ship lines, the publishers of travel books and magazines, the hotel chains, and rental car organizations. While a single industry is selected as the sacrificial lamb, a wide range of other industries are expanding their imports because increasing prices and increased wages in the United States make foreign products more desirable.

Strikes and threats of strikes also increase imports. For example, the President has asked the travel industry to save $500 million in foreign exchange this year. At the same time, the labor dispute in the copper industry has shut down domestic mines, and has cost our balance of payments over $150 million. On an annual rate basis, the current trade deficit in copper is running between $750 million and $1 billion.

5. The bureaucratic structure which will be required to collect these taxes and duties will be enormous. Millions of citizens will be required to make deposits prior to leaving the country, file tax returns after reentering the United States, pay duties on souvenirs valued at over $10, and subject themselves to a new police force which will be required to investigate our citizens' overeas activities.

The documentation alone will require processing of tens of millions of Government forms. The employment and training of thousands of new Government employees to man this new bureaucratic structure will be an enormous task. By the time the machine is running smoothly, it will be time to dismantle it, since a termination date of September 1969 has been established.

6. A major problem today, in our gateway cities, is airport congestion. The new procedures at airports, which will be required by these taxes and lowered customs exemptions, will increase airport congestion enormously.

7. Finally, the excellent program to increase U.S. travel earnings from foreign visitors, proposed by the Presidential task force under the chairmanship of Ambassador McKinney, will be severely injured by these new tax measures. Most of the travel flowing to the United States is generated by foreign travel agents in cooperation with the national airlines of the foreign countries. It is difficult to see how we can get the wholehearted cooperation of the foreign travel industry in our selected target countries when the U.S. Government is taking such drastic measures to severely curtail the travel business they now receive from the United States.

RECOMMENDED COURSE OF ACTION

Now that America's long-neglected international travel industry has been recognized as an export industry with vast growth potential, we should lose no time in setting the machinery in motion to produce strong increases in foreign exchange earnings through increased promotion of foreign visitor traffic to the United States. This represents the proper path for the United States to follow.

The fact that we are now engaged in a national debate on U.S. travel policy is a healthy development.

There is much we can do to improve our reception and servicing of foreign visitors. There are ways to make a visit to the United States a less costly and more rewarding experience. Our U.S. Travel Service certainly requires a greatly expanded budget to enable it to properly carry out the duties for which it was created.