I recently returned from a two-week journey through China and I’m still saying “Wow!” when I talk about what I saw there.

My last visit to Mainland China was about 20 years ago. I was on a business trip and stayed two nights in Beijing in a nearly new hotel operated by the Kempinski Hotel chain, a company with a strong German history. I remember two things in particular. One was the Bavarian-style restaurant/bar near the lobby where young Chinese ladies dressed in typical South German/Austrian dirndl – most un-Chinese! – served up huge mugs of beer, just the way they do in Munich during Oktoberfest. The other image that stuck with me was of all the rickshaws, bicycles and motor scooters that filled the streets. I was transported to a dinner away from the hotel in a private car, which was one of the very few automobiles on the road.

The past two decades have seen an incredible transformation. Elevated highways wind through the densely populated cities. They and the streets below are filled with modern automobiles, almost all of which are manufactured in China at the rate of 14 million a year both by Chinese companies and by joint ventures with all major Japanese car companies, Hyundai, Ford, GM, Volkswagen, etc. As of November 2009, China has become the largest automobile market in the world!

Most of those millions of vehicles seemed to be on the road whenever I went anywhere. A short journey could take anywhere from a few minutes to an hour and a half, depending on the time of day.

The main purpose of my trip to China was to attend the 10th Global Travel & Tourism Summit sponsored by the World Travel & Tourism Council. Nearly a thousand Tourism leaders from China and around the world gathered in Beijing to discuss the state of our industry. Well-known hotel company leaders present included J.W. “Bill” Marriott (Marriott International), Jim Murren (MGM Mirage), Gerald Lawless (Jumeirah Group), Edouard Ettedgui (Mandarin Oriental Hotel Group), Sebastian Escarrer (Sol Malia Hotels), Alan Parker (Whitbread PLC) and Andrew Cosslett (InterContinental Hotels Group). We were joined by hundreds of executives from other Travel & Tourism sectors.

One might ask if Beijing’s near-gridlock traffic made it difficult for delegates to get from their hotels to events and meeting sites around town, such as the National Center for the Performing Arts, just west of Tian’anmen Square. In China, the answer is simple. Delegates board buses, and all other traffic is blocked from the streets along the buses’ entire route. Despite its now-capitalist economy, in China, the Communist Party still makes and enforces all the rules, and no one dares object very loudly to such treatment. Compare this with the complaints you see in the newspapers whenever President Obama visits Honolulu and his motorcade brings traffic to a halt.

Another result of China’s one-party dictatorship: no tolerance for community opposition to the government’s plans. This, on top of the Chinese people’s irrepresible entrepreneurial spirit, is a major

Continued on page 2
contributing factor to the rapid transformation of China’s cities that I observed. Environmental impact statements and public hearings are not required, even when entire neighborhoods are bulldozed to make way for highways, redevelopment or other projects.

With over 1.3 billion people – one out of every five humans on the planet – China is rapidly becoming the biggest outbound tourism market in Asia and will soon be the largest in the world. In the past decade, the number of outbound tourists from China has exploded from 10 million to over 50 million per year. It continues to grow rapidly as more and more Chinese begin enjoying middle-class incomes for the first time. Over 60 percent of all China’s outbound travel over the past 15 years has occurred in the last four years. China is now one of the world’s top five tourism source markets, according to Professor Wolfgang Arlt, Director of the China Outbound Tourism Institute.

So, why are we not seeing more Chinese visitors in the lobbies of our Outrigger and OHANA hotels in Hawaii? Why do more Chinese travel to Paris than to the entire United States?

The answer lies in the U.S. State Department, which apparently believes that we are still in the Cold War, and that everyone in China lives in a commune reading the sayings of Chairman Mao every day – or that hordes of Chinese would become illegal immigrants, using a tourist visa as a one-way ticket to America.

For a Chinese citizen to get a visa to enter the U.S., he or she must first travel to one of the five cities in mainland China or to Hong Kong where there is an appropriately staffed U.S. consulate and have a personal interview ALONE with a member of the consular staff. Here are some of the rules on this interview as posted on the U.S. embassy website:

On the day of your interview, in addition to the mandatory documents, bring all supporting documents with you. Non-Applicants are not allowed to enter the building with the applicant. During the interview process, each applicant must present his or her case individually. Applicants need to be prepared to talk about their ties and their travel motives without the accompaniment of other family members or legal representation. The only exceptions are children under the age of 13 and applicants with disabilities who may be accompanied under some circumstances.

1. Arrive at the embassy or consulate to line up approximately 30 minutes before the appointment time.
2. Prepare to pass through the security checkpoint - electronic devices; including cellular phones are not permitted. Backpacks, suitcases, attaché cases, and strollers are also not allowed. Applicants should only bring documents relevant to the visa application.
3. Submit the DS-160 application form confirmation page and required documents at designated window, and then wait for fingerprint scanning and the visa interview. Be prepared to wait up to 3 hours.

All that’s missing in these instructions is … “Have A Nice Day!” Oh, and one more thing: according to the embassy website, the “typical wait time” for this delightful interview appointment is 100 days!

Imagine how motivated you might be about the prospect of traveling to, say, London or Tokyo if you first had to make an appointment 100 days in advance and then travel to Los Angeles to be grilled on your motives for travel by a staff member of the embassy of your destination country.

Will this change? I hope so, but here’s a frightening statistic. Even though Travel & Tourism accounts for over 9 percent of the world’s gross domestic

Continued on page 3
product, creates jobs for over 235 million people around the globe, and brings in vital export dollars, pounds, pesos, euros, yuan, yen, etc. to the United States, according to CBS Travel Reporter Peter Greenberg, only 36 percent of the members of the U.S. House and Senate even have a passport! That means nearly two-thirds of our federal legislators are not even prepared to travel abroad and see the world for themselves, let alone have even an inkling of how the difficulty and inconvenience of getting a U.S. visa is cutting our nation off from the vast market of outbound tourism from China.

That makes me wonder, what do our nation’s leaders really know about international affairs, whose direction, for good or for ill, they do so much to shape?

I will tell you more about my trip to China in future editions of Saturday Briefing.

---

Dr. & Mrs. Kelley stand on a section of the Great Wall of China that was once 3,890 miles long

---

Dr. and Mrs. Kelley enjoying a ride in a rickshaw. There are only a few rickshaws left in modern Beijing, China