

earnings and the importance of these earnings to our balance-of-payments position, we should be extremely cautious in any attempt to introduce into the world any new inventions in the field of trade restrictions.

First let me emphasize that I fully agree with the administration that something must be done to bring our balance of payments under control. The orthodox way for a country to improve its balance-of-payments position is to increase taxes, reduce Government spending, and slow down the creation of money by firmer monetary policies which the foregoing will make possible.

Because we have failed to take these orthodox steps, we are now faced with the problem of finding other emergency measures to bring our payments into balance.

The President has shown great wisdom in suggesting a positive approach to the problem of the so-called "travel gap." a Presidential Task Force, under the chairmanship of Ambassador Robert M. McKinney, has prepared a plan for greatly expanding the flow of foreign visitors to the United States. This plan will unquestionably include a number of recommendations for congressional action and for action on the part of the executive branch of the Government, as well as for the travel industry.

This, in my judgment, is the proper path for our country to follow. Constructive action to increase the reception of foreign visitors, rather than limiting the travel of U.S. citizens, is in keeping with our national policy of increasing world trade through minimizing those artificial barriers which clog the channels of international commerce.

In addition, the administration has proposed certain tax measures which it states are necessary to restrain the travel of Americans who desire to move outside the limits of the Western Hemisphere.

The proposal to extend the present 5 percent excise tax on airline and steamship tickets seems reasonable under present circumstances. At present, we have an unusual situation where we have a 5 percent excise tax on domestic air tickets, but do not have such a tax on international tickets. To treat both domestic and international travel in the same manner seems reasonable. In addition, the 5 percent excise tax could provide the revenue needed to finance a strong promotional campaign to attract foreign visitors to our country.

The other proposals for tax restraints, for the purpose of limiting travel, seem contrary to America's historic policy of championing the forces of liberalism in world trade. I am opposed to these new taxes, as well as any lowering of the duty-free allowances. These proposals are negative in intent, and are designed to restrict rather than to unfetter international commerce.

I would go so far as to say that we must resist all temptations to join forces with those throughout the world who advocate new controls and restrictions to solve balance-of-payments problems. Such forces must be resisted at all cost.

THE TYRANNY OF STATISTICAL INVENTIONS

In the first place, it is difficult to understand why, out of our total imports of goods and services, amounting to \$38 billion, one import, that is, travel, was selected to be the sacrificial goat.