

# TRUMP POLICIES NEGATIVELY AFFECT U.S. TOURISM



April 29 will mark the first 100 days of Donald Trump's presidency. The 45th US president has not been wasting time, issuing many executive orders, and introducing policies that have been widely considered controversial by the general public. One of these was the travel ban proposed on January 27, which prevented nationals from seven mainly Muslim countries from travelling to the USA. Moreover, talks of building walls on borders does not help U.S. tourism either.

Following the travel ban, international travel to the USA dropped by 6.5% compared to the same period last year, according to ForwardKeys. There have also been fewer (-17%) online searches for flights to America. **In addition, the travel ban has triggered a fall in bookings from the Middle East by over a third, as confirmed by the president of Emirates, Sir Tim Clark.**

All these factors put together have resulted in a \$185 million loss for U.S. tourism in terms of travel bookings from January 28 to February 4. It is also predicted that 4.3 million fewer tourists will arrive in the States this year. This will account to a massive \$7.4 billion loss in revenues for the country.

## New York City Committee Examined Trump's Effect on Tourism

The New York City Council committee met to talk through Trump's presidency and its impact on tourism. "The numbers speak for themselves, and they are jarring. Whether it's people who are declining to do business travel or tourists who are making other plans. This hits New York City particularly hard," said the office of committee chairman Councilman Dan Garodnick.

According to the city's tourism agency NYC & Company, there will be a net loss of about 700,000 foreign visitors in 2017. Before the beginning of Trump's presidency, the agency predicted an increase of 400,000 foreign visitors compared to 2016 (12.65 million).

The expenditure of foreign tourists has also suffered a fall, according to official data. On average, foreign visitors spend about \$2,000 per trip. This is about \$1.4 billion less in spending than expected. Subsequently, this leads to a \$84 million loss in tax revenues.

## Emirates Reduce Number of US Flights

Speaking of Emirates, the airline announced just a couple of days ago that it is reducing the number of US routes from Dubai. They have stopped 7 routes, but will not be cutting off any of its 12 US destinations, just reducing flight quantity.

In a statement, Emirates explained that the demand has fallen in the past months due to several factors. Firstly, US governmental actions regarding entry visas have triggered this decrease. Other than that, much more strict entry conditions from Muslim countries and America's laptop ban are also factors that have led to this slump in demand for U.S. tourism destination.

Trump's policies have caused big falls in terms of flights and jobs, which were positively affecting both economies in the gulf as well as the U.S. However, the fall has not been registered in terms of airlines only. US universities have also suffered losses in international student population. The

number of incoming students has fallen dramatically.

### **Marriott Executive Worried about Trump's Policies**

Arne Sorenson, chief executive of Marriott International, the world's biggest hotel company, has warned that Trump's policies are harmful for the U.S. tourism industry. **Some travelers were discouraged by the strong dollar, but the main impulse were actions of the Trump administration.**

"The actions of the new administration around travel are not helpful," Sorenson said to the Financial Times. "There is no doubt about that. There is no way to anticipate that there will be good news."

Not long ago Dara Khosrowshahi, chief executive of Expedia, the largest online travel agent by gross bookings, announced that hotels and airlines were lowering prices due to decreased interest in the U.S. as a destination.

Sorenson, however, said that it is too early to predict the extent of the fall in tourism. Some indications even point to the fact that the industry may experience a boost with a potential GDP growth this year. However, he also added that there have been immediate slumps in bookings from Mexico and the Middle East. These countries have been most targeted by president Trump in his aggressive rhetoric.

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