

economies of Europe, and Ireland is certainly one which, as I have already indicated, relies on tourism as its major industry. It is currently spending as much as \$5 million a year in this country because it is so dependent on tourism and it is also recognized that the tourists' dollar does more for a country than even the export dollar.

But this country, unlike the industrially developed countries, unlike the great countries of Europe, France, Germany, Italy, is a country still developing. It is too far removed from the centers of population of Europe. It is not a member of the Common Market. It doesn't have access to those markets. It is a country with a population of less than 3 million, some 2,880,000. It cannot support an industrial complex at this stage to compete with the mature economies of Europe. It depends on tourism, and I would suggest that the United States in examining the situation and this committee consider those countries that are still developing as distinguished from being developed, consider some form of treatment, whether we call it exemption or other consideration.

Actually, until this bill was proposed, Ireland was still in the Western Hemisphere, but the bill specifically created a line which took Ireland out of the Western Hemisphere so that today it is neither in the Western Hemisphere or in the Eastern Hemisphere. We just don't know where to put it. But, for the definition in the statute, if we include all islands within the Western Hemisphere, the only ones included would be Iceland and Ireland in addition to Latin America.

I would say this, if I may, and I say this not only with respect to Ireland in which our country has shown a consistent interest in sending teams of economists to help them set up an industrial complex and it was on their advice they set up tourism as their principal industry, that I would hope that consideration can be given to the special requirements of a country that is in a developing stage, that relies on tourism as its principal industry, and I don't suggest that it include just Ireland alone, but whatever would fall in that category because you will find that this will not affect to any material degree our balance of payments. Of the amount received on tourism, I have just been informed that Ireland receives from American residents an aggregate of \$36 million. So that the balance of payments is not going to be seriously affected when the consequences of not providing relief for this kind of country is to have such an adverse effect on the economy of the country in a way that it can scarcely bear because it does not have the wealth. It is not a surplus country.

It has a consistent and chronic trade deficit, and I would suggest again in the words of Secretary Fowler, that special consideration be given to a country such as Ireland which to use his own words, is a country "least able to bear it."

Mr. ULLMAN. Does that conclude your statement, Mr. Smith?

Mr. SMITH. Yes.

Mr. ULLMAN. You have done a very excellent job of summarizing your statement, and we appreciate it.

Are there any questions?

You suggested that Ireland and Iceland are technically in the Western Hemisphere.

Mr. SMITH. Yes, they are. I learned this from my Irish friends who went to school there and they were very proud when they went to school to be told that they were born in the same hemisphere as the