Remarks made by David Davidson, Associate Director of the Border Policy Research Institute, at the CN Forum on April 10, 2010, at Michigan State University. Davidson spoke together with Kathryn Friedman about a publication called the Border Barometer. The Border Barometer is available online at www.wwu.edu/bpri

The Border Policy Research Institute was founded five years ago with a focus exclusively upon the Canada – US border, and with a determination to look at the border using evidence-based methods. We try to gather and analyze reliable data in order to fathom what has happened at the border, and to identify what is likely to happen in response to various policy options. As needed project by project, we have compiled sets of data related to specific topics, often centering upon the Cascade Gateway ports that serve our I-5 corridor. This Border Barometer project was attractive to us because by collaborating with other universities along the breadth of the border, we can conduct studies in parallel, allowing us to better compare our region to other regions, and to gauge the situation along the entire border.

My role in this presentation is to use a couple of the data presentation methods proposed for the Barometer to look at one recent policy issue – the issue of the impacts associated with the Western Hemisphere Travel Initiative, aka WHTI. The Globe and Mail ran a story last August describing the situation at a point in time two months after the final WHTI implementation date of June 1, 2009. Their article notes that travel in June was 26 percent lower than in May, and about half of what it was “five years ago,” which I take to mean 2004. The implication of the article is that this decline in travel is largely attributable to WHTI. Let’s take a look at some cross-border travel data and see what it shows.
One metric used in the Barometer is a simple plot of the monthly volume of one-way cross-border traffic throughout the course of the year. Here’s a monthly plot of southbound traffic in 2005 for the Cascade Gateway ports in my neck of the woods. The typical summer tourism peak is evident in July and August. I plotted 2005 because it was the year when WHTI was first announced, so it is a useful baseline. Here’s data for 2008, which was the final year of data PRIOR to the WHTI implementation deadline. In our region, cross-border traffic generally climbed a bit in the years following the announcement of WHTI. In 2008, December is the only month in which traffic is lower than in 2005, and as you know, we were at the height of the recession at the end of 2008. Here is 2009, with the WHTI deadline called out. Traffic early in 2009 was lower than the prior year, but as the year progressed, the gap narrowed. By August the situation was reversed, and the 2009 traffic was higher than the prior year. Notice that in all three years there was a drop in traffic from May to June, which was one of the bits of evidence cited by the Globe and Mail. If this figure had been available to the newspaper’s reporter, a different story might well have been written. But that’s just the I-5 corridor. The idea of the Barometer is to provide similar visualization tools at multiple corridors. Let’s take a look at Detroit, a site a bit closer to home. Here, again, is the situation in 2005. The overall level of traffic is higher here than at the Cascade Gateway, and there is not as much summer peaking. Here are 2008 and 2009 added to the mix. At Detroit, overall traffic levels fell in successive years. It’s interesting to see that the shape of each line is about the same, though, just shifted lower and lower. Notice that again, the traffic each June tends to be lower than the traffic in May. If this had been the only graph available to the reporter, it still seems that a different story might have been written, because it is not clear that the drop from May to June is all attributable to WHTI, even though it is clear that traffic has dropped a lot over the years.
Continuing the exercise, here’s an alternate way of viewing the history of cross-border travel, which is a long time series, rather than a year-over-year comparison. This graph shows monthly southbound traffic over a span of 14 years, and it, too, is a tool that we will have available in the Barometer. This kind of graph lets us see large chunks of time before and after particular milestones. I’ve indicated the point in time at which WHTI was enacted as law, and the time at which the final implementation occurred. Traffic sure has fallen over the past ten years. In mid-2009, about 350,000 vehicles a month were entering the U.S., whereas about twice as much traffic was crossing the border a few years earlier, as described by the reporter. Notice, though, that the biggest decline in traffic volume took place eight years ago, in 2001. Here are a couple more milestone events. 9/11 is the single event that best correlates to a drop in traffic. Then, for the three years before and the three years after the announcement of WHTI, traffic just kept declining. In 2008, the downward slump seems a bit bigger than in previous years. That summer, the Canadian dollar climbed over parity, which was undoubtedly a factor causing many Americans to think about whether to travel to Canada. The recession came in late 2008, and we finally reach the abysmal situation found in 2009.

This collection of graphs supports a more nuanced interpretation of what has been happening with cross-border traffic over time, and how the onset of WHTI might have affected things. With the Barometer, we want to provide a tool that provides bureaucrats, academics, reporters, and the public with good visualizations of what is happening at the border. We think it will lead to better collective wisdom and better decision making.

Before I sit down, I’ll mention a couple of my institute’s products that are available in back. We wrote a report a year ago in which quite a bit of data related to cross-border travel and trade was analyzed in an effort to reveal policy
implications. Also available is a new version of our atlas of the land ports of entry. This new edition provides information about traffic activity levels at each border crossing, separately for cars, trucks, and trains. It is a useful companion to the Barometer. While the Barometer provides a lot of information about 8 of the major ports, the atlas provides a small amount of information about all 120 crossing points. I’ll quit here, and turn things back over to Katie. Thanks for the opportunity to speak today.