

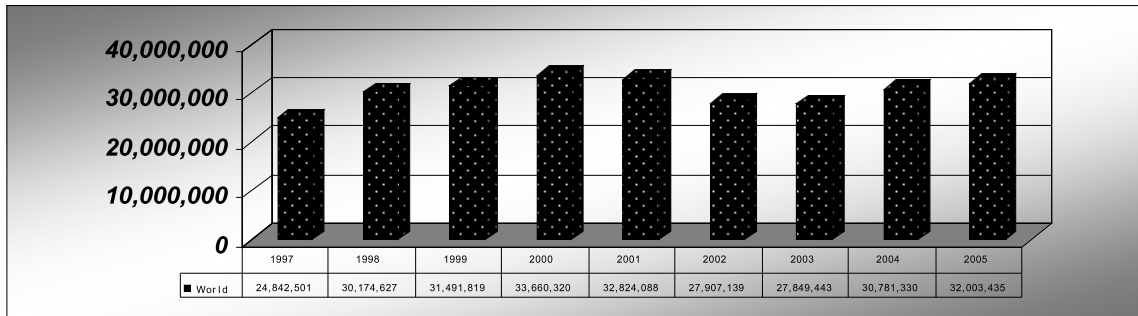
2.0 Free Travel and Free Trade: The US National Interest

Executives and pleasure travelers have two choices in a post-9/11 world: they can let fear of terror attacks dampen their desire to travel internationally in search of business and recreational opportunities, or they can overcome irrational fears while being conscious that the world has changed.

Governments also have two major choices regarding international travel: they can shut down or slow visitor flow, citing process blockage by national security concerns, or they can facilitate international travel under secure visa processing.

Business and tourism trends reveal that after a slight two-year slump, world travelers are eager to seek cultural and commercial enrichment through international travel, particularly to the United States. In 2005, non-immigrant (temporary) business and pleasure traveler admissions into the US reached 32.0 million, slightly less than the 32.8 million entries during the year 2001.

World Non-Immigrant Admissions into the United States



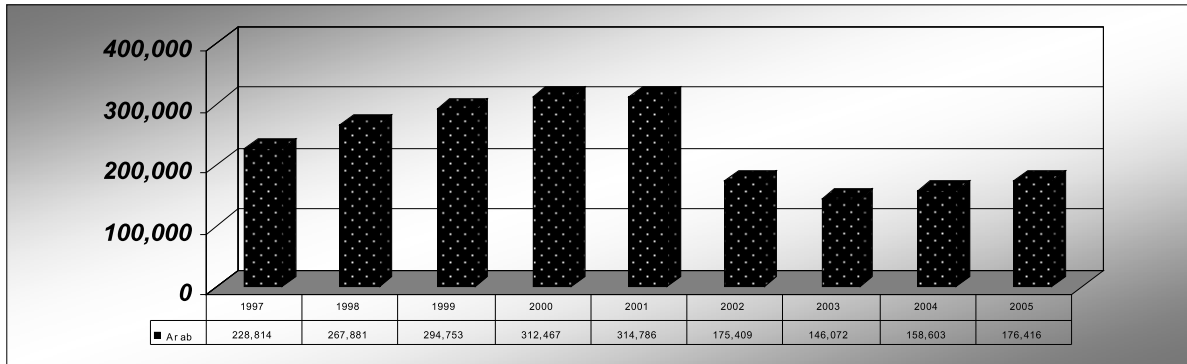
(Source: *Yearbook of Immigration Statistics, Department of Homeland Security*)

However, one region of the world remains largely shut out of the US. Executives and tourists originating in Arab countries must run an opaque gauntlet of barriers to acquire or renew their US entry visas. Arab non-immigrant entries, which peaked at 314,786 in the year 2001, are nowhere near recovery. In 2005, non-immigrant entries from the 22-country Arab League reached only 176,416.

Visa Denied

Arab Non-Immigrant Admissions into the United States

(Source: Yearbook of Immigration Statistics, Department of Homeland Security)



Denial of non-immigrant visas to travelers has become one of the most significant non-tariff trade barriers between the US and Arab market. Visas can become a trade barrier, since trade barriers include any government policy or regulation that restricts international trade. Traditional trade barriers include import duties, import licenses, export licenses, quotas, tariffs, and subsidies. However, as WTO membership and free trade agreements have increased other non-tariff barriers can emerge as the dominant roadblocks to trade and economic development.

US visa restrictions are emerging as the major non-tariff barrier and can be even more restrictive than traditional tariff barriers. Most trade tariff barriers work on the same principle: the imposition of some sort of cost on trade that raises the price of the traded products. Restrictions on visitor flow can be even more severe. If regional automobile distributors cannot travel to Michigan and other key manufacturing states to strategize over new model launches and service strategies, the distribution network begins to falter and crumble. Engineer and plant owner access to major industrial machinery manufacturers in the US is also vital to the purchase process. Cutting this link of repeat visits for research and vendor selection shuts the US out of a booming market.

Over the long term, the US visa trade barrier could lead to a more traditional trade war as Arab states impose their own restrictions on US travelers or seek to retaliate on key exports with traditional tariff-oriented restrictions of their own. Looming trade barriers could jeopardize President George W. Bush's vision of a free trade area covering the entire Middle East by 2013. Currently, the US has signed bilateral free trade agreements with Bahrain, Jordan, Morocco, and Oman. Serious negotiations are underway with Egypt, Kuwait, Qatar, and UAE. Under the Bush vision, the FTA building blocks would ultimately create a united Middle East Free Trade Area (MEFTA).

Trade barriers of any kind decrease overall economic efficiency. In a competitive global market, countries erecting trade barriers are ultimately unable to leverage their comparative advantages. While it can be legitimate to raise a barrier in the case of quantifiable health or national security threats, a careful look at visa delays and denials reveals why the barrier is growing: inadequate security review resources. In the absence of accurate opportunity cost data, some US policymakers may believe that cutting visitor flow from the Arab market by half or more through

Visa Denied

inadequate security review resources is reasonable. However, when the true post-9/11 opportunity costs are revealed, they are clearly too high.

Non-immigrant visa processing in the Arab market was once defined by incompetence and outsourcing. An in-depth review of the non-immigrant visa application of 9/11 hijacker Abdouliziz Alomari reveals that the application was not only incomplete, but contained five red flags that should have led to rejection. If the US State Department officials based in Saudi Arabia had followed processes and laws on the books for reviewing non-immigrant visa applications, at least 15 of the 19 hijackers Al-Qaeda recruited from Saudi Arabia would have been denied visas. This means that a critical mass of Al-Qaeda recruits wouldn't have been able to enter the United States to carry out the attacks on September 11, 2001, according to a thorough review of DS-156 applications conducted by four former US consular officials.¹

In 2001, the US State Department not only failed to maintain minimal levels of quality management over the visa application process, it was actively attempting to outsource most of the process (including critical face-to-face interviews) to travel agencies through its new "Visa Express" program.² US Embassy officials in Saudi Arabia began the Visa Express program in June 2001 to reduce long lines of applicants while relieving consular officials of clerical overhead. Visa Express relied on 10 designated travel agencies to review all applications for accuracy and completeness. Travel agencies then forwarded the passports, applications, and fees to the US consulate; most visas were issued within twenty hours with no face-to-face interview. Three of the 9/11 hijackers entered the U.S. through the security holes opened by the Visa Express program and were never personally interviewed by a US consular officer.

¹ Visas that Should Have Been Denied <http://www.nationalreview.com/mowbray/mowbray100902.asp>

² Homeland Security Department to Oversee Visa Program, <http://www.washingtonpost.com/wp-dyn/articles/A47861-2002Aug5.html>

Visa Denied

Non-Immigrant Visa Application: Hijacker Abdulaziz Alomari

(Sources: US State Department, and the National Review)

PLEASE TYPE OR PRINT YOUR ANSWERS IN THE SPACE PROVIDED BELOW EACH ITEM. DO NOT WRITE IN THIS SPACE

1. SURNAMING OR FAMILY NAMES (Exactly as in Passport!) **ALOMARI** B-1/B-2 MAX B-1 MAX B-2 MAX

2. FIRST NAME AND MIDDLE NAME (Exactly as in Passport!) **ABDULAZIZ** OTHER: _____

3. OTHER NAMES (Maiden, Religious, Professional, Aliases)

4. DATE OF BIRTH (mm-dd-yyyy) **20-5-1979** 5. PASSPORT NUMBER **C165015** MULT OR _____

6. NATIONALITY **USA** 7. SEX MALE FEMALE DATE PASSPORT ISSUED **5-6-2000** MONTHS _____

8. PLACE OF BIRTH (City, Province, Country) **HOWRAN USA** DATE PASSPORT ISSUES **11-4-2005** L.O. CHECKED _____

9. HOME ADDRESS (Number, apartment no., street, city, province, and postal zone) **ALGUDOS HTL JED** OH _____ BY _____

10. NAME AND STREET ADDRESS OF PRESENT EMPLOYER OR SCHOOL (Postal box number unacceptable) **ALGUDOS HTL JED** ISSUED/REFUSED _____

11. HOME TELEPHONE NO. **6473994** 12. BUSINESS TELEPHONE NO. **6491463** OH _____ BY _____

13. MARITAL STATUS Married Single Widowed Divorced Separated UNDER SEC. 214(b) 221(g) **059/10**

14. NAMES AND RELATIONSHIPS OF PERSONS TRAVELING WITH YOU (NOTE: A separate application must be made for a visa for each traveler, regardless of age.) **Alomari** OTHER: _____

15. HAVE YOU EVER APPLIED FOR A U.S. NONIMMIGRANT VISA? NO YES REFUSAL REVIEWED BY _____

16. HAVE YOU EVER APPLIED FOR A U.S. IMMIGRANT VISA? NO YES

17. WHEN? _____

18. WHERE? _____

19. VISA WAS ISSUED VISA WAS REFUSED

20. HAS YOUR U.S. VISA EVER BEEN CANCELED? NO YES

21. WHERE? _____

22. WHEN? _____

23. BY WHOM? _____

24. BEARERS OF VISAS MAY GENERALLY NOT WORK OR STUDY IN THE U.S. DO YOU INTEND TO WORK IN THE U.S. NO YES

25. IF YES, explain.

26. DO YOU INTEND TO STUDY IN THE U.S.? NO YES

27. IF YES, write name and address of school as it appears on form I-20.

28. PRESENT OCCUPATION (If retired, state past occupation) **STUDENT**

29. WHO WILL FURNISH FINANCIAL SUPPORT, INCLUDING TICKETS? **MYSELF**

30. AT WHAT ADDRESS WILL YOU STAY IN THE U.S.A.? **JKK WHYNDHAM HTL**

31. WHAT IS THE PURPOSE OF YOUR TRIP? **TOURISM**

32. WHEN DO YOU INTEND TO ARRIVE IN THE U.S.A.? **25 JUN 01**

33. HOW LONG DO YOU PLAN TO STAY IN THE U.S.A.? **2 MONTHS**

34. HAVE YOU EVER BEEN IN THE U.S.A.? NO YES

35. WHEN? _____

36. FOR HOW LONG? _____

NONIMMIGRANT VISA APPLICATION COMPLETE ALL QUESTIONS ON REVERSE OF FORM

OPTIONAL FORM 154 PAGE 1 50160-109 PREVIOUS EDITIONS OBSOLETE NSH 7540-00-139-0053
REV. 10-1999 Department of State

Red Flag #1 Refusing to answer nationality or even gender should have led to automatic visa rejection.

Red Flag #2 Applicant's address (a hotel) reveals he is a transient who should be assumed to be an immigrant rather than non-immigrant

Red Flag #3 Applicant indicates he is married but does not complete required "name of spouse" field.

Red Flag #4 Applicant claims he is a "student" but leaves field for school "name and street address" blank.

Red Flag #5 Applicant claims self as the source of financial support, but provides no documentation of financial assets for the trip.

No consular officer comments.

Visa Denied

The US consulate in Saudi Arabia showed a monumental lack of due diligence in granting visas to the 9/11 hijackers. However, incompetence in visa reviews has now been replaced by near-paralysis as the Department of Homeland Security's new processes and delays keep legitimate travelers, such as engineers, executives, and students, out of the US and in a state of limbo. Over the long term, this new barrier will break longstanding US ties to regional leaders, thinkers, and businesspeople, who will become less knowledgeable and less attracted to the "American way." Placing visa applicants in limbo can only be seen as a victory for the terrorists who purposely recruited Saudi hijackers in an attempt to create a schism between the US and an important cultural, religious and energy development center in the Arab world. The negative economic and cultural impact brought on by the attacks is now evident across manufacturing, travel-related service, and education sectors in the US.

According to the State Department, there are 215 visa issuance centers around the world with 8,000 employees. *Thirty-two million non-immigrants visited the US in the year 2005—4,000 for every front-line US visa official.*³

The same pressures, bottlenecks, and delays that led US officials to undercut national security in favor of outsourcing in the year 2001 have returned. Arab visitors typically plan for travel well in advance, but waiting times for interview appointments, a vital step in acquiring a visa, have increased. Non-immigrant visa wait times have reached 49 working days—almost 2.5 months—in Saudi Arabia. Egyptians, who represented 21% of Arab non-immigrant entries to the US in 2001, wait a month on average to secure an appointment.

The solution to long waiting times and lost economic opportunities does not require cutting corners on security. Rather, the economic cost benefit ratio of visits by foreign non-immigrants should be clearly understood, and the proper amount of resources should then be brought to bear to securely process each visa. In the case of Saudi Arabia, the opportunity cost is now clear: in 2005, every wrongly denied visa cost the US \$1.4 million on average. Currently, the US does not invest enough resources in the visa security review process to minimize subjectivity, uncertainty, and unwarranted rejections.

Recommendation #1: National security must be the first and most important criterion in reviewing non-immigrant visa applications. No outsourcing or process improvements should compromise US national security. However, adequate investments in the security review process must be made to eliminate this core resource shortage bottleneck that is causing increased process durations.

³ The Arab American News. Dearborn, Mich.: Dec 3-Dec 9, 2005. Vol. 21, Iss. 1034; pg. 15

Visa Denied

Non-Immigrant Visa Appointment Wait Times (Working Days)⁴

(Source: US State Department, August 2006)

Country	Non-Immigrant Visa Appointment	Student Visa Appointment	Other Appointment
Saudi Arabia	49	98	49
Yemen	45	5	5
Egypt	18	1	18
Morocco	15	0	15
Jordan	11	11	11
Qatar	7	0	0
Djibouti	5	2	5
Kuwait	4	3	4
UAE	2	0	2
Algeria	1	1	1
Syria	1	1	1
Bahrain	0	0	0
Oman	0	0	0
Tunisia	0	0	0
Mauritania	0	0	0

Obtaining and successfully completing an interview does not guarantee applicants a visa, even for longtime repeat visitors to the US. Applicants must wait another 31-37 working days after interviews for regular processing and possible “special clearance” scrutiny before the US consular division decides whether to grant a visa. According to Martin Tatuch of the US State Department’s Visa Office, approximately 2.5% of all applicants are deemed suspicious enough to warrant special clearance.⁵ People can be flagged for special clearance if their names appear in a very large database maintained by the US State Department or if their responses trigger certain screens that require further investigation. Special clearances typically require FBI and CIA screening. 98% of special clearances are completed within a month.

There is a further possibility that applicants will not be denied a visa, but will not be granted a visa. A number of screens used by the government are temporary in nature, creating a growing informal category of applicants who wait for years with no clear timeline or pathway toward a visa. This limbo pool is particularly acute and growing in Saudi Arabia (see page 39).

⁴ Does not include processing time

⁵ The Arab American News. Dearborn, Mich.: Dec 3-Dec 9, 2005. Vol. 21, Iss. 1034; pg. 15

Visa Denied

Non-Immigrant B-1 and B-2 Visa Processing (Working Days)⁶

(Source: US State Department, August 2006)

Country	Visa Processing	Special Clearance	Total Potential
Saudi Arabia	7	30	37
Jordan	2	30	32
Kuwait	1	30	31
Egypt	2	30	32
Morocco	1	30	31
UAE	1	30	31
Bahrain	1	30	31
Tunisia	1	30	31
Oman	2	30	32
Syria	1	30	31
Qatar	2	30	32
Yemen	4	30	34
Algeria	1	30	31

If a person's name is similar to that of a suspected terrorist or international crime figure, his or her visa can be denied or the application can be thrown into limbo. Process timelines for name checks vary. For immigrant visas, the FBI name check process can last for months or years, depending on the individual.⁷ Visa seekers have no recourse to clear their names, since no specific reason for refusal is usually given, a step that protects the sources and methods of the background check process.

The main reason for most rejections is that the non-immigrant applicant did not sufficiently establish his or her intention to return to the country of origin. Non-immigrant applicants are essentially "guilty until proven innocent" under the current system. According to Section 214 (b) of the US Code:

"...every alien shall be presumed to be an immigrant until he establishes to the satisfaction of the consular officer, at the time of application for admission, that he is entitled to a nonimmigrant status."

Finally, simply holding a non-immigrant visa does not guarantee ingress at any port of entry. Non-immigrant visa holders may be denied entry if officials at US ports of entry decide it is in the interest of US national security.

⁶ US consulates in Beirut and Baghdad were not offering visa processing services at the time this report was written.

⁷ Kuwait evacuee stymied in U.S. citizenship bid <http://www.telegram.com/apps/pbcs.dll/article?AID=/20060906/NEWS/609060660/1116>

Visa Denied

Non-Immigrant B-1 and B-2 Visa Benchmark Appointment and Processing Durations*

(Source: US State Department, August 2006)

Country	Visa Processing Duration (Days)
Saudi Arabia	74
Egypt, Syria, Yemen	64
Kuwait, UAE, Bahrain, Tunisia, Oman, Qatar	62
Morocco, Algeria	60

Potential visitors who are granted visas may find their flexibility regarding travel dates or ability to return to the United States vastly restricted in the post-9/11 world. Five-year multiple-entry visas, once the norm, are now routinely granted only to entrants from Tunisia, Morocco, UAE, Qatar, and Kuwait. Many key US regional trading partners are granted visas valid for only 12-60 months, adding to the queue of repeat applicants and contributing to the problem of long appointment lead times and processing periods.

Non-Immigrant B-1 and B-2 Visa Validity Periods

(Source: US State Department, August 2006)

Country	Visa Validity Period (Months)
Tunisia, Morocco, UAE, Qatar	120
Mauritania, Bahrain, Jordan, Egypt, Lebanon	60
Saudi Arabia, Oman, Syria	24
Djibouti, Yemen	12
Iraq, Libya, Somalia, Algeria, Sudan	3
Comoros	2

The United States charges a standard fee of \$100 for processing B-1 (business) and B-2 (pleasure) visas. Additional fees may be charged on a reciprocal basis: because countries such as Sudan and Yemen charge additional issuing fees for visas requested by US citizens, the United States charges similar fees to citizens of these countries.

Non-Immigrant B-1 and B-2 Visa Processing and Issuance Fees

(Source: US State Department, August 2006)

Country	Reciprocal Issuance Fee (US)
Sudan	\$50
Comoros	\$31
Yemen	\$30
Oman	\$15
Libya	\$10
Saudi Arabia	\$7

Visa Denied

The US offers a “Visa Waiver” program to citizens of a number of key trading partner countries (most located in Europe) that have a long-term non-immigrant rejection rate of less than 3%⁸. Visa Waiver status is granted when US law enforcement concerns, low visa application rejection rates, and commercial concerns warrant.

Recommendation #2: Consular human resources (1 employee for every 4,000 successful applicants) are currently insufficient to efficiently process Arab market visas in a timely, professional manner. The US Congress should study the massive opportunity costs of lengthy processing delays on the US economy and increase budgets in order to properly staff and process visas.

The US and most other developed countries offer a broad range of non-immigrant visa categories, some of which recognize the value of individuals who positively impact trade and investment (see Non-Immigrant Visa Categories in the Appendix). The Immigration and Nationality Act extends non-immigrant visa status for a national who is coming to the United States to carry on substantial trade (E-1 Treaty Trader visa), including trade in services or technology, principally between the United States and another country. The E-2 Treaty Trader visa is extended to individuals who develop and direct the operations of an enterprise in which the national has invested or are in the process of investing a substantial amount of capital.⁹

Given the high average economic impact of Arab market visitors to the US, the US should proactively facilitate greater numbers of E-1 and E-2 visas based on estimated future trade impact and create a special third class of visa.

Recommendation #3: A proactive visa promotion program should be created to place new “E-3” visas in the hands of individuals who have a strong influence on US-Arab trade: key executives, business leaders, government leaders, and educators in the Arab market. This proactive extension of US visas to people whom the US most wants to see doing business and intercultural exchange would change the paradigm of visa processing from a “pull” system in which weary executives navigate an unpleasant bureaucracy of US consular services to a business-oriented “push” system in which US competitiveness and market promotion is unleashed into the visa process. US corporations and universities

⁸ U.S. visa policy is a passport to reduced competitiveness, Chicago Sun – Times, September 20, 2006. p. 43

⁹ US State Department Treaty Traders, http://travel.state.gov/visa/temp/types/types_1273.html

Visa Denied

should be asked to recommend individuals who should be offered permanent E-3 visas.

Finally, as a family oriented culture that typically travels in groups, it should be understood that splitting families by granting some members a non-immigrant visa and not others, is the equivalent of granting no visa.

"The process has a dramatic negative change after 9/11. When visa processing takes less than 24 hours to be processed (at the US consulate in Dhahran) before 9/11, takes now more than 2 to 3 weeks in normal cases, and 2 to 3 months in other cases (In Riyadh Embassy)! Then yes, there is a change! Provided that when a family applies for a tourism visa before 9/11, they'll never be surprised by rejecting a child and his mom, and at the same time for the same application, accepting a teen age boy and his father of the same family for the entry visa! I see this as an inconsistent mess. With my respect of course!" **Mohammed al-Misehal, VP of Al-Misehal Telecommunications, Riyadh**

This document was created with Win2PDF available at <http://www.daneprairie.com>.
The unregistered version of Win2PDF is for evaluation or non-commercial use only.