

on Okinawa, both incident to B-52 operations. Are they all in the \$19.1 billion figure?

Mr. ANTHONY. Yes, sir.

Senator SYMINGTON. Are the costs incident to the transferring of troops from Germany, retraining of pilots? Are such costs also in the \$19.1 billion figure?

Mr. ANTHONY. They are in there. They are intended to be in there. We do not build it up in that amount of detail, but they are in there as part of the operating costs, which is what you are now talking about.

What we did was to take the 1965 operating costs, adjust that for price changes that have occurred since 1965, net out other known changes in non-Southeast Asia programs, and say the remaining costs in succeeding years were Southeast Asia related. I think therefore, we are automatically picking up the kind of things that you mentioned even though our system does not go into Guam and split the costs on Guam between non-Southeast Asia costs and Southeast Asia costs. The system just plainly does not work in this way.

Senator SYMINGTON. These expenditures are what you are talking about?

Mr. ANTHONY. No, the figure of \$21.8 billion that I give you for 1968 is a cost figure.

Actually in the buildup phase many different types of figures float around because obligations, expenditures, and costs are three different concepts, quite different concepts, and in the buildup phase they are radically different numbers. In a level-off phase, they all are about the same. So when I say \$21.8 billion—if you will permit me to round it to \$22 billion—\$22 billion is really pretty close to obligations, expenditures, and costs for Southeast Asia.

Senator SYMINGTON. For the period of?

Mr. ANTHONY. One year.

Senator SYMINGTON. Ending next June 30?

Mr. ANTHONY. June 30, 1968. Our cost figure for fiscal year 1968 is \$21.8 billion. Our cost figure for fiscal year 1967 is \$19.5 billion. Our expenditure figure for fiscal year 1967 is \$19.4 billion.

Senator SYMINGTON. Then for the fiscal year 1968, starting next July 1 you estimate that the total cost of the war in Vietnam will be about \$22 billion.

Mr. ANTHONY. Incremental costs, yes.

Senator SYMINGTON. What does that word mean?

Mr. ANTHONY. The same as what you meant, I think, when you tried to define the term.

Maybe I am professorial in this, but I never would give a figure for the word "cost" without some kind of a modifier to it. The word "cost" is absolutely meaningless taken by itself. Here, I think we are both talking about incremental costs in the sense of the costs that are incurred for Southeast Asia that would not be incurred were there not Southeast Asia. Is that not the concept you have?

Senator SYMINGTON. I have one more question. The Secretary of Defense defends the cost of the Vietnamese war as not being punitive on the economy on the grounds it is not an increasing percentage of the gross national product.