

Mr. SCHULTZE. I agree. My only point was that if you take into account the increases outside of Vietnam, as a percentage of the total population, it is climbing only a tenth or two. I am not sure of the exact number.

Chairman PROXMIRE. Let me ask you a series of specific questions which you may not be able to answer, for the record. If not, I would appreciate getting this as soon as I can.

How much would be saved if we adapted the resolution introduced by Senator Mansfield and cosponsored by 42 Senators to withdraw four of our six divisions from Europe?

Mr. SCHULTZE. I certainly can't give you the answer to that now. I would be glad to look into it and see what I can do.

Chairman PROXMIRE. Do you have any notion whether it is a billion dollars?

Mr. SCHULTZE. No, sir, I couldn't. The only thing I could point out in general is that in getting such an answer, you have to distinguish carefully between balance of payments costs and budgetary costs. In view of the required mobility of our military forces, for all I know the budgetary costs might be higher. There is a balance of payments saving involved, obviously.

Chairman PROXMIRE. Yes, indeed.

Mr. SCHULTZE. But the budgetary saving is obviously quite different.

Chairman PROXMIRE. Balance of payments saving has been estimated, as I understand it, at around three-quarters of a billion dollars, but I should think the budgetary saving would be bigger rather than smaller.

Mr. SCHULTZE. I do not like to get into the business of saying much about military strategy. This is not my field. But clearly you have got to make a distinction whether you are reducing your forces or—

Chairman PROXMIRE. I am not talking about strategy. This is another question I agree, but I want to know the dollars and cents.

Mr. SCHULTZE. In trying to even think about this, do you mean to reduce our forces by an equivalent amount or simply to shift their location from Europe to here?

Chairman PROXMIRE. Well, it would be my understanding that we would be able to reduce our forces by that amount. This wouldn't necessarily mean that we would send the four divisions to Vietnam. If we did, we would be sending them and not sending others that we would have had to draft and train and send otherwise. So there would be a net saving.

Mr. SCHULTZE. Again, I think in trying to get any answer to this question you have got to distinguish carefully between two questions. One is the decision to reduce the armed strength of the United States by this amount, and the other is to change their location from Europe to a strategically mobile force in the United States and these are two quite different questions from the budgetary standpoint.

Chairman PROXMIRE. I understand that. Of course, we have increased the size of our Armed Forces very substantially.

Mr. SCHULTZE. Yes, sir.

Chairman PROXMIRE. I understand we now have the largest Armed Forces in the world, larger than Russia and larger than China, for the first time in a long time, if ever. This doesn't include paramilitary forces.