but a $7 limit hardly qualifies as a realistic guidepost, given costs of living abroad today.

The third suggestion focuses on the proposed 5% tax on international air travel. We don't like it, but we can at least live with it. It is nothing more than an extension of the excise already imposed on domestic air travel. There has been talk of using half the proceeds to improve domestic facilities; for instance, by extending airport runways. We would only recommend that some small part of the total be allocated to construction of low-cost student accommodations—youth hostels, perhaps—for both American and foreign students traveling within the United States. Private organizations have done yeoman service in providing such limited facilities as we have, and in trying to raise funds for more; but private funds are simply inadequate for the task in a country of such size and complexity. A systematic injection of funds would be welcomed by all of us who feel a responsibility for promoting travel by young people within the United States.

Fourth, we recommend that the Administration facilitate the sale of Government-owned foreign currencies to private, educational-exchange organizations, such sales to be made in dollars paid in the United States, with equivalent foreign currencies paid on demand abroad. Under this system, foreign-currency accounts would be reduced, without loss of dollars, and students would not be obliged to pay *per diem* taxes.

Fifth, a special effort should be made to encourage private educational-exchange organizations to develop reciprocal programs with other nations; that is, to bring roughly as many exchange students to the United States as they send abroad. The Experiment has already demonstrated the possibilities. Last year we sent 2500 Americans abroad on our various programs; but we brought 2800 young people from other nations to the United States. As a result, we generated a *net inflow* of dollars. Not many organizations are presently equipped to promote and manage a two-way flow; but some of them could develop such a capability, given a little encouragement.

We suggest that an incentive be written into the Travel Tax Program. If we have read the proposed legislation correctly, we can assume that The Experiment will be taxed on dollar expenditures abroad without regard to the net favorable balance in our dollar account. To encourage two-way exchanges such as ours, why not impose an annual tax on *net* program expenditures abroad by a given nonprofit agency; that is, on the difference between expenditures made overseas on behalf of fee-paying American participants and expenditures made in the United States for fee-paying participants to this country? The *per diem* exemption, in terms of total man-days spent abroad, would be subtracted from the net figure. An exchange organization bringing enough foreign students to the United States to reduce its net dollar outflow beneath the cumulative exemption figure would not be required to pay a tax. The incentive would be a powerful one.

The sixth and final point relates directly to the one above. We are not alone in recommending the stimulation of a heavier flow of foreign visitors to the United States as the most constructive and viable approach to the balance-of-payments problem. We can only add our own strong endorsement to some of the enlightened initiatives already taken. The report of the Industry-Government Special Task Force on Travel is a model of public-private cooperation toward solving a common problem without recourse to new legislation or administrative regulation. Private, nonprofit education-exchange organizations, and the thousands of young people they program annually, will be among the immediate beneficiaries, as discounted rates for domestic and international travel, and for food and lodging, are reflected in lower charges to incoming program participants.

At present, our domestic tourist industry is not well attuned to the potentials and needs of the low-budget tourist. Travel in the United States is formidable, especially for the independent tourist who speaks little English. How far can he go on his limited budget? Given a range of time and distance, where should he go and what should he do? Where can he find a clean, moderately-priced hotel, where somebody speaks his language, in a neighborhood where he will be safe on the streets at night? What restaurants and cafeterias offer wholesome foods at competitive prices? What form of transportation is most appropriate and inexpensive for travel between two points? Where can he exchange his own currency for dollars? How can he meet Americans in their homes, businesses, or recreational facilties? Where can he find help when he is in trouble? Most important of all, do Americans really care about his being here?