of its support forces. The Army will have active division equivalents;

and Marine Corps, four.

With regard to tactical air power we now have a total of about 4 fighter, attack, and reconnaissance aircraft which constitute theequipment of the combat squadrons of both the Active and Reserve Forces of the Air Force, Navy, and Marine Corps.

The nonaviation naval forces are more difficult to summarize in

this manner and I will discuss them in detail later in the context with

Navy General Purpose Forces.

As I have pointed out on numerous occasions in the past, it is not enough that our forces be of the right -- and composition; they must also be provided with the weapons, equipment, ammunition, and supplies needed to sustain them in combat. And, since most combat operations will usually involve all the services the logistics objectives which inscribe in broad terms the equipping and stockage standards to be followed, must be as uniform as possible throughout the Department. The objectives, together with the force to be supported and our contingency deployment plans, determine the content (and costs) of the annual procurement programs.

Of course, the specific procurement programs to achieve these logistic objectives must realistically take account of the state of the production base, especially for ammunition. The purpose of our war reserve inventories is to provide our forces with sufficient supplies to conduct sustained combat until production can be raised sufficiently to offset combat consumption. In peacetime, therefore, when production rates are tailored to low levels of consumption and attrition, it is important to have large stocks on hand, equal or nearly equal to the calculated war reserve objectives. However, once our forces have been committed to combat and production has been built up to offset current consumption, as is now the case in the current conflict, it is not necessary (indeed, it would be imprudent) to rebuild those stocks to their precombat inventory level before the conflict ends. It is not necessary because our present expanded production base will be able to provide for all expected southeast Asia consumption as well as any other contingency or contingencies which might arise. It would be imprudent because we know from experience that when the conflict ends, we either would have to shut down the lines abruptly, with all of the resultant adverse consequences for our economy, or we would have to acquire unwanted surpluses.

Accordingly, we have planned our fiscal year 1967-68 procurement program in such a way that if the war should end suddenly, we can taper off production gradually, using the excess production capacity to rebuild our inventories to the desired procombat levels. At the present production rates this could be achieved very quickly. For items which are not currently in expanded production for southeast Asian operations, or for new items just entering the inventory, we will, of course, continue to procure toward our logistics objectives with the goal of achieving them, wherever feasbile and desirable, with

the fiscal year 1968 buy.

## CAPABILITIES OF THE PROGRAMED FORCES

As I noted earlier, our General Purpose Forces requirements are derived from analyses of contingencies, including the support of our allies around the world. Accordingly, our General Purpose Forces