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# U.S. Tourism Will Lose Up To \$29 Billion As Visitors Plummet Amid Trump Policies

By [Suzanne Rowan Kelleher](#), Forbes Staff. Suzanne Rowan Kelleher covers...



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Published Jul 04, 2025, 06:00am EDT

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## TOPLINE

While tourism is booming across the rest of the world, the U.S. is a notable loser this year as tens of millions of international visitors are choosing to travel elsewhere—costing the economy up to

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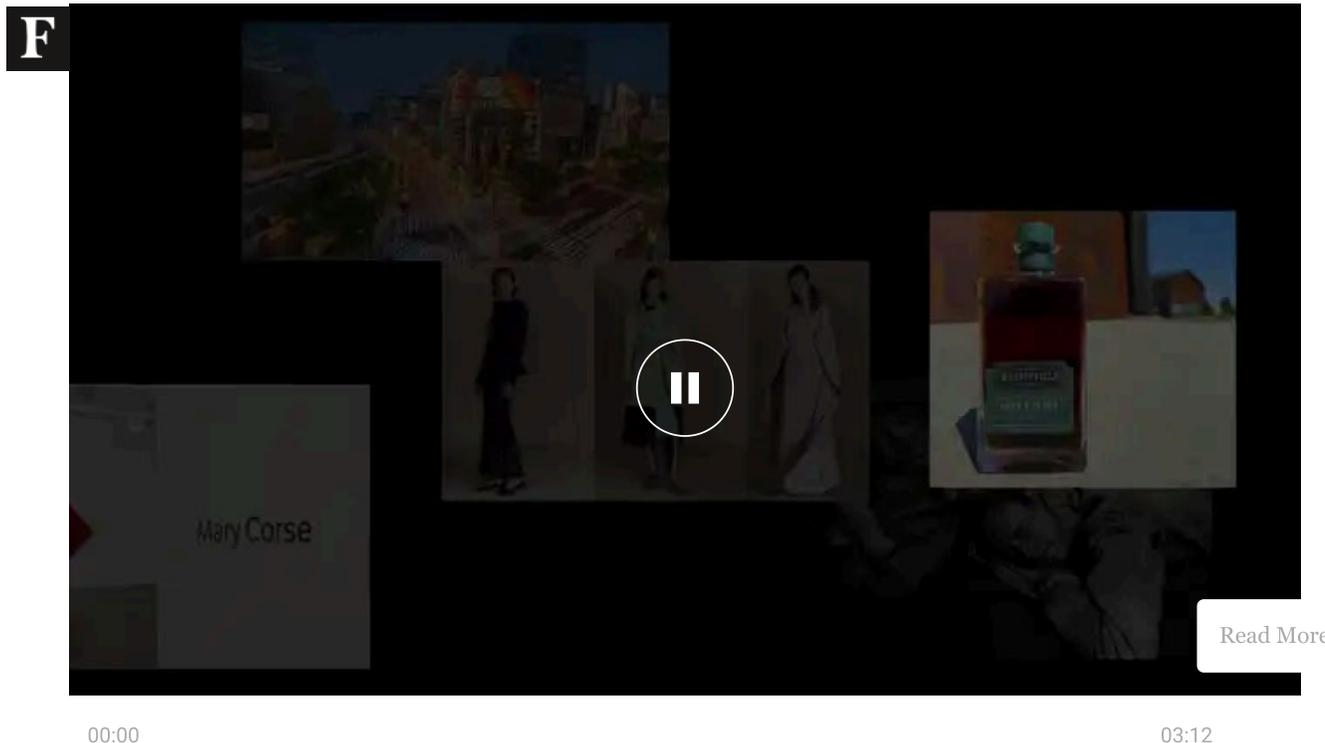


U.S. inbound tourism is in decline this year as millions of international visitors choose to travel ... [More](#)  
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#### KEY FACTS

- Last month, a study from the World Travel & Tourism Council (WTTC) that analyzed the economic impact of tourism in 184 countries revealed the U.S. was the only country forecast to see international visitor spending decline in 2025.
- The WTTC projects the U.S. to be on track to lose \$12.5 billion in international visitor spending this year compared to last year, according to the research.
- It could be argued, however, that the actual losses will be significantly larger, given that Tourism Economics, a division of Oxford Economics, had originally forecasted the U.S. would see a 9% jump in international inbound travel in 2025.
- A 9% increase would have equated to a boost of about \$16.3 billion in revenue for the U.S. economy.
- Instead, Tourism Economics has revised its baseline forecast to a year-over-year decline of 8.2%—a significant 17.2% variance from its original 9% increase.

- From the anticipated \$16.3 billion increase in revenue to a loss of between \$8.3 billion (Tourism Economics estimate) and \$12.5 billion (WTTC estimate), the U.S. is facing a shortfall of \$25 billion to \$29 billion this year.



#### WHY ARE INTERNATIONAL TRAVELERS AVOIDING THE U.S. THIS YEAR?

“While other nations are rolling out the welcome mat, the U.S. government is putting up the ‘closed’ sign,” Julia Simpson, president and CEO of WTTC, said in a statement. In its latest client note, Tourism Economics blamed “sentiment headwinds” for its projections of significant declines in visitation from Canada (-20.2%) and Western Europe (-4.9%) in 2025. President Donald Trump’s tariffs, [travel bans](#), inflammatory rhetoric and harsh immigration policies have combined for a chilling effect on visitors—and there’s little indication of a reversal anytime soon. “Given we’re halfway through the year and we’ve seen these impacts, we don’t know when the stiffest headwind is, but I think it does stay sustained,” Aran Ryan, director of industry studies at Tourism Economics, told Forbes. “We’re generally assuming that this persists for a while and that some of it is going to persist throughout the end of the administration.”

#### WHICH TOURISTS ARE THE MOST MISSED BY U.S. DESTINATIONS?

The significant decline in visitors from Canada is particularly costly, as Canadian tourists made up roughly one-quarter of all foreign travelers who came to the United States in 2024, according to the U.S. National Travel and Tourism Office (NTTO). Last year, Canadians spent \$20.5 billion—nearly twice what Americans spent at McDonald’s restaurants in all of last year. And the Canadians show no signs of relenting. In May, [Canadian visitation dropped 38%](#) by car and 24% by air compared to the same month

in 2024. It was the fifth consecutive month of steepening year-over-year declines, following double-digit drops in April and March. On first-quarter earnings calls in early May, executives from major hotel and travel companies noted that [Canadians were still traveling](#) as much as ever—just not to the United States. Hyatt chief executive officer Mark Hoplamazian called the phenomenon “a flyover.”

### HAVE TRUMP'S POLICIES IMPACTED AMERICANS TRAVELING ABROAD?

In recent months, news outlets from [CNN](#) to [USA Today](#) to the [BBC](#) have reported an increase in anxiety among Americans fearing backlash or hostility when traveling abroad. In a snap [survey](#) conducted by Global Rescue in March after Trump's address to Congress, 72% of 11,000 respondents—the majority based in the U.S. and Canada—believed Americans would be “perceived more negatively abroad in 2025 due to recent U.S. international policy proposals.” (The U.S. State Department's “[worldwide caution](#),” issued one day after the U.S. bombed Iran, which advises Americans to “exercise increased caution” while out of the country, is a separate issue.) Other outlets have reported that some Americans are more concerned about being detained or harassed by U.S. Customs and Border Protection agents when they re-enter the U.S., perhaps in retaliation for anti-Trump criticism on social media. During both Trump administrations, the American Civil Liberties Union (ACLU) has repeatedly [warned Americans](#) that agents have [searched](#) the electronic devices of U.S. citizens at the border, sometimes holding phones or laptops for weeks or even months. “All travelers crossing the United States border are subject to CBP inspection,” the Customs and Border Protection website confirms. “On rare occasions, CBP officers may search a traveler's mobile phone, computer, camera, or other electronic devices during the inspection process,” adding that “less than 0.01 percent of arriving international travelers” have their electronic devices searched. But reports of the agency targeting individuals for anti-Trump sentiment persist. Last month, Turkish-American influencer Hasan Piker was [reportedly detained for hours](#) at Chicago O'Hare International Airport after returning from France. Piker claims federal agents asked him, “Do you like Donald Trump?” Last week, an American political consultant returning from a family vacation in Turks and Caicos was detained for 45 minutes in a holding room at the airport, the [Los Angeles Times](#) reported. The consultant said agents didn't give him a reason for the delay but he “speculated that perhaps it was because of the Obama-Biden T-shirt packed in his suitcase.”

### CAN THE DOWNWARD TREND BE TURNED AROUND?

“This is a wake-up call for the U.S. government,” Simpson said. “Without urgent action to restore international traveler confidence, it could take several years for the U.S. just to return to pre-pandemic levels of international visitor spend.” Yet the Trump administration and Republican party do not appear to be taking note. A Senate committee led by Senator Ted Cruz (R-Tex.) [slashed](#) the budget of Brand USA, the country's public-private destination marketing organization, from \$100 million to \$20 million. The U.S. Travel Association said it is “deeply concerned,” claiming that “for every \$1 spent on marketing, Brand USA adds \$25 to the U.S. economy,” and warning such drastic cuts will “significantly impact every sector of our industry.”

### FURTHER READING