When Senator Proxmire asked you about what was the cause of the cutback of our exports, vis-a-vis the increase in imports, you mentioned several things. But you did not mention inflation.

Mr. ROTH. I think I did.

Representative CURTIS. Did you?

Mr. ROTH. Yes.

Representative CURTIS. Then I misunderstood. I think this, of course, is the basic concern, and it is going to be increasing.

Restricting private investment abroad does get at the very base of our increased exports. This is another factor which has concerned me greatly. Another point I wanted to make is the reason why I was not here this morning for the committee interrogation. I was over in the Ways and Means Committee, where we were hearing public witnesses from the private sector on the problem of the proposals of the administration on the travel tax. The point that was made and that needs to be emphasized in respect to encouraging tourists here, is that we are today the largest host nation——

Mr. ROTH. The largest what?

Representative CURTIS. We are today the largest host nation. You might not believe it listening to the kinds of testimony and statements that have been made, but this is true. We produced some data showing that this has been increasing at a very rapid pace. I think there are figures there for a period of 6 years.

Mr. ROTH. That is correct; it has been.

Representative CURTIS. Much more than elsewhere. We now have 9 million people coming over, so what we are really talking about is a rapidly growing economic development; and can we make that growth faster? But, when you are dealing with growth, you can damage it. I fear that this administration's package is going to damage what is already going on. I am sorry Senator Percy left, because his reference to having Government increase the amount of money that they are spending to encourage tourism over here leaves me quite cold. That is what a lot of the witnesses wanted.

I asked these questions: How much private capital is invested abroad right now, and spent abroad, in promoting tourism into the United States, and what has been that increase?—because it has been increased.

I am not so concerned whether the Government spends it. But, I am concerned by the inconsistency in the administration's position. It would restrict private investment abroad in this very area of travel, too, and yet ask for an increase in Government spending abroad to promote tourism in this country. Well, it just so happens that Government people, dedicated as they are, will not spend the dollar as effectively as the airlines and the travel people and the combines that have developed in our society with our Hertz organization and our motels and people that derive money from having people come over here. They are spending money. But I do not have the data for which I asked.

What is this restriction on private investment going to do to their plans for expanding their efforts to bring tourists to the United States?

Mr. ROTH. Another factor which goes back to something you said earlier affects tourism just as much as it affects trade; namely, the need to keep prices and costs stable in this country.

Representative CURTIS. Oh, yes.