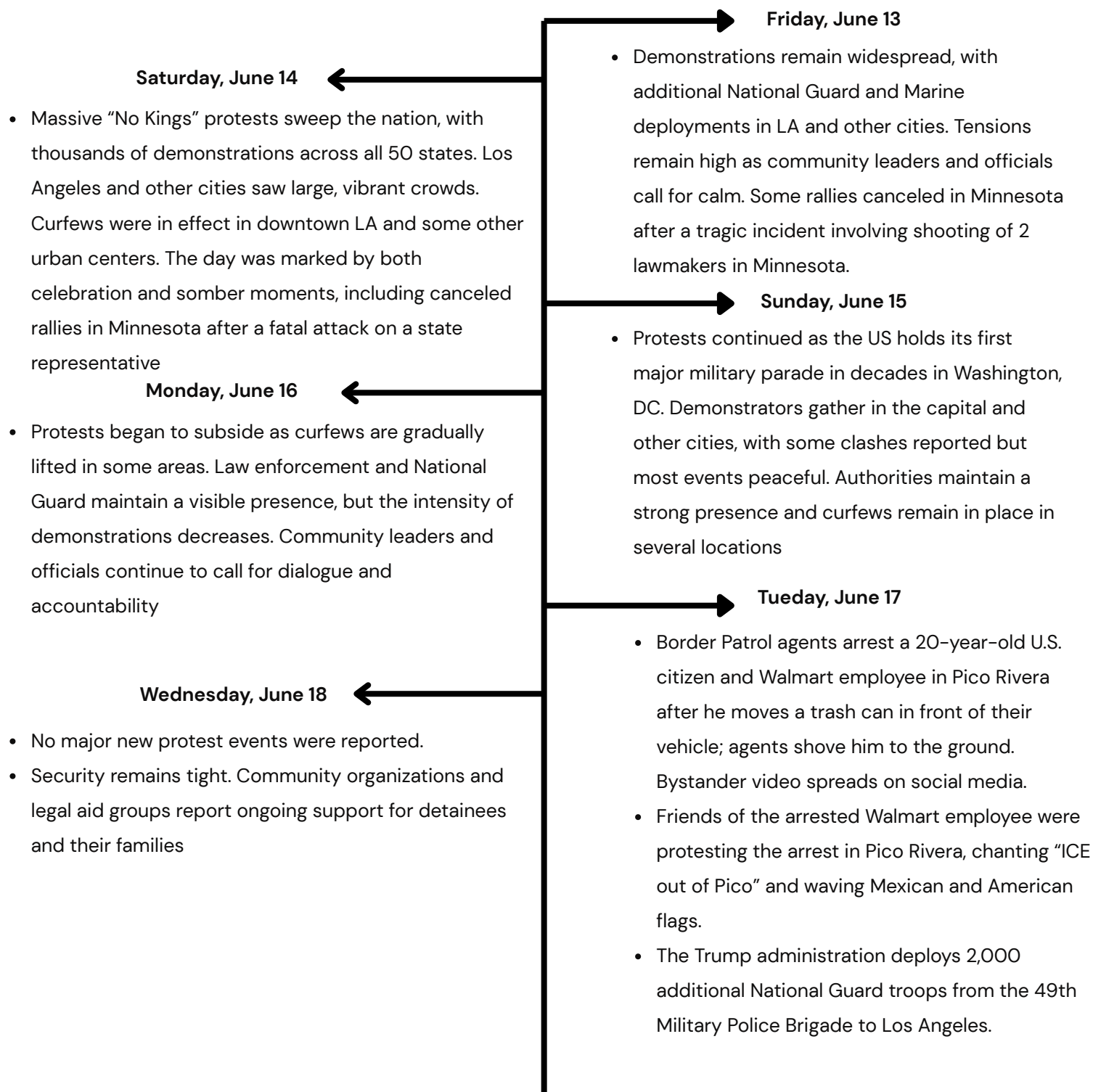
During the unrest, looters targeted several businesses, including:

- Adidas store
- Apple Store
- AutoZone store in southern Los Angeles
- Pharmacy
- Marijuana dispensaries
- T-Mobile Store

Los Angeles Immigration Crisis 2025: Key Events Timeline



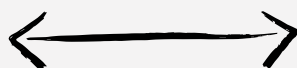
Los Angeles Immigration Crisis 2025: Key Events Timeline



Los Angeles Immigration Crisis 2025: Key Events Timeline



**Democratic US
Senator Alex Padilla**



On June 12, 2025, at 1530 hrs local time in Los Angeles, Senator Alex Padilla was removed from a Homeland Security press conference for not complying with instructions and released without arrest.

Political Development

Federal Government:

- President Donald Trump ordered the deployment of more than 2,000 National Guard troops and 700 Marines to Los Angeles, despite opposition from California Governor Gavin Newsom and Los Angeles Mayor Karen Bass.
- The Trump administration framed this as necessary for public safety and to combat what they called “radical left protests” and “riots.”
- Target of 3000 arrests per day was set to make anti-immigration a success.

State and Local Governments:

- Governor Newsom and Mayor Bass condemned the deployment as federal overreach and a breach of state sovereignty. Newsom pledged legal action, and California’s Attorney General filed for a temporary restraining order against the federalization of National Guard and Marine forces.
- Mayor Bass ordered a curfew in Downtown Los Angeles from June 10 to June 17, 2025, initially from 8 PM to 6 AM and reduced to 10 PM to 6 AM from June 16 onward.

Congressional and Political Figures:

- Democratic lawmakers accused Trump of misusing federal authority for political gain. Former Vice President Kamala Harris called the deployment “a dangerous escalation meant to provoke chaos.”

President Donald Trump



Governor Newsom



Mayor Bass

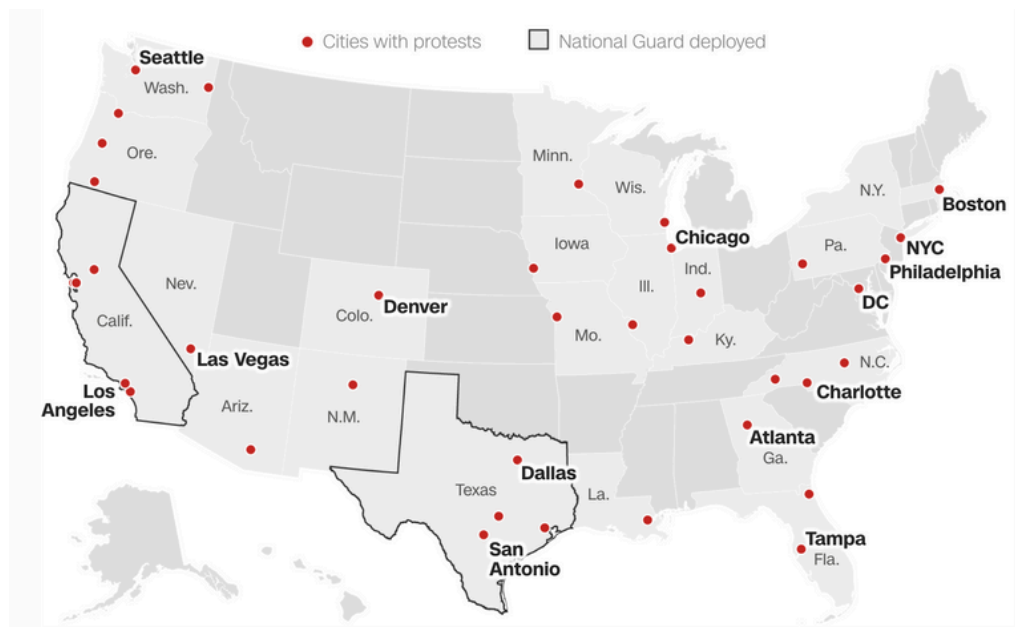


Former Vice President

Kamala Harris



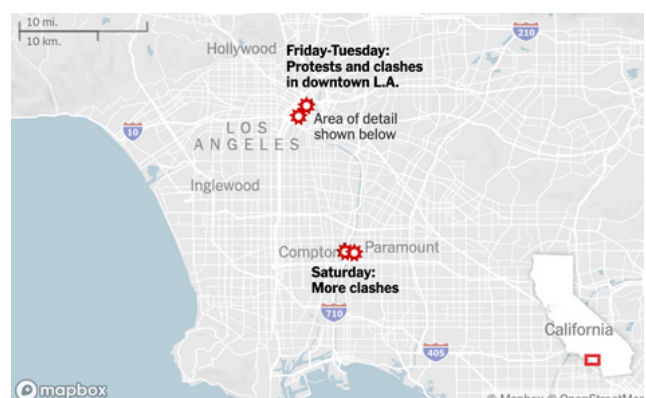
From Los Angeles to the Nation: Protests Go National



Above map illustrates the spillover effect of LA protest with National guards depolyed across major areas of US.

State	Notable Cities with Protests
California	Los Angeles, San Francisco, Oakland, Santa Ana
Texas	San Antonio, Austin, Dallas, Houston
New York	New York City
Washington	Seattle, Spokane
Illinois	Chicago
Georgia	Atlanta
Massachusetts	Boston, Springfield
Minnesota	Minneapolis, St. Paul
Colorado	Denver
Pennsylvania	Philadelphia
Missouri	Kansas City, St. Louis
Indiana	Indianapolis, others
North Carolina	Charlotte, others
South Carolina	Charleston
Alabama	Birmingham, others
New Jersey	Trenton, Newark

- The protests were sparked by immigration enforcement actions in Los Angeles and quickly gained momentum nationwide.
- Both peaceful marches and violent clashes occurred, with major cities in dozens of states experiencing significant demonstrations. The highest concentrations of protest activity were in California, Texas, Oregon, and Pennsylvania.
- The national response highlighted widespread outrage and solidarity with those affected by the initial actions in LA.



Looting and Vandalism in Los Angeles

- Businesses impacted by the looting and vandalism in downtown Los Angeles during the anti-ICE protests from June 9–10, 2025, faced significant losses. Major retailers such as the Apple Store, Adidas, and Shoe Palace lost substantial inventory to theft, while other stores—including jewelry shops, pharmacies, and marijuana dispensaries—also suffered inventory losses and property damage.
- According to reports, the Apple Store on Broadway had iPhones, Apple Watches, MacBooks, and chargers stolen, with additional costs incurred for repairs and boarding up the storefront. The Adidas store and Shoe Palace were also broken into, with merchandise taken and damage sustained. Multiple jewelry stores, pharmacies, and dispensaries experienced similar losses, with shattered windows and emptied display cases.
- Local business owners described the financial and emotional toll, highlighting not only the immediate loss of merchandise but also the ongoing threat to their livelihoods and the broader impact on the downtown economy. Losses and damages across the affected businesses are estimated to be in the millions of dollars

23 Business in total were robbed and vandalised including these areas.



Shops	Type of Damage/Looting
Apple Store (Broadway)	Smashed windows, merchandise stolen
Adidas Store (Broadway)	Broken into, sneakers stolen
Jewelry Store (Broadway/others)	Shelves cleared, windows broken
Pharmacy (Broadway/vicinity)	Looted and vandalized
Marijuana Dispensaries (2+)	Broken into, robbed
Shoe Palace (Main Street)	Ransacked
Otoro Sushi (Little Tokyo)	Doors forced, equipment stolen
Other Downtown Businesses	Windows broken, property damaged
Japanese American National Museum	Graffiti, vandalism

Businesses Targeted:
Looting and
Vandalism During
Protests



Looters stormed and ransacked an AutoZone store in southern Los Angeles early Monday morning (6/16/2025)



Apple Store vandalised and looted by violent protestors on (06/09/2025)

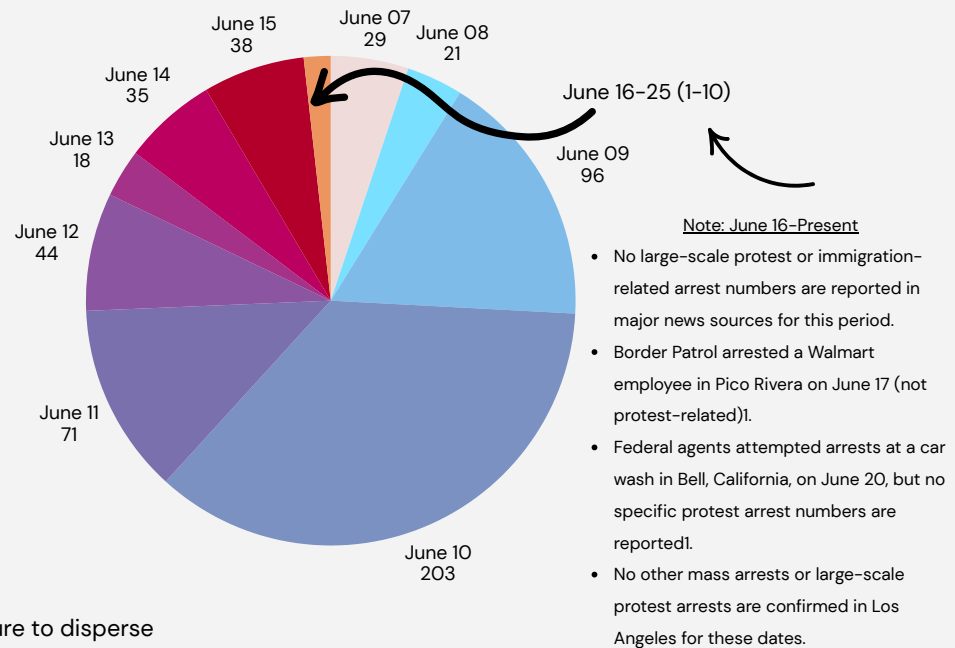
LA Downtown Curfew Timeline (June 6–17, 2025)



Note: Curfew was imposed after 23 businesses were looted Monday night and other properties were vandalized.

- From June 6 to June 9, there was no official curfew in downtown Los Angeles, although police presence was significantly heightened due to ongoing protests and local disruptions.
- On June 10, Mayor Karen Bass and the LAPD imposed a curfew from 8:00 PM to 6:00 AM in the downtown area, specifically targeting the region bounded by the 5, 10, and 110 freeways—from the intersection of the 110 and 10 freeways, extending to where the 110 and 5 freeways merge. This zone covered approximately one square mile of downtown LA and included key protest sites such as the Metropolitan Detention Center, Los Angeles Federal Building, and City Hall. The curfew was enacted in response to escalating violence, vandalism, and looting that had affected 23 businesses, and arrests for curfew violations began immediately that night.
- The curfew remained in effect nightly from June 11 to 13, with strict enforcement by the LAPD and National Guard. Multiple arrests were made each night for violations and unlawful assembly, with a total of 575 arrests reported by June 16, including 14 for looting.
- From June 14 to 16, as protests and violence subsided, the curfew was relaxed, starting at 10:00 PM instead of 8:00 PM from June 16 onward. Arrests during this period declined as the situation calmed. The curfew boundaries remained consistent throughout this period, covering the same one-square-mile area between the designated freeways.
- On June 17, the curfew was officially lifted by Mayor Bass, as order was restored and protest activity had significantly decreased.

Timeline of Arrests from June 07–14, 2025



- June 7: 29 arrests for failure to disperse
- June 8: 21 arrests; charges range from attempted murder with a Molotov cocktail, assault with a deadly weapon on a police officer, looting and failure to disperse
- June 9: 96 arrests for failure to disperse, 14 arrests for looting, one each for assault with a deadly weapon, resisting arrest and vandalism
- June 10: 203 arrests for failure to disperse, three for firearms possession, one for assault with a deadly weapon on a peace officer and one for discharging a laser at an LAPD airship; there were also 17 arrests for curfew violations (the curfew instituted by L.A. Mayor Karen Bass went into effect at 8 p.m. that night)
- June 11: 71 arrests for failure to disperse, seven for curfew violations, two for assault with a deadly weapon on a police officer, one for resisting a police officer
- June 12: 33 arrests for failure to disperse, 13 for curfew violations, one for resisting a police officer and one for pointing a laser at an LAPD airship. One person who was detained for violating curfew was also arrested on a robbery warrant
- June 13: 18 arrests for curfew violation, one for assault with a deadly weapon
- June 14: 35 arrests for curfew violation, one each for failure to disperse, resisting, obstructing or delaying a police officer and resisting arrest
- June 15: 38 people were arrested during demonstrations against the Trump administration in downtown Los Angeles .

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- Official's says: Top officials have highlighted the capture of immigrants convicted of crimes like murder, assault and rape throughout trump tensure and for ongoing raids in june 2025.
 - What data says: More than 75% of people booked into ICE custody in fiscal year 2025 had no criminal conviction other than an immigration or traffic-related offense, according to ICE records from October through the end of May. And less than 10% were convicted of serious crimes like murder, assault, robbery or rape.
 - Mandate: The Trump administration's mandate to arrest 3,000 illegal migrants per day is still below the average number of arrests being done.
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No Kings Day: Protests, Arrests, Violence, and Trump's Response



Demonstrators in Cincinnati participate in the "No Kings" National Day of Action on June 14, 2025.

Purpose:

- The No Kings protests were a nationwide movement organized in response to what demonstrators described as rising authoritarianism, billionaire-driven politics, and the militarization of democratic institutions under the Trump administration. Participants aimed to defend democratic values and reject the portrayal of President Trump as a monarchical figure. The demonstrations were strategically timed to counter President Trump's military parade in Washington, D.C., held in celebration of the U.S. Army's 250th anniversary and coinciding with his 79th birthday.

Scale:

- Number of Protests: Over 2,000 events in all 50 states and more than 2,000 cities and towns.
- Participants: Millions of Americans took part, making it the largest single-day protest against Trump's second administration.
- Major Cities: Notable turnouts included Philadelphia (over 100,000), New York (over 50,000), Los Angeles (over 20,000), and thousands in smaller towns.

Arrests:

- Most protests were peaceful and organized with local authorities' cooperation.
- Arrests were relatively few nationwide, given the scale. In Washington, D.C. (where "No Kings" did not officially organize events but where other protests occurred), about 60 people were arrested after breaching police lines near the Capitol. More than three dozen arrests were made and 12 police officers were hurt during the "No Kings" protest in Los Angeles on Saturday leading to around 3 dozen arrests,

Violence:

- The vast majority of "No Kings" demonstrations were peaceful.
- Isolated incidents: There were sporadic confrontations, such as a vehicle driving into a crowd in one city (no major injuries reported in most accounts), and some clashes between protesters and counter-protesters, but these were exceptions.
- In Minnesota, a shooting targeting lawmakers led to some event cancellations, but protests still occurred.

Trump's Reaction:

- Trump threatened to meet protests with "very big force" if they turned violent or disrupted the military parade.
- He dismissed the protests during a press conference, stating, "I don't feel like a king, but I have to go through hell to get stuff done," and downplayed the scale of dissent.
- The administration deployed National Guard and Marines in Los Angeles and elsewhere in anticipation of unrest, which organizers said only galvanized more participation.

Trump Administration Immigration Policy & California's Economy (June 2025)

Expanded ICE Raids

- Target Cities: Los Angeles, Chicago, New York
- Objective: Mass deportation of undocumented immigrants in Democratic-led cities
- Military Support: 700 troops mobilized in Florida, Louisiana, and Texas for logistical/clerical support—not law enforcement

Pause on Industry Raids

- Sectors Affected: Farms, restaurants, hotels
- Reason: Trump alarmed by negative economic impact on these industries; enforcement paused except for serious crimes

Major Spending Initiatives

- "Big, Beautiful Bill": \$168 billion allocated to immigration and border enforcement
- Projected 10-Year Cost: \$1.4 trillion for immigration enforcement and related costs

Broader Context

- US Government Debt: Increasing due to high spending on enforcement and other priorities
- Budget Strains: Trump's attention and resources also diverted by ongoing Middle East conflict, further straining US budget

Impact on California's Economy

- Economic Contraction: UCLA forecast predicts California's economy will contract due to immigration raids and tariffs—key sectors like construction, hospitality, and agriculture are especially vulnerable.
- Workforce Loss: Studies estimate mass deportations could remove 8% of California's workforce (1.5–1.8 million workers), costing the state up to \$275 billion in lost GDP, tax revenue, and business income.
- Labor Shortages: Immigrants make up 33% of farm workers and 26% of construction laborers; labor shortages are already severe and could worsen.
- Decision Paralysis: Uncertainty over immigration and trade policies is causing businesses and consumers to delay investments and hiring, slowing economic activity.
- Ripple Effects: Higher food prices, reduced business activity, and negative job growth expected across the state.

Analysis & Key Takeaways

- Budget Priorities: Surging immigration enforcement costs compete with other urgent needs
- Economic Impact: Pausing raids in key industries acknowledges risks to labor and business, but broader enforcement still threatens economic stability
- Long-Term Effects: High spending may deepen US debt and limit flexibility for future crises; California faces significant economic headwinds.

Risk Assessment Matrix

Risk Assessment Matrix: Los Angeles Immigration Crisis (June 2025)

Risk Category	Severity	Likelihood	Urgency	Recommended Action
Property Damage	HIGH	MEDIUM	HIGH	Enhance physical Security
Labor Disruption	HIGH	HIGH	HIGH	Monitor ICE activity
Legal Conflict	MEDIUM	HIGH	MEDIUM	Track Court developments
Civil Unrest	HIGH	HIGH	HIGH	Contingency planning
Reputation Risk	HIGH	HIGH	HIGH	Proactive PR and community support

- This risk matrix highlights the most critical threats facing our organization and client operations in California and beyond. Risks are prioritized based on their potential impact and likelihood, with color coding to indicate urgency and required action.
- **High-risk** items (marked in red)—such as property damage, labor disruption, civil unrest, and reputation risk—require immediate attention and robust mitigation strategies. These risks threaten not only business continuity but also employee safety and public trust.
- **Medium-risk** items (marked in yellow)—such as legal conflict—should be closely monitored, with contingency plans in place to address potential escalation.
- All risks should be reviewed regularly as the situation evolves.
- Key stakeholders must be engaged to ensure coordinated response and effective communication.

Next Steps:

- Prioritize mitigation efforts for high-risk areas.
- Monitor and update risk assessments weekly or as major developments occur.
- Communicate transparently with employees, clients, and partners to maintain trust and confidence.
- Review and adapt business continuity plans to address new threats as they emerge.

Client-Specific Impact by Industry

1) Logistics and Transportation

Impact:

- Road blockades and curfews in downtown Los Angeles and surrounding areas have disrupted supply chains, delayed deliveries, and increased costs for logistics operators.
- Increased security measures at warehouses, distribution centers, and ports may slow operations and require additional staffing.
- Employee safety concerns due to violent clashes and law enforcement presence may lead to absenteeism or reduced productivity.

Recommendations:

- Diversify transportation routes to avoid protest hotspots.
- Coordinate with local authorities for real-time updates on road closures and curfews.
- Implement flexible scheduling to accommodate disruptions and ensure employee safety.

2) Retail and Real Estate

Impact:

- Widespread vandalism, looting, and property damage in the Fashion District, Financial District, and other downtown areas have forced businesses to close or limit hours.
- Reduced foot traffic and consumer confidence as shoppers avoid protest zones and curfew areas.
- Insurance premiums may rise due to increased claims for property damage and theft.

Recommendations:

- Enhance physical security with boarding, surveillance, and private security.
- Communicate safety measures to customers and employees to maintain trust.
- Review and update insurance policies to ensure adequate coverage for civil unrest.

3) Tech and Manufacturing

Impact:

- Workforce shortages due to immigration enforcement and fear of arrest, especially in sectors reliant on immigrant labor.
- Potential facility closures if protests or law enforcement activity make it unsafe for employees to work.
- Supply chain disruptions from delayed deliveries of raw materials and components.

Recommendations:

- Support affected employees with legal resources, counseling, and flexible work arrangements.
- Review workforce documentation and prepare contingency plans for staffing shortages.
- Monitor supply chain partners for disruptions and develop alternative sourcing strategies.

Business Risks and Economic Impact

Key Business Risks

- Physical and Financial Damage:
 - Property damage, looting, and arson have affected numerous businesses in downtown Los Angeles and surrounding neighborhoods.
 - Lost revenue from reduced customer traffic and forced closures.
- Supply Chain and Workforce Disruptions:
 - Immigration raids and arrests have led to labor shortages in key sectors such as construction, hospitality, and manufacturing.
 - Delays in production and services due to absent employees and disrupted logistics.
- Employee Safety and Well-being:
 - Heightened risk of violence and law enforcement activity has created unsafe conditions for workers, particularly those from immigrant or vulnerable communities.
 - Fear of arrest or deportation may reduce staff attendance and morale.
- Legal and Regulatory Uncertainty:
 - Ongoing legal battles between state and federal authorities increase compliance risks and operational challenges.
 - Potential changes in immigration policy or enforcement could further disrupt business operations.
- Long-Term Reputation and Customer Perception:
 - Persistent unrest harms business reputation and deters investment and consumer spending.
 - Public relations risk: Businesses may face consumer backlash depending on their response to enforcement actions or public silence. Proactive communication and support for affected communities are essential.

Economic Impact

Labor Market Disruptions:

- California's economy is highly dependent on immigrant labor. Mass deportations and fear of enforcement can lead to labor shortages, reduced productivity, and increased labor costs.

Economic Slowdown:

- The loss of workers, reduced consumer spending, and business closures threaten to slow economic recovery, particularly in sectors like hospitality, construction, and manufacturing.

Investment and Tourism Risks:

- Persistent unrest and negative media coverage may deter investment and tourism, further impacting revenue for local businesses and the state economy.

Broader Social Costs:

- The psychological toll on immigrant communities and the broader workforce can reduce consumer confidence and spending, compounding economic challenges.



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