

and dollars flowed just as quickly out of the United States. The tourist deprived of the right to bring duty-free purchases home is just as likely to spend that same amount of money abroad for food, lodging, and entertainment. In fairness to the proposals it should be added that this particular feature is probably the least objectionable but also the least likely to accomplish the avowed purpose of the proposals.

Furthermore, the proposals bring the sincerity and honesty of the administration into question since it appears that they may have been framed upon the basis of incorrect and inaccurate data, or at least incomplete data as to the total amount of the actual dollar drain caused by tourist travel. At best it appears that the actual effect is uncertain, and in fact may be offset by expenditures of foreign nations in this country for equipment, such as aircraft, which is associated with the tourist industry. To assume without careful investigation that tourism is the principal offender in the dollar drain and to take action upon that assumption may be tantamount to "burning the house to roast the pig."

The proposals are also open to the charge that they are a barely disguised form of protectionism. This strikes one as rather hypocritical in light of our avowed position in the vanguard of the move to remove tariff walls and encourage free trade and the official criticism of the protective measures taken and/or threatened by other countries. Finally, the administration's sincerity is open to doubt as regards the alleged temporary nature of these restrictions. Granted that the wisdom of Congress may be that these curbs are needed as one weapon in the arsenal to combat the admittedly serious balance-of-payments problem and that their enactment is required on a short-term basis. This in itself would be a shame, but to find something eternal about them since they would always generate some additional revenue after their primary purpose had been served and to retain them for no better reason would be criminal.

VI. ALTERNATIVES

In conclusion, speaking for myself and as a spokesman for the academic community as a whole, I would like to state that there may be more acceptable and effective ways of meeting the problems than those proposed. These alternatives are already known to this committee and need not be detailed here. The Government should do everything possible to encourage travel to the United States, but we have lagged behind most nations in promoting at a government level a truly effective "See America" program; this should be done immediately and the appropriate Government agencies charged with carrying this into effect should be furnished sufficient funds to accomplish this in an effective manner. Cutbacks in our military commitments overseas would certainly reduce the dollar drain. Reduced air fares for those traveling to the United States as already proposed is a hopeful sign of a more constructive approach to the problems than the narrow approach envisaged by the travel curbs. We must not permit ourselves a step backward in the gains that we as a nation have made in the years since World War II and these proposals can in my opinion be viewed in no other light.

I would like to thank the committee for the opportunity to appear here this afternoon.