## Which Nationalities Have Been Coming the the U.S.A. Less Since The 2018 Election?

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## ABSTRACT

Surveys and commentators of international migration have suggested that changes in the United States' administration and its policies have made it a less attractive country to foreigners overall since the election of the 45th U.S. President. In this paper, we assess how much arrivals by foreigners to the U.S. through the 45th U.S. Presidential election, executive order to ban all travelers from 7 countries and drastically cut refugee admissions, and the Supreme Court's first decision to uphold a partial version of that ban--all widely unexpected events. By running OLS regressions on government data about all I-94s collected from passengers of all US in-bound flights between November 2015 and August 2016, we find that although the ban aimed to reduce the number of entries by foreigners from seven small Muslim countries, that the decline in entries were much greater among foreigners from Latin America and Europe, and specifically former allies to the US government such as Mexico, Canada, the United Kingdom and Germany. With placebo tests and comparisons of foreigners that require and do not require non-immigrant visas show that these results are not a consequence of more restrictive visa policies or other omitted variables. This paper contributes to the literature that shows how much of the impact of much migration control is not in terms of its direct policy impact, but in terms of its broader social impact and specifically how policies can damage the reputation and therefore desirability of a country as a tourist and migration destination.

#### INTRODUCTION

This paper examines to what extent and from where arrivals to the United States (U.S.) by non-citizens have declined since the last presidential election. This is consequential as it has implications not only revenues from tourism, education and business, but also the extent to which U.S. citizens interact culturally and socially with non-citizens.

In recent years, scholars and commentators of international migration have documented a sequence of events that would ostensibly have led to a legislatively-induced decrease in the number of foreign nationals entering the U.S. First, on November 8th, 2016, presidential candidate Donald Trump gained enough electoral college votes to become the 45th President of the U.S., despite the fact that most polling organizations predicted that he would lose. His presidential campaign discourse had for 17 months frequently took on a tone that most foreign nationals and prospective immigrants perceived as hostile towards them. Then on January 27th, 2017, President Trump signed an executive order that stated that foreign nationals from seven countries could no longer enter US territory for the next 90 days, and for 120 days if they were a refugee fleeing political violence or persecution, which revoked up to previously issued 60,000 visas to nationals from these 7 countries. Despite his campaign promises, this order took both the American public and political analysts by surprise, since even a major national security risk like 9/11 attacks had not previously seemed to warrant such a measure. For about 4 months, various state and district courts struck down versions of this executive order until June 6th, 2017, the date the Supreme Court upheld a limited version of the travel ban. This also came as a shock to many who had expected judicial branch to continuously put a check on this exercise of power in the executive branch and not within half a year fall into line with the 45th President's wishes to dramatically increase his control over who could legally enter US territory.

Yet how much were international traveler affected by signals to specific foreigners not directly affected by the events that they were not welcome in the U.S.A. by 1) nearly half of the 58% U.S. citizens that cared to vote, 2) the new head of its government and 3) the branch of

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government most willing and capable to challenge the President's power? In this paper, we hypothesize that the social impact of these events was paradoxically far greater than their direct political impact—specifically, these events reduced entries of foreign nationals not targeted by the government far more than those nationals the government aimed to prevent entry, and that this is arguably because such foreign nationals then viewed the U.S. as a less desirable country to visit. To do so, we disaggregate the widely recognized fact that visits by foreign nationals—whether they be tourists, businesspeople, or students—have fallen, to reveal great heterogeneity from which countries visitors have rose and fell.

Our concern is not the mechanical impact of these events in terms of changes in laws and the number of foreign nationals that can enter the country, but rather their symbolic impact on how welcoming foreigners perceive the U.S. to be and how the number of foreigner arrivals may to a degree be indicative of this. To distinguish between the impact of law and rhetoric we aim to compare how the rate of entries from countries affected by these events changed to how similar rate compared to countries affected by these events. We recognize that many foreigners do not immediately change their travel plans and also may have pre-planned reasons to come to the U.S. after these events regardless of whether they feel welcome or not (e.g. to continue an educational program or finish a training, conduct business meetings required by their company, visit family). Nonimmigrant visa data suggest that the vast majority of visitors to the US come as tourists and business people and would likely feel less inclined to come if they perceived the US as becoming relatively less welcoming than other countries after each of these events. Each of these events (particularly the first two) were widely broadcasted in global media so most foreigners likely heard about them. For Trump, the ban would bar entry of foreigners that would most likely plan to carry out attacks against people (Lloyd 2016), a national security argument which some

foreigner of countries have also suffered attacks might intuitively find sympathetic even though no foreigner from any of the banned countries ever attacked the U.S. However, we hypothesized that on net, the hostile tone toward Muslims and immigrants of those in support of the ban may also have had an even greater symbolic impact on travel flows than the actual ban, including those from non-Muslim countries.

We therefore take the arrivals of foreign nationals each month as a proxy measure of how welcome their populations feel to come to the U.S. We hypothesize that foreigners may be less likely to visit or enter a country if they perceive it as inhospitable and unwelcoming to immigrants or refugees, but that will be more the case with nationals that the government would like to continue to welcome than those whose entry it seeks to prevent. We find that this is generally the case with the U.S. The decline in entries by foreigners coming from Latin American and European countries was far greater than that of Middle-Eastern and African countries, and the decline of foreigners coming from Mexico, Germany, Canada and Britain was far greater than migrants coming from South Korea, Japan, and other countries in Asia. To measure this impact, we draw upon data collected by the U.S. Government National Travel and Tourism Office on foreign arrivals from particular countries, which is based upon the number of I-94 forms that passengers turned into Custom and Borders Protection officers at all U.S. airports.

## BACKGROUND

The November election, the January travel ban, and the June Supreme Court ruling occurred alongside many other major shifts in policy that may have either accentuated or mitigated their impact on how welcome foreign nationals felt coming to the U.S. These were events that occurred in a single day, although they also invited protests, lawsuit challenges and op-eds by Americans that may have also been signals to foreign nationals that not all Americans necessarily agreed with what they represent. They are each relevant to the extent that 1) people heard about them and 2) they may have impacted the image of the U.S. among foreign nationals. Of other important policies that may have damaged the reputation of U.S. as country welcoming to foreigners, between the election and the inauguration then-President Obama issued an order for American alumni of various prestigious fellowships (e.g. Fulbright, Critical Language) to be eligible for more positions in government, as these encourage US citizens to engage with foreigners. However, Obama also signed to allow the National Security Agency (NSA) to share raw globally intercepted personal data from foreign networks and satellite transmission (including phone calls, emails and personal data on the web) with the government's other intelligence agencies (e.g. Central Intelligence Agency and Drug Enforcement Agency). The first order received little attention to the press and would have likely had a positive impact on the image of the U.S. only far into the future. The second order likely received attention due to an article in the New York Times (NY Times 2017), and given previous concerns by Germany, Brazil, and other countries on the NSA espionage of foreigners, would likely upset and make foreigners feel less welcome. At the same time, this bill received far less publicity than anticipations on how the 45th president would transform the country, so it may not have had much of an impact on people's travel plans.

Furthermore, two days before the ban, Trump signed two orders titled "Border Security and Immigration Enforcement Improvement" and "Enhancing Public Safety in the Interior of the U.S." These two bills only later received attention in *The Atlantic* regarding how they respectively called for 1) a broader interpretation of who was violating US immigration law and 2) a construction of a wall along the U.S. -Mexico border and a crackdown on cities that proclaimed that they would protect undocumented immigrants from efforts by the federal government to deport them. Though these may likely reduce interest in visiting the US, the attention they received from the media and press was minor compared to the travel ban, due to widespread protests and lawsuits against the administration throughout the union.

The ban did not actually remain in place for long. Only a day later, the New York and Massachusetts state courts blocked the ban. This challenge also received attention in the world press. Foreigners likely understood that at least some parts of the government elite did not agree with the ban. While politicians on both parties responded negatively to the ban, the American public quickly mobilized to express solidarity in support of individuals arbitrarily detained or denied entry at U.S. airports, and dissent against the executive order (Lloyd 2016). This perhaps assured foreign nationals that a portion of American society opposed the ban. On February 3rd, the U.S. District Court blocked the ban. The president then ordered a second ban on March 6th with no changes except that it excluded Iraq. The Hawaii court blocked this ban on March 15th on the grounds that it discriminated against Muslims and therefore violated the Establishment Clause of the 5th Amendment, and the federal appeals court refused to reinstate the ban on May 15th. After the Trump administration appealed to the Supreme Court, the Supreme Court agreed to uphold the ban in partial form on June 26th, and has thus far approved all subsequent modified 90-day bans in full form until December 4<sup>th</sup>, 2017, when the Supreme Court upheld the ban in full form.

Aside from the impact of the ban itself, in adopting the ban, the United States signaled to foreigners that it has little respect for international law and the Constitution<sup>1</sup>, which may have also had an impact in how safe foreigners felt in relation to the U.S. government. Although the

<sup>&</sup>lt;sup>1</sup> Specifically, by barring the entry of lawful permanent residents from Muslim majority countries, some legal scholars argue that the U.S. violated the 5th amendment of U.S. Constitution and its treaty obligations, including the nondiscrimination provisions in the Refugee Convention and the International Covenant on Civil and Political Rights.

U.S. avoided using language that could indicate that the ban targeted Muslim populations, various civil rights groups and attorneys argued that the travel ban clearly discriminated against Muslims (Acer and Barnard 2018). Thus, we consider the impact of Trump presidency on travel by foreigners to the US to be a bundled treatment. By bundled treatment, we mean that it is a complex mix of interrelated factors. The impact of treatments that we are interested (election, ban, court rulings) may overlap in time, and therefore, their individual impact is difficult to infer and for that reason we include month fixed effects as well. Fortunately, the above mentioned survey of legislation and executive orders during the 12 calendar months preceding the 2016 presidential election 1) did not reveal any particular legislation or executive orders that may have dramatically changed foreign national perceptions of U.S. hospitality, 2) did not exhibit result in monthly changes of traveler inflows, and 3) the economy over the entire period was simply increasing at a slow but steady pace. Therefore, we believe that we can draw conclusions about the impact of these events on traveler flows.

### **IDENTIFICATION**

We draw upon data collected by the U.S. Government National Travel and Tourism Office on foreign arrivals from particular countries. This data is based upon the number of I-94 forms passengers turned into Custom and Borders Protection officers at all U.S. airports from November 2014 to September 2017. We include data on traveler inflows from 21 countries and 7 continents to create different panel datasets. While our data does not include the countries affected by the Muslim ban, we are primarily interested in examining whether travel to the U.S. from other countries decreased. However, included in our dataset are traveler inflows from Mexico and Colombia, which could be affected by Trump's anti-immigrant rhetoric more than

the other countries, due to the tendency of foreigners to interpret anti-immigrant rhetoric as being more antagonistic toward foreigners from Latin America than other parts of the world.

Our three main treatments include 1) Election of Donald Trump; 2) the first travel ban against nationals from 8 countries (which last 90 days) and refugees (which lasts 120 days); and 3) Supreme Court ruling to uphold the travel ban in limited form (July 2017). We use these treatments because we assume that each shock was largely unexpected by most foreign nationals, therefore they cannot have an endogenous relationship with actual traveler inflows whereby the traveler inflows themselves caused these policy changes.

We exploit variation in the impact of these three changes to test how foreign nationals' propensity to visit a country changes as they receive signals that a country is becoming more xenophobic. We hypothesize that in the absence of these three changes, more travelers would come to the U.S.. However, since we never observe this counterfactually within the potential outcomes framework, we must infer that this is the case through observational data. Although this is a quasi-field experiment we cannot do difference in difference because we cannot observe parallel trends between two cases. Due to both the temporary and erratic enforcement of the ban, we conceptualize the actual impact of the ban to be less legal than social: it sent a clear signal out to non-US citizens that the US would not honor its previous commitments to a large number of them possessing visas and possibly green cards that they could legally enter its territory. As such, it should reduce the number of foreign nationals entering the country.

Surveys suggest that amongst many foreign nationals, Trump is one of the most disliked Presidents in recent history (Wike et al. 2017). Foreigners may be critical of U.S. voters from electing them, and therefore may also be less inclined to visit the country under his rule. Furthermore, Trump as a candidate had promised the American public that he would implement

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even more restrictive measures—a total ban on all foreign Muslim nationals—and even though the roughly 25% Americans who voted for him may not have supported such a policy, they likely did not consider it as important as his stance on issues to disqualify him from their support. Therefore, foreigners in deciding whether to come the US were coming to a population that found such a policy acceptable. Since we can assume that such a general mood and perspective is likely to impact a foreigner's experience of visiting or residing far more than the actual decisions of a government, we believe that that we can take counts of travel inflows from various countries and continents into the U.S. during the months of November, December and January as indicators of the impact of Trump taking power --independent of any legislative measures that may make foreigners of particular countries them feel less welcome or not welcome at all. Since travel flows tend to be higher in certain months (June to August) than others (January to February), we will compare the travel in-flows during these months of 2017-2018 to the same months during 2016-2017 using month fixed effects. Fortunately, though traveler inflows is largely driven by many other factors--such as the state of the economy and crime rates--we examine these trends to assess the extent that we can control for background confounding factors.

#### **DATA AND METHOD:**

Our primary data source is the National Travel and Tourism Office's online data of counts of travel flows from each continent and around 20 distinct countries from 2014-2017. We do not include Venezuela because of reports that its government had been denying high percentages of its citizens exit as its economic crisis worsened. We recognize that the government may admit some arrivals may not turn in a I-94 form if they come as asylees, but we will assume that as a percentage of total travelers that these arrivals are extremely low. We also note that many people can make their travel decisions anywhere from several months and flight tickets are cheapest 21 to 121 days before the departure day. Therefore, one may observe considerably lag in the impact of a travel ban (assuming people are not canceling their flight and trip because of the shocks, which we think is less likely than changing their mind about coming at all). Notably none of these countries in the data set were affected by the travel ban, but our preliminary analysis regards to what extents travel flows changed from countries other than those Muslim countries affected and not affected by the travel ban. We will measure these travel flows both in terms of travel flows per months, as well as in terms of their percentage of the population in the country or continent of origin. Our models include month fixed effects to control characteristics about months (e.g. winter break, Christmas and New Year's travel during the month of December) that are highly correlated with travel flows irrespective of hospitality. Since overall traveler inflows is on average low during the months following both the election and the ban and high after the court ruling, this should account for changes in traveler inflows that result annually result from seasonal fluctuations. Ideally, we would be able to control for daily fixed effects because in a month like December you have many more people traveling on certain days (e.g Christmas, New Year) than other days. Unfortunately, we do not have that data. We also run separate models where interact these monthly fixed effects with various treatments which can then be "bundled."

We run the model with these three different treatments and outcomes for data from November 2015-September 2017 with percent change for descriptive statistics and logged counts for the outcome. We have separate models for each country and each continent.

We decide to run a separate regression and plot for each nationality of traveler and compare them because what we are most interested in is how the visits by specific nationalities are rising and falling over time. We choose not to include a dummy variable for every nationality

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because we capture variation of particular nationalities better if we run a separate model for each nationality. If we were to pool all the countries together, we would not be able to observe the heterogeneity of the different treatment's impact upon different nationalities. We also rely in the fact that every nationality is affected at the same time by our treatments.

For regressions, we perform ordinary least squares (OLS) regression of both counts and logged counts of annual traveler inflows from each country on the treatment and a month fixed effect. We perform each of these regression three times, once for each treatment (the election, the travel ban and the court ruling). Or more formally,

## **count**arrivals = **treatment**<sub>x</sub> + **month**fixed effects,

where x is one of the three treatments described above.

We then run an additional set of three models which includes a treatment by month fixed effects interaction term, or more formally,

### countarrival=treatmentx+monthfixed effects+treatment\*monthfixed effects,

We next show our plots that reveal how much travel inflows from specific countries changed percentage compared to the previous year. We calculate this according to the following formula: [(year<sub>y</sub>, month<sub>x</sub>-(year<sub>y</sub>-1, month<sub>x</sub>)]/(year<sub>y</sub>, month<sub>x</sub>)

This enables us to compare the count of arrivals from that specific country in relation to a same month during the prior year. The horizontal line that runs through zero shows the baseline of no change, though the position of line may vary in each plot depending on how much of the data is above or below the baseline.

In addition to having run our basic models, we complement our analyses with a series of placebos. We run a series of regressions in which we move the month in which the treatment began. For example, for the election treatment, we switched the treatment to begin in December

in 2016 instead of November 2016. We use Dec 2016, Jan 2017, Feb 2017, March 2017, April 2017, May 2017, June 2017, and July 2017 fake/ placebo treatments for the election treatment. Since we use month fixed effects, we are limited to using placebo months with data from the prior year. Next, we perform a similar series of placebo regressions for the ban treatment. In this case, our fake months are: March 2017, April 2017, May 2017, June 2017, July 2017 and August 2017. We ran a regression for each of these placebo months. We do not run a placebo regression for the court upholding the ban due to lack of data. However, we can do so in the future once this data becomes available.

#### RESULTS

## **Overall Patterns**

When we run a model without interacting month and treatment, we find that accounting for month after the court upholding the expected number of travelers was 146513 fewer in the period after than the ban compared to the period before. Nonetheless, accounting for month after the travel ban announcement the expected number of travelers was 130771 fewer in the period after the ban compare to the period before. Of course, the difference of around 15000 less visitors may be due to the fact those that the ban prevents from visiting and therefore it is hard to say whether this difference may be due to the fact that foreign nationals are less interested in visiting the US. However, accounting for the month, after the election the overall expected number of travelers was 104286 fewer than it was before the election 104286.

# The Impact of the Election on Traveler Inflows to the USA from Particular Regions and Countries

However, these coefficients mask a lot of heterogeneity. Thus, we summarize the coefficients from different regions of the world. After the election, the most dramatic decline of

travelers are those coming from Latin America. Accounting for the month after the election the overall expected number of travelers was 93462 fewer than it was before (95% confidence interval of 70786 to 116138, adjusted R square of 0.91). The second largest decline in foreign nationals were those coming from the Middle East. Accounting for the month, after the election the overall expected number of travelers from the Middle East was 27,157 fewer than it was before (95% confidence interval 70786 to 116138). Accounting for the month, the expected declines in travelers from Europe, Asia, Africa and Oceania range from 7606 to 5494 with large enough standard errors that this decrease was insignificant.

We observe the greatest declines in arrivals from Mexico, which may be a large source of the decline in Latin America. Accounting for month, after the election the overall expected number of Mexican arrivals was 97703 fewer than it was before (95% confidence interval of 43455, 151951, adjusted R square of 0.85). Notably, the exchange rate of the peso against the U.S. dollar plummeted in the days following the election, which may have simply made visiting the U.S. unacceptably expensive and discouraged more travelers than the election itself. However, another source of the Latin American decline was likely Brazil, as accounting for month after the election the expected number of Brazilians coming to the U.S. was around 42082 fewer than before (95% confidence interval: 23650, 60514, adjusted R^2 0.6). The value of Brazilian Real did not fall nearly as much as the Mexican peso following the election , so this suggests that the decline in interest of visiting the U.S. may nto be entirely due to this exchange rates fluctuations. In contrast, accounting for month, after the election the expected number of arrivals from South Korean arrivals was 37775 (95% confidence interval: 4833, 47442, adjusted R^2 of 0.94).

Though we cannot be 95% confident that arrivals actually decreased from other countries in which arrivals fell, we do observe a number of nationalities who dramatically decreased their visits. Among these are Canadians, the British and the Germans. Accounting for month after the ban the expected number of Canadian, British and German nationals visiting the US was 29160, 28429, and 10961 fewer than before (respective 95% confidence intervals (-111410, 53090), (-7755, -49103), and (-22885, 963)).

After the election the US witnessed much more modest declines of visitors from Russia, Sweden, Switzerland, India, and Australia, ranging anywhere from a high of 8581 (India) to a low of 3658 (Australia). The models that generate these estimates yield adjusted R^2 ranging from a high of 0.94 to a low of 0.86. The remaining countries in our sample had relatively modest decreases in nationals visiting the US after the election but their 95% confidence intervals contain zero.

#### The Impact of the Travel Ban on Traveler Inflows to the USA

We find no significant effect of the ban on the overall number of visitors to the US actually declined after the travel ban proposal. In fact, after the ban the expected number of arrivals was an insignificant 1938918 greater than before (95% confidence interval -150008 to 4027924). Once again, accounting for month, expected foreign nationals from Latin American coming to the U.S. were 110383 fewer after the proposal than they were compared to before the ban (95% confidence interval 75729 to 145037, adjusted R^2 of 0.92). We observe that accounting for the month, after the ban the expected number of nationals from the Middle East entering the U.S. was 27425 fewer than before (95% confidence interval (32663 , 87513), adjusted R^2 0.01). We observe much more modest declines beneath 10000 for nationals from the other continents.

After the ban, the country from which visitors to the United States decreased the most was Mexico. Accounting for month, after the ban the expected number of Mexican nationals coming to the US was 107899 than before the ban (95% confidence interval (-42203,-173595) adjusted R^2's 0.87). Based on the standard errors of our estimates for Britain and India--a country with a large Muslim minority---our confidence intervals were (-9829, -58017) and (-9248, -19560) and adjusted R<sup>2</sup>'s were 0.91 and 0.96. Accounting for the month, after the ban 33923 fewer British nationals visited the US than before the ban, and that this decline ranged between 9829 and 58017. Accounting for the month, after the ban 14404 fewer expected Indians came to the US than before the ban (95% confidence interval (-19560, -9248). Notably, the ban did not apply to any Muslims from India, but they may have been less inclined to visit the US due to the signal it sent to India's large Muslim minority. The US also experienced much more modest declines in visits from Russians, Australians, Argentines, and Colombians (anywhere from 1348 for Argentines to 9609 for Colombians), which likely contributed to the large decline in visitors from Latin America in the wake of the ban. The expected number of arrivals who were Brazilian, Chinese, German and Canadian nationals also declined dramatically by anywhere from 37580 (Braziilans) to 11158 (Canadians).

## Supreme Court Upholding Travel Ban (June 2017)

The impact of the Supreme Court upholding the ban upon the number of foreign arrivals was largely consistent with that of the election and the ban. Accounting for the month, the expected number of foreign nationals coming to the US after the court ruling were 146513 fewer than before. Despite the fact that all of the nationals that the ban prohibited from visiting either resided in the Middle East and Africa, the largest declines in visits were again by Latin American nationals. Accounting for the month, after the court ruling the expected number of Latin American nationals coming to the US was 137302 fewer than before (95% confidence interval (-185820, -88784), adjusted R^2 0.92). The changes of nationals from other continents are relatively modest (ranging from an increase of Europeans by 11721 to a decrease in the number of Middle Eastern travelers of 27431).

Again, although the ban did not in any way directly affect Mexicans, the number of Mexican nationals fell by a much greater number than any Muslim nationals. Accounting for monthly fixed effects, after the court ruling the number of Mexican nationals coming to the U.S. was 130907 fewer than before the court ruling (95% confidence interval (-229647, -32167), adjusted  $R^2$  0.82). The number of British nationals coming to the U.S, also plummeted, as accounting for the month, after the court ruling 42874 fewer British nationals came to the U.S. than before (95% confidence interval (-78164, -7584), adjusted R^20.9). Accounting for the month, after the court ruling the US had an 41490 fewer expected South Koreans coming visit than before (95% confidence interval (-67132, -12821), adjusted R^2 0.44). Accounting for the month, after the court ruling 16014 fewer Colombians came to the US compared to the before (95% confidence interval (-30029, -2000), adjusted R^2 0.91). The remaining foreign nationals that had modest declines in their visits to the US after the court ruling include the Swiss and the Russians. However, we also found expected decreases of anywhere from 10000 to 10000 in foreign nationals from Japan (10234), Canada (32740), Argentina (20390), Brazil (32854) and Colombia (14426), all driving the fall in visits from Latin America.

#### **Models with Interaction Effects**

We also ran all the above models with an additional interaction term to account for how the impact of treatment may vary by month. When we do this, we find that our confidence intervals are more likely to contain 0, though many of the strongest effects in our basic model continue to appear.

For example, with this more complex model, post-election visits from Latin America to the U.S. were still 54625 fewer than before (95% confidence interval (-229230, -109338), adjusted R^2 0.91). The US had fewer Mexicans entering its territory after the election than before. In the interaction term models, we do see some dramatic changes in some expected number of visitors, such as an increased number of Swedes (46353) and Canadians (346012) after the election compared to the period of before.

We also observe some slight changes in our more complex model's predictions of the ban. Accounting for the months after the ban, visits from Latin Americans are 169284 fewer than before the election, exhibiting an even greater drop and a slightly higher adjusted R^2 (0.95) than in the basic model (0.9). The decline in Mexican nationals in the more complex model is much less though (69332 instead of 107332). However, this yields a slightly lower R^2 (0.84 instead of 0.87). In this more complex model, we also observe much greater decreases in the number of Japanese (41240 instead of 8250 fewer), and about the same decline of Indians (14487). However, although we observe much greater decreases amongst the Argentines (29684 instead of 1348), British (47000 rather than 33923) and Italians (7588 instead of 270).

Finally, accounting for the month, with the interaction term model we observe an even larger decline in the expected number of Latin American nationals visiting the U.S. after the court ruling than before (169284 instead of only 137302, 95% confidence interval (-270790, - 67778), adjusted R^2 0.84). With the more complex model we can no longer be 95% confident that visits from Mexican nationals declined and the expected decline is only half of what it is in the simpler model (69332 rather than 130907) (95% confidence interval (-229647, -32167),

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adjusted R^2 0.84). After the court ruling the expected decline in the number of Japanese nationals was much lower in the complex model than the simpler model (41424 instead of 10234). After the court ruling the expected number of visitors from Colombia and Argentina drops even more (respectively 29638 instead of 20390, and 16014 instead of 14426) suggesting that they contributed more to the decline in visits from Latin America than Mexico. Finally, in the more complex model the expected rise in the number of South Korean visitors was even larger than in the simpler model (57457 instead of 41490), though the adjusted R^2 is low (0.37). In sum, all three events have led to a dramatic reduction in the number of foreign nationals willing to come to the U.S., and particular nationals that felt the least welcome were interesting not those that the U.S. government necessarily intended to make feel unwelcome.

The graphs in our appendix show how the three changes impacted traveler inflows from various nations over time, we can also see how the trends of traveler inflows varied over time in relation to the same month in the prior year (when none of the three treatments existed). The horizontal line marks the point along which the number of travelers is no different from the prior year, with the points above and below the line respectively points where you observe greater or fewer tourists than the prior year. For Canada we observe more tourists this year except right after the travel ban where it plummets. For Latin America, Argentina and Colombia, we observe a common pattern of traveler inflows being higher than previous year for some period before November and then steadily descending after the election and the travel ban, with a slight spike after the blockage of the travel ban, and only recuperating briefly after the court upholds the travel ban and then fall after the court upholds the ban. Travelers from India also fall dramatically compared to the previous year after the election and the travel ban. The number of

South Korean nationals are always greater than the prior year and actually rise after the travel ban and court upholds the ban. The number of Russian arrivals falls to a number less than the previous year after the election and ban and only slightly increases with the court upholding the case. In sum, we observe fascinating heterogeneity in how the sources of foreign arrivals changed after these three events, often in ways that we and we believe many readers would not expect.

## **Robustness Checks**

To some degree the number of travelers coming from a particular country may not only be purely a product of the aggregate desire of that population to come to the U.S., because nationals in many countries require visas to come to the U.S, and it is the U.S. government that decides whether they can come. Therefore one might think that we cannot readily argue that the number of foreign nationals visiting from every countries is a proxy for how desirable the US is to be, since this only clearly applies to those nationals who do not need a visa.

In fact, most of the nationalities in our sample do not require a visa though admittedly some do. As a robustness check of the local average treatment effect of the election, ban, and courting ruling for those who 1) do not require a visa and 2) those to do is to simply subset the data accordingly into a first group that contains nationals that require a visa to legally come to the US and a second that contains nationals that do not. We do so and find that accounting for the month, those that required a visa declined far more after the election, the ban and the court ruling than those that did not require a visa. For example, after the election travelers that require visas to enter the US were 23558 fewer than the number that came the previous year. In contrast, after the election the overall expected number of travelers that do not require visas was only 3039 fewer than it was the same month the year before. This difference becomes even greater after the

travel ban (28573 fewer and 1362 more) and still greater after the court ruling (180 fewer versus 33990 fewer!). Yet if one takes the average of these three changes in the number of the travelers that do not require visas from the same month in the prior year and divides it by the average change in the travelers that do require visas from the same month in the prior year then one obtains just 84, which represents the extent to which visas requirements and the inability to obtain a visa may account for the decline in incoming travelers compared to the previous year.

Finally, as noted earlier, we conduct a placebo test to examine what would happen with traveler inflows if counterfactually no election, or ban had occurred. Our placebos show no effect if we change the month of treatment. We are not surprised by this as the main model was also statistically non-significant. If it were not for data constraints, we would also want to examine placebo treatments in months prior to the election. Our appendix contains graphs for each placebo effect.

#### DISCUSSION, LIMITATIONS OF STUDY, DIRECTIONS FOR FUTURE RESEARCH

For decades, apart from its status as the largest country of immigration in the world, the U.S. has also for many non-immigrants and foreign visitors been after France the second most popular tourist destination in the world. The U.S. also is one of the most attractive countries into which to invest, do business with or undertake a risky enterprise, the premier country in which to pursue higher education and research, and one of the ideal locales to both train and perform for professionals in nearly every field. One of the authors finds in his survey researchthat despite the recent dramatic change in government regarding immigration and travel control, many nonimmigrant visa applicants still trust, admire and want to believe in this image of the U.S. as a desirable place to visit (Thomas forthcoming). This confirms a recent Pew Research survey estimate that on average still roughly half of the world's population still has a favorable view of the U.S., though this is mostly due to their like of American popular culture products and to a less extent its past defense of civil liberties and also is reduced by most disliking American customs and its democratic system (Pew 2018).

However, the findings in this paper suggest that the US may not maintain that attractiveness in the future as much as Americans might hope. Perhaps much of the events discussed in this paper might seem at first to most affect very specific groups of nationals that the current U.S. government is consciously trying to stop from entering in a sincere effort to put the security of Americans first. However, our results show that this has even more greatly affected the number of visitors from countries that the US was not consciously targeting, and suggest that the desirability of the U.S. has declined dramatically over the course of the three events described. This seems to follow other trends in the decline of the US reputation, such as Spain this year overtaking the US as the second most popular tourist destination in the world due in part to a 6% decline of tourists coming to the U.S. in 2017 compared to 2016 (BBC News 2018), and a study by the *Institute of International Education* which found that both applications to U.S. colleges and enrollment have declined by 7% during 2017, leading to cuts in programs for many public universities (Saul 2018). As fewer people are willing to visit the US for both pleasure and education, its desirability as a place for business and practical training may subsequently decline in the future as well.

This raises the possibility that the new administration and its policies has reduced its desirability as a place to visit among foreign nationals that it did not to intend to exclude by more than those who entry it aimed to ban. Although as noted the travel ban revoked tens of thousands of visas for a few days, this is a small fraction of the expected 130771 fewer foreign nationals that visited the U.S. in the months after the ban compared to the same months the year before. In

particular, the fact that the number of Latin American nationals declined by an even larger magnitude in the wake of the three events than Middle Eastern nationals suggests that the symbolic and social impact of the government's policies may be far greater than their legal restrictions. One might even hypothesize that one reason why arrivals by foreign nationals did not decline as much as one would expect after the ban was that once the courts blocked it, foreign nationals may have come to the US out of defiance toward the government or because they were scared that if they did not enter now, they would not be able to do so later.

We do not find our discovery that so many fewer Mexicans were coming to the US after the election so surprising in light of the hostile remarks that Trump made about Mexican immigrants during his election, the very low opinion Mexicans hold of Trump in Pew opinion polls, and Trump's campaign platform item of building a wall. Yet Trump's views had been widely publicized for a full 16 months before the dramatic declines of Mexican arrivals that followed the election. Political scientists of race and ethnicity have suggested that whatever racialized prejudice and stigma Mexicans suffer from, other Latino groups also by association suffer (Zepeda-Milan 2017), as those who exercise such prejudices tend to identify Latinos as Mexicans and furthermore assume that all Latinos may respond politically and socially to such stigma in terms of having a "linked fate" (Dawson 1995) with Mexicans (Zepeda-Millán 2017). Admittedly, relations between Mexico and the U.S. both at the elite and layperson level have historically always been tense. But they arguably have become less tense and the interdependence between the two countries has increased greatly since the passing of NAFTA. Ironically, Trump's rhetoric may have in fact greatly reduced the number of Mexican arrivals far more and much more quickly than a very expensive wall or strict immigration ever would. Even before he emerged, demographers have in recent years consistently estimated that net migration between the U.S. and Mexico has fallen to zero (Passel and Cohn 2012), suggesting that they find the U.S. a less desirable place to live.

The fact that visits from Canadians, British and Germans plummeted after the election and the ban is very suggestive of how even citizens of what many consider to be United States' closest allies were much less interested visiting a country in which Trump won. Qualitative indepth interviews and surveys would are necessary to confirm the extent that foreign nationals feel more alienated from the U.S., but we hypothesize that their perception and understanding of what American society is may have changed dramatically on election night (as it may have arguably for many Americans who had never expected Trump to win). Although people travel for often superficial and compulsory reasons, the commonly observed phenomenon of social homophily (McPherson 2001) suggests that the median individual is probably much more comfortable visiting a foreign country with which he or she feels much more political and cultural affinity than one that seems relatively more different. For Canadians, British and Germans, the U.S. for a long time has represented such a country. But the 45th presidential election may be a sign that this is changing. The same might be said of the declines in French, Japanese, Swede, Swiss, Indian, and Australian visitors, which the news have suggested are at best ambivalent about the future of the U.S.

Admittedly, some foreign nationals such as the Irish, Italians, Dutch, Taiwanese and Chinese and actually increased their visits after each of our events compared to the period before, but by no more than 5000. The finding of South Korean arrivals increasing after the election is a bit more perplexing, though maybe they did not perceive any of the discourse from Trump and his supporters to be hostile and may have even hoped he would succeed in bringing peace to the Korean Peninsula. The decline in Russian visitors after the ban may likely be confounded by a number of events that afterward, such as U.S. sanctions against Russia in March and cruise missile strikes on Syrian air bases, which led to a souring in relations between the countries.

While we have showed that far fewer foreigners are coming to the U.S, from some countries than others, our data and consequently our research design is limited. The U.S. Travel and Tourism Office only releases data aggregated at the monthly level, concealing much heterogeneity within months in travel flows. Also, the free data only contains foreign nationals grouped by 21 countries, particularly those countries that bring in the most tourist revenue. The National Tourism and Travel Office offers its complete data set of all nationalities for just under \$1000, but for what it may be worth, we can file a Freedom of Information Act request to see if we can obtain it for free. With such data, we could do more fine-tuned analysis of how the travel ban may have affected arrivals of nationalities of Muslim countries that were both included and not included in the ban.

We cannot claim to have ruled out every possible confounder, especially as much has happened during 2017 that may have dramatically altered views of foreign nationals toward the U.S. For example, around of the time of the court ruling, what received far more media attention was a march by white nationalists to protest the removal of a Confederate statue and subsequent death that occurred after clashes with Antifa protesters, which undoubtedly also had a strong impact on the image of the U.S. However, other background confounders do not seem so problematic. For example, many people may worry about visiting the U.S. because of its frequent mass shootings, but the Mass Shooting Tracker suggests that fewer mass shootings occurred after the election compared to the period before.<sup>2</sup> As noted before, economic growth has been increasingly steadily, but without much volatility.

<sup>&</sup>lt;sup>2</sup>Mass Shooting Tracker <u>https://www.massshootingtracker.org/data/2017</u> accessed on 6/16/2018

Finally, if future researchers can obtain comparable data from another country that also elects a dramatically different leader from the prior one and that subsequently enacts a ban, they might be employ the difference-in-difference method if the parallel trends assumption seems tenable. The tricky part may be simply that many of comparable changes happen at different times, so it can be hard to disentangle temporal effects in such a way that the two cases are comparable. Furthermore, if we were simply to compare travel inflows to any other major tourism state we would also have to ensure that our selected cases do not violate the Stable Unit of Variation Treatment Assumption, since typically countries that are most comparable and therefore allow us to condition on many variables are also those that are also the most interdependent and which greatly impact each other (e.g. U.S. and Canada). In the end after all, if the US is becoming a less desirable country to visit, then those foreign nationals that once came there are likely heading to new destinations instead. Since fact that some foreign nationals find the U.S. a far less desirable place to visit than others, the level of contact between U.S. citizens and different foreign nationals will shift, and therefore also potentially change who Americans do business with, befriend and marry, and even in aggregate regard as allies and enemies.

# **Figures**

Figure 1. Placebo graphs of Election, simulations of the month starting date of the treatment.

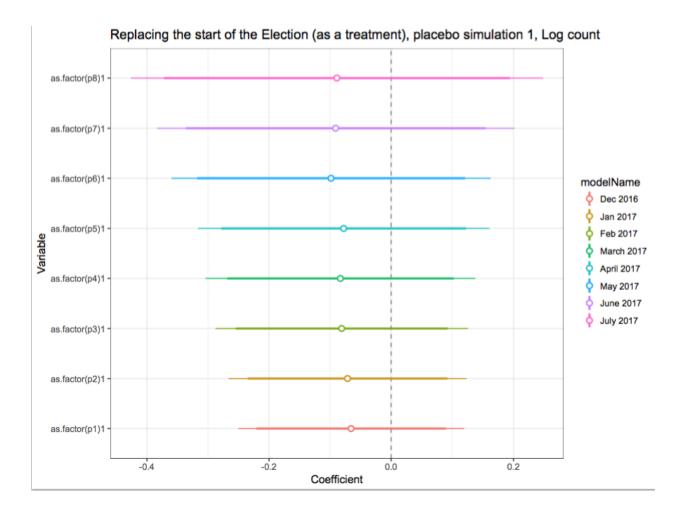
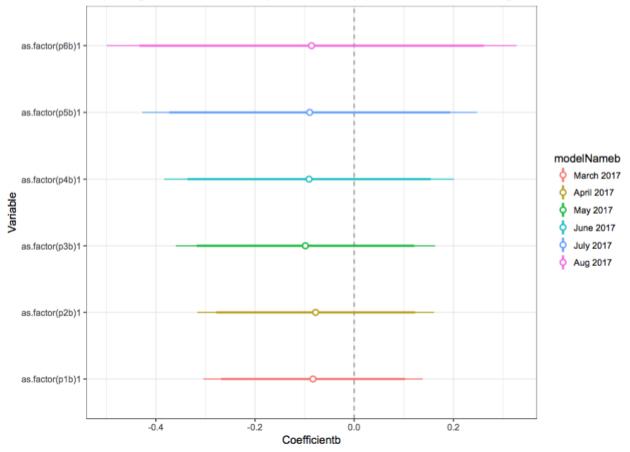
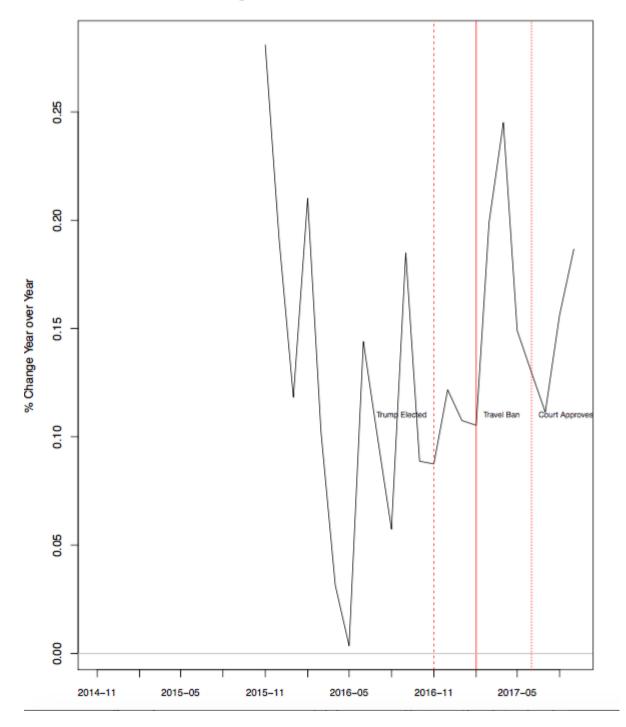


Figure 2. Placebo graphs of Ban, simulations of the month starting date of the treatment



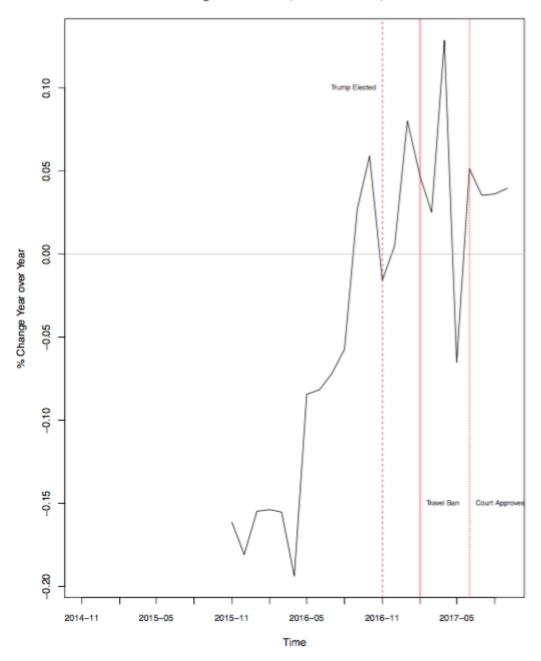
Replacing the start of the ban (as a treatment), placebo simulation 2,Log count

Figure 3. Percent change in travelers to the US over time, Korea.



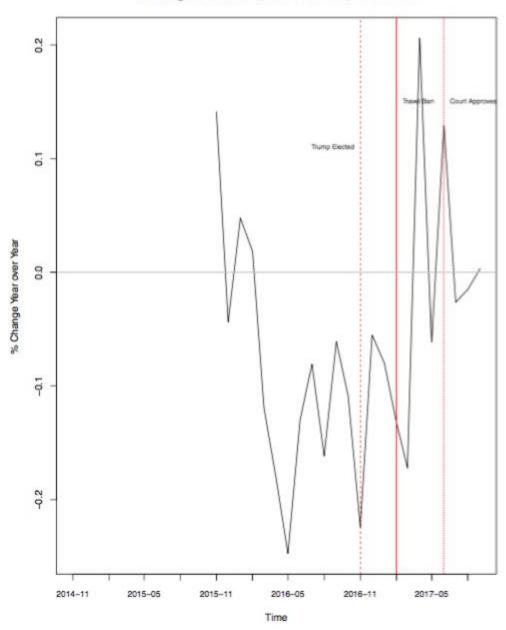
% Change Admissions, Year over Year, Korea

Figure 4. Percent change in travelers to the US over time, Canada.



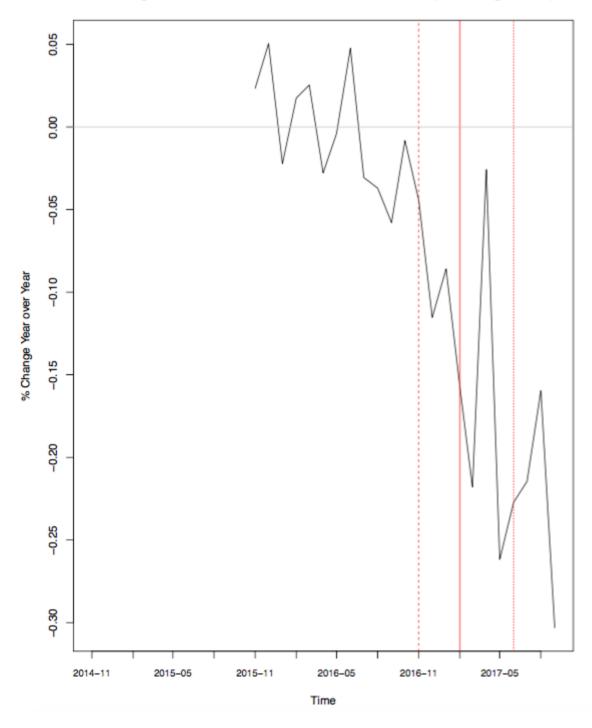
% Change Admissions, Year over Year, Canada

Figure 5. Percent change in travelers to the US over time, Middle East.



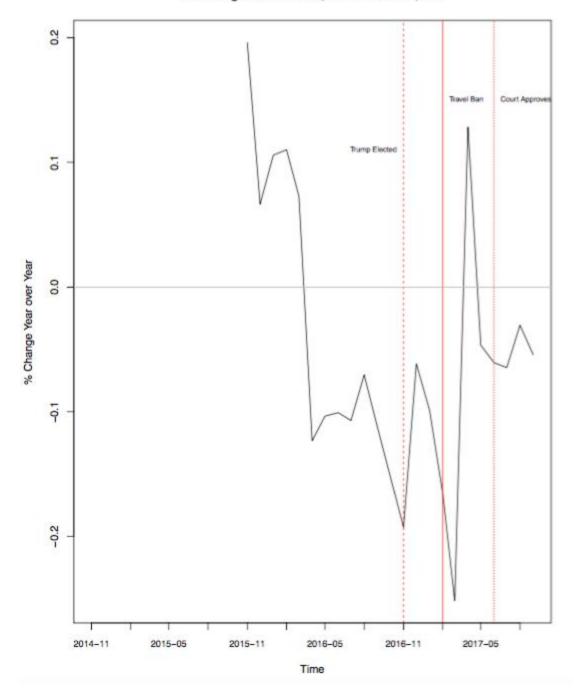
% Change Admissions, Year over Year, Middle East

Figure 6. Percent change in travelers to the US over time, Latin America.



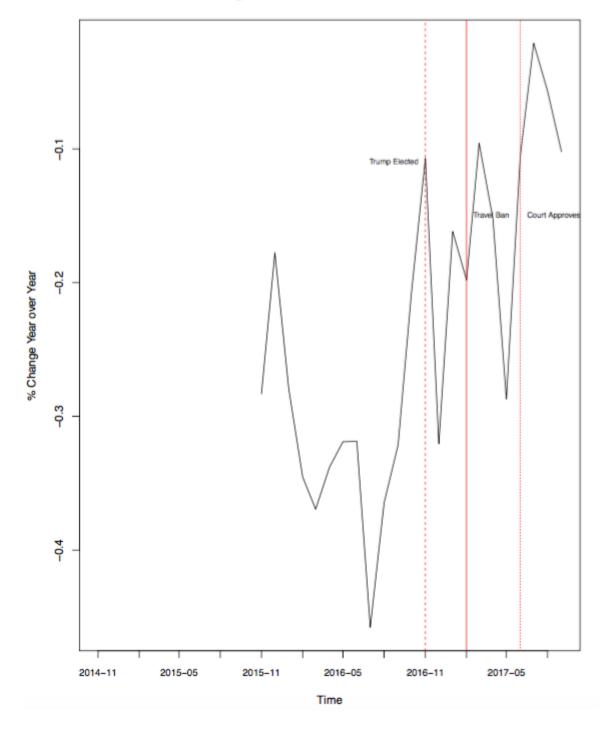
% Change Admissions, Year over Year, Latin America (Excluding Mexico)

Figure 7. Percent change in travelers to the US over time, UK.



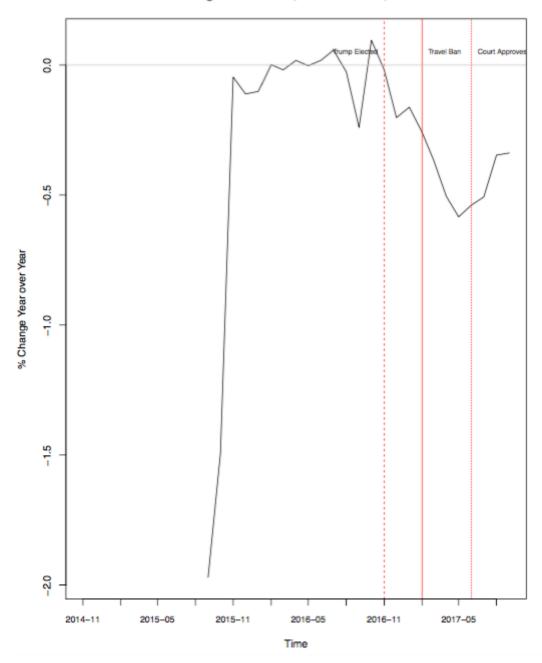
% Change Admissions, Year over Year, UK

Figure 8. Percent change in travelers to the US over time, Brazil.



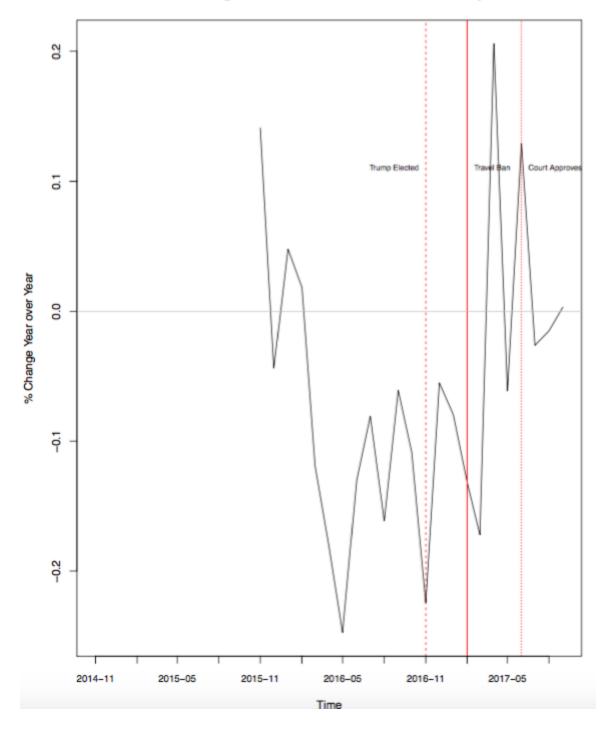
% Change Admissions, Year over Year, Brazil

Figure 9. Percent change in travelers to the US over time, Russia.



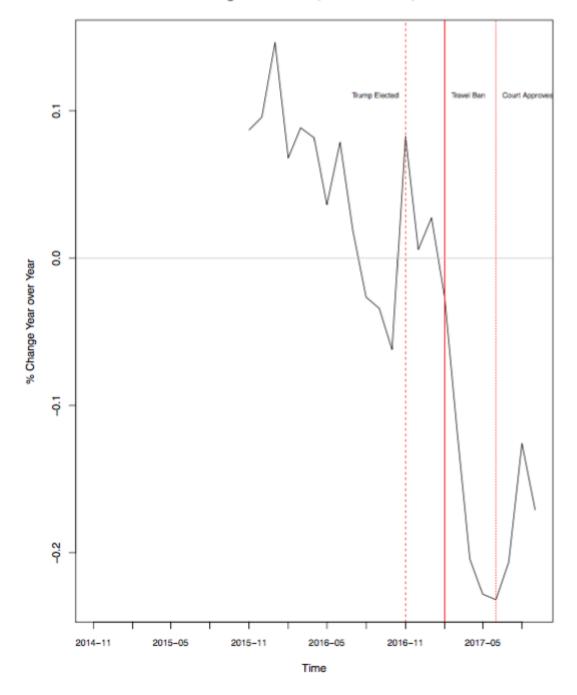
% Change Admissions, Year over Year, Russia

Figure 10. Percent change in travelers to the US over time, Germany.



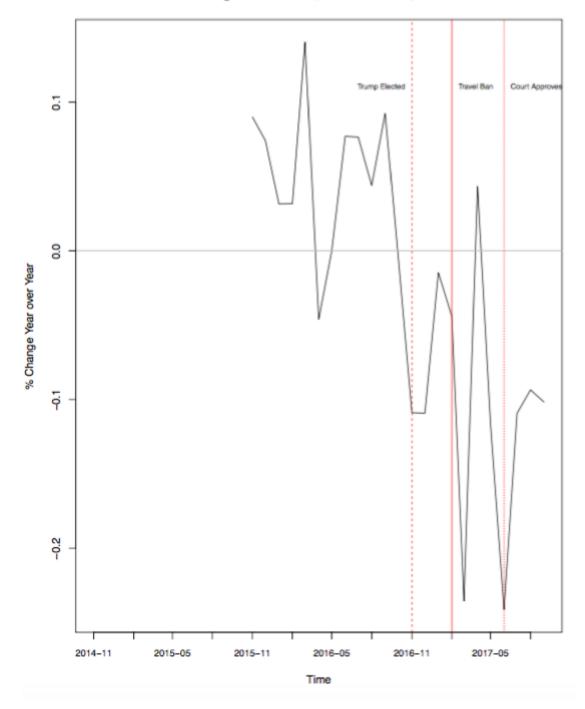
% Change Admissions, Year over Year, Germany

Figure 11. Percent change in travelers to the US over time, India.



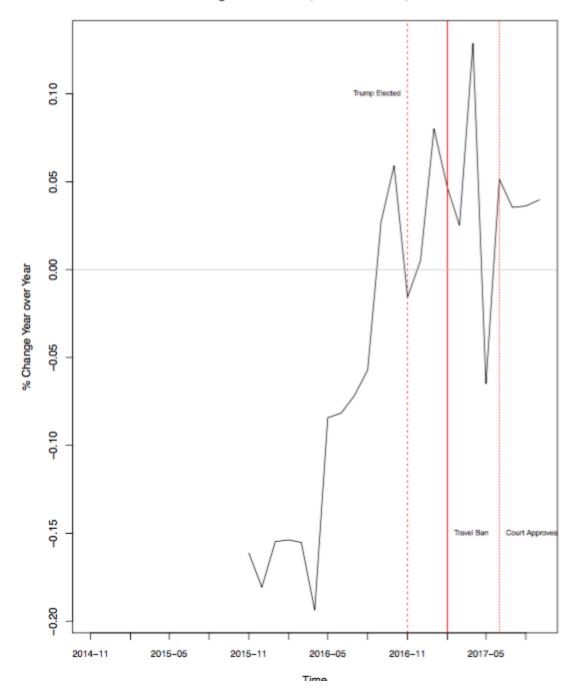
# % Change Admissions, Year over Year, India

Figure 12. Percent change in travelers to the US over time, Mexico.



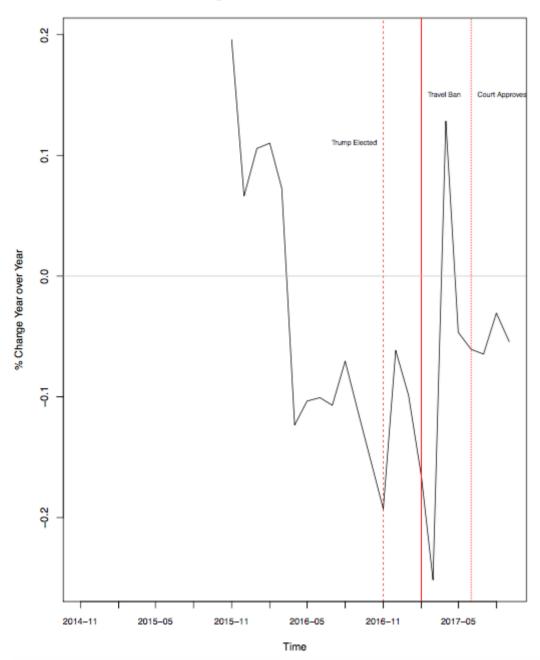
% Change Admissions, Year over Year, Mexico

Figure 13. Percent change in travelers to the US over time, Canada.



% Change Admissions, Year over Year, Canada

Figure 14. Percent change in travelers to the US over time, UK.



% Change Admissions, Year over Year, UK

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