3. The current favorable balance of trade (approximately 4.5 billion dollars in 1966) which we currently enjoy would be seriously jeopardized by withdrawal of travel dollars spent abroad.

4. If the proposed U.S. legislation is enacted, the retaliation of foreign governments prohibiting, or limiting, their citizens traveling in the U.S. would be swift and certain.

5. The proposed bewilderingly complex legislation invites evasion, would be extremely expensive and create a whole new bureaucracy to try to enforce and would subject Americans to indignities incompatible with our free society.

6. Travel, the greatest educator, is a potent favorable factor for world peace—nations which limit the travel of their citizens are those which pose the greatest threat of war.

7. Travel is one of our ingrained cherished freedoms.

8. Countries which have attempted similar plans have failed both in their enforcement and primary objective.

9. Any restrictive travel legislation would be discriminatory to one or more segments of our population.

10. If enacted, the "cure" of the proposed legislation would be more harmful than the so-called "disease" it seeks to remedy.

I favor balancing our flow of gold with the two-way flow of people and the free use of foreign funds now in the hands of the U.S. Government.

In support of the foregoing I respectfully submit the following:

1. The alleged 2.1 billion dollars travel deficit is, in reality, approximately 360 million dollars (source: Industry surveys compiled by the American Express Company and U.S. Department of Commerce figures), 580 million dollars being a so-called transportation deficit made up of the difference between the amount paid out to foreign airlines and steamship companies and the passenger revenues which American carriers received from foreign residents in 1967; but in 1967 foreign airlines purchased approximately 921 million dollars worth of our equipment and spent 192 million dollars in the U.S. for staff salaries, rents, printing, advertising, etc. (and more than 2.5 billion dollars worth of aircraft purchases by foreign flag airlines in the U.S. are currently under order or under option).

$607 million was spent in Canada and Mexico in 1967, which countries are not being considered in the restrictive area of the present legislation but with no Expo '67, Canada's share of U.S. spending will be much less in 1968. $148 million of the alleged 2.1 billion dollar deficit was spent in the West Indies, Central and South America, Asia and Africa (some of which areas are not affected by the proposed legislation), which are developing areas where many of the travel dollars purchase American goods and help defray existing aid programs.

In 1967, 980 million dollars was spent by American in Europe and the Mediterranean area while their people spent 230 million dollars in the U.S., a difference of 750 million dollars. It is reliably estimated that 52% of the American spending in these areas was for business, scientific, government and non-pleasure purposes. Travelers from these areas can quite accurately be assumed to be in approximately the same ratio of pleasure to non-pleasure travel leaving only 390 million dollars differential for non-pleasure travel spending. Subtracting all of the foregoing from the 2.085 billion gross deficit, leaves an estimated actual 360 million dollar difference in the amount spent by visitors from European and Mediterranean countries on pleasure travel and the amount spent by Americans in these areas—or only 17% of the 2.085 billion dollar so-called travel deficit.

2. The disruption of our economy on a national scale can be illustrated by my own business, which is small by American business standards, but important in the travel industry. I currently employ, directly and through our affiliated operational company, Lissone-Lindeman U.S.A., Inc. a full time staff of 39, with 40 part time workers. During the years 1966 and 1967 my business spent $5,774,000 abroad for meals, hotels, sightseeing, guides, and transportation in behalf of our clients (not including transocean transportation). My overhead for rent, light, salaries, printing, advertising, telephone, insurance, and postage was $1,274,000. In addition we paid $575,000 in commissions to travel agents for foreign land arrangements and enabled the travel agents to earn an additional $235,000 for the sale of air and steamship tickets in connection with our tours. Our clients used some $1,800,000 worth of American flag airlines transatlantic tickets. My small business thus infused $3,884,000 directly into the blood stream of the national economy in 1966 and 1967 plus estimated client expenditures of $1,400,000 for domestic transportation to and from their city of departure and purchase of luggage, cameras, film and clothing in connection with their trips, for a total