

Capitol Hill Briefing

April 28, 2015

The first in a series of Committee of 100 (C-100) programs, this briefing assessed the impact of Chinese tourism on the U.S. economy and U.S.-China relations, and examined opportunities for increasing Chinese visitation to the U.S.

Dali Yang, Professor, Department of Political Science, University of Chicago; Member, C-100



In 2013, 1.8 million Chinese visited the U.S. When we compare that to the 107 million Chinese who traveled abroad in the same year, that is a tremendous contrast – a relatively small number of Chinese travelers visit the U.S. Until recently, it was very difficult for the average Chinese to visit the U.S. The reciprocal change in the visa policy, making tourist and business visitors eligible for 10-year visas, will make a great difference in this respect.

Having a greater understanding between peoples is essential for developing positive relations between countries. Many Chinese people aspire to see more of the world. Encouraging more Chinese travelers to experience the U.S. is not only important for our economy and employment rates, but for Chinese people's understanding of the U.S. and U.S.-China relations.

Yukon Huang, Senior Associate in the Carnegie Endowment's Asia Program

China generated 1.8 million tourist arrivals in the U.S. in 2013, a record for the seventh consecutive year, and they spent \$21.5 billion, making China the second largest source of tourist earnings in the U.S. China has become the largest source of inbound visitors to North America, excluding our neighbors Canada and Mexico.

According to a recent study, for every 65 visitors to the U.S., one American job is generated. However, because Chinese tourists spend so much, it only takes 17 Chinese visitors to generate one new American job. If America can attract 10 million Chinese visitors annually by the end of the decade, that could generate 600,000 new American jobs.





In 2014, 2.2 million Chinese came to the U.S., a 21% increase from the previous year. China has thus become the fourth largest source of overseas visitors to the U.S., having surpassed Germany. We can predict China will surpass Brazil sometime this year as the third largest source of overseas visitors to the U.S. and become the number one source by 2021, when we expect them to reach 7.5 million.

In 2003, 157,000 Chinese visitors came to the U.S., which in comparison to the current figure of 2.2 million indicates a 1000% plus increase. Chinese tourists spent \$23.7 billion in the U.S. in 2014, a 12% increase from the previous year; in comparison to 10 years ago, that is a 862% increase in spending.

Key Issues for Policymakers to Consider

- There are only five locations in China where people can obtain a visa interview, a required step in the visa process
- Increasing flights between China and the U.S. to meet the demand of travelers, and opening flight routes to cities beyond the major metropolises
- Improving the efficiency of entry processes to prevent long lines and wait periods, which negatively impact visitors' opinions of and experiences in the U.S.
- Enhancing the quality of our transportation infrastructure and airports to meet the demands of travelers and improve their experiences in the U.S.

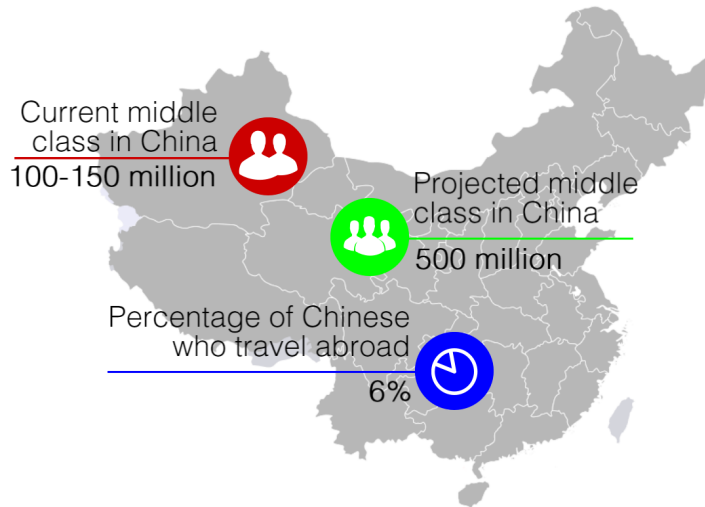
The **Committee of 100** is a leadership organization of prominent Chinese Americans in business, government, academia, and the arts. For over 20 years, the Committee has served as a high-level bridge in the U.S.-China dialogue by fostering regular exchanges with the leadership of Beijing, Taipei, and Washington. C-100 members are leading U.S. citizens of Chinese descent who leverage their collective influence and resources to strengthen U.S.-China relations and promote the advancement of Chinese Americans. Learn more on our website: www.committee100.org, and connect with the C-100 Washington, D.C. LinkedIn group at: <http://bit.ly/C100DC>.

The **Senate U.S.-China Working Group** co-sponsored this program. The Working Group is co-chaired by Senator Mark Kirk (R-IL) and Senator Mazie Hirono (D-HI) and has the goal of educating members of Congress and their staffs on U.S.-China issues through meetings and briefings with academic, business, and political leaders from the U.S. and China. The Working Group provides a forum for open and frank discussion with U.S. and Chinese leaders.

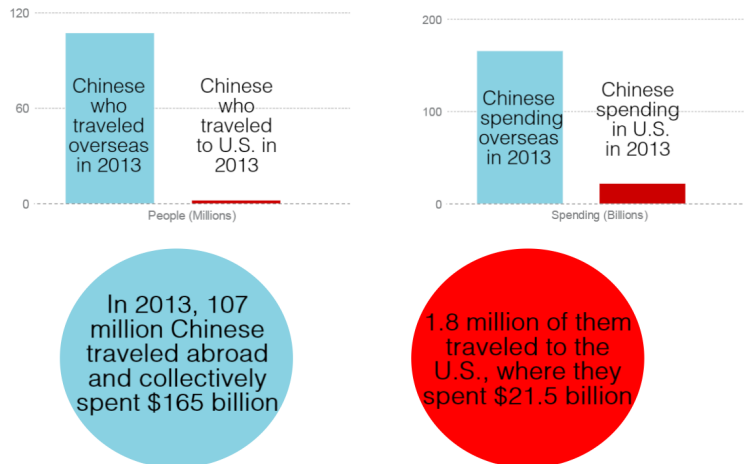
Facts and Figures

Chinese Tourism to the U.S.

Demographics



Global Tourism vs U.S. Tourism



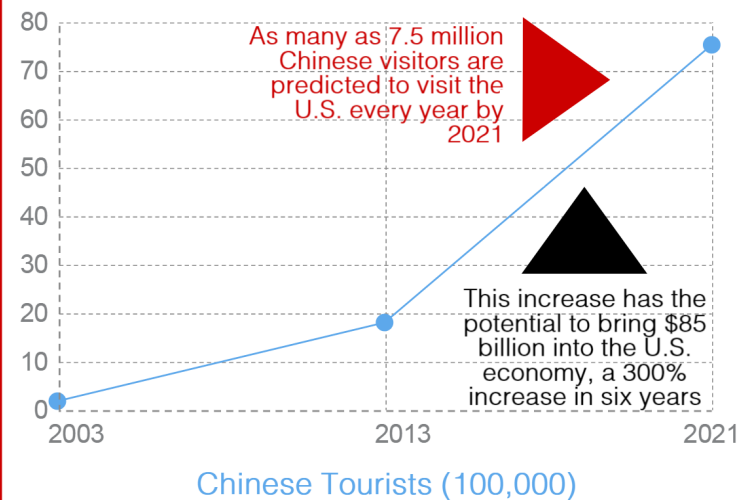
Spending



17 Chinese visitors generate one new American job

Opportunity

What impact will the new 10-year visas for Chinese citizens have?



Produced by the Committee of 100