

a fantastic amount and then said that, according to you, he did not know if he was not overestimating.

Mr. ANTHONY. I think we are talking about different Mays. You are thinking about May 1967. If, in May 1966, hostilities had ceased, this budget would have been too high.

Chairman PROXMIRE. Yes. I thought you were making the assumption though that the war would end on June 30, 1967, end of the fiscal year.

Mr. ANTHONY. For the purpose of formulating the budget.

Chairman PROXMIRE. That is right. Even if it does end before that time you are still way low in your estimate.

Mr. ANTHONY. Looking at the situation in April 1967 we know that the estimate made in January 1966 was too low. But looking at the situation in January, February, and in the spring of 1966, it certainly could have turned out to be too high. If hostilities had terminated at that time, it would have been too high.

I now find the reference on the Secretary's statement I alluded to earlier. On February 23, 1966 before the Joint Senate Armed Services and Appropriations Committees, he said:

"I don't want to mislead you into thinking that I believe we have estimated them"—that is, the budget request—"accurately. We have either overestimated or underestimated, but we have made the best estimate we can."

Chairman PROXMIRE. My time is up.

Senator JORDAN?

Mr. ANTHONY. Mr. Chairman, I did not address the latter part of your question.

Chairman PROXMIRE. Is that all right, Senator JORDAN?

Senator JORDAN. Yes, please do.

Mr. ANTHONY. The situation currently is as follows: March expenditures are in. At \$6.7 billion they are a little higher than I thought they were going to be.

Chairman PROXMIRE. Give us a little better understanding of what you mean by "little." What did you estimate for that?

Mr. ANTHONY. Well, I thought we would be closer to \$6.4 billion.

Chairman PROXMIRE. And they are \$7.7 billion you say?

Mr. ANTHONY. \$6.7 billion.

Again the \$6.4 billion estimate was my personal opinion; all of these estimates are personal opinions. We have been trying to figure out whether expenditures in the past few months indicate a trend. We are not sure that they do. In March, as it happens, there were three pay-days instead of two as there are in the average month. There were 23 working days, about the most working days you can have in a month, as compared with 21 in the average month. All of these things tend to make me think March is a little higher primarily for abnormal reasons than suggesting any substantial upward trend. However, March being high, the third quarter, therefore, is a little higher than I thought.

We still may come out to \$68 billion for 1967. I think it may still be possible—it is a little tight, though. I do not think the difference is going to be very much, and it may not be any. In order to come to \$68 billion for the year, we have to have \$17.4 for the fourth quarter. This is still higher than the second quarter. It is a little lower than the