

THE NATIONAL INTEREST

Thoughts on Tourism, Terrorism, and the American Economy

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A [recent Wall Street Journal op-ed](#) ^[3] by Roger Dow of the U.S. Travel Association argued that “bureaucratic policies that discourage visitors to our shores” had resulted in the loss of 467,000 jobs, \$606 billion in lost spending by foreign visitors, and \$37 billion in lost tax revenues. Dow claimed that an aggressive bid to recapture the U.S. share of the global travel market could create 1.3 million new jobs by 2020.

Few Americans would be surprised to learn that some foreign travelers have been discouraged from coming to the United States by the security measures implemented since 9/11. Many Americans, presumably, like it that way. Indeed, that is the very purpose of these policies: to convince would-be miscreants to perform their evil deeds elsewhere.

It is hardly surprising, however, that leaders in the service and hospitality industries are also concerned with the other side of the equation: the number of would-be customers who choose to take their business elsewhere.

But a willingness to explore creative ways to jump-start the economy and boost employment has shined a new light on a range of policies that have impeded both. It goes well beyond Roger Dow’s claims about lost jobs and foregone tax revenue in his industry. Take President Obama’s goal of expanding U.S. exports and reducing the trade deficit. In [congressional testimony last week](#) ^[4], David Heyman, assistant secretary for policy at DHS, explained that international travel and tourism accounted for approximately 24 percent of U.S. service exports, and six percent of all U.S. exports.

Just over a year ago, a titan in the hotel industry, [J.W. Marriott Jr., Chairman and CEO of Marriott International](#) [5], discussed U.S. competitiveness in a talk hosted at the Council on Foreign Relations. Although his company operates 3,500 hotels in 70 countries, and had benefited from the global tourism boom of the last decade, Marriott was concerned that Americans were “not getting the piece of the action that we should.”

Moderator Gerald Seib of the *Wall Street Journal* asked if security measures put into place since 9/11 had been the determining factor, and Marriott suspected that they were. He explained, “It's very hard...to get people to come here because of the visa situation. And also, we're not recognized as being a warm and friendly place to visit when you get to immigration and customs. And the people in immigration and customs are perceived around the world as being not friendly to foreign visitors.”

Marriott, Dow, and others in the travel industry focus on practical reforms that could make the entry process less onerous. They suggest that we hire more consular officers, open more consulates, and leave them open longer, in order to expedite visa applications. An expansion of the visa waiver program, which currently includes 36 countries, would also help. They call for more federal money to be dedicated to promoting the United States as an attractive travel destination. They also stress the importance of training, especially for visa and border agents. “They need to put a smile on their face,” Marriott told Seib.

The suggestion that better management and training at the Departments of State and Homeland Security would make the United States more welcoming, and therefore encourage more people to visit here, ignores the text of the policies themselves, and the practical applications of them. Seib noted that the incentive structure for “every visa officer and every security officer in the United States government's employ” pushes in exactly the opposite direction of the welcoming posture that Marriott proposed. These individuals tasked with screening potential visitors are saying “I'm not going to be the one who lets the next shoe bomber in.”

No doubt, anything designed to streamline a visa process that imposes huge costs, and frustrating delays, for prospective foreign visitors would help. Dow cites the example of a family of four living in Manaus, Brazil, a city the size of Houston, Texas, who would all have to travel 1,250 miles to Brasilia, for an in-person interview at one of only four cities in Brazil with a consulate. This process can take as much as four months, and cost as much as \$2,650. By contrast, visitors to Europe do not require a visa for visits of less than 90 days. It is “no wonder,” notes Dow, that “six million travelers from China, India and Brazil visited Western Europe last year while only 2.6 million came to the U.S.”

One solution is the Visa Waiver Program (VWP), first instituted in the mid-1980s and expanded post-9/11 with a number of enhanced security measures. But any discussion of VWP and other technical improvements often misses a much larger

point. Seib asked whether Americans were “sending a signal that we don’t want foreign visitors, that we’re afraid of foreigners in our country?” Marriott said no. “I don’t think so. I think the American people are anxious to meet people from foreign lands.”

The evidence suggests otherwise. The comments in response to Dow’s recent article in the *Wall Street Journal* confirm a wider perception: since 9/11, Americans have withdrawn into a fearful, defensive crouch. It could be argued that our policies accurately reflect the sense of anxiety.

The laws are weighted against would-be foreign travelers, and in favor of, paradoxically, the terrorists. Terrorism works by convincing otherwise free, prosperous, and reasonably secure communities to adopt foolish and counterproductive policies. On that score, the terrorists are still racking up victories. And so long as these foolish and counterproductive policies remain in place, they will continue to do so, even if they never again carry out a “successful” attack.

As with so many things, our approach to security and counterterrorism comes down to a question of trade-offs. For over a decade, many Americans have been willing to give up liberty, privacy, and economic opportunity in exchange for a thin margin of additional security. They rarely stop to consider whether those same modest gains could be achieved at less cost. In many cases, they can be.