

Special President's Report

Our Exclusive Supplement this issue contains a Special President's Report and a Special Research Report on the current U.S. - Russian visa regime. We also provide you with a profile of the Republic of Belarus.

Reforming the U.S. - Russia Visa Regime

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One of the most vital conditions for the expansion of U.S. foreign trade is the ability of foreigners engaging in commercial activities to travel freely to this country to do business. But current restrictions and procedures are having the unintended effect to negatively impact United States commerce. At a time when trade dollars are so vital to our economic growth and prosperity, government has created a serious barrier that is losing billions for U.S. companies.

The mission of our Chamber is the promotion of business with Russia. But the problem now is that commercial activity is choked off because Russian business representatives can't travel freely to the U.S. For many years now, it's been a problem - legitimate people conducting legitimate business who want to come to this country are turned away at a window in the U.S. Embassy, or denied travel after lengthy processing delays. Legitimate business visitors have been categorized it seems with potential criminals, high-risk subjects unlikely to return, alleged spies or persons intent on espionage.

Now, however, the problem has reached crisis proportions. The system is simply not functioning. Delays are longer. There is a "black box" of

undisclosed policies and procedures which deny visas without accountability, "administrative review" processes not made public, and even facts and figures on applications and denials kept under tight wrap by the government and treated as top secret information.

Now, however, cases have piled on my desk, and post 9/11, the situation is worse than ever. Naturally, the government is under pressure to protect the homeland from terror attack. However, at this rate of delays, denials and uncertainties, we will become an isolated nation, and will suffer serious economic consequences because people can not easily come here to do business. The system needs to be reformed to facilitate business travelers, who are contributing to the economic prosperity of this country, and that includes Russians.

I commissioned a study to begin to evaluate the depth of the problem. You will find on the following pages the Norris-Watts study, which argues that current visa restrictions are a major obstacle to U.S. trade and business with Russia. The study produces a fascinating "first cut" at looking at a complicated problem that seems to have no solution in sight. The study includes many interesting sidelights, such as

comparing U.S. attitudes towards China vs. Russia, and it looks at the history of travel restrictions dating back to the October Revolution.

Norris-Watts explains current visa rules and the rationale and procedures for foreign visitors in general and Russians in particular. The study shows how Russia is not part of the favored group of Visa Waiver Countries, but instead is part of the less favored group of countries who require a visa. Russia is categorized along with countries such as Afghanistan, Cambodia, Iran, North Korea and others, many considered rogue states or adversaries of the U.S. The research then turns to looking at actual trade and investment levels as a consequence of restricted access. Norris-Watts concludes that the U.S. needs to rewrite laws inhibiting travel and trade with Russia.

The study is an important step towards better understanding the current problem. Ultimately, Russia needs to join the category of Visa Waiver Countries who constitute strong and firm allies of the U.S. For now, we need to facilitate commercial travelers, and we urge necessary reforms be implemented right away to mitigate and prevent further erosion of American business competitiveness in Russia. □