

only yesterday, its tourist business totaled \$75,035,860 for fiscal year 1966-67.

Of this figure, they said, spending in gift shops and liquor stores totaled \$32,904,000.

How much of that amount do you think remained in the Virgin Islands? How much of it went leaping over the Atlantic Ocean to the wholesalers and manufacturers of Europe, who deposited those dollars immediately in their local banks and away it went into the gold situation?

What makes anyone think that the money spent in the Caribbean islands, as well as in the American Virgin Islands, in Mexico and Central and South America does not and will not find its way just as quickly to the central banks in Europe as the dollars spent in Vietnam find their way into the hands of European gold dealers in France and elsewhere?

This debate could go on forever, but it is getting late and I see my time is running out, and I want to finish with just two short points.

I would like to know what anyone intends to do with the millions of dollars the Treasury Department hopes to squeeze out of the American traveler with the proposed 5-percent transportation tax. I question whether this is simply another device in anti-inflation, a so-called anti-inflation tax measure, or will the money be put to some good purpose, presumably in behalf of developing travel to the United States, or let's say some good purpose.

There is one solid idea that has been presented to your committee for a joint Government-private industry private corporation that will undertake to sell America to foreign tourists, replacing the attempts to do so with a government agency like the U.S. Travel Service. It is also put forth in this Industry-Government Special Task Force. I think you ought to look very seriously at this proposal, gentlemen.

I think this idea was also produced by the National Association of Travel Organizations.

In reply to some of the points Mr. Curtis was making before, I think a quasi-government, a semiprivate organization possibly like the Rand Corp. idea, might be able to spend money as required to meet the needs of the program, and they might do it more efficiently than a government body could, enlisting at the same time the support and money of private industry.

I suspect that without the terrible restrictions of a government agency this type of a quasi-government body, half private and half government, might better adopt the American sales techniques proposal to the job of selling America abroad as a tourist country.

I suspect somewhere in this area you might find a businesslike approach to this problem.

Thank you, Mr. Chairman.

May I, before I finish, reply to a question Mr. Curtis raised to someone else before? A part answer to your question of what private industry is doing abroad is in this task force report on page 19 under "Actions Initiated": "Twelve U.S. trunk and international air carriers"—these are only air carriers—"advised this task force that they are increasing their promotion and advertising budgets outside the United States in 1968. Together they will spend \$16.5 billion for