of the USA, Industrial Union Department AFL–CIO, United Automobile Workers, American Newspaper Guild, Greenbelt Consumer Services, National Education Association, Americans for Democratic Action, CUNA International, etc. Representing the interest of the vast membership, the ATA Board met earlier this month and discussed the problem of the balance of payments as it relates to travel.

Fundamentally, we believe in the right of Americans to travel freely throughout the world as their business, interest or pleasure moves them. Moreover, as you stated in your message on International Tourist Year, ". . . the importance of promoting international good will through travel . . . is worthy of our highest efforts and the unqualified support of all nations." It was with such a belief in the value of international travel that led the above-mentioned public interest organizations to create ATA. Indeed, the exchange of persons and ideas through person-to-person contact has been a basic component of American foreign policy for the past two decades. In our view, this represents such a vital interest to the United States that diluting this approach is unwarranted by the present circumstances.

To severely curtail the expenditure of Americans abroad would damage the economies of countries to whom we have supplied millions of dollars in aid. Tourism has increasingly become a major factor in the economies of many developing countries, as it has long been for such nations as Italy, Switzerland, Great Britain and others. Tourism in Israel, for example, is a vital part of the health of the national economy. But dint of hard work and considerable investment, it is becoming increasingly important to several Middle East and Asian countries. Much of the income brought by tourism to these countries goes directly to the employment of service personnel, so that the most immediate effect of restricted travel would be increased unemployment for the people most in need of work. The political effects of this cutback in those countries is hard to appraise.

The effect within the United States would be to curtail travel for those with the smallest incomes. It is not likely that any form of head tax, or daily tax, or tax related to expenditures would in fact seriously limit travel by those spending large sums of money abroad. The people who would be most affected are students and teachers, middle income people who travel on very small sums, and retired people who have saved and planned for years for their trips abroad. This is particularly dismaying for the average American citizens who have for years been encouraged to go abroad to increase their understanding and knowledge of the world with which we must now live so closely. The exemption of students and teachers underlines the importance of this basic point.

Beyond philosophical considerations, we feel several pragmatic points militate against any imposition of curbs on travel. Primarily, the whole concept of the "travel gap" is unrealistic. It is beyond the scope of our letter to deal in detail with this; however, fundamentally, *many of the dollars spent by Americans traveling abroad are paid to American travel agents, American hotels, American airlines and a whole range of services supplied by American firms. Indeed, even when foreign-owned carriers are used, it is usually American aircraft and equipment that keeps them going.* And the money spent abroad is most often money that becomes almost immediately translatable into the purchase of American goods and equipment by the recipient. We believe that reduction of tourist expenditures would, in a very short time, produce greater losses in the form of reduced direct and indirect "exports" than would be saved by having the traveler stay home.

There is also room for belief that any restrictions are unenforceable or admintratively impractical. The mind boggles at the question of deciding which person buying a ticket to Montreal (and thence by some other carrier to Europe) would be taxed and which not. Or determinating which days are business or pleasure when spent abroad. A flat sum taxed on each traveler would be highly discriminatory both to the legitimate businessman and to the aforementioned middle-income person or senior citizen of modest means.

Much more useful and desirable on all counts, it seems to us, is a return to the prior Administration position of *encouraging an increase of travel to the United States*. The small steps taken in this direction, or an annual U.S.T.S. budget of $3 million have yielded tremendous dividends. Properly financed, the U.S. Travel Service could undoubtedly end the tourist dollar gap in a short time, given the excellent basic work that now has already been done in doubling the flow of people into the United States in the last few years. The real effort must now be to devise a pattern of government and industry cooperation to increase drastically