



National U.S.-Arab Chamber of Commerce

**The Impact of U.S. Visa Policies:
Implications for America's Economy**

An Initial Inquiry

September 10, 2004

EXECUTIVE SUMMARY

Changes brought about in the aftermath of 9/11 have had, and will continue to have, a profound impact on U.S. society. Nowhere is this more apparent, perhaps, than in America's visa policies and their effects on nations and individuals around the world.

Many leaders in the Arab world today, as a result of early exposure to the United States, have an affinity for the USA, respect for American institutions, and an appreciation for the way business is done in the United States. However, the next generation of Arab leaders, particularly those who are being denied an opportunity to study in the USA, will lack this appreciation for America.

In the immediate aftermath of 9/11, many companies and sectors were adversely affected, particularly those that depend on foreign buyers and investors coming to the United States. In the three years since September 2001, a significant percentage of the most affected companies concluded that this difficult situation will not improve anytime soon and they changed the way they do business: diversifying products and services, opening offices in overseas markets, and affiliating with foreign entities in order to capture business that formerly came to the United States.

U.S. companies doing business internationally have been profoundly affected by restrictions on visas to the United States. Despite this fact, there has been little apparent effort to quantify the effect that these new policies are having across-the-board on U.S. firms. To date, most of the data that are available are anecdotal and on a sector-by-sector basis, thereby frustrating efforts by the U.S. business community to provide a "big picture" assessment of how the new visa policies are undercutting America's private sector.

A June 2004 study by The Santangelo Group entitled "Do Visa Delays Hurt U.S. Business?" found that **U.S. companies suffered \$30.7 billion in financial impacts** between July 2002 and March 2004 due to delays/denials in the processing of business visas. This figure was based on extrapolations that included revenue losses of \$25.53 billion and indirect costs of \$5.15 billion. The U.S. trade deficit during this period totaled \$798.5 billion, so the \$30.7 billion loss due to visa delays equates to nearly four percent of the U.S. trade deficit.

Academia: According to an October 2003 survey by the Institute of International Education (IIE), 59 percent of respondents said that the single biggest reason for the slowdown in foreign students coming to the USA is the more restrictive visa application process. IIE found that there was a 14.5 percent drop in Arab students from academic year 2001-02 to 2002-03. Based on the IIE's findings, it is estimated that losses to the **U.S. economy due to a drop in Arab students that year amounted to at least \$43 million.**

Culture and the Arts: Many in the cultural and artistic community, like their counterparts in the academic community, depend heavily on international exchange programs. Approximately 30,000 artists apply each year to work in the United States. In the past, visa applications took about three months to process. Today, they take six months or more.

Medicine and Healthcare: Anecdotal evidence offered by some of the nation's leading facilities suggests that the **U.S. medical community is losing at least \$1 billion per year** in direct international patient care. **When indirect revenues are figured in** (losses by hotels, restaurants, transportation firms, etc.) **this number jumps to some \$4 billion per year** that is now going to other nations. New visa requirements are also precluding international medical graduates (IMGs)

from entering the country. According to the American Immigration Law Foundation, foreign-born medical professionals in the United States account for 25.2 percent of all physicians, and 1.1 million immigrants account for 13 percent of health care providers in the United States.

Travel and Tourism: According to Global Insight (DRI-WEFA), “Spending by international visitors in the United States is a significant contributor to the U.S. economy, comprising nearly 10 percent of total exports.” The Travel Industry Association of America (TIA) says that over three years, the loss of international travel to the U.S. has **cost the U.S. economy \$15.3 billion** in expenditures. The Institute for Research: Middle Eastern Policy (IRmep) notes, “If new procedures turn away desirable Saudi visitors, U.S. education, business travel, and tourism industries could easily **lose an estimated \$4.7 billion in Saudi travel revenue** over the next decade.”

During 2000-02, according to data in the U.S. Commerce Department’s “Survey of Current Business” (October 2003), **total travel receipts from the Arab world dropped by nearly half, with an even larger drop in Saudi Arabia -- more than 60 percent.** The drop in passenger fares was even more dramatic, representing a 100 percent drop in fares from Saudi Arabia and **a drop of 97 percent among the other Arab nations.** During the three-year period from 2000 to 2003, arrivals from Saudi Arabia on all airlines plummeted from 75,320 to 18,727, representing a drop of more than 75 percent.

The National U.S.-Arab Chamber of Commerce estimates that in the Arab world alone, the direct impact of America’s more restrictive visa policies is currently costing the USA nearly \$1.5 billion per year, and hundreds of billions of dollars’ worth of new business opportunities hang in the balance. This represents losses to business in general (-\$400m.), academia (-\$50m.), culture & the arts, medicine & healthcare (-\$500m.), and travel & tourism (-\$500m.).

This estimate is conservative and does not include many services or indirect revenues lost. **Adding these multipliers to the equation could well place the loss from reduced contact with the Arab world at more than \$5 billion per year.** Nor do these estimates take into account the loss of new Arab investment in the United States, as well as disinvestment, and the attendant out-of-pocket costs, opportunity costs, and job losses for Americans.

The Executive Branch and Congress need to hear from America’s private sector about the impact that visa policies are having on U.S. national interests. This issue will not receive the attention it deserves unless there is a concerted, consistent, and ongoing effort by the private sector to make this issue an even higher priority.

Recommendations: 1) *Establish a broad-based coalition* that enables the private sector to speak with one voice. 2) *Establish a working group* that would open a clear channel of communication between the public and private sectors and disseminate data and information more effectively. 3) *Standardize procedures* to eliminate policies that appear inconsistent, arbitrary, or discriminatory. 4) *Dedicate sufficient resources* so that public officials can do their jobs without “cutting corners.” 5) *Broaden the Scope of Inquiry* to gain a better understanding of the cumulative impacts that these new visa policies are having on U.S. interests.

The U.S. Government, at the instigation of Congress, needs to undertake a comprehensive assessment, one that covers the globe and takes into account as many different sectors as possible. Until this happens, there will be no reliable understanding of the long-term implications of America’s new visa policies and what they mean for current and future generations.

The Impact of U.S. Visa Policies: Implications for America's Economy

Earlier this year, Secretary of State Colin Powell noted, "Just like the Statue of Liberty, our nation has a spine of iron and steel, but also a welcoming torch." Since September 11, 2001, U.S. visa policies have effectively ensured that visitors from the Arab world have felt the chill of iron and steel more than the warmth of American hospitality.

More restrictive visa policies have implications that could affect U.S.-Arab relations for decades to come. Today, these policies are prompting the next generation of Arab leaders to study and work not in the United States, but in Canada, the United Kingdom, Australia, New Zealand, and elsewhere.

What are the implications of this? Many leaders in the Arab world today, as a result of early exposure to the United States, have an affinity for the USA, respect for American institutions, and an appreciation for the way business is done in the United States. However, the next generation of Arab leaders, particularly those who are being denied an opportunity to study in the USA, will lack this appreciation of the United States and American culture and are likely to develop ties elsewhere instead.

With that in mind, this report provides an update on the impact of America's more restrictive visa policies and their implications for the U.S. economy. The report is intended only as an overview of where things stand today, mid-way through 2004, and is not intended to serve as a definitive or comprehensive assessment of U.S. visa policies and their effects. (It does not address the issue of U.S. disinvestment, for example, which is becoming an increasingly important issue in light of overseas investors' inability to secure visas to visit prospective investments in the United States.)

I. OBSERVATIONS

In recent weeks, the National U.S.-Arab Chamber of Commerce has held discussions with a range of U.S. and Arab policymakers on the issue of America's tougher visa procedures. There are many reasons for the current "slump" in U.S.-Arab relations -- fear of travel in the aftermath of 9/11, shortcomings in U.S. foreign policy toward Iraq and Palestine, more invasive security measures, and the soft economy -- but it is clear that the new visa system occupies a special place on this list of impediments to improved U.S.-Arab relations.

There is considerable anecdotal evidence that more restrictive visa policies are having an impact on the U.S. economy, but there is a dearth of empirical evidence, particularly as it concerns the Arab world. This appears to be the case for at least three reasons. First, many entities, particularly commercial enterprises, are not prepared to make such

proprietary data available to the public. Second, many of the entities that are most affected by the new visa policies are small and medium-sized enterprises (SMEs) that do not have the capabilities or resources to gather and collate such economic data. Third, in the case of Arab-Americans in particular, there are concerns -- well-founded or otherwise -- that offering up data on the impact of U.S. visa policies may lead to future questioning by U.S. authorities.

In the immediate aftermath of 9/11, many companies and sectors were adversely affected, particularly those that depend on foreign buyers and investors coming to the United States. In the three years since September 2001, a significant percentage of the most affected companies concluded that this difficult situation will not improve anytime soon and they changed the way they do business. Many have diversified and no longer rely so heavily on foreigners. Others have responded to the challenge by opening offices in overseas markets that are easier for foreign nationals to visit. Still others have affiliated with foreign entities in an effort to capture business that formerly went to U.S. companies and the United States.

The visa process has improved over the past three years, according to Secretary of State Colin Powell. In a May 2004 speech at the U.S. Chamber of Commerce, he pointed out that for “foreign travelers from non-waiver countries who must submit a visa application, things have gotten a lot better. Some 97 percent of the visa applications that we receive are processed in one or two days.” He continued, “For the two-and-a-half percent of non-immigrant visa applicants who, for national security reasons, are subject to extra screening -- they popped up in some way -- we have made the screening process less onerous and more efficient by speeding up the exchange of information.”

Last year, Powell said, “The wait time for students and scholars who required clearances from Washington averaged two months. Today, 80 percent of these visas are issued within three weeks” and the United States “recently increased to one year the validity of the clearances granted to certain groups, scientists and scholars, who participate in joint-research programs.”

Powell concluded, “We are trying to create certain classes that can be allowed to come in on an expedited basis, making it even easier for them to acquire their visa. Travelers who need to make repeated visits within a given year may now do so without our consular officers having to go back to Washington for an additional name check if they are part of [these] categories.”

Like the State Department, the U.S. Department of Homeland Security (DHS) is trying to make the system more user-friendly and responsive. In announcing upgrades to the U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) program, Asa Hutchinson, DHS Under Secretary for Border and Transportation Security, said in May 2004 that DHS is “making great progress in capturing and sharing information across the entire landscape of homeland security Information is worth very little if it’s stuck in an agency

‘stovepipe’ or trapped in a maze of outdated technology, where the right people cannot get to it in time to make a difference.”

With a view to increasing the two-way flow of information, DHS established in June 2004 the Private Sector Senior Advisory Committee of the Homeland Security Advisory Council (HSAC). The purpose of the Committee is to “provide the HSAC with expert advice from leaders in America’s private sector.” The new Committee joins the DHS Private Sector Office, the “primary contact for America’s business community” at DHS. This office works closely with the Assistant Secretary for Border and Transportation Security Policy and Planning, who is the primary point of contact at DHS for US-VISIT and America’s visa security policies.

However, despite best efforts by senior U.S. Government policymakers to accentuate the positive, it is clear that much more needs to be done to make the system friendlier for foreign nationals. In this respect, 2005 will be a very important year for a variety of reasons.

First, the campaigning and politicking of 2004 will be over, providing the President of the United States (Mr. Bush or Mr. Kerry) with an opportunity to tackle this issue without having to worry about how it will play in the elections. Second, by 2005, entities that have suffered setbacks in recent years will have a better handle on what factors have contributed most significantly to those setbacks (thereby enabling them to differentiate, for example, between more restrictive visa policies *vs.* the soft economy).

Third, technological advances in security measures, many of which were implemented in 2004, should help to open doors for certain categories of foreigners. New programs that are still in the pilot stage today will be in place by 2005, making it clear that security and hospitality *can* live side by side. Finally, lobbying efforts by U.S. entities seeking changes in the visa processing systems may begin to take hold next year, providing a new session of Congress with an opportunity to implement proposals for change.

II. IMPACTS ON KEY SECTORS

1. Business in General

U.S. companies doing business internationally have been profoundly affected by restrictions on visas to the United States. The private sector’s concerns run the gamut of issues: customers who can no longer get visas to attend U.S.-based trade shows or site tours; employees, agents, and distributors overseas who can no longer visit corporate headquarters in the United States; overseas Board members of U.S. organizations who can no longer attend meetings in the United States; entrepreneurs who can no longer meet with venture capital firms in the USA; postponement or cancellation of projects because U.S. companies are facing shortages of qualified workers who are usually selected from

overseas markets; incursion of unanticipated costs associated with moving training programs abroad; and the like.

Despite the fact that U.S. businesses have been heavily affected by America's new visa restrictions, there has been little apparent effort to quantify the effect that these new policies are having across-the-board on U.S. firms. To date, most of the data that are available are anecdotal and on a sector-by-sector basis, thereby frustrating efforts by the U.S. business community to provide a "big picture" assessment of how the new visa policies are undercutting America's private sector. The lack of data is also precluding the business community from making its best case to the U.S. Government for more business-friendly visa policies.

According to research conducted by the National U.S.-Arab Chamber of Commerce, there appears to be only one recent study that helps to provide an overview of how this issue is affecting U.S. business. On June 2, 2004, an ad hoc coalition of eight trade groups announced its findings in a report entitled "Do Visa Delays Hurt U.S. Business?"

The survey found that:

- U.S. companies suffered \$30.7 billion in financial impacts between July 2002 and March 2004 due to delays/denials in the processing of business visas. This figure was based on extrapolations that included revenue losses of \$25.53 billion and indirect costs of \$5.15 billion.
- The U.S. trade deficit during this period totaled \$798.5 billion, so the \$30.7 billion loss due to visa delays equates to nearly four percent of the U.S. trade deficit.
- Seventy-three percent of respondents have faced visa-related problems, 60 percent reported that they have suffered a "material impact" due to visa problems, and 51 percent said the visa process is worse today than it was one year ago.
- The average financial impact was \$925,816 per company. Medium-sized companies suffered the greatest income loss, averaging \$5,075,000 per company, followed by large companies (\$1,148,222) and small companies (\$587,917).
- Companies reported that the three most severe problems associated with visas were the length and unpredictability of processing times, the excessively long waiting period to receive an interview, and apparently arbitrary visa denials.
- Respondents offered more than 100 recommendations to remedy the problem of visa delays and/or denials. These included the need for clear visa processing instructions, the need for communications transparency among U.S. Government agencies, the establishment of "gold card" procedures for U.S. companies with long-established visitors, enhanced resources for security reviews, and an extension of visa durations to reduce the number of applications.

The estimate of \$30.7 billion is conservative for two reasons. First, 35 survey respondents claimed material impact but were unable to quantify that impact. If the impact on these 35 companies was comparable to the other respondents, the numbers would have increased by more than 48 percent to \$45.56 billion. Second, the survey did not include the financial impacts on U.S. exporters of services, which totaled \$266.2 billion in 2001. If services were affected at a level comparable to merchandise exports, then the impact of visa delays would rise by 43 percent to \$65.15 billion.

The eight business entities that commissioned this study by The Santangelo Group include the Aerospace Industries Association, American Council on International Personnel, Association for Manufacturing Technology, Coalition for Employment Through Exports, National Foreign Trade Council, US-China Business Council, US-Russia Business Council, and the US-Vietnam Trade Council.

This study represents an important step in the right direction, but it is by no means comprehensive, for several reasons. First, only 141 companies responded to the survey, so the sampling of respondents was very small. Second, by working with overseas business councils only in China, Russia and Vietnam, the report skews the results toward Asia and places very little emphasis on the Arab world -- arguably the region most affected by the new visa policies. Third, the sponsoring organizations provide some level of sectoral diversity, but it would be appropriate to include additional growth sectors (e.g.- information technology, financial services, healthcare, energy, and so on).

The tenor and findings of this study are consistent with those of U.S. Chamber of Commerce testimony delivered on July 10, 2003 at a hearing before the House Committee on Government Reform. Randel Johnson, the Chamber's Vice President for Labor, Immigration and Employee Benefits, noted, "America's trade relationships, our diplomatic relationships, our cultural relationships and our academic relationships with the rest of the world depend a great deal on the ability of people to travel to the United States." Specifically:

- U.S. companies exporting their goods and services abroad depend on the ability of customers and potential customers to visit and inspect the products and services they are purchasing.
- Multinational businesses depend on the ability to bring key personnel to the U.S. from overseas to facilitate management, executive decisions, research and development teaming and training of their subsidiaries and affiliates.
- America's entertainment industry relies on talent from around the world, and our arts and cultural communities give the U.S. public exposure to some of the finest in international arts and entertainment.

- America’s world-class medical facilities are the envy of the world, and depend not only on international collaboration for many medical breakthroughs, but also on patients from around the world who visit.
- America’s educational institutions not only are crucibles of learning, but also create the diverse and international community of students, teachers, and researchers that continues to make the U.S. the leader in innovation and the location of choice for international scholars.
- America’s hospitality and travel industries generate over 18 million jobs for Americans in support of the millions of international tourists and visitors who travel here annually.
- Employers in the U.S. count on their ability to hire from overseas when necessary to meet workforce needs for specific skills abilities or as a result of shortages among U.S. workers.

“The ability of any of these transactions to happen depends on the timeliness, predictability and efficiency of our visa and immigration system,” Johnson noted. “Unfortunately, these qualities have been sorely lacking. Specifically, the changes to the visa system over the last year have strained many of our business and international relationships, and have created problems and costs for our economy.”

Johnson concluded, “The common concern, or thread, you will hear today is a growing perception among the private sector, the traveling public, and local communities, that [the U.S. Government’s] words are not matching the new policies, present and impending. There is a sense that the concerns of the business community are perceived as relatively unimportant There is a sense that those within the government may not be carefully evaluating the degree to which their decisions will actually advance security, much less understanding that their decisions will impact, not just dollars and cents, but a way of life, jobs, the environment, and the fabric and future of a community.”

In part in response to such harsh criticism from the U.S. Chamber of Commerce and others, the Department of Homeland Security (DHS) has just awarded more than \$10 billion in information technology contracts for the second quarter of 2004. These contracts will be administered under the auspices of the U.S. Visitor and Immigration Status Indication Technology (US-VISIT) program. By comparison, DHS awarded only \$93 million in the second quarter of 2003.

In another development that could come to have an impact on frequent business travelers from overseas, the Transportation Security Agency of DHS announced the Registered Traveler Program on June 16, 2004. The new initiative will create a special queue at select airports that will allow Registered Travelers to significantly reduce security screenings by providing biometric data (a finger or an iris scan). Before the end of 2004, the program

will be operational in at least five airports in the United States. If the expedited procedures work for U.S. citizens, they could, over time, be applied to foreign nationals as well.

But in the eyes of many U.S. companies, American business is suffering as a result of government inefficiencies and unwillingness on the part of the U.S. Government to work more cooperatively with other nations. The latest setback: the U.S. Departments of State and Homeland Security have requested an additional two years to implement the U.S. Visa Waiver Program portion of US-VISIT. Of the 27 nations that qualify for this program, only two may be in a position to meet the Congressionally-imposed deadline of October 26, 2004. If Congress does not grant an extension for another two years, Secretary of State Colin Powell said in April, the demand for visas (from non-complying nations) would jump by more than five million applications, representing a 70 percent increase in the U.S. Government visa workload.

2. Academia

Students

The U.S. Department of Commerce characterizes foreign students in the United States as America's fifth largest service sector "export." According to data analyses prepared for NAFSA: the Association of International Educators, the Institute of International Education (IIE), and the College Board, the net contribution to the U.S. economy by foreign students and their families totaled \$12.851 billion in 2002-03. That number is up slightly from the 2001-02 figures, which totaled \$11.951 billion. According to the IIE's *Open Doors 2003* report, foreign students in the United States rose slightly during that same period from 582,996 students (2001-02) to 586,323 students (2002-03).

That's the good news.

The *bad* news is that this increase of less than one percent is the smallest increase in years. The reason? According to an October 2003 survey conducted by the Institute of International Education (IIE), 59 percent of respondents said that the single biggest reason for this slowdown is the more restrictive visa application process put into place after September 11, 2001.

The impact on students from the Arab world has been particularly pronounced. According to the same IIE survey, three out of the top five nations that saw a drop in *newly* admitted students to U.S. schools were from Arab countries: Saudi Arabia (#2, declining 29.2 percent), the United Arab Emirates (#4, declining 22.5 percent), and Egypt (#5, declining 15.9 percent).

Open Doors 2003, the IIE's annual report on international education, states that there was a 14.5 percent drop in Arab students in the United States from academic year 2001-02 to

2002-03. (See Appendix A) The decline was especially strong in some of the Arabian Gulf nations: Kuwait (-25.4 percent), Saudi Arabia (-25.2 percent), Bahrain (-25.0 percent), UAE (-15.5 percent), Yemen (-14 percent), and Oman (-13.3 percent).

Based on the IIE's findings in *Open Doors 2003*, the National U.S.-Arab Chamber of Commerce (NUSACC) estimates that losses to the U.S. economy due to a drop in Arab students from academic year 2001-02 to 2002-03 alone amounted to \$43,126,207. This is a conservative estimate. Unlike other foreign nationals, who often rely on scholarships from U.S. academic institutions, Arab students usually pay "full freight" because their governments often provide them with stipends to study in the United States.

In 2001-02, according to the IIE, there were 24,556 Arab students in the United States, representing 4.2 percent of total foreign students. With the average contribution to the U.S. economy per student/family amounting to \$20,500, students/families from the Arab world contributed \$503,403,157 in 2001-02. By the following year, IIE estimated that Arab students dropped to 21,000 -- representing 3.6 percent of all foreign students. That year, the average contribution to the U.S. economy per student/family amounted to \$21,917, so contributions from Arab students/families totaled \$460,276,950 -- representing a loss of \$43,126,207.

There is anecdotal evidence that large numbers of Arab students are foregoing the United States these days and attending college in Europe or Asia instead. Some of these students are attending U.S. institutions closer to home -- the American Universities in Dubai and Sharjah, for example, or the consortium of U.S. universities that are participating in the Qatar Foundation for Education, Science, and Community Development. But these universities, excellent though they may be, are not a substitute for studying or working in the United States in close proximity to Americans -- an experience that enriches Americans and foreigners alike.

The academic community has worked hard to make U.S. Government policymakers aware of academia's concerns about the impact of restrictive visa policies on foreign students in the United States. In testimony before the House Government Reform Committee on July 10, 2003, NAFSA and the Alliance for International Educational and Cultural Exchange noted:

The tradeoff is not between security on the one hand and educational exchanges on the other. In fact, educational and cultural exchange programs have always enhanced our nation's foreign policy and security objectives. America's leadership in the global age, and our effectiveness in waging the war on terrorism, depends on the strength of our ties with and knowledge of the world We do not protect our nation's security by closing our borders; we diminish it. Through our full range of exchange and international education programs, we must continue to welcome future generations of world leaders to the United States. The opportunity to engage with them remains one of our most important foreign policy assets.

At the request of Congress, and in large part in response to criticism from the academic community, the General Accounting Office (GAO) launched a year-long inquiry into the handling of visa requests by the U.S. Departments of State and Homeland Security. Their report, issued in February 2004, urged these Departments to “develop and implement a plan to improve the Visas Mantis process in order to avoid unnecessary delays in visa issuance.” GAO noted that for science students and scholars, “it took an average of 67 days for the security check to be processed and for State to notify the post Consular staff at posts GAO visited said they were unsure whether they were contributing to lengthy waits because they lacked clear guidance on when to apply Visas Mantis checks and did not receive feedback on whether they were providing enough information.” The report also found that the State Department has invested about \$1 million to upgrade technology for Visas Mantis checks but that the FBI’s systems were not interoperable with those of the State Department, essentially ensuring delays.

In his speech at the U.S. Chamber of Commerce on May 12, 2004, Secretary of State Colin Powell acknowledged the importance of educational exchanges: “The international market for students is more competitive than it used to be We have to do a better job of attracting them here, attracting the world’s rising generation to come study in America, come learn our values, come learn what kind of a people we are, and take all of that back [home].”

In the same speech, Powell pointed out that more than 200 of the State Department’s International Visitors Program participants have become heads of state or government, including Prime Minister Tony Blair of the United Kingdom. He noted, “It is likely that tomorrow’s leaders are among the 30,000 men and women who participate each year in our State Department exchange programs.”

One of the most forceful voices for improving the visa process is that of Robert Gates, former Director of the Central Intelligence Agency and now President of Texas A&M University. In a March 31, 2004 op-ed piece in *The New York Times*, Gates argued that “carrying out post-9/11 visa policies and procedures has been badly hamstrung by a lack of resources, unrealistic deadlines and shortcomings in scanning technologies and background checks.” Moreover, he said, “There are just too many people in visa offices who are indifferent to the importance of [foreign] students in America.”

Gates grabbed the security issue by the horns and wrestled it to the ground. “I take a back seat to no one in concern about our security at home in an age of terrorism,” he said. But to defeat terrorism, he suggested, America’s “global military, law enforcement and intelligence capacities must be complemented with positive initiatives and programs aimed at the young people in developing nations who will guide their countries in the future. No policy has proved more successful in making friends for the United States, during the Cold War and since, than educating students from abroad at our colleges and universities.”

Recognizing the image problem that the United States faces among students in the Arab and Islamic worlds, the State Department has launched the Partnerships for Learning (P4L) initiative. P4L is designed to engage new generations in a dialogue for “greater understanding through expanded academic and professional exchange programs, including a new \$10 million youth initiative aimed at the Muslim world. It will build on the values we hold in common with Muslim societies, strengthen voices of moderation, reinforce U.S. commitment to education and opportunity, and provide a platform for a positive dialogue.” To date, P4L has brought more than 70 undergraduates from Muslim nations to U.S. universities, as well as 160 youth to study at U.S. high schools and live in American homes.

Academics

Thousands of overseas academics live and work in the United States, where they have become an integral part of America’s educational and scientific communities. These communities have been some of the hardest hit by the new visa policies, and they are among the most aggressive in challenging the U.S. Government to make necessary reforms to the visa system.

Typical is the May 12, 2004 Statement that was spearheaded by the National Academies and issued by 25 national education, science, and engineering organizations. The Statement noted:

There is increasing evidence that visa-related problems are discouraging and preventing the best and brightest international students, scholars, and scientists from studying and working in the United States, as well as attending academic and scientific conferences here and abroad. If action is not taken soon to improve the visa system, the misperception that the United States does not welcome international students, scholars, and scientists will grow, and they may not make our nation their destination of choice now and in the future. The damage to our nation’s higher education and scientific enterprises, economy, and national security would be irreparable. The United States cannot hope to maintain its present scientific and economic leadership position if it becomes isolated from the rest of the world.

The educational and scientific communities are working hard to combat the notion that U.S. visa policies must pit science against security. The Statement noted, “It is not a question of balancing science and security, as some have suggested Indeed, in the near term, some international scientists and engineers are directly contributing towards helping to win the war on terrorism. In the long run, a robust network of global interactions is essential to winning this war. Our nation needs a visa system that does not hinder such international exchange and cooperation.”

The Statement included half a dozen recommendations to be approached “collaboratively” by the U.S. Government and the educational and scientific communities.

This same spirit was echoed the following day (May 13, 2004) by the Presidents of the National Academy of Sciences, the National Academy of Engineering, and the Institute of Medicine. They argued for three things: a special visa for foreign scientists and engineers who are well known to the research community, more precise screening tools for U.S. consular officers, and more timely input by scientific and technical experts who are well positioned to evaluate the potential threats and technical merits of “questionable” foreign individuals.

The three Presidents concluded:

In order to stay secure and prosperous, our nation must remain open to the best scientists and engineers from around the world. Our visa processing system not only must provide genuine security against those who might do us harm, but also keep our borders open to the stream of scientific and technical talent that fuels our progress. While no visa system can completely eliminate all risk, we believe an enhanced visa process can provide many benefits to our nation and to our security without materially affecting the risks we face. Because of the urgency of the present problems, we intend to give highest priority to working with federal agencies to achieve these goals.

In a speech that same month, Secretary of State Colin Powell effectively acknowledged the concerns expressed by the scientific and research communities. He noted, “If we lose legitimate foreign scholars, if we lose them to procedural frustrations because it’s too hard to get a visa, because they don’t want to be bothered, because they’re going to be hassled at the airport coming into the United States, we risk losing their goodwill, and that is a priceless thing to lose. The essential embracing spirit of America’s attitude toward people is our greatest asset.”

3. Culture and the Arts

Many in the cultural and artistic community, like their counterparts in the academic community, depend heavily on international exchange programs. For this reason, one of the first and best appeals to Secretaries Powell and Ridge was spearheaded by the cultural and artistic community.

Delivered on January 31, 2003, the letter stated, “The severe delays and uncertainty surrounding visa issuance for legitimate applicants has resulted in lost business opportunities for U.S. companies, delayed projects or movement of projects abroad, loss of jobs in some industries, workforce shortages, and other economic stresses.”

Since that opening salvo a year-and-a-half ago, the cultural and artistic community has followed up by:

- Launching the “Artists from Abroad” Web site with a grant from the National Endowment for the Arts. The Web site bills itself as the “complete guide to immigration and tax requirements for foreign guest artists” and is intended to serve as a resource for orchestras and other performing arts organizations that need to negotiate the complicated visa application procedures of the U.S. Citizenship and Immigration Services (USCIS).
- Meeting with USCIS to apprise them of shortcomings in visa policies. A December 2003 fact sheet entitled “Improving the Visa Process for Foreign Guest Artists” has helped to make State Department and Homeland Security officials aware of the unique challenges facing the cultural and artistic community.
- Lobbying Congress for change. In response to requests from these non-profits, Members of the Senate and House sent letters to the Department of Homeland Security to express concern about burdens being imposed on the cultural and artistic community.

Approximately 30,000 artists apply each year to work in the United States, and after 9/11, the screening process has become much more stringent. Visa applications can be denied for any reason, including typographical errors, without appeal. In the past, visa applications took about three months to process. Today, they take six months or more.

With the recent advent of “premium processing,” applicants can pay a \$1,000 fee to expedite processing, guaranteeing an initial response within 15 days. But for many foreign artists, the fee is prohibitive.

Nor does it guarantee a positive response. Last summer, according to the *Gotham Gazette* of February 2, 2004, a U.S. tour of Peking Opera had to be canceled after the Chinese artists failed to win visas. (There was concern that they would stay in the USA.) The producers lost \$500,000 in upfront costs, says the *Gazette*, in addition to forfeiting ticket sales.

To date, some of the most active organizations in petitioning the U.S. Government have included such cultural and artistic organizations as the American Arts Alliance, American Federation of Musicians, American Symphony Orchestra League, Association of Performing Arts Presenters, AuPairCare, Dance/USA, North American Folk Music and Dance Alliance, OPERA America, Sister Cities International, US-UK Fulbright Commission, and YMCA International Program Services.

“At a time when we’re securing our borders,” says Sandra Gibson, President of the Association of Performing Arts Presenters, “we have to have room to exchange ideas and traditions. We’re hearing that many parts of the world don’t understand our culture.”

4. Medicine and Healthcare

In the field of medicine and healthcare, America's more restrictive visa policies have had a profound impact on patients and professionals alike.

Patients

For obvious reasons, U.S. hospitals and medical centers are reluctant to share a great deal of hard data on the number of overseas patients who are no longer coming to the United States for treatment. But largely anecdotal evidence offered by some of the nation's leading facilities suggests that the U.S. medical community is losing at least \$1 billion per year in direct international patient care. This is a conservative estimate, and it tells only part of the story.

Using a rule of thumb developed by U.S.-based convention and visitors bureaus, *indirect* revenues lost (hotels, restaurants, entertainment, transportation, etc.) are often *triple* those of direct revenues lost. By this measure, the United States is losing some \$4 billion per year to other nations that are now taking care of overseas patients and their families who came to the United States before September 11, 2001.

When it comes to patient care, no part of the world has been more affected than the Middle East. The Cleveland Clinic, which has provided healthcare for some of the Arab world's most prominent leaders, including Sheikh Zayed Al Nahyan of the United Arab Emirates, estimates that it has lost half of its Arab patients since 9/11. Partners International, a consortium of Boston-based hospitals, says it has lost 30 percent of its Arab patients since 2001. The Mayo Foundation, which normally treats 9,000 – 10,000 foreign patients per year, has seen a drop of approximately 20 percent, according to Stephen Gudgell, Mayo's operations administrator for international activities. Philadelphia International Medicine (PIM), a joint venture of nine Philadelphia-area hospitals, lost 21 percent of its foreign patients last year, resulting in a drop in revenues of 19 percent.

Leonard Karp, Executive Vice President and Chief Operating Officer of PIM, also serves as member of the International Healthcare Forum, an informal coalition of more than twenty major medical centers in the United States. He notes that an informal survey by the U.S. Department of Commerce shortly after 9/11 found that international patient revenues from two Arab nations alone -- Saudi Arabia and the UAE -- were off by \$750 million to \$1.25 billion.

Today, Karp notes, most hospitals that handle overseas patients are focusing less on the visa problem *per se* and more on what needs to be done to encourage patients to return to U.S. medical centers. "By proactively assisting patients," he says, "we can make a difference, and patients are beginning to come back to the U.S. for care." But the nature of

the visa delays and barriers, he suggests, has become something of a “self-fulfilling prophecy”: the more people talk about the difficulties of securing a visa, he suggests, the fewer the numbers of patients who are even willing to apply for a visa.

According to the American Medical Association, a loss of international patients tends to have a greater impact on hospital revenues than does a loss of U.S.-based patients. Foreign patients pay more for healthcare than Americans do, by and large, and foreign patients usually come to the United States for more complicated (and more expensive) medical procedures. In addition, overseas patients or their governments usually pay more for of the actual cost of care than do American patients, whose insurance companies typically reimburse hospitals and physicians at lower rates.

In the case of Arab patients, it is not uncommon for families to travel in entourages of 50 persons or more. This number has dropped significantly since 9/11 because many family members are not willing and/or are unable to endure the more rigorous screening process, which generally requires a face-to-face interview for persons between the ages of 16 and 60. Fingerprinting may also be a part of this process.

According to Karp, there has been a large drop in the number of pediatric patients coming to the United States. The children can secure visas, he says, but the problem these days is the escort, who may have to wait a long time for a visa, if approved.

Hospitals in Europe and Asia are reaping the benefits of America’s more restrictive visa policies. The United Kingdom and Germany appear to be the biggest beneficiaries in Europe, while centers like the Bumrungrad Hospital in Thailand, which experienced a 30 percent jump in foreign patients in recent years, are booming thanks to 9/11 and its aftermath.

Some U.S. medical centers are taking their services overseas to accommodate international patients. Mayo Clinic, for example, will open a cardiovascular clinic in the UAE later this year. Johns Hopkins, which suffered a 40 percent drop in Middle East visitors after 9/11, has sent 80 of its Arab cancer patients to the Hopkins Biomedical Science Division in Singapore. Others, like the Cleveland Clinic, are building facilities near America’s northern or southern borders in order to attract patients from Canada or Latin America.

Doctors

At a time when underserved areas of the United States are desperate for doctors, more restrictive visa requirements are precluding international medical graduates (IMGs) from entering the country. As a result, according to the American Medical Association’s *American Medical News*, these IMGs are “losing residency slots, missing opportunities to take the required U.S. Clinical Skills Assessment Exam, and being denied permission to return to existing practices. While no hard numbers are available, both the Educational Commission for Foreign Medical Graduates and immigration attorneys said they are seeing more visa delays and denials than in years past.” (September 15, 2003)

American Medical News cites the example of Dr. Cesar Mansour, a Lebanese national living in Paris, who lost his position in the ob-gyn residency program at Lutheran Medical Center in Brooklyn, New York because he could not secure a visa to enter the United States. Other IMGs from the Arab and Muslim worlds are facing similar difficulties.

Three years ago, about 1,050 immigrant doctors with temporary J-1 exchange visitor visas were permitted to stay in the USA in exchange for their commitment to treat patients exclusively in underserved areas. Today, after 9/11 and under the watchful eye of USCIS, they would have a much tougher time staying in the United States.

The Immigration Policy Center (IPC) of the American Immigration Law Foundation notes that “35 million Americans live in areas with too few doctors to adequately serve their medical needs. Overall, the lack of doctors affects more than 1,600 geographic areas in the United States. Nearly 16,000 doctors would be needed to alleviate this shortage.”

According to an IPC report entitled “Health Worker Shortages and the Potential of Immigration Policy,” foreign-born medical professionals in the United States account for: 25.2 percent of all physicians; 17 percent of nursing, psychiatric and home health aides; 15.8 percent of clinical laboratory technicians; 14.8 percent of pharmacists; and 11.5 percent of registered nurses. The IPC says that 1.1 million immigrants account for 13 percent of health care providers in the United States.

During the 1990s, says the IPC, “immigrant employment grew by 114 percent in home health care, 72 percent in nursing care facilities, and 32 percent in hospitals.” As a result, notes the report, “their presence in the medical industry played a critical role in increasing the availability of health care in this country.” Despite a national shortage of 126,000 nurses, says the IPC, “Federal policies designed to permit entry of foreign-trained nurses have become increasingly restrictionist.”

“Medical care in the United States is envied throughout the world for its extraordinary sophistication and quality,” says the IPC report, “but the reality is that high-quality health care is unavailable to millions of U.S. residents While the Federal government reports an existing need for 16,000 more doctors, other estimates suggest that the United States will be short 50,000 physicians by 2010, with the gap growing to 200,000 by 2020.”

5. Travel and Tourism

According to an October 2002 study prepared by Global Insight (DRI-WEFA), “Spending by international visitors in the United States is a significant contributor to the U.S. economy, comprising nearly 10 percent of total exports. This exceeds the export value of major manufacturing industries including computer machinery, motor vehicles, aircraft, chemicals, metal products, and textiles. Over the past 15 years, tourism exports

(international visitor spending) have grown consistently faster than total exports for the United States.”

With this in mind, says the Global Insight report, the “stakes are extraordinarily high right now for the tourism export sector. The top U.S. metropolitan areas’ economies are dependant upon international visitors, who spend over four times the average for domestic visitors. The top metro areas represent approximately 75 percent of all international visitor spending. Under present conditions, tourism exports will remain below 2000 levels until 2005.”

Travel and tourism (T&T) generated \$272 billion in Gross Metro Product (GMP) in the top 100 metropolitan areas in the year before 9/11, notes Global Insight. Travel and tourism started a downward slide in 2001, to \$259 billion, and it has still not recovered.

An offshoot of the U.S. Chamber of Commerce, “Americans for Better Borders,” has become a vocal proponent of cross-border travel. The ad hoc group reinvented itself in the aftermath of 9/11 to “ensure the efficient flow of exports and tourism across our borders while addressing national security concerns.” The revamped organization has sent a number of letters to Capitol Hill and DHS, arguing that the borders are America’s “primary ports of entry for billions of dollars in goods and services, along with millions of tourists, business visitors, workers, and other foreign nationals who contribute to our national economy.”

Precise empirical data on the effects of America’s more restrictive visa policies on travel and tourism are hard to come by, but various industry leaders have expressed deep concerns:

- John A. Marks, National Chair of the Travel Industry Association of America (TIA), told the House Committee on Government Reform on July 10, 2003 that the U.S. Government decision to increase the number of personal interviews for nonimmigrant visa applications would “cost the U.S. travel and tourism industry hundreds of millions of dollars and thousands of lost jobs.” Since the year 2000, he said, the loss of international travel to the U.S. has “cost our economy \$15.3 billion in expenditures.”
- The International Air Transport Association (IATA) sent a letter to Secretary of State Colin Powell on July 1, 2003, stating that “potentially millions of business and tourist visitors -- citizens of U.S. allies -- will be discouraged from traveling to the U.S. by this change in policy.”
- The National Business Travel Association (NBTA) prepared a statement in July 2003 for the House Committee on Government Reform, noting: “The State and Homeland Security Departments’ newest policies for regulating international travel to the Untied States could deter the gains that we have experienced over the last eight months.”

- The Travel Business Roundtable (TBR) prepared the following statement in July 2003 for the House Committee on Government Reform: “Total arrivals of international travelers to the U.S. registered 41.9 million in 2002 -- a seven percent decline from 2001. More to the point, the balance of trade surplus generated by travel and tourism has plummeted from \$26 billion in 1996 to \$8.6 billion in 2001.”

The Institute for Research: Middle Eastern Policy (IRmep) has issued one of the few Arab-world-specific reports on how the new visa policies might affect visitor flows, particularly from Saudi Arabia. (“Restoring Saudi Visitor Flow: The American Stake”) The May 2004 report stated, “If new procedures turn away desirable Saudi visitors, U.S. education, business travel, and tourism industries could easily lose an estimated \$4.7 billion in travel revenue over the next decade.” The IRmep report went on to warn that if recent trends continue, the United States would experience an 11 percent loss per year in Saudi visitors and that the total number of visits would be on track to fall from 30 million in 2002 to 10 million by the year 2011.

According to the October 2003 “Survey of Current Business” produced by the U.S. Commerce Department’s Bureau of Economic Analysis (BEA), travel receipts “decreased 7 percent in 2002, to \$66.5 billion, following a 13-percent decrease in 2001. The continued slide reflected weakening economic conditions abroad and the lingering effects of the attacks of September 11th over an entire year Receipts at year-end were still well below pre-September 11th levels. For the year, travel receipts from countries other than Canada and Mexico decreased 9 percent The decreases in travel receipts from Latin America and the Middle East were particularly sharp.”

Put another way, travel receipts and passenger fares from the Arab world plummeted after 2001. The “Survey of Current Business” for 2000 states that travel receipts from the Arab Middle East totaled \$1.362 billion, with \$603 million of this coming from Saudi Arabia alone. During that same period, passenger fares by Arabs entering the United States on U.S. airlines totaled \$105 million, of which \$8 million came from Saudi Arabia alone.

By 2002, travel receipts from the Arab Middle East totaled only \$702 million, with \$228 million of this coming from Saudi Arabia. Passenger fares by Arabs entering the United States on U.S. airlines totaled \$3 million, with Saudi Arabia registering zero fares.

In this two-year period, according to the BEA, total travel receipts dropped by nearly half, with an even larger drop in Saudi Arabia (more than 60 percent). The drop in passenger fares was even more dramatic, representing a 100 percent drop in fares from Saudi Arabia and a drop of 97 percent among the other Arab nations.

This decline was not limited to U.S. air carriers alone. According to the U.S. Commerce Department’s Office of Travel and Tourism Industries (OTTI), U.S. arrivals on all carriers from the Middle East saw a drop in passengers of 25 percent from 2001 to 2002, from 644,156 international arrivals to 482,534. Among Arab nations with significant numbers of passengers, Saudi Arabia was most affected by this decline (down 63 percent), followed

by Qatar (-50 percent), the UAE (-49 percent), Egypt (-41 percent), Bahrain (-39 percent), Kuwait (-38 percent), Syria (-37 percent), Jordan (-33 percent), and Oman (-31 percent).

During the period 2002 to 2003, this downward spiral continued: International arrivals from the Arab Middle East dropped an average of 7 percent, led by Saudi Arabia (-27 percent) and Syria (-26 percent). During the three-year period from 2000 to 2003, arrivals from Saudi Arabia on all airlines plummeted from 75,320 to 18,727, representing a drop of more than 75 percent.

There are many reasons for this precipitous drop-off from Arab nations, and stricter visa policies certainly played an important role in this decline.

III. CONCLUSIONS

Changes brought about in the aftermath of 9/11 have had, and will continue to have, a profound impact on U.S. society. Nowhere is this more apparent, perhaps, than in America's visa policies and their effects on nations and individuals around the world.

The National U.S.-Arab Chamber of Commerce (NUSACC) recognizes the vital need to protect the homeland, including America's citizens and institutions. NUSACC understands the terrible price that the United States will pay if America's leadership is unable to secure the nation's borders.

That said, NUSACC is concerned that current visa policies -- by intimidating and/or precluding legitimate Arab businesspersons, students, tourists, medical patients, and others -- may be having the unintended effect of strengthening the hand of extremists who want to drive a wedge between the United States and other nations around the world.

In this age of globalization, initiated by the United States, America cannot become a fortress while also remaining a great trading nation with the world's premier economy. Two-way access for both people and products remains an important national interest. Moreover, foreigners who spend time in the United States usually develop a special affinity for American culture and traditions that they "export" around the world when they return home.

America's visa policies must reflect the fact that the United States -- unique in the world -- has always been a beacon for foreign business leaders, students, and immigrants and that the presence of international residents and visitors within U.S. shores helps to make America strong. As President George W. Bush has said, they "make our nation more, not less, American."

The tragedy of September 11, 2001 has placed the Arab and Muslim worlds in an uncomfortable spotlight. Yet this is precisely the time when the United States needs *more*, not less, outreach to Arabs and Muslims. There is no better way to do this than to keep

America's borders secure, yet open. The nation's image and principles are at stake, and if U.S. policymakers succumb to reflexive fear, it will do incalculable damage to America's reputation around the world.

A "Fortress America" approach will inevitably have an economic impact. NUSACC estimates that in the Arab world alone, the direct impact of the more restrictive visa policies is currently costing the United States nearly \$1.5 billion per year, and hundreds of billions of dollars' worth of new business opportunities hang in the balance.

The figure of \$1.5 billion is not precise, but it is a broad estimate, based largely on the sectors explored in this report: business in general (approximately -\$400 million)ⁱ, academia (approximately -\$50 million)ⁱⁱ, culture & the arts (negligible), medicine & healthcare (approximately -\$500 million)ⁱⁱⁱ, and travel & tourism (approximately -\$500 million)^{iv}.

This estimate is conservative and does not include many services or indirect revenues lost (hotels, restaurants, entertainment, transportation, etc.). Adding these multipliers to the equation could well place the loss from reduced contact with the Arab world at more than \$5 billion per year. Nor do these estimates take into account the loss of new Arab investment in the United States, as well as disinvestment, and the attendant out-of-pocket costs, opportunity costs, and job losses for Americans.

* * *

The U.S. Government continues to make some progress in its efforts to ensure that America's visa policies are not so onerous or intrusive for international visitors. But more improvements are needed. The Executive Branch and Congress need to hear from America's private sector about the impact that visa policies are having on U.S. national interests. This issue will not receive the attention it deserves unless there is a concerted, consistent, and ongoing effort by the private sector to make this issue an even higher priority.

With this in mind, NUSACC recommends five simple steps:

1) Establish a broad-based coalition. To date, some sectors have done an excellent job of making their concerns known to the U.S. Government, while others have been inconsistent in getting the message out. What is needed is an across-the-board coalition that can coordinate all the private sector players, assist them in collecting data and marshaling their resources, and enable them to speak with one voice.

2) Establish a working group. Under the auspices of the coalition, a working group of high-level government and non-government leaders would be established. The purpose of this entity would be to open a clear channel of communication between the public and private sectors and to disseminate data and information in a more timely fashion. The

working group would be formalized and specific to visa policies, which would set it apart from any informal *ad hoc* groups that exist today.

3) *Standardize procedures.* International visitors' biggest complaint is that the application of America's new visa policies appears to be inconsistent, arbitrary, and discriminatory. Policies need to be standardized as soon as possible, including the establishment of a "fast track" procedure that expedites visa processing for foreigners who have legitimate reasons to visit the United States on a regular basis.

4) *Dedicate necessary resources.* Acute shortages of resources have hobbled the visa application process ever since September 11, 2001. It is common knowledge that visa officers need more training, cultural awareness needs to be enhanced, and U.S. Government agencies must become more interoperable. In recognition that threats to America's security will not be going away anytime soon, the Executive Branch and Congress need to dedicate the resources necessary to enable public officials to do their jobs properly without "cutting corners."

5) *Broaden the Scope of Inquiry.* To date, there is very little understanding of the cumulative impacts that these new visa policies are having on U.S. interests around the world. Even in the case of the year-long GAO study, for example, the focus was on science students and scholars only, and fieldwork was limited to seven visa-issuing posts in three nations: China, India, and Russia. The U.S. Government, at the instigation of Congress, needs to undertake a comprehensive assessment, one that covers the globe and takes into account as many different sectors as possible. Until this happens, there will be no reliable understanding of the long-term implications of America's new visa policies and what they mean for current and future generations.

ⁱ The \$400 million for **business in general** is derived first by dividing The Santangelo Group's figure for annual direct U.S. merchandise sales lost as a result of visa problems (\$15.32 billion) by 1.3 percent (the percentage of total U.S. exports that go to the Arab world) = \$200 million. This number is then doubled to reflect estimated losses in services for business in general = \$400 million.

ⁱⁱ The \$50 million for **academia** is based on NUSACC's estimate of \$42.45 million for the loss of Arab students (page 7 of this report), as well as an estimated loss of approximately \$8 million for Arab academics/scientists/professors who are no longer coming to the USA as a result of visa problems.

ⁱⁱⁱ The \$500 million for **medicine & healthcare** assumes that Arab patients are responsible for approximately half of the \$1 billion that hospitals estimate is currently being lost as a result of visa problems.

^{iv} The \$500 million for **travel & tourism** is based on the precipitous drop in travel receipts and passenger fares among Arab visitors to the United States, which averaged \$381 million per year during the period 2000 – 2002 on U.S. carriers alone. (By comparison, the IRmep estimate was considerably higher, assuming that \$4.7 billion would be lost in travel revenue *for Saudi Arabia alone* over the next decade, thereby averaging \$470 million per year.) Losses of travel receipts and passenger fares on Arab carriers would easily take the total to more than \$500 million per year, and these numbers only scratch the surface when it comes to spending by Arab tourists in the United States.

APPENDIX A

INSTITUTE OF INTERNATIONAL EDUCATION
"OPEN DOORS 2003: Report on International Educational Exchange"

INTERNATIONAL STUDENT TOTALS BY PLACE OF ORIGIN, 2001/02 & 2002/03

<u>Place of Origin</u>	<u>2001/02</u>	<u>2002/03</u>	<u>% Change</u>
Djibouti	8	5	-37.5
Somalia	87	87	0.0
Algeria	196	177	-9.7
Egypt	2,409	2,155	-10.5
Libya	42	33	-21.4
Morocco	2,102	2,034	-3.2
Sudan	378	431	14.0
Tunisia	458	381	-16.8
Mauritania	79	87	10.1
Bahrain	601	451	-25.0
Iraq	147	127	-13.6
Jordan	2,417	2,173	-10.1
Kuwait	2,966	2,212	-25.4
Lebanon	2,435	2,364	-2.9
Oman	623	540	-13.3
Palestinian Authority	232	287	23.7
Qatar	461	441	-4.3
Saudi Arabia	5,579	4,175	-25.2
Syria	735	642	-12.7
United Arab Emirates	2,121	1,792	-15.5
Yemen	436	375	-14.0
ARAB WORLD TOTAL	24,512	20,969	-14.5
WORLD TOTAL	582,996	586,323	0.6