

Now, do you have anything to add or subtract, for that matter?

Mr. PHILLION. I think you have covered the essentials; there may be one or two other things. I think one you mentioned earlier is that it is a fact of life that there are 17 European carriers operating from the United States to Europe competing with two American carriers.

Now, that isn't to say that the competition is 17 times better, but it is a fact of life that there is a greater degree of frequency choices and destination choices as a result of that large number of foreign carriers.

Secondly, you have in this country a great and effective program by foreign government tourist offices of the kind we would like to see the U.S. travel office compete with.

Now, as to these foreign tourist offices, I wouldn't want to take the position that they refer passengers to the flag carrier of their country, but I think it is a normal thing to expect that when you walk into the tourist office of country A that there is some high degree of persuasion to go to carrier A's ticket office for your tickets. This kind of thing goes on.

Mr. ULLMAN. That is certainly very responsive. It seems to me in the normal competitive process that if you have 17 in the business to promote travel by other than American and only two to promote American, in the natural course of events they would have the advantage.

I am wondering what the situation would be, for comparative purposes, whether the people in Great Britain would use their own airlines as against the 17 or more airlines that come in there from other countries.

Mr. PHILLION. We don't have any data on that, do we, George?

Dr. JAMES. We don't have any data on it but I would conjecture that you would find a similar picture as to what you have in the North Atlantic. I think one of the primary reasons for this is that with the European countries being smaller than the United States and having normally only one airline the citizens there will identify themselves with that airline and attach themselves to it to a much stronger degree than our citizens will, because, throughout the United States, counting large and small, we will have over 40 airlines and you normally do not find us attaching ourselves to one of those for international purposes as strongly as you would in the case of Europeans.

Mr. ULLMAN. One of the reasons might be that some foreign airlines are owned partly by the government. Is that not right?

Mr. TIPTON. Yes. Many of the foreign-flag carriers are owned by their governments or their governments have a heavy participation financially in them. One thing I left out that is always true, of course, is the United States is made up of many people whose families came from Europe; came from the Far East; came from Latin America, and they would tend more to patronize the carrier from their original homeland than if you don't have that type of a population makeup.

Mr. ULLMAN. We were talking about the indirect taxes that might be involved. Certainly it seems to me those countries that have ownership in their airlines would provide the indirect assistance to the airlines in lieu of this type of tax.

Would you not think so?

Mr. TIPTON. I think that that is entirely possible. One of the reasons that we have sought, and I think gotten, protection from our Govern-