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ENDING THE DRAFT—

The Story of the All Volunteer Force

by
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FOREWORD

This report contains a history of the All Volunteer Force. The decision-making process for moving to the All Volunteer Force is described and the factors which led to the elimination of the draft are analyzed. The impact of this major change in military manpower policy is assessed.

The analysis was conducted in HumRRO's Eastern Division. Dr. J. Daniel Lyons is the Director of the Division. The work was performed under the general direction of Gus C. Lee, a Senior Research Scientist at HumRRO. Mr. Lee was formerly associated with the Office of the Secretary of Defense and took part in many of the events described in the report.

The research was conducted under HumRRO contract MDA903-75-C-0128 with the Department of Defense.

William A. McClelland
President
Human Resources Research Organization

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Our thanks are due to all of those mentioned. Needless to say, any errors in the report are our own.

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INTRODUCTION

The purpose of this report is to provide a readable history of the All Volunteer Force.

The contents are necessarily selective. Not everything is covered. The authors' intention was to select the most important matters. The emphasis is on "top management's" point of view. The report is, therefore, an "overview" rather than a complete account of everything that happened.

There is no claim to omniscience. Some of the opinions of the authors differ from those of others who may be equally well informed. An attempt has been made, however, to present more than one side of an argument. Both authors favor the volunteer force policy but have tried to present a factual, balanced account.

The report is organized into four parts. Part I is a condensed history of military manpower policies in the United States. Part II is primarily the story of the accomplishment of the All Volunteer Force. Part III is more technical -- this part of the report analyzes some of the more important issues covered briefly in Part II. Part IV contains our conclusions.

A word about the statistics: the statistical tables are presented as they appeared in memoranda or studies cited. In most cases the statistics are from preliminary official reports, which were later audited. The statistical tables in the Appendix contain final, audited numbers.

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Part I

BRIEF HISTORY OF MILITARY MANPOWER POLICY

CHAPTER I
PERSPECTIVES IN MILITARY MANPOWER POLICY

Dear Sir

Our battalions for the Continental service were some time ago so far filled as rendered the recommendation of a draught from the militia hardly requisite, and the more so as in this country it was ever the most unpopular and impracticable thing that could be attempted. Our people even under the monarchical government had learnt to consider it as the last of all oppressions....

Letter from Thomas Jefferson
to John Adams, May 16, 1777

THE ORIGINS OF CONSCRIPTION

American attitudes toward the draft and compulsory military service are rooted in Western European history and thought, as well as our own colonial experience. English efforts to protect individual liberty established limitations on military manpower policy as early as the Glorious Revolution, 1688-1689. The notion of individual liberty is clearly reflected in our recent return to an all volunteer force. To understand this, we must examine the origins and development of American military manpower policies.

THE DECLINE OF ROYAL ARMIES:
WHEN WAR WAS "THE TRADE OF KINGS"

Although several large European armies were fielded during the 17th century, conscription as we have known it was then unknown. War was "the trade of kings," as Dryden put it, and was the recourse for settling disputes of pride, family, and territory. With military personnel frequently enlisting for life, royal armies approached being a class unto themselves, separate from --and frequently despised by-- the rest of society. The democratization of war would not occur for another century. With it would come the "draught."

Because of social, political, and technological conditions, the armies of Europe generally remained small during the 17th century. Prior to the Glorious Revolution, James II had kept a standing peacetime army of 30,000. Paid by the king, the army had suppressed English freedom and had threatened to establish military and religious despotism. During the revolution, to abolish such dangerous authority, it became an article of the Bill of Rights that "the raising or keeping of a standing army within the kingdom in time of peace, unless with the consent of Parliament, was against the law." ^{1/} In addition, limited industrial capacity could not equip, supply, and transport large armies. Society remained agrarian. Soldiers had to be fed. They were not producers, and therefore, taking too many productive men off the farms would have been undesirable. Only the unproductive elements of society --the nobility and the unemployed-- entered the army. With the main body of enlistees composed of the unruly riffraff of society, strong discipline was necessary. Otherwise, soldiers might desert or terrorize society. Thus, the training and maintenance of each soldier was expensive, and when fully trained he became too costly an investment to be returned to the farm or craft shop, or killed in senseless battle. The impact of all these factors created small European royal armies composed of long-term professionals. ^{2/} Manpower needs were minimal, so conscription was inappropriate.

However, the Industrial Revolution, along with the American and French revolutions, changed these conditions and set the stage for conscription. In 1784, Henry Shrapnel invented the cannister that bears his name. Seven years later Eli Whitney developed interchangeable musket parts. Over the next two centuries, technology would vastly cheapen the lives of soldiers and civilians alike. The American and French revolutions brought about the democratization of war. That these two political revolutions occurred at the beginning of the Industrial Revolution facilitated the notions of an armed populace and the citizen soldier. In such circumstances conscription became more practical.

The impact of the Industrial Revolution and the democratization of war was explosive amid the old royal professionals. Industry could not equip great armies to engage in great slaughter. Manpower needs increased accordingly. In 1798, the French Directory passed the first conscription law. Napoleon relied on the law, and in 1805 he boasted to Metternich,

^{1/} John Remington Graham. A Constitutional History of the Military Draft, Ross and Haines, Minneapolis, Minnesota, 1971, p. 13, citing Federalist, no. 26, pp. 160-161.

^{2/} Ernest R. Dupuy and Trevor N. Dupuy. The Encyclopedia of Military History, Harper and Row, New York and Evanston, 1970, pp. 609-610.

"I can use up 25,000 men a month," 1/ thus consuming more men in seven days than the United States had in seven years (1776-1783). The "glory" of modern war had arrived.

In order to subdue Napoleon, other Western European nations resorted to conscription, but these systems later decayed through exemptions and deferments. The Industrial Revolution demanded technical and managerial skills which were needed in the military, too. Military academies were founded, and eventually the pendulum swung back to professionalism of a more technical nature.

THE MILITIA SYSTEM IN COLONIAL AMERICA

As offspring of the British, American colonials inherited not only the English militia system, but also the British predisposition toward military service. Parliamentary and liberal traditions maintained suspicions of national armies. Colonials feared most that a professional mercenary force would subvert their liberties as the army of James II had attempted in England. Hence, the notions of a citizen soldier, of equity under the burden of manpower needs, and of a universal military obligation remained popular in colonial America. 2/

The militia, which embodied these ideals, enjoyed a vital role as the colonies were first established. To a large extent, settlement was a military enterprise necessitating defense against Indians as well as contest with rival colonial powers. Thus, the militia acquired a defensive posture. But, as the colonies became secure and Indian threats faded, the need for the militia diminished and the system deteriorated through deferments and exemptions.

Composed of all able-bodied, white, free men, the "common militia" supposedly remained the backbone of colonial strength, with a "volunteer Militia" accepting the burden of long-term military needs. But, over

1/ Society of Friends Service Committee. The Draft?: A Report Prepared for the Peace Education Division of the American Friends Service Committee, Hill and Wang, New York, 1968, p. 1.

2/ John O'Sullivan and Allen M. Meckler (Ed.). The Draft and Its Enemies: A Documentary History, University of Illinois Press, Illinois, 1974, p. xvi.

two hundred militia laws exempted many citizens. 1/ During Queen Anne's War (1713) Virginia Governor Alexander Spotswood complained that "no Man of an estate is under any obligation to Muster...even the Servants or Overseers of the rich are likewise exempted, and the whole Burthen lyes upon the poorest sort of people...." As the state militia systems deteriorated, exemptions increased, training decreased, and citizen soldiers were unwilling to leave home. 2/ Later, such unreliable behavior would be a tremendous problem to General Washington, and Tom Paine would write of the summer soldier and the sunshine patriot.

Whenever a force larger than the volunteer militia was required, the colonial legislature could call for additional volunteers. If this failed, the legislature would issue a draft call of men from the common militia. In 1755, Virginia Governor Robert Dinwiddie asked for legislation authorizing a draft. The inequities of the legislation favored the upper echelons of society and produced such a high rate of desertion and dissatisfaction that, in Fredericksburg, draft-incensed citizens stormed the city jail and released draftees held as deserters. 3/ Inequity in the draft is nothing new. Neither is resistance to it.

During the Revolutionary War, all states resorted to conscription. The unequal burden persisted, as draft laws frequently allowed a man to hire a substitute or pay a fine to avoid conscription. Since the Articles of Confederation stressed freedom from central authority, Congress was helpless in rectifying the inequities. It lacked the power to draft; it lacked money to pay enlistment and bounties equal to those the states could offer and it could not enforce equity under state draft laws. 4/ Again, Virginia experienced violence over the draft, this time with several protesters killed.

At the end of the war, Washington conveyed to Congress his "Senti-

1/ O'Sullivan, op. cit., pp. 4-5. The Massachusetts Militia Act of 1647 exempted members of the General Court, officers, fellows, and students of Harvard College, elders and deacons, schoolmasters, physicians and surgeons, masters of vessels over 20 tons, fishermen employed in all seasons, and all other individuals with physical problems or other causes excused by a General Court or the Court of Assistants.

2/ Ibid., citing Shy, Toward Lexington, p. 13. Vietnam was not the first war to arouse the criticism that the poor fight for the rich.

3/ Ibid., p. 5, citing Flexner, George Washington: The Forge of Experience (1732-1775), p. 138.

4/ Ibid., p. 7.

ments on a Peacetime Establishment." 1/ In recommending a small peacetime army backed by a well-regulated, federally provided, National Militia, he wrote of a universal military obligation:

It may be laid down as a primary position, and the basis of our system, that every Citizen who enjoys the protection of a free Government, owes not only a proportion of his property, but even of his personal services to the defense of it, and consequently that the Citizens of America (with a few legal and official exceptions) from 18 to 50 years of Age should be borne on the Militia Rolls, provided with uniform Arms, and [be] so far accustomed to the use of them, that the Total strength of the Country might be called forth at a Short Notice on any very interesting Emergency.

Regardless of "interesting emergencies," Congress reached back to our heritage in the Glorious Revolution and declared, "Standing armies in time of peace are inconsistent with the principles of republican governments." 2/ Then, Congress discharged the Continental Army.

But Congress could not discharge the questions of military manpower. Between the Revolution and the Civil War, the issue of compulsory military service emerged on several occasions. 3/ In 1786, the Secretary of War, Henry Knox, proposed a formidable militia plan, similar to Washington's. Introduced as legislation in 1790, however, it drew no response from Congress. The Constitutional Convention debated the status of the army and militia, but established no definite policy on conscription. To have overtly authorized a federal draft would have aroused insurmountable opposition in the state ratifying conventions. Congress was given the power "to raise and support armies," thus providing a basis for future federal conscription, but the Convention did not attempt to establish firm guidelines for the militia. Even so, there were several attempts in the ratifying conventions to limit federal military authority. Finally, Congress passed the Militia Act of 1792 which produced only a paper federal militia. It enrolled all white

1/ Ibid., pp. 27-28, citing The Writings of George Washington, vol. 26, edited by John C. Fitzpatrick, Washington, D.C., 1931-1944, pp. 374-391.

2/ Walter Millis. Men and Arms, G. P. Putnam and Sons, New York, 1956, p. 46.

3/ O'Sullivan. op. cit., pp. 20-52.

able-bodied males between ages 18 and 45, armed none of them, and diffused authority among the individual states.

With such legislation, the United States could not avoid problems in the War of 1812. There were many. Militiamen came, went, and mostly ran. Since there was no immediate invasion, and no insurrection imminent, several New England states protested that the President lacked authority to call for militia. The states then refused to hand over their boys to such arrogant power. Military defeats, political problems, and the mere burning of the Capitol were not enough to threaten reliance on the militia. Humiliation was added. As the militia were poised to invade Canadian Detroit, they recalled that foreign enterprise was not in their charter. At the brink of battle they turned and went home. Amid such travesty, the Secretary of War requested an army of "not less than one hundred thousand regular troops." To raise it, he proposed a national system of classification supported by a "draught," if necessary. In spite of opposition from New England, the legislation passed the Senate, was amended and passed the House. The differences in the legislation were about to be solved when the war ended. It was a close call for the archaic militia.

The Mexican War marked the end of the militia system as a serious reliance. At the outbreak of war, General Zachary Taylor asked for 5,000 militia men from Texas and Louisiana. The two faithful states gave him 10,000. But the men arrived too late for the initial battles, and with only a three-month term, they were discharged before any significant operations could begin. 1/ Congress granted the President power to accept volunteers "for twelve months...or to the end of the war," which was expected to be short. Congress' intention was to enlist men for the duration or longer --up to twelve months-- but when the war did not end quickly the ambiguity resulted in many volunteers claiming they could go home after a year. More than 40% did just that as General Scott was about to attack Mexico City. 2/ Although the Militia Act of 1792 survived until after the Spanish-American War, the failure of the state-controlled militia during the Mexican War had shown its unsuitability to anything but colonial conditions.

When the militia era ended with the Mexican War, several traditions had become clearly established that are relevant to the Selective Service System, the recent end of the draft, and to the founding of the All Volunteer Force. Foremost was the value of equity as it relates to who

1/ Millis, op. cit., pp. 104-105.

2/ Jack Franklin Leach. Conscription in the United States: Historical Background, Charles E. Tuttle, Rutland, Vermont, 1952, p. 129.

shall have to serve. Deferments had already resulted in inequities, and the state draft and militia laws had been accused of favoring the rich. Opposition to inequitable draft laws had been vocal and violent. On the other hand, fears of a professional military and of political subversion by it were also well established. There was some sense of a universal military obligation, though the militia had failed to fulfill it. A system of draft quotas had been established and was based on the notion that states and localities should share the military burden proportionally to their populations. Finally, there was the everlasting conflict between personal freedom and military requirements. These early traditions --along with others to be gained in the Civil War and the two World Wars-- helped to shape the modern Selective Service System and the issues which brought about the end of the draft.

INCREASING TECHNOLOGY - THE CIVIL WAR

Modern technology was creeping up behind the civilian soldier of the militia. The guns of Fort Sumter and Bull Run began more than the "short" war everyone had predicted, and within three months Lincoln had the authority to assemble a military force of more than a million men. The Civil War was the first total war in which millions of participants, the economies of each enemy, and finally, their respective cultures were all fuel for the resulting inferno.

Technology vastly increased the need for manpower. Railroads and river steamboats robbed the battlefield of finality, and telegraph enhanced mobilization and maneuver. As industry and technology increased the need for support troops, massed firepower increased the need for combat troops. ^{1/} Under such circumstances, national conscription came into being.

The South was first to enact national conscription, on April 16, 1862. With the Militia Act of July 17, 1862, the North almost enacted national conscription by allowing the President to establish terms of duty up to nine months and to impose his authority on states that did not have draft apparatus. The Enrollment Act of March 3, 1863, established the first federal conscription and lengthened the term to three years. Although Lincoln and his Secretary of War, Edwin Stanton, clearly took part in drafting the Act and supported it, they never publicly endorsed it. Both probably feared that public reaction would be negative and hence wanted the legislation to arise in Congress and appear to come from

^{1/} Millis, op. cit., pp. 122-124.

the grass roots. 1/

Again, inequities disabled the draft laws. Both the North and South allowed substitutes, and other provisions favored the rich. In the Union, draft exemption (eventually repealed) was available at the price of a \$300 commutation fee, while in the Confederacy the "twenty-nigger law" basically allowed the exemption of each owner or overseer of 20 slaves. On both sides opposition to the draft grew. The South had seceded in behalf of states' rights, and after defending them against Abraham Lincoln, Southerners were not about to abrogate them for Jefferson Davis. Governor Joseph E. Brown of Georgia went so far as to list fifteen thousand persons as indispensable state officials not liable to the draft. 2/ Other Confederate governors followed his example.

Northern opposition to the draft was more intense. The commutation clause became the "inequality clause," provoking slogans like "The rich man's money against the poor man's blood." In New York City, as the first national draft lottery got under way, a hostile mob stormed the Provost Marshal's office and burned it to the ground. For four days 50,000 rioters rampaged through the city, burning the property of rich and poor alike. Approximately a thousand people were killed in what still remains the worst riot in American history.

The draft was an intense political issue. Sidney Howard Gay, managing editor of the New York Tribune asked Lincoln to appoint a special commissioner to investigate the riot. The President refused, explaining that to do so would "have simply touched a match to a barrel of gunpowder." Riots had flared in other states and Lincoln recognized that conscription had not met with the ringing endorsement of the grass roots. The President wrote to Mr. Gay:

You have heard of sitting on a volcano.
We are sitting on two; one is blazing away already,
and the other will blaze away the moment we scrape
a little loose dirt from the top of the crater.
Better let the dirt alone -- at least for the
present. One rebellion at a time is about as much
as we can conveniently handle. 3/

1/ Leach, op. cit., pp. 163-164, citing White, Executive Influence in Determining Military Policy in the United States, p. 219.

2/ O'Sullivan, op. cit., p. 56.

3/ Leach, op. cit., pp. 296-297, citing James Gilmore, Personal Recollections of Abraham Lincoln and the Civil War, pp. 198-199, Carl Sandburg, op. cit., vol. II, p. 368.

Although opposition was intense, the draft was never a great source of manpower for the North during the Civil War. Volunteers fought the war. Prior to the first militia draft in August 1862, approximately one million men had volunteered. 1/ Rather than being a direct manpower source, the Enrollment Act was used to encourage further enlistment. Volunteers received bounties; reenlistment bonuses were available to veterans; and substitutes and commutation fees were permitted. Thus, federal draftees constituted only about 2% of the more than two million men who eventually served the Union. With peace at Appomattox and total exhaustion evident, the Grand Army of the Potomac --the largest and most powerful military force in the world-- marched down Pennsylvania Avenue in Washington and dispersed. This was consistent with Anglo-American aversion to large peacetime armies. The first federal draft was over; the Civil War had established federal induction authority and the use of draft pressure and incentives to enlist.

In 1869, Congress reduced the Army to 25,000 men, enough to fight the Indian Wars. The Army remained at that level until the Spanish-American War. That conflict, in contrast to the Civil War, was more of an excursion. Only 300,000 men served and less than 400 died. Conscription was never considered.

WORLD WAR I AND ITS AFTERMATH

As World War I rolled across Europe and then suddenly halted in a war of attrition, the Preparedness Movement grew in America. Theodore Roosevelt and former Chief of Staff General Leonard Wood espoused universal military training. The works of Emory Upton, a post-Civil War military analyst, became popular. He had recognized the ineptitude of the state-controlled militia and argued effectively for a greater federal force. In December 1915, President Wilson recommended increasing the regular army to 142,000 men and the reserves to 400,000. Six months later Congress gave him a regular army of 175,000, provided for additional increments, and enlarged the reserve force to 450,000. These expanded forces were to be volunteers, and when questioned as to whether they would be forthcoming the President replied, "Why, if they are not, it is not the America that you and I know...I am sorry for the skeptics who believe that the response would not be tremendous." 2/ But, the skeptics

1/ Ibid., p. 160. Given a white, male, northern population of 10.5 million, this was a tremendous outpouring of volunteers. No other democratic government has ever done so well.

2/ O'Sullivan, op. cit., p. 104, citing Tyron, "The Draft in World War I," Current History, vol. 44, June 1968, p. 340.

were more discerning than the President. As America entered the war the Army's strength stood at about 380,000 men and only 36,000 more could be induced to volunteer in the following two weeks. 1/ In April 1917 the administration proposed a draft bill which, during the same month, was passed by overwhelming House and Senate majorities.

This time the government did not repeat the mistakes of the Civil War. In August 1865 James Oakes, then Provost Marshal General of Illinois, reported on the lessons of his operation. His report was dusted off in 1917 to provide a script for the new Selective Service System. Accordingly, civilian rather than military personnel were responsible for most of the administration. To promote the image of volunteerism, citizens registered themselves rather than suffering the despotic image of military enrollment officers coming to people's homes. Substitutes and commutation fees were not permitted, and Congress enacted heavy penalties for draft evasion. With antipathy toward federal bounties, Oakes recommended:

...that a still better policy would be...
to dispense with government bounties altogether as
a means of promoting volunteering, and, instead,
to increase the regular pay of the soldier to such
an extent as would enable him, with prudence and
economy, to support his family or dependents while
in the army; relying upon the spirit of the people...
to secure volunteers, and when these resources failed,
call in the aid of the draft. 2/

The recommendations of James Oaks, except for those of better pay, were incorporated into the new draft law. Registration day was set for June 5, 1917. On that day nine and one half million men stepped forward to register -- and thus to claim their chance at joining the holocaust. The new law had been a success.

During the course of World War I, two-thirds (about 3,000,000 men) of the American armed forces were conscripts. Still, more than 300,000 people evaded the draft, but here again the Selective Service System improved over Civil War administration. Criminal prosecution was placed with the civil rather than military courts, thus removing another stigma of conscription.

1/ Ibid.

2/ Ibid., p. 97, citing James Oakes, Report on the Draft in Illinois, 1865.

At the end of World War I, the draft was allowed to lapse. Congress considered universal military training (UMT), but popular support had clearly peaked just prior to the war. The National Defense Act of 1920 reaffirmed America's peacetime reliance on voluntary recruitment. Universal military training went back into the political closet for another two decades. 1/

In 1936, Major Lewis B. Hershey was assigned to the Joint Army-Navy Selective Service Committee, which was responsible for manpower procurement planning. Within four years war had returned to Europe, and Congress had before it another draft law. Several Congressmen spoke out against the legislation. One was Representative Jerry Voorhis of California who warned his fellow Congressmen:

Believe me gentlemen, it is going to be difficult to ever repeal such a measure once you get it established, for you will have made of your military establishment one of the greatest economic factors in your whole country. You will have vested the greatest power in the Executive and the Army that the Congress has ever granted in all American history. 2/

In September 1940, America enacted its first peacetime draft, a policy that was to become nearly as permanent as Voorhis had feared. Six years later Jerry Voorhis lost his seat to an unknown Navy Lieutenant named Richard Milhous Nixon. Thirty-two years later President Nixon would finally extinguish that measure so "difficult to ever repeal."

MODERN SELECTIVE SERVICE

Modern Selective Service originated with World War II and became institutionalized during the Cold War and the prolonged debate over strategic concepts. While the origins are clear, its post-war evolution into a nearly permanent part of the military establishment is more complicated.

1/ O'Sullivan, op. cit., p. 107, citing Mooney and Layman, "Some Phases of the Compulsory Military Training Camp Movement, 1914-1920," Mississippi Valley Historical Review, vol. 28, March 1952, pp. 633-656.

2/ Society of Friends. op. cit., p. 5, citing Congressional Record, vol. 86, Pt. 10, p. 11396.

WORLD WAR II EXPERIENCE

Between the First and Second World Wars, America had allowed its military posture to sag. Although the National Defense Act of 1920 authorized an army of 280,000 men, Congress repeatedly failed to appropriate the necessary funds. When Germany invaded Poland in 1939, the U.S. Army stood at only 190,000 men.

Public pressure to remedy the situation again preceded government policy. In response to the European crisis, the Military Training Camps Association (heir to the pre-World War I Preparedness Movement) began organizing in May 1940 for passage of a new draft law. President Franklin Roosevelt did not immediately support peacetime conscription, but he did declare a national emergency and began mobilization. The President was cautious because he faced an election year during which either isolationists or internationalists might withdraw their support, and because the War Department doubted the wisdom of absorbing a mass of draftees and preferred to gradually expand and improve existing forces without risk to military appropriations. 1/ In spite of such caution, Roosevelt appointed Henry L. Stimson, a Republican interventionist, as Secretary of War. Stimson supported the Military Training Camps Association, universal military training and peacetime conscription.

On the day of Stimson's nomination, June 20, 1940, France fell to the Nazis, and a new draft bill was introduced in Congress. The events in Europe pressured the President. He soon endorsed the legislation for the draft, and on September 16th, Congress passed, by substantial majorities, the Selective Service and Training Act of 1940. With that act the modern Selective Service System began.

Strong opposition within Congress, political interest groups, and the public had arisen, however, prior to passage. Senator Burton Wheeler of Montana, one of the most effective spokesmen for the opposition, attacked the legislation as putting the nation on a road to war. Fearing that in the name of defense America would destroy what it had hoped to preserve, Wheeler pointed to militaristic and totalitarian states where conscription had stifled democracy. He criticized the draft for laying an unfair burden on jobless and low-paid workers. The argument that the draft was undemocratic also appealed to John L. Lewis of the Congress of Industrial Organizations (CIO), and he threw the weight of organized labor against the Act. Finally, the Gallup Poll reported that the country was evenly split on compulsory military service. 2/

1/ O'Sullivan, op. cit., p. 156.

2/ The Gallup Poll, vol. 1, Random House, New York, p. 226.

Such opposition won concessions in the final provisions. The law imposed a 12-month limit on the term of draftees, prohibited them from service outside the Western Hemisphere, and limited the number of draftees to 900,000 in service at one time. Congress later extended and modified the draft to suit the needs of World War II. The limitations were repealed and a date of birth sequence was substituted for the lottery method of selection. In all, nearly fifty million men registered, of whom more than ten million were inducted. Selective Service supplied two-thirds of the manpower for the armed forces during World War II and for that particular contribution, the System deserves credit.

TRANSITION TO PEACETIME POLICIES

The Second World War transformed public opinion of compulsory military service. While less than 40% of the nation had supported it in 1939, nearly three-fourths favored it after the war. Such an environment seemed fertile for a postwar military policy by which the nation would not lay down its arms as it had after previous wars. To President Truman this would mean universal military training (UMT).

However, a strong postwar manpower policy eluded the government until the 1950's. The Truman Administration never intended to establish permanent peacetime conscription. But against the background of rising Cold War tensions, a broad decade-long debate over military policy and the nearly continual use of the draft as a "transitional" measure eventually institutionalized the Selective Service System. The debate covered reserve policy (mostly under the issue of UMT), force size, and strategic theory. Permanent peacetime conscription was, almost by default, an eventual response to the debate and to the requirements of the Cold War.

In 1945, the Administration and the War Department pushed for universal military training; this was the first of several unsuccessful attempts. Roosevelt had endorsed UMT prior to his death. Soon the Administration readied a proposal --one year of compulsory training occurring at age 18 for all physically qualified males. Trainees were not to be part of the regular army, but would supply a readily mobilizable reserve.

The lack of a coordinated campaign eventually confused and ended this legislative effort. First, within the Army and War Departments there were differences over the size of the postwar army. In May 1944, the Special Planning Division of the General Staff recommended a much larger force than General Marshall, the Secretary of the Army, would approve. By February 1945, Marshall had the lower figures he wanted: 275,000 men in the active force backed by 110,000 in the combined UMT and active reserve. Second, the Navy and particularly the Army Air Force (which later became

the Air Force) were predisposed to a much larger force-in-being. ^{1/} Both had recruited more successfully during the war than the Army had, so they remained less interested in UMT. Finally, the first public presentation of the Administration's policy occurred in early 1945 before the House Select Committee on Postwar Military Policy. This body, however, was not empowered to propose legislation; consequently the discussions remained only theoretical.

Since the committee could not consider legislation, numerous arguments arose without ever being resolved during the hearings. Proponents of UMT cautioned that the U.S. faced world responsibilities to maintain peace. Opponents asked rhetorically, "What about the United Nations armed force?" Army advocates declared that UMT would ease mobilization and provide whole units rather than replacements, while Army adversaries countered that UMT graduates would require retraining and that smaller standing air and naval forces should be able to repel any would-be invaders. The Administration pointed out that UMT gave the most effective force per dollar, and the opponents evaded that issue. After all, UMT was not conscription, argued the War Department, but only training. The opponents replied that it was still peacetime and it was still compulsion. Marshall defended UMT by saying that the threat to American traditions came from a large standing army. And finally, opponents countered that UMT would, nevertheless, push us toward a militaristic society. The discussion resulted in no policy at all.

The American Legion, veterans' groups, and the Chamber of Commerce all sided with the Administration, while the NAACP, organized labor, and leftist groups tried to bury the proposal. With good motives toward UMT, the American Legion suggested a modified plan of four-months training with numerous options for additional training in ROTC, technical or professional schools, reserve forces, the National Guard, or service academies. The Legion had hoped to convert some opponents, until the Administration opposed the plan and thus divided the proponents of UMT. The drive evaporated; after so much huffing and puffing UMT just withered away. Round one in the fight over UMT was over.

The need for continued Selective Service distracted Congress and the Administration and so contributed to the demise of the first campaign for UMT. Induction authority was to expire on May 15, 1945. Although V-J Day remained several months ahead, Congress faced public pressure to

^{1/} James M. Gerhardt, The Draft and Public Policy, Ohio State University Press, Columbus, Ohio, 1971, pp. 12-15.

accelerate demobilization, emphasize volunteer recruiting, and end inductions. From a combined Navy and Marine strength on V-J Day of 3,900,000 men, the Navy projected it could reduce its forces within a year to 558,000 men in the Navy and 116,000 in the Marine Corps. By accelerating their recruiting drives both Services expected to be all-volunteer. The Army stood at 8,000,000 men and expected to shrink to 2,500,000 by July 1, 1946. Of these, 1,700,000 would remain involuntarily after V-J Day, while another half million would be draftees, and 300,000 would be new recruits. The Army stressed that these were interim goals, and that it required Selective Service as a transitional measure. With some reservations, Congress extended the 1940 act until May 14, 1946.

The Army faced a much harder fight for draft renewal in 1946 because recruiting was more successful than anticipated and because the needs of national security remained unclear. By January the Army had passed its previous goal for volunteers and hoped to attract by July 1 a total of 650,000 enlisted men plus 150,000 officers. In March the estimate was for a volunteer Army of 950,000, which was expected to remain near that level until January 1948. ^{1/} Such projections confused Congress as to what could be accomplished by Army recruiters. While shortages were not immediate, they were anticipated if inductions and draft pressure ceased. Secretary of War Patterson said he desired a volunteer force, but that the country needed a draft extension. The situation became more confused when Soviet troops moved into Azerbaijan, Iran, thus precipitating the first crisis of the Cold War.

For the third and last time Congress reluctantly extended the World War II draft until March 31, 1947. By January 1947, the Army was contemplating the early release of some draftees, and the new Eightieth Congress appeared more hostile to continued use of Selective Service. In mid-January draft calls ended. The law was allowed to lapse at the end of March.

As reliance on the draft had diminished in late 1946, Truman initiated a second campaign for universal training. In December, he had appointed a commission headed by Dr. Karl Compton of the Massachusetts Institute of Technology to study UMT. Partly in response to rising Cold War tensions, the Compton Report approved UMT as "a matter of urgent necessity." ^{2/} A new Administration proposal --requiring six months training and including the options previously proposed by the American Legion-- was introduced. Debate over the legislation reiterated the old issues. One new

^{1/} Ibid., p. 46.

^{2/} President's Advisory Commission on Universal Training. A Program for National Security, (Compton Report), May 29, 1947, Government Printing Office, 1947, p. 2.

argument arose which indicated future disagreement over strategic theory. "Balanced force" and "air power" theorists respectively placed different emphasis on manpower and technology. Those advocating UMT claimed that the technical nature of modern war demanded prior training. Their opponents replied that technology would quickly render training out-of-date and that "push-button war" would not need UMT.

When the House Armed Services Committee reported favorably on the bill on July 25, 1947, 11 of the 31 committee members were absent. Although the vote was unanimous, the number of absences suggests that an agreement was worked out with the leadership not to seek any floor action, for the bill never got through the Rules Committee. 1/ In the Senate no activity occurred in behalf of UMT. Thus, the second campaign ended from lack of attention; the United States still remained without a definite military manpower policy.

From April 1947 to June 1948, the Armed Services relied on volunteer recruitment. Its failure at this time helped preclude further consideration of a volunteer force. While the Air Force and Navy avoided serious manpower shortages during this brief period of a volunteer force, the Army and Marine Corps could not maintain their strengths. Through late 1947 and early 1948, the Army increased voluntary enlistments substantially but lost more than twice as many men per month as it recruited. When General Eisenhower retired from active duty in February 1948, he warned that Army strength was 100,000 below appropriated levels and anticipated greater manpower shortages ahead. 2/ Three elements contributed to the problem -- the widening gap between military and civilian pay schedules, the Army's increase in its acceptable mental test standards, and continued demobilization.

All the factors that would lead to the institutionalization of Selective Service had now become evident. The issues of reserve policy, force size, and strategic theory were unfolding. The draft was established as a peacetime tool, although theoretically it was "transitional." A volunteer policy had been judged inadequate to provide a force of 1.7 million men. Most importantly, the Cold War provided a turbulent background against which Selective Service would be perpetuated.

POLICY FLUCTUATIONS DURING THE COLD WAR AND KOREAN WAR

Throughout the early postwar years, East-West relations had chilled,

1/ Gerhardt, op. cit., p. 71.

2/ James Forrestal. James Forrestal Diaries, Edited by Walter Millis, Viking Press, New York, 1951, pp. 370-375.

due largely to Soviet intransigence. Conditions in Greece, Palestine, and Italy were potentially explosive, and China was near collapse. Citing the shortage of trained manpower should military force be required, Secretary of State George Marshall warned the Administration: "We are playing with fire while we have nothing with which to put it out." 1/

In February 1948, the communist coup in Czechoslovakia verified those fears the Administration had hesitated to verbalize. Three weeks later Truman renewed his call for UMT and --to the surprise of many-- asked for reenactment of Selective Service. This time both the House and Senate acted. In 1946, UMT had lacked dramatic appeal. Now with troop strength far below authorized levels, the situation appeared dangerously unsettled. The Marshall Plan for economic assistance to Europe had formed the keystone of American foreign economic and political policy. It now appeared to need the underpinning of a more effective force. 2/

However, the dispute between "balanced force" and "air power" theorists interfered. In August 1947 the War Department Policies and Programs Review Board had issued the Haislip Report which recommended a balanced force approach with reliance on UMT in the event of nuclear war. The Report subscribed to the conclusion of the Compton Commission that an atomic attack would be so disruptive that only an immediately mobilizable reserve could repel an invasion, maintain order, and hold bases from which to launch a counter-attack. 3/ But in January 1948, the Finletter Report (of the President's Air Policy Commission) suggested that greater emphasis be given to air power. Both reports recognized the threat of atomic war, but the Finletter study assumed that atomic war would end with the outcome dependent on an initial all-out attack. Only massive air power, the Commission concluded, could threaten a counter-attack, and deter an enemy.

1/ Ibid., pp. 372-373.

2/ Gerhardt, op. cit., pp. 89-90 and Forrestal, op. cit., pp. 373-377.

3/ War Department Policies and Programs Review Board, Final Report, (Haislip Report), August 11, 1947, pp. 11, 46-47, 110-111.

4/ President's Air Policy Commission. Survival in the Air Age, (Finletter Report), January 13, 1948, p. 4.

The conflict between these two approaches helped to perpetuate the draft. Once again, the Administration planned that Selective Service would play a "transitional" role. Plans were made to strengthen each of the Services, yet still keep them "balanced," a concept much emphasized by the first Secretary of Defense, James Forrestal, as well as the Haislip Report. Draftees initially were to provide the extra manpower, and eventually UMT was to eliminate the need for them by enlarging the reserves. Fiscal obstacles arose, however, as the annual cost estimates of UMT eventually lost to the air power advocates, thus stripping Selective Service of its "transitional" purpose.

While the Army and Navy supported the Administration on UMT in Congressional hearings in 1948, the Air Force openly expressed what had been its previous apprehension. Air Force Secretary Stuart Symington asserted that any Soviet-American war would be decided by air power. He warned that the Russians were about to acquire atomic weapons and that the United States would not possess a deterrent unless it immediately started building adequate air power. Selective Service would be needed to provide the Army with the manpower necessary to hold, support, and defend air bases, Symington contended, but UMT was not needed. In the House, Representative Lyndon Johnson asked a critical question: given a choice between UMT and an adequate air force, which would provide greater security? "Well," Symington answered, "if my two boys have to go back into the Army and Marines, I would rather see them have a minimum Air Force than I would a group of younger boys trained for six months or a year....The Compton report said that if UMT had to be at the expense of the military services they would not only not be for it, they would be against it. That is our position." ^{1/} Symington had strongly attacked UMT; no new arguments were advanced to defend it. With the defeat of UMT in Congress, Selective Service stood along as the nation's manpower procurement policy.

While the opposition to UMT had remained unified --and was strengthened by the air power advocates-- some previous opponents of Selective Service (usually labor and farm leaders) either softened their stand or gave reluctant endorsements of the new draft law. The question remained as to how "temporary" conscription would be. Congress eventually limited the act to two years without defining long-range needs and authorized an active force in excess of two million men. In June, the Selective Service Act of 1948 passed, but few people recognized that immediate and long-range manpower policies might become the same. ^{2/}

^{1/} Gerhardt, op. cit., pp. 98-100, citing SCAS, UMT, Hearings, 80C2, pp. 34, 39, and HCAS, Selective Service Hearings, 80C2, pp. 6127-28.

^{2/} Ibid., p. 122.

Even as Congress was expanding the Services and considering the draft, Truman and his budget director, James Webb, were planning to hold defense spending to about 15 billion dollars. Had Congress and the public known that the President intended such a ceiling, the Selective Service Act might not have passed. 1/ Only a few thousand men were actually inducted under the Act during the first few months after passage. Enlistment rates started to rise in late 1948. When the draft approached its expiration date in June 1950 there had been no inductions for nearly a year and a half.

Prior to June the Administration asked for a three-year extension, without amendments, of the existing law. Since there had been no inductions in 17 months, the House balked at the extension. Greater questions arose over presidential authority to commence inductions without Congressional approval. Both the House and Senate passed bills limiting presidential authority, and the Senate asked for a conference on June 22nd to mend the differences between the two versions. On the following day, all argument stopped with the news that the North Korean Army had crossed the 38th parallel. The conferences quickly recommended, and Congress passed, a one-year extension of the existing law.

The question of presidential authority remained unanswered. More importantly, Congress never addressed another question implied by the authority --that is, what circumstances would justify inductions? Was conscription an emergency tool only, or was it the purpose of Selective Service to remedy shortfalls in recruit requirements? Was it transitional, and if so, to what? Or, was it permanent? The Korean War pre-empted debate on these policy questions.

Though Congress did not set the policy, a policy did eventually evolve. During the period from 1945 to 1950, military considerations had remained in flux. Pressures and counter pressures from the A-bomb, the H-bomb, Russian atomic potential, UMT, demobilization, the Marshall Plan, balanced force and air power theorists, Soviet intransigence, and communist expansion all were intermingled in a whirlwind of argument. In response to the need for an overall review of American foreign and military policy, the National Security Council produced "NSC-68," a study which "...urged the expansion of American capabilities for both limited war and all-out war and the strengthening of the allies of the United States. All this would require a vast expansion of the security effort," possibly to the level of \$35 billion per year. 2/ Although

1/ Forrestal, op. cit., p. 438.

2/ Samuel P. Huntington. The Common Defense: Strategic Programs in National Politics, Columbia University Press, New York, 1961, p. 51.

NSC-68 proposed neither specific policies nor programs, it did "make the case that strategic air power was not enough --perhaps the most important single point in military strategy then and in the following decade." 1/ Clearly, the "balanced force" argument meant some role for Selective Service, although Congressmen were allowed to believe that the draft would remain an emergency measure.

The next major dispute over manpower policy occurred during consideration of the Universal Military Training and Service Act of 1951. The Administration sought to extend induction authority until 1955, expanded the manpower pool, and established a long-range training and service program. In the midst of the Korean War, Congress extended the authority as requested and granted most Administration proposals to expand available manpower. The induction age was lowered to 18, the term of service was lengthened, and authority for recalling reservists granted.

During the Congressional consideration of the 1951 act, the Administration encountered continued opposition to its hopes for a long-range training and service program. None of the old UMT opponents had vanished, and now some of the proponents feared that the program might interfere with rearmament for the Korean War. The final provisions of the 1951 act formed a National Security Training Commission, but at the insistence of the House, only permitted the Commission to submit legislative recommendations. Final authority as to future implementation of UMT remained completely with Congress.

When the National Security Training Commission produced its legislative recommendations, the Defense Department proposed that the first UMT graduates go into active service in order not to detract from the Korean War manpower needs. This proposal stunned the members of Congress who had been "indoctrinated in the postwar litany that carefully distinguished between training for the reserves (UMT) and service in the active forces." 2/ UMT was returned to committee never to emerge again.

A year later, in the Armed Forces Reserve Act of 1952, Congress reorganized the reserves into ready, standby, and retired components in order to distinguish which units could be most easily brought to active service. The act also established programs to guarantee an adequate supply of manpower to the drilling units of the Reserve Components.

1/ Paul Y. Hammond. "NSC-68: Prologue to Rearmament," in Warner Roller Schilling, Paul Y. Hammond, and Glenn H. Snyder, Strategy, Politics, and Defense Budgets, New York, Columbia University Press, 1962, pp. 345-363.

2/ Ibid., p. 171.

Three years later, the Reserve Forces Act of 1955 established a reserve obligation following active duty and required Ready Reservists to train regularly. Further incentives were enacted for voluntary National Guard training programs. Thus, two important goals of UMT, the guaranteed supply of manpower to Reserve components and the formation of trained mobilizable reserves, were fulfilled by other legislation.

During the early postwar years, Selective Service had continually been approved as a temporary or transitional measure. The Truman Administration had hoped that UMT would eventually provide readily mobilizable reserves to supplement the smaller active forces and that Selective Service would no longer be necessary. With the failure of UMT proposals, however, Selective Service could not remain transitional.

The Eisenhower Administration completed the institutionalization of the draft, even though the Administration shifted defense plans to provide more air power and less manpower. Eisenhower's "New Look" policy emerged in response to the Cold War, increased allied military strength, and improved weaponry. Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, anticipated "ten to twenty years of tension" during which the free world would have to be constantly able "to make the penalty of aggression certain, prompt, and severe." ^{1/} Air power was the key deterrent, but Radford foresaw vital roles for each of the Services:

We need forces which will deter aggression in consonance with the concept for collective security with our Allies in Europe, the Far East, and elsewhere; forces which will provide an improved mobilization base for a general emergency; forces which will protect our sea and air lines of communication; forces which would provide the basis for winning a war -- an all-out war-- if war is forced upon us; and forces which will improve the adequacy of our continental defense. ^{2/}

This policy resembled that of NSC-68, in that the implications were continued high defense expenditures and high levels of military manpower. As massive retaliation became the policy, active force strength dropped from over 3.5 million in Fiscal Year 1953 to less than 2.5 million in

^{1/} Interview with Admiral Arthur Radford, U.S. News and World Report, March 5, 1954.

^{2/} Ibid.

Fiscal Year 1961. The Army sustained most of this decline, while the proportion of active duty personnel in the Air Force and the Navy grew. ^{1/} The redistribution accentuated the need for skilled individuals. The draft fulfilled that need indirectly by stimulating a flow of individuals who enlisted in the Service they preferred instead of waiting to be drafted into the Army. These were called draft-motivated enlistees.

The institutionalization of Selective Service evolved as a policy, rather than the policy ever being officially declared. NSC-68 had recommended massive defense expenditures and the Reserve Forces Acts of 1952 and 1955 had provided an alternative to UMT for strengthening the reserves. When the Eisenhower Administration's "New Look" policy pursued the expenditure level sought by NSC-68, what remained of UMT was too expensive. Likewise, a volunteer manpower policy was too expensive. Finally, Selective Service provided sanctions for enforcing the clause in the Reserve Forces Act of 1955 which obligated those entering the Services to Ready Reserve duty. So, the strong reserve policy, which the UMT advocates had favored and had hoped would eliminate the need for the draft, was not dependent on Selective Service. Conscription was no longer transitional; it was entrenched.

As a proportion of enlisted procurement, inductions dropped from 33 percent in Fiscal Year 1954 to 9 percent in Fiscal Year 1961. As inductions plummeted, Selective Service had to justify taking a few men from the many available. As early as 1955, new regulations began to emerge which effectively deferred fathers and men over age 26. The annual report of Selective Service for that year urged that "a freer deferment trend would seem to be in order." ^{2/} Occupational deferments were also eased; the new policy was referred to as "channeling" by which deferment provided a de facto incentive to pursue particular training and occupations. Even parenthood was considered in the national interest. This implied power in the hands of a quasi-military institution later aroused criticism during the Vietnam War, and brought back the centuries-old argument that the burden of conscription was not equally distributed.

As manpower demands dropped there could have been greater pressure to abolish the draft. However, just the opposite was true. The Department of Defense and Selective Service rationalized the draft by pointing out that:

^{1/} Office of the Secretary of Defense, Directorate for Statistical Services, August 29, 1962.

^{2/} Gerhardt, op. cit., p. 235.

- (1) The draft stimulated enlistment in all Services.
- (2) Higher aptitude candidates were induced by draft pressure to voluntarily enlist in 3- and 4-year training programs.
- (3) The threat of being drafted supported officer training programs.
- (4) Conscription supported the reserve forces.
- (5) The all volunteer policy had failed from 1947 to 1948, and would be too expensive to sustain and equip the force size required.

After Korea, these views were accepted by Congress and the public, and in 1955, 1959, and 1963, the renewal of draft authority at intervals of four years became perfunctory. No major issues emerged. ^{1/}

By 1960, Eisenhower's "New Look" was getting rather old. Kennedy's "New Frontier" retired the strategy of massive retaliation and introduced one of flexible deterrence. Conventional strength again received higher priority in order to meet the threat of brush fire wars. However, active strength expanded only marginally prior to the Vietnam War, as more effort went to better equip, train, and transport American forces. Furthermore, Department of Defense studies had shown poor reenlistment rates among skilled and professionally trained personnel. As early as 1958, the Cordiner Report successfully urged pay increases to "encourage and reward outstanding performance, advanced skills, and military careers for high quality personnel." ^{2/} However, the resulting pay policy did not apply to personnel with less than two years' experience, since the draft guaranteed an adequate supply of new entrants. Subsequent pay increases in 1963 and 1964 ignored those with less than two years experience.

^{1/} During the 1956 campaign, Stevenson recommended that inductions might be ceased, but Eisenhower maintained that he knew more about military affairs. The public accepted Ike's statement, and peacetime conscription vanished as a campaign issue.

^{2/} Defense Advisory Committee on Professional and Technical Compensation. Report and Recommendations for Secretary of Defense, (Cordiner Report, 1957), Government Printing Office, vol. 1, 1957.

Meanwhile, Selective Service faced another problem. Though it had won Congressional and public acceptance, the postwar "baby boom" was coming of age. Since the mid-1950's, "channeling" had involved a freer trend in deferments and thus helped to manage the increasing number of men eligible for the draft. In 1962, the Department of Defense projected that by 1968 existing "channels" of deferment would overflow, and there would be a surplus of men who could not qualify for any of the liberal deferments. ^{1/} To help control the overflow, Selective Service began in late 1963 to defer all married men. A flurry of criticism arose in Congress and the press. Both of the old ideals of equity and universal obligation were becoming untenable. The government had no business encouraging marriage. Pressure mounted in Congress when several bills were introduced to establish a commission to examine the Selective Service System. Senator Barry Goldwater (R-Arizona), who was seeking the Republican presidential nomination, declared his intention to end the draft. In April 1964, President Johnson responded by ordering the Department of Defense to study the draft. These events mark the beginning of a period of criticism of the draft.

THE DRAFT UNDER FIRE

The failure of "channeling" brought the first major public criticism of the draft since prior to World War II. The Kennedy and Johnson Administrations considered draft reform but little was accomplished. There was an abortive Defense Department study of the volunteer force in 1964. The acceleration of the Vietnam War, the increase in draft calls, campus dissent, and the peace movement created an environment in which something had to be done about the draft. There was also a body of literature in the economic journals which provided the rationale for a volunteer force policy. Against this background, the Republican presidential candidate in 1968, Richard Nixon, outlined what became the policies for not only reform of the draft but also for the end of it.

The 1964 Department of Defense study of the draft was the first of several studies between 1964 and 1968 which failed to accomplish reform. Although the study did not result in policy changes, it did provide a "trial run" for those who would later advise the Nixon Administration to end the draft. The major alternatives posed to those involved in the 1964 study were:

- (1) Continuation of the draft -- with or without changes in selection policies, tours of duty, etc.

^{1/} Project 61 - Extension of the Selective Service Act, OASD (Manpower), October 1962.

- (2) Termination or phase-out of the draft -- with or without major changes in pay structure, recruitment and utilization policies. 1/

The staff of the study project concluded that an all volunteer force was feasible in peacetime -- by the early 1970's. The substance of their report, including favorable recommendations on a volunteer force, reached the Secretary of Defense, Robert McNamara, around mid-May 1965. 2/ However, between March 1964 and May 1965, the situation in Vietnam had deteriorated. From McNamara's position, it was evident that more than a few thousand troops --what had been publicly acknowledged-- would be needed. While McNamara testified that 20,000 were immediately needed, Pentagon planners were developing plans to deploy another 50,000. Vietnam not only made the volunteer force unfeasible, but a public discussion of the issue would have opened up the whole thorny question about how many troops might be needed in Southeast Asia. Accordingly, McNamara withheld the study from public release.

The draft and opposition to it continued, as draft calls increased with the acceleration of the Vietnam War. In July 1965, several protesters burned their draft cards. In an effort to suppress such dissent, Congress enacted legislation --sponsored by Representative L. Mendel Rivers, the Chairman of the House Armed Services Committee-- to establish a five-year prison term and a \$10,000 fine for willful destruction of draft cards. Nevertheless, the protests continued. By October, the Department of Defense anticipated a December call of more than 45,000 --15 times that of the preceding February. Finally, after urging from Senator Stennis to crush the anti-draft movement, the Administration began prosecutions of draft resisters. The Attorney General, Nicholas Katzenbach, suspected communist involvement in the draft resistance and ordered a probe of several anti-draft and anti-war groups. General Hershey, the Director of Selective Service, ordered local boards to use reclassification to 1-A status (immediately available for the draft) as a penalty for some of those who had participated in sit-ins at Selective Service offices. Against this background, President Johnson ordered the end of additional deferments for married men, and the New York Times reported that 171 couples rushed

1/ Memorandum for the Secretary of Defense, Robert McNamara, Subject: Military Manpower Policy Study, from Assistant Secretary of Defense, Norman S. Paul, March 1964.

2/ Jack Raymond, "Pentagon Finds Draft Must Stay; Urges Revisions," New York Times, p. 1, May 9, 1965.

to Las Vegas to get married and beat the deadline. 1/

As protests continued to mount, an overhaul of the system appeared necessary. There were many suggestions for reform. In May 1966, McNamara suggested that "some other volunteer developmental work at home or abroad" be allowed as an alternative to the draft. 2/ Consideration of national service drew the support of former Secretary of Defense Thomas Gates. 3/ The President of Yale University, Kingman Brewster, mocked the system for drafting only those "who cannot hide in the endless catacombs of formal education." Unusual criticism even sparked unusual agreement: both Richard Nixon and Ted Kennedy urged the adoption of a national lottery to alleviate the inequities of the draft. In June, the House Armed Services Committee opened hearings for review of the Selective Service System, and Chairman Rivers noted "the absolute dependence of our Armed Forces on the assistance they get from the draft law." 4/

Rivers had set the tone of what was to follow: there would be no tampering with the draft law. During the hearings, General Hershey opposed the lottery --as he continued to do until it was finally forced upon him in 1969. With respect to the volunteer force, the Assistant Secretary of Defense (Manpower), Thomas Morris, presented a brief, "updated" version of the statistics from the 1964 DOD draft study. According to Morris, a volunteer force was unfeasible and the costs were prohibitive. 5/ He estimated the additional cost of a 2.7 million man volunteer active force at between four and seventeen billion dollars. The wide range in the estimated cost of a volunteer force was attributed to different assumptions about variables such as unemployment, enlistment and reenlistment rates, fringe benefits, and the ability of the Services to replace military personnel with civilians. The result of the statement was to confuse the issue of how much a volunteer force would cost. The hearings

1/ New York Times, August 28, 1965, p. 8.

2/ McNamara's address to American Society of Newspaper Editors in Montreal, May 18, 1966 as reprinted in New York Times, May 19, 1966, p. 1.

3/ New York Times, June 7, 1966, p. 2.

4/ Jean Carper. Bitter Greetings, Grossman Publishers, New York, 1967, p. 22.

5/ Statement of Thomas Morris before the House Committee on Armed Services, Hearings on Selective Service, June 30, 1966.

ended with Selective Service virtually unscathed in Congress, but the Gallup Poll reported that only 43% of the public thought the system was fair. This was the lowest rating ever registered on the draft during wartime. ^{1/}

The June hearing did little to relieve pressure for reform. President Johnson then appointed the National Advisory Commission on Selective Service under the chairmanship of Burke Marshall, of International Business Machines Corporation, to study the draft again. The advisory commission was to report by January 1, 1967, well before consideration of draft renewal the following June. However, the Marshall Commission soon showed signs of being at least partly another tactic to relieve political pressure. George Reedy, the President's former press secretary, was appointed, and he soon became the White House man on the Commission to assure that the effort stayed on track and avoided the pitfalls of the volunteer force. ^{2/} By mid-October the group had held only two official meetings, thus giving little opportunity for knowledgeable draft critics to examine, challenge, or debate the premises, facts, and theories with which the Commission was working. ^{3/}

During the time the Marshall Commission studied the draft, several national conferences were held on the subject. The most important of these was at the University of Chicago, where the volunteer force was debated extensively between Harold Wool, the Director of Procurement Policy at Defense who doubted the feasibility of the volunteer force, and Dr. Walter Oi, formerly with the staff of the 1964 DOD draft study, and whose studies supporting the feasibility of the volunteer force had not been published in the summary version of the 1964 study issued to the Marshall Commission in 1966. The conferences and the continued resistance and protest kept the draft issue in the forefront of the debate on Vietnam.

In January 1967, the Marshall Commission submitted its report which recommended several draft reforms. Among them were:

- Eliminating most educational and occupational deferments because of their unfairness.
- Changing the order of call to youngest rather than oldest first so as to be less disruptive to career planning.

^{1/} Carper, op. cit., p. 15.

^{2/} Interview with Harold Wool, former Director of Procurement Policy, May 1975.

^{3/} Bruce K. Chapman, "Politics and Conscription: A Proposal to Replace the Draft."

- Adopting a national lottery.
- Consolidating the local boards.

The report gave short shrift to the volunteer force and concluded that such a policy would be too expensive even while acknowledging that the Department of Defense could not provide a solid cost estimate. Some members of the commission feared the establishment of a mercenary force. Most believed that a volunteer force would lack the flexibility to meet a sudden crisis. Against the background of rising manpower needs for Vietnam, these conclusions were acceptable to the Johnson Administration and went a long way to support draft renewal the following June.

Soon after the Marshall Commission issued its report, a special civilian advisory panel to the House Armed Services Committee -- the Clark Panel under the chairmanship of General Mark Clark, U.S.A., retired -- issued its own investigation of military manpower procurement. Its brief report also dismissed a volunteer force as too expensive, mercenary, and inflexible. However, the Panel's opposition to the lottery and support of a more traditional deferment policy constituted two significant differences from the Marshall Commission. Like the Marshall report, the Clark report helped to establish the case for subsequent renewal of draft authority.

Before Congress took up the draft issue in 1967, President Johnson, in a special message to Congress, cautiously endorsed several changes in manpower policy. He promised an Executive Order "directing that in the future, as other measures [I am] proposing are put into effect, men be drafted beginning at age nineteen." ^{1/} However, the "other measures" were either cast well into the future or deferred for further study or debate. Johnson asked for a "fair and impartial random" (FAIR) method of selection to become operational by January 1, 1969, but deferred any decisions on undergraduate deferments. He did recommend elimination of most graduate deferments and reorganization of Selective Service. Outside of his message, the President recommended repeal of the "1951 proviso" which protected local boards from having to make deferment decisions solely on the basis of national government criteria. ^{2/} The "1951 proviso" protected local board autonomy, and, therefore, inequity. In general, however, the President did not press hard for draft reform.

^{1/} Summary of "Major Recommended Changes on the Draft," prepared for the House Committee on Armed Services, citing President's Message, p. 7., March 1967.

^{2/} Gerhardt, op. cit., p. 232.

Congress responded by rejecting all the substantive proposals for reform and, in June, passed the Military Selective Service Act of 1967. The Act prevented the president from implementing a lottery or provisions to draft younger men first without Congressional approval. Congress also reaffirmed the "1951 proviso" and protected undergraduate deferments from presidential tampering except in national emergencies.

The failure of Congress and the Johnson Administration to reform the draft in 1967 was important to the evolution of the All Volunteer Force. That failure, continued high draft calls, and increased opposition to the war and the draft assured that the draft would be a major issue during the 1968 presidential campaign. In October of that year, the Republican candidate for president, Richard Nixon, declared his intention to move toward ending the draft when the war in Vietnam was over. ^{1/} His statement --portions of which follow-- broadly outlined the rationale for the All Volunteer Force:

...A system of compulsory service that arbitrarily selects some and not others simply cannot be squared with our whole concept of liberty, justice and equality under the law. Its only justification is compelling necessity....

We have all seen, time and time again, how hit-or-miss the workings of the draft are. You know young people, as I do, whose lives have been disrupted first by uncertainty, next by conscription. We all have seen the unfairness of the present system.

Some say we should tinker with the present system, patching up an inequity here and there. I favor this too, but only for the short term.

But in the long run, the only way to stop the inequities is to stop using the system.

^{1/} Stephen Herbits, the Special Assistant to the Secretary of Defense (1976) in an interview with the authors August 5, 1975, said that Martin Anderson, then an associate professor of business at Columbia University, had written a memorandum to Nixon in 1967 which led to Nixon's interest in the All Volunteer Force. Anderson was the research director for the 1968 presidential campaign of Richard Nixon.

How, then, do we recruit [more] servicemen? What incentives do we offer to attract an adequate number of volunteers?

One kind of inducement is better housing, and better living conditions generally. But to recruit and to retain the highly skilled specialists the services need, military life has to be more competitive with the attractions of the civilian world.

The principal incentives are the most obvious: higher pay and increased benefits....

It will cost a great deal to move to a voluntary system, but unless that cost is proved to be prohibitive, it will be more than worth it.

The alternative is never-ending compulsion in a society consecrated to freedom. I think we can pay a great deal to avoid that....

In proposing that we start toward ending the draft when the war is over, I would enter two cautions: first, its structure needs to be kept on stand-by in case some all-out emergency requires its reactivation, but this can be done without leaving 20 million young Americans who will come of draft age during the next decade in constant uncertainty and apprehension.

The second caution I would enter is this: the draft can't be ended all at once. It will have to be phased out, so that at every step we can be certain of maintaining our defense strength.

But the important thing is to decide to begin, and at the very first opportunity to begin....

Today all across our country we face a crisis of confidence. Nowhere is it more acute than among our young people. They recognize the draft as an infringement on their liberty, which it is. To them, it represents a government insensitive to their rights, a government callous to their status as free men. They ask for justice, and they deserve it.

So I say, it's time we looked to our consciences. Let's show our commitment to freedom by preparing to assure our young people theirs.

The speech was a campaign promise to move toward ending the draft when the war was over. The draft had been institutionalized in the 1950's. Its many inequities emerged in the early 1960's and became readily apparent during the Vietnam War. Public protests against the war and the draft rose and often erupted into violence, but the governmental institutions had so far failed to respond with any meaningful reform. A number of Congressmen and academicians who were to play important roles in ending the draft emerged in the late 1960's as advocates of a volunteer force. The election of Richard Nixon brought a president who was committed to national security and who favored draft reform and a volunteer force. The stage had finally been set for an effort to end the draft.

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Part II

THE GROWTH OF THE ALL VOLUNTEER FORCE

CHAPTER II
THE DEVELOPMENT OF PLANS

Plans get you into things but you got
to work your way out.

Will Rogers

Nearly seven years elapsed between the establishment of the President's Commission on the All Volunteer Force early in 1969 and the successful accomplishment, by the end of 1975, of the Department of Defense program for achieving a volunteer force. A year earlier, it was apparent that the number and quality of officers and enlisted personnel needed for the Active Forces could be sustained without the draft but the solutions of manning problems of medical officers and of the Reserve Components were still uncertain. Progress during the seven years was not smooth and even, and for several years a successful outcome did not appear to be assured.

During 1969 and 1970 the President's Commission and the Department of Defense were largely occupied with study, analysis and program planning.

Calendar year 1971 was the year of Congressional debate on the volunteer force. The hearings on the Department of Defense proposals to move to a volunteer force over a two-year time span were held in February. The legislation to extend the draft for two years and to enact a massive entry pay raise -- an initial step toward a volunteer force -- was enacted in September. The FY1972 Appropriations Act, making new funds available for the volunteer force program, was also enacted in 1971.

Calendar year 1972 was the first full year of implementation of the program. In December 1972 -- six months before the expiration of the draft authority -- the last inductee entered the Army. In March 1973, Secretary of Defense Elliott Richardson, speaking in behalf of the Nixon Administration, announced that he had advised the Chairmen of the Armed Services Committees that no further extension of the draft was necessary beyond July 1, 1973.

The last remaining piece of legislation -- the Special Pay Act for Medical Officers -- was passed in May 1974 and offered the solution for the last remaining manning problems. The last inductee was separated from the Army in December 1974. By this time it was apparent that the volunteer force could be sustained. After the 1975 successes in reaching enlistment goals, when higher unemployment helped increase the quality of enlistments, the feasibility of the volunteer force was well established.

Four major planning decisions appear, in retrospect, to have been critical to success in ending the draft and achieving the All Volunteer Force (AVF):

- (1) To renew the draft authority for two years after its expiration on July 1, 1971. Including actions taken before the passage of legislation, this allowed three years for the transition to the volunteer force.
- (2) To set aside \$3.5 billion annually to accomplish the goal of ending the draft and reaching a volunteer force, including over \$2 billion annually to make entry level military pay competitive with civilian pay.
- (3) To give priority in the allocation of resources to the Army on the grounds that, if the Army could meet its relatively large entry requirements on a voluntary basis, the other Services -- with a much better "image" among young men and women -- could probably meet their entry requirements.
- (4) To build an effective recruiting organization in each of the Services.

Secretary of Defense Melvin Laird and Assistant Secretary of Defense Roger Kelley involved senior military leaders in the planning at an early stage. This involvement was also critical to the success of the volunteer force.

This book covers the making of these and other important decisions; the implementation of the programs which followed the decisions; and the successes and failures of the program. The book basically is the story of how the draft was ended and the All Volunteer Force was achieved. Part II of the book may be characterized as the story of the growth of the volunteer force; Part III discusses special aspects, problems, and issues which accompanied this growth.

PLANNING THE ALL VOLUNTEER FORCE

During President Nixon's first month in office, January 1969, Dr. Arthur Burns, the principal White House advisor on domestic affairs, reminded the new President that "one of your strongest pledges during the campaign was the eventual abolition of the draft." Observing that there was substantial opposition to such a move -- partly on the grounds that it might endanger national security and partly for budgetary reasons -- Dr. Burns advised the President to take several actions to move toward the objective. He recommended the following:

- (1) Reaffirm the pledge to end the draft as soon as possible.
- (2) Communicate your interest promptly to the Secretary of Defense and seek his advice.
- (3) Appoint a special Commission to develop a plan for action to end the draft.
- (4) Ask the Budget Bureau to evaluate the costs of ending the draft.
- (5) Increase military pay at the entry grades.

President Nixon's Administration took all of these actions, thereby launching the effort to achieve a volunteer force.

After taking office in January 1969, Secretary of Defense Laird suggested to the President that the appointment of a commission, which Dr. Burns had recommended, was inappropriate at that time. Mr. Laird submitted to the President a Department of Defense plan for a study of the volunteer force issue as an alternative to appointment of a commission. He suggested that after completion of the study, which would take about a year, a commission could then be appointed to evaluate the findings and recommendations. The memorandum to the President which Mr. Laird signed had been prepared by Alfred Fitt, the departing Assistant Secretary for Manpower and Reserve Affairs. According to Fitt, "the evidence is not available which would permit developing a detailed plan of action for ending the draft, but might be available after a year of study effort." 1/

This was one of the few Laird recommendations on the all volunteer force which the President did not accept. Fortunately for the prospects for

1/ Secretary of Defense Memorandum to the President, January 1969.

accelerating work on ending the draft, the appointment of the President's Commission on the All Volunteer Force was announced on March 27, 1969.

It is not surprising that Assistant Secretary Fitt, as well as other Department of Defense officials, felt that volunteer force planning was premature at the peak of Vietnam deployments. The draft was a central part of their experience. The magnitude of the task of reaching a volunteer force appeared overwhelming. Through the 1950's and early 1960's, new entries into active military service, officers and enlisted, averaged about 550,000 a year -- an annual average of slightly over 20 percent of strength. During the Vietnam build-up new entries almost doubled, averaging over 950,000 annually. In addition, about 100,000 non-prior service personnel, mostly draft-motivated, entered the Reserve and National Guard annually. Draftees and draft-motivated enlistees made up a large proportion of new entrants. The time table for Vietnam withdrawal had not been developed. To men dealing with manpower requirements at the time, it simply did not seem realistic to talk about plans for obtaining over one million "new hires" on a voluntary basis.

THE PRESIDENT'S COMMISSION ON THE ALL VOLUNTEER FORCE

The appointment of the President's Commission on an All Volunteer Armed Force, under the chairmanship of the Honorable Thomas S. Gates, Jr., a former Secretary of Defense, was announced on March 27, 1969. While the story of the volunteer force is one of "starts" followed by "stops" and progress followed by setbacks, there was no equivocation in the statement by the President announcing the appointment of the Commission:

I have directed the Commission to develop a comprehensive plan for eliminating conscription and moving toward an All Volunteer Armed Force.... The transition to an All Volunteer Armed Force must, of course, be handled cautiously and responsibly so that our national security is fully maintained. The Commission will determine what standby machinery for the draft will be required in the event of a national emergency and will give serious consideration to our requirements for an adequate reserve forces program. ^{1/}

^{1/} Report of the President's Commission on an All Volunteer Armed Force, U.S. Government Printing Office, 1970, p. vii.

The message seemed to be clear: The issue was stated not as *whether* we would have a volunteer force but *how* we would get one.

The commission was directed to study a broad range of actions aimed at increasing the supply of volunteers for service, including increased pay, benefits, and enlistment incentives. The commission was not confined to suggesting actions that would require legislation; it was also asked to study changes in Department of Defense and Service selection standards and utilization policies that might assist in eliminating the need for inductions.

The members of the commission had varied backgrounds. The Chairman had more than seven years experience in top civilian managerial positions in the Department of Defense, including two years as Secretary of Defense. Two members, General Alfred Gruenther and General Lauris Norstad, had retired from the military services after completing distinguished careers; both had served as the Supreme Allied Commander in Europe. The educational community was well represented by the following:

Theodore Hesburgh	President, University of Notre Dame
Jerome Holland	President, Hampton Institute
John Kemper	Headmaster, Phillips Academy
W. Allen Wallis	President, University of Rochester
Milton Friedman	Professor of Economics, University of Chicago
Jeanne Noble	Professor, New York University

The business and financial community also was well represented, not only by Mr. Gates, Chairman of the Executive Committee of Margan Guarantee Trust Company, but also by the following:

Crawford Greenewalt	Chairman, Finance Committee, Dupont Corporation
Thomas Curtis	Vice President, Encyclopedia Britannica Former Congressman from Missouri
Alan Greenspan	Chairman of the Board, Townsend-Greenspan Company (Economic Consultant)
Frederick Dent	President, Mayfair Mills

Stephen Herbits, a 26-year-old student at Georgetown University Law Center, was the "youth" member of the commission; he had been researcher and editor of a 1967 book, How to End the Draft. 1/ Roy Wilkins, Executive Director of the National Association for the Advancement of Colored People, was a member of the commission but did not sign the report because illness prevented his participation in discussion of the recommendations. There was little criticism in the Department of Defense, the Congress, or the press concerning the composition of the commission.

At the first meeting, in May 1969, Chairman Gates amplified and interpreted the public statement of the commission's assignment by describing his discussion of the proposed tasks with the President. 2/ The President had expressed his hope that an All Volunteer Armed Force would prove to be the ultimate solution to the draft problem, although intermediate reforms of the draft might also be necessary. The President emphasized that no alternative to the draft could be considered if it weakened national security. Mr. Gates said the President realized that the present "partially conscript" system could not be eliminated immediately and that a complete transition to an All Volunteer Force might involve a phased program that would take some time.

One of the commission members, Mr. Greenewalt, asked a key question: Was the commission obligated to recommend an all volunteer plan? Mr. Gates said, "There was no commitment and the final report submitted could contain both a plan for transition to an All Volunteer Force and a critique of such a plan. It is not necessary for the commission members to assume at the outset that an all volunteer solution is either feasible or desirable." Thus, the issues of feasibility and desirability, which were omitted from the public announcement of the commission's mission, were included within the scope of the commission's considerations. The inclusion of these central issues was both realistic and practical.

The commission got down to business rapidly. Dr. William Meckling, the Executive Director, reviewed the preliminary outline that had been prepared by the staff for the first meeting. The staff included four

1/ From 1971-1972 Herbits served as a Congressional staffer working on the volunteer force. In 1973 he served on the staff of ASD (M&RA) as Special Assistant for the All Volunteer Force and in 1976 became the Special Assistant to the Secretary of Defense.

2/ Source material on the Gates Commission is the minutes of the meetings of the President's Commission on the All Volunteer Force, unpublished document, Gates Commission files.

Directors of Research -- Dr. Walter Y. Oi, Dr. Harry J. Gilman, Dr. Stuart Altman, and Mr. David Kassing, each of whom had worked on the Department of Defense study of the draft in 1964.

Dr. Meckling made the following announcements about the staff plans:

- (1) Dr. Gilman was assigned to work on the supply of manpower availability for an All Volunteer Force, including the effects of pay and other variables that might induce enlistments and reenlistments.
- (2) Dr. Oi would estimate manpower demand, or accession requirements, after allowing for greater use of civilians in a volunteer force and for a reduced training establishment as a result of lower turnover in a volunteer force.
- (3) Dr. Altman would analyze projected supply and demand for officers.
- (4) The staff would work with the Department of Defense in all studies and would obtain contract support from the Center for Naval Analysis and the Institute of Defense Analysis.
- (5) The staff was assuming three different levels of military strength for their studies -- the current force of 3.5 million, the pre-Vietnam force level of 2.5 million, and a minimum post-Vietnam level of 2 million.
- (6) A study would be made of the social and political ramifications of an All Volunteer Force.
- (7) An analysis would be made of the Reserve Components in an all volunteer context -- a serious problem considering that 70 percent of Reserve enlistments had been draft induced.
- (8) Certain special skills, such as doctors and dentists, would present difficult problems that would require separate analysis by qualified experts.
- (9) Canadian, British, and Australian experience with an All Volunteer Force would be considered.

The staff members were able to get under way quickly, partly because the 1964 Department of Defense draft study had served as a "dress rehearsal" for their tasks with the Gates Commission. The 1964 study had been over-

taken by the Vietnam War and, except for reference material, was not published. The Gates Commission's work provided the Directors of Research an opportunity to resume the previous abortive effort.

Several members of the Gates Commission realized early that the final report would be a political as well as a programmatic document. Milton Friedman, Alan Greenspan, and Stephen Herbits, all strong supporters of the AVF, recognized that unanimity was essential and would give strength to the commission's recommendations. They feared that if the commission divided on some issues, neglected others, or failed to give strong advocacy to each of the various points in the AVF program, these discrepancies would be picked up by opponents of the volunteer force and used to attack it. Unanimity within the report, or the lack of it, on some issues, became an important procedural question: How should the commission handle divergent opinions of the AVF program?

Seven of the fifteen commission members played key roles in reaching unanimity. Friedman, Greenspan, and Herbits all sought a strong endorsement of the AVF. Crawford Greenewalt, General Lauris Norstad, and General Alfred Gruenther, however, were not convinced of the feasibility of the policy. They liked the volunteer concept but could not endorse it without qualifications. Caught in the middle was the Chairman, Thomas Gates.

At the request of Chairman Gates, the Department of Defense conducted briefings for the commission in June 1969. The briefings were explanatory and informational rather than analytical and evaluative. They covered many of the same research subjects as were assigned to the commission staff, and included such topics as requirements, manpower procurement policies, qualitative standards, military compensation, and the Reserve and National Guard components.

The briefings were treated rather routinely by the Defense staff. The briefing on military compensation, for example, failed to mention the critical point that military pay for career personnel was competitive with civilian pay levels but that military pay for entry personnel lagged far behind. It is also interesting that the requirements briefing presented by Dr. C. O. Rossatti, the Principal Deputy Assistant Secretary (System Analysis), discussed four postwar alternative force levels, including 3.3 million strength as the maximum, 2.6 million, 2.5 million, down to 1.9 million, but did not include the 2.2 million level actually reached in FY1974 or the 2.1 million level reached in FY1975.

Differences of opinion among the commission members were apparent at their July meeting. There was an extended discussion of the distinction between the true economic cost and the budgetary cost of an All Volunteer Force. Dr. Friedman and other members with backgrounds in economics thought it essential to stress that the basic inequity of the

draft was the hidden tax it imposed upon youth who were least able to pay. The low pay of draftees forced them to bear a disproportionate share of the costs of national defense. The Chairman questioned the effectiveness of this argument on the grounds that it was difficult to understand and involved "fairly esoteric reasoning." Some members thought it was politically unrealistic to advocate an All Volunteer Force on the grounds that it would involve no increase in true economic costs, since both Congress and the public would think in terms of the increase in budgetary expense and taxes that might be required if the draft were eliminated. Several members suggested that the staff focus more on the noneconomic effects of eliminating the draft, including the effect on military morale and on civilian attitudes toward foreign affairs and national security.

There was general agreement that the commission's report should deal with the issue of the desirability and feasibility of the All Volunteer Force by considering all the significant "pro and con" arguments. There was also consensus that any plan for moving to a volunteer force should recommend a gradual or phased transition. (On this point the commission's thinking eventually changed, and their final report recommended ending the draft on July 1, 1971 -- a crash, one-year transition rather than a gradual transition.)

Some commission members were apprehensive about the "qualitative" issue, just as members of Congress and the Defense Department would be at a later date. Mr. Greenewalt thought that the burden of combat in a volunteer force would fall upon "the poor and the black" and that there was something immoral about seducing them to die for their country with offers of higher pay. General Norstad said it was his experience that effectiveness in combat of a small unit depended on two or three individuals whose superior intelligence or background make them natural leaders. He felt that elimination of the draft would mean that people with better educations and backgrounds would not enlist and the Military Services would be less effective as a result. There was a consensus that the report should assert the need for adequate standards of quality for the Military Services.

At the September meeting of the commission there was an extensive, inconclusive discussion of a "standby draft," the term for some unspecified future system of conscription which would be available, if needed, after the attainment of a volunteer force. General Gruenther observed that the nation would undoubtedly have to use conscription in a major war requiring a general mobilization. General Norstad also urged that if war breaks out or is threatened, the country should not hesitate to use conscription if the supply of volunteers is not adequate. Dr. Greenspan argued the other side, observing that the Services could raise any reasonable number of men with improved compensation. Mr. Greenewalt said that "it made no more sense to say that the draft should never be used than to say it always should be used."

In response to a question from Mr. Greenewalt as to whether the commission would recommend ending the draft despite unfulfilled military manpower requirements, Mr. Gates and several other members indicated that this was not their position. Dr. Oi helped clarify the issue: He predicted that at a 3 million force level there would be a shortage of 100,000 - 120,000 inductees or draft-induced volunteers annually, while at a 2 million force level there would be no draftees. Dr. Oi suggested that the commission state that it had concluded, given the range of force levels under consideration, that the draft was an unacceptable method of manpower procurement but that a "standby draft should be retained as a necessary safety valve." This view seemed to be acceptable, and the commission further agreed that it should not decide when a standby draft would have to be used.

The commission found it far less troublesome to agree on the question of increases in military pay. At the October meeting, Mr. Gates described a briefing which he had been given by Assistant Secretary Kelley and Deputy Assistant Secretary Paul Wollstadt of the Department of Defense. The briefing had covered a DOD plan for placing all military wages on a taxable salary basis (the so-called Hubbel Plan named after Rear Admiral Lester Hubbel, who chaired an inter-Service committee which proposed a salary system of military compensation). The DOD proposal was weighted in favor of first-term personnel who would receive a 33 percent increase. The total cost, estimated at \$3.8 billion, consisted of \$800 million for officer pay and \$1 billion for each pay grade E2-E4. ^{1/} The proposal did not include an increase for pay grade E-1 on the grounds that these individuals were serving an "apprenticeship."

Both Mr. Gates and Dr. Meckling thought the proposals were a step in the right direction. Dr. Meckling thought there were three good reasons for the commission to support the plan:

- (1) As a matter of equity the pay of first-term enlistees should be increased to make it comparable to that of careerists.
- (2) A pay raise would increase the number of volunteers.
- (3) A pay raise would provide invaluable information on supply elasticities -- the amount of increase in compensation needed to induce the desired increase in volunteers.

^{1/} There are nine enlisted pay grades. Private, Seaman, Recruit, and Basic Airman enter at E-1, the lowest grade. Promotion to E-2 is automatic after four months of service. Successful members are usually promoted to E-3 after a year. After a little over two years of successful service, members may be promoted to Corporal, Third Class Petty Officer, or Sergeant at pay grade E-4.

Mr. Greenewalt asked Dr. Meckling what his numerical goal was for increasing the number of volunteers. Dr. Friedman responded, instead of Meckling, expressing a goal that later was officially stated in the commission's final report: "A realistic goal is to provide a 2.6 million man force without resorting to conscription."

At the conclusion of the discussion the commission decided to write the President, endorsing the general principle of equity in military pay and pointing out that this meant a pay raise heavily weighted in favor of first-term personnel. This letter to the President was the commission's first attempt to influence public policy.

At the next meeting Mr. Gates asked Dr. Meckling to describe the White House reaction to the commission's letter. Dr. Meckling said that the White House had forwarded the letter to Secretary Laird and that the commission's staff had spent considerable time discussing pay with Assistant Secretary Kelley and Deputy Assistant Secretary Leo Benade. With the Defense representatives present, pay alternatives had also been discussed with Dr. Burns and Martin Anderson, Special Assistant to the President. Dr. Burns had asked the commission's staff to suggest specific pay "packages" that would substantially achieve the equity recommended by the commission in its letter to the President.

The staff's three approaches, which had been discussed with Kelley and Benade, were:

- (1) Straighten out the military's own pay relationships between grades.
- (2) Give first-term Servicemen a sufficient increase to make up for the fact that their pay has lagged relative to civilian compensation since 1948.
- (3) Make military pay comparable to civilian pay for each grade by length of service.

Dr. Meckling stated that Kelley was reviewing these suggestions with a view toward developing a new pay package. Dr. Meckling's words were prophetic, as Kelley later used these three suggestions as the rationale for the DOD pay proposals to the Congress.

Old ideas die rather hard, and the traditional view by the Military Services that career personnel should receive priority attention on pay matters was no exception. Mr. Gates said that it was his understanding that the Joint Chiefs of Staff would oppose the kind of pay increase advocated by the commission. He thought there would be resistance within the Services to limiting a large increase to the lower ranks because of the problems of retention of career personnel. General Gruenther

and other commission members wanted to hear the views of the Joint Chiefs of Staff. Accordingly, Mr. Gates met with the Chiefs in December. He reported to the other commissioners that, true to his expectations, the Joint Chiefs' major objection was that the commission's proposed pay raise would favor first termers at the expense of the career force. Mr. Gates nevertheless felt that the Chiefs would agree, in theory, with the commission's equity argument. He suggested that the main problem was a very tight budget; the Joint Chiefs feared that any pay raise for first termers would "come out of their own hide," in that they probably would not receive additional money for a larger manpower budget.

Meeting with the commission on December 20, the Joint Chiefs of Staff indicated these as well as other concerns about an All Volunteer Force. They raised the following questions:

- Would an All Volunteer Force attract adequate quality of personnel?
- In a volunteer environment could the Reserve and National Guard components be maintained in a vigorous and vital state?
- Would an All Volunteer Army be all black?
- Would an All Volunteer Force prove a great deal more costly than the present force?

These were not new questions. All of them were subsequently addressed in the commission's final report but they remained major issues throughout the transition to the volunteer force.

In December the commission began its review of the staff's papers which were intended as the basis for the final report. The discussion of major issues still involved sharp differences of opinion. Three questions were finally resolved by being put to a vote. First, a majority of the commission members voted for Congressional instead of Presidential authority to restore the draft, if needed again after a volunteer force was reached. Second, the commission accepted the simple, basic proposition that military forces "can and should be raised by voluntary means;" however, some members voiced reservations and wished to emphasize such caveats as "if an adequate number of men can be obtained," to be added to the statement of the proposition. Third, the commission agreed that minimum military pay and benefits should be comparable to those of the civilian sector.

Greenewalt was the most articulate of the potential dissenters. He doubted the econometric projections that a given increase of pay would

yield a given increase of enlistments. He also feared a decline in manpower quality under the AVF and, therefore, wondered whether the draft authority should be allowed to expire. On account of these reservations, Greenewalt proposed an "experimental" or "trial" period during which the volunteer policy could prove itself before induction authority expired. His concept of a standby draft appeared to leave the authority to commence inductions in the hands of the President.

General Norstad took even sharper issue with most of the commission on the standby draft. He objected that the commission was not competent to consider hypothetical situations under which conscription should be reinstated. His doubts of the AVF rested on the fear that it might gradually fall below a desired minimum level and that the President would be unable to get Congress to re-enact the draft in the absence of a national emergency. Norstad believed the President should be free from Congressional restraint.

A solution to the problem of dissenting opinions finally began to appear late in December 1969. At the commission meeting over the weekend of December 20-21, three positions on the problem of unanimity arose:

- Mr. Greenewalt anticipated that he would write a number of minority statements.
- Dr. Friedman thought it was essential to have a maximum degree of unanimity in the report and recommended that the commission review the entire document to eliminate any part of the staff's draft which was unacceptable.
- Stephen Herbits, however, wanted the commission to stand behind the entire report. Otherwise, he speculated, some issues would be neglected.

Greenewalt made the first substantive recommendation: That the commission sign a short positive section which each member could review word by word. Dr. Friedman said he assumed this approach would involve a detailed 15- to 20-page summary. He further thought it was "essential to have a maximum degree of unanimity in endorsing the first part of the report summarizing recommendations, answers to objections, and basic philosophy." Greenewalt and others could still make meaningful dissents if they had to sign only the first part of the report.

By dividing the report into two parts the commission had at least reached some consensus on unanimity: They would all agree on Part I, which would discuss generally the feasibility and desirability of the All Volunteer Force. Dissenting opinions, however, were still acceptable.

The next part of the solution came from John Kemper, the headmaster of Phillips Academy who had not been a vocal participant. He suggested that the commission sign the first part of the report and that the remain-

ing chapters be preceded by a statement saying the commission based its conclusions on the arguments and information contained in the chapters which followed. This appeared to emphasize unanimity in the primary points and minimize dissent on secondary points.

In January 1970, the commission concluded work on its final report which the staff had been preparing for several months. The recommendation to terminate the draft authority on July 1, 1971 had been written into the first chapter of the report and received little or no discussion when the commission reviewed the chapter. But the discussion covered a number of remaining major points that were vital to the impact and comprehensiveness of the report. Mr. Gates thought it was essential that the commission squarely face all major objections to the volunteer force, and eventually a complete section of the report was set aside to refute common criticisms of the volunteer force concept. Dr. Friedman thought that the problem of obtaining quality personnel within an all volunteer environment was not properly stated and should receive more attention. The members discussed at length whether the subject of civilian substitution for military personnel performing nonmilitary functions was significant enough to be included in the report and finally decided to include it. The chapter on physicians and medical care was not satisfactory to most members; basically they seemed to feel -- as did Father Hesburgh -- the "volunteer force might not work in the field of medicine." The discussion led ultimately to an expression in the final report of a need for further study of medical manpower problems.

At the meeting January 9, the commission agreed that in signing the report they would all generally endorse Part II (Chapters 3 through 14) and explicitly subscribe to everything in Part I (Chapters 1 and 2). The commission still agreed, however, that members should register dissents wherever appropriate. The inference was that there would be no dissents from Part I, which was the part with the political impact, and the part which Congress, the press, and the Administration would read.

Throughout much of the final meeting the commission argued over wording and the feasibility of the AVF at particular force levels. Dissents from Greenewalt, Gruenther, and Norstad appeared unavoidable. Again, the break which minimized the dissent came from Crawford Greenewalt.

The commission staff had drafted a letter of transmittal, in which the second paragraph stated: "The members of the commission unanimously believe that Armed Forces within the ranges estimated to exist in the future can and should be raised by voluntary means." Greenewalt suggested that the letter avoid the issue of the size of the volunteer force which was feasible. In its place he proposed: "We unanimously believe that the nation's interests would be better served by an All Volunteer Force than by a mixed force of volunteers and conscripts." Friedman thought that statement alone was insufficient. Greenewalt recommended

that they include another sentence stating that a major step toward an All Volunteer Force would be curing the inequity in first-term pay. For Greenewalt, who had been so skeptical of the results from increased pay, the proposal was a tactical concession. Friedman accepted. The commission had reached an important agreement.

From this agreement and from the Kemper phrase, the following two paragraphs emerged:

We unanimously believe that the nation's interests will be better served by an all-volunteer force, supported by an effective stand-by draft, than by a mixed force of volunteers and conscripts; that steps should be taken promptly to move in this direction; and that the first indispensable step is to remove the present inequity in the pay of men serving their first term in the armed forces...

The findings and recommendations summarized in Part I are unanimously agreed to. These are based on the detailed discussion in Part II, Chapters 3 through 15. 1/

The effect was powerful. Gates then led the commission to settle its remaining differences and eventually persuaded all members to sign without a single dissenting opinion. Although the commission had not been unanimous on the AVF program or its strong endorsement, it plainly appeared to be so.

The strong and unanimous position taken by the commission enabled the report to obtain the political impact which the pro-volunteer force members advocated. In transmitting the report to the President, Mr. Gates wrote of the members, "It is remarkable that, starting from different backgrounds and opinions, they concluded the report in agreement." The fact that the final report conveys this impression of unanimity is mainly a credit to six of the members -- Friedman, Greenspan, and Herbits, who were strong advocates of a volunteer force, and Greenewalt, Norstad, and Gruenther, who were somewhat reluctant. In particular, the unanimity was a tribute to the Chairman of the commission, Mr. Gates.

1/ Letter of transmittal, Report of the President's Commission on All Volunteer Armed Force, February 1970, p. 111.

THE PROJECT VOLUNTEER COMMITTEE

Soon after the appointment of the President's Commission, Secretary Laird had the Department of Defense proceed with its own study of plans for reaching a volunteer force. According to Mr. Laird's memorandum of appointment, the function of the Project Volunteer Committee was "to direct the multiple activities concerned with the development of a comprehensive action program for moving toward a volunteer force."

Mr. Laird appointed Roger Kelley, Assistant Secretary of Defense (Manpower and Reserve Affairs) to be Chairman of the committee. The other members of the committee were top civilian and military decision makers of each of the Services in the field of manpower and personnel. They were:

- The Assistant Secretaries of the Military Departments (Manpower and Reserve Affairs)
- The Deputy Chiefs of Staff for Personnel of the Army, Marine Corps, and Air Force and the Deputy Chief of Naval Operations (Manpower and Naval Reserve)
- The Assistant Secretary of Defense (Systems Analysis)
- Director, J-1 Personnel of the Joint Staff (J.C.S.)
- Deputy Assistant Secretary for Research & Utilization (M&RA)

Laird asked Kelley to work closely with the President's Commission. Through the Project Volunteer Committee, the Department of Defense carried out its own planning studies concurrently with those conducted by the Gates Commission. The initial Defense planning effort was largely the work of Harold Wool, Director of Procurement Policy -- long one of the Department's top experts in military manpower policy. ^{1/} Wool had special, personal interests in the subject of the All Volunteer Force because he had participated in the 1964 draft study. He was the only member of the permanent ASD(M&RA) staff who had taken part, most of the group in the 1964 study having come from the universities or from the Services on a temporary basis. Wool had a high regard for the professional abilities of the key members of the 1964 study group who had now become the Directors of Research of the Gates Commission. He did not, however, share their general conclusion that a volunteer force of 2.5 million men

^{1/} One of the authors, Gus C. Lee, became Director of Procurement Policy and Staff Director of Project Volunteer in January, 1970. Later he became Acting Deputy Assistant Secretary for Research and Utilization (M&RA).

could be achieved by making military pay competitive. In his view the prudent course was for Defense to conduct its own studies as a "check and balance" on what he considered to be the missionary zeal of the Gates Commission staff. He designed a far-ranging study plan to position Defense to arrive at its views independently of the Gates Commission.

The objective of the study plan for Project Volunteer was "to develop a program to meet future quantitative and qualitative manpower requirements to the greatest extent practicable, without reliance upon the draft." The plan reflected Wool's view that basic reforms in military personnel management would be needed to accomplish a volunteer force. "Virtually every aspect of military manpower management in the Department of Defense has some relation to this central objective, including policies affecting recruitment, selection, training, utilization, compensation and retention -- as well as those affecting the categories of personnel to be employed in a particular function." ^{1/} The study plan proposed that particular emphasis be placed on those policies and programs offering the best "pay off" in terms of increasing the supply of initial volunteers for military service. Full consideration was to be given to the qualitative as well as the numerical manpower requirements of the Services.

The study plan listed seven program planning areas for study:

- Improvement in the Overall Image of Military Service
- Recruiting Service Operations
- Military Compensation
- Improvements in Other Service Benefits and Living Conditions
- Other Programs to Improve Morale and Job Satisfaction
- Qualification Standards
- Military Personnel Staffing and Utilization Policies

There were also to be special studies of:

- Reserve Forces Manpower Problems
- Physicians and Dentists

In addition, the study plan mentioned the need for development of coordinated, DOD-wide evaluations of accession requirements, recruiting capabilities, and costs of the volunteer force.

^{1/} Memorandum from the Secretary of Defense to Secretaries of the Military Departments, Subject: Project Volunteer, April 1969.

Appropriately, in view of the President's objective of reaching a volunteer force, the Defense study plan did not deal with the major social, economic, or political arguments for or against such a force. In other respects the plan covered the same major subjects as the Gates Commission research plan.

The first meeting of the Project Volunteer Committee was held on April 21, 1969. Throughout the meeting Assistant Secretary Kelley emphasized that he considered the program to be action-oriented rather than simply a series of studies. Characteristically, he pushed for maximum Service participation and involvement in the planning. "In view of the fact that responsibility for accomplishing the objectives of Project Volunteer would ultimately depend upon the management efforts of each Service, Secretary Kelley requested that each Service develop its own proposed programs and recommendations for implementing Project Volunteer, using the Defense study plan as a point of departure." ^{1/} In response to this request each Service organized its own planning group. The Project Volunteer Committee discontinued its meetings until the Service staffs were further along in their planning. The committee was not reconvened until January 1970.

The first phase of the Defense studies was completed in July 1969 with the submission of over 300 separate recommendations, many of them minor, by the Services' planning groups. There was support by a majority of the Services for the following general major recommendations:

- Adoption of a "salary system" for military pay.
- Increased entry pay.
- Use of enlistment bonuses for personnel with critically needed skills.
- Increased educational benefits, including pre-service scholarships for officer programs.
- Increased amounts and quality of bachelor and family housing.
- Expanded entitlements for payment of dependent travel and transportation of household goods to first-term personnel.
- Increased recruiting and advertising funds.

^{1/} Minutes of meeting of Project Volunteer Committee.

Despite some limitations, the studies helped prepare the Services for the events which followed.

The Army submission was the best of the Service studies. Known as Project Provide, the study was particularly influential throughout the Army staff. ^{1/} Although its estimates of the capabilities and costs of sustaining a volunteer Army were pessimistic, the study anticipated subsequent plans and programs with unusual accuracy. The analysis had concluded that with a proper mix of incentives a volunteer Army was feasible. The basic recommendation of the study, therefore, was that the Army support the volunteer force in principle. The major concern was over the adequacy of funding -- a view which remained a dominant concern during the subsequent budgetary planning phases of Project Volunteer. "If nothing else this study suggests that unless actions designed to attract sufficient volunteers are adequately funded and orchestrated the effort will probably fail. Conceptual feasibility of the volunteer force is recognized at a cost given the proper mix of incentives. Practically, we will never know the exact cost or mix of incentives until we put it to the empirical test and try it." ^{2/}

The authors of the Project Provide study viewed the task as formidable. According to the study, if the draft were ended and no additional incentives were available, the Army would be down to a strength of 577,000 by 1979 -- far below the pre-Vietnam strength of 950,000. The range of costs estimated to maintain post-Vietnam strengths at 950,000 on a volunteer basis -- \$2.2 billion to \$8.1 billion -- reflected a great deal of uncertainty. It is no wonder that there were uneasy feelings throughout the Army about the practicality of obtaining sufficient funds to reach a volunteer Army.

The incentives recommended by the study were not far off the mark in anticipating future programs. The Project Provide study stated that competitive pay and a highly motivated, professional recruiting service were essential in moving to a volunteer Army. Correctly, the study concluded that additional enlistment options for training of choice and for skill of choice would increase enlistments. The study recommended a massive increase in the Army's advertising budget from \$3 million annually to \$36 million annually. The study planted the seeds of the Army program

^{1/} Project Provide, Directorate of Personnel Studies and Research, Department of the Army, Washington, 1969, Lt. Col. Jack Butler, Project Chief.

^{2/} Project Provide Executive Summary, p. 29.

to improve conditions of Service life: "Unless action is taken to eliminate irritants (commonly acknowledged irritants are listed in the annex) pay and other inducements will have little or no success." 1/ The Project Provide study even anticipated the Army's initial anti-bonus position on the enlistment bonus: "The money is often spent rapidly and then viewed in retrospect as bait for three years of arduous service at inferior wages resulting in a dissatisfied soldier." 2/ To a substantial degree Project Provide helped shape the Army's views toward the Project Volunteer program.

In order to evaluate further such Service recommendations as those in Project Provide and to prepare a master plan, Assistant Secretary Kelley appointed, under the Project Volunteer Committee, a Program Evaluation Group composed of Service representatives of the rank of general officer or Deputy Assistant Secretary. Mr. Paul Wollstadt, Deputy Assistant Secretary of Defense for Research and Utilization (M&RA), was appointed Chairman of the Program Evaluation Group.

The existence of the Project Volunteer study effort caused some concern to members of the President's Commission. Chairman Gates called Secretary Laird's attention to one of the problems that might arise: "If a parallel study were released by your office it is likely to lead to unnecessary public controversy and confusion, even though we find ourselves in full accord on the major issues." 3/ Mr. Laird at once informed Mr. Gates that the Department did not plan a formal report which would parallel that of the President's Commission, and that the findings and recommendations resulting from Defense studies would be made available to the Commission staff. Kelley made a sincere effort to maintain cooperative relationships with the Gates staff and these were largely successful; similarly, Mr. Gates, while remaining independent, kept Defense informed and saw to it that the commission was exposed to the Department's point of view.

In January 1970, the Program Evaluation Group transmitted its report to Assistant Secretary Kelley. The Group went on record as believing that an All Volunteer Force was feasible at the post-Vietnam force levels of 2.25 million then being considered, provided sufficient incentives were made available. They recommended a wide range of incentives, including adjustments in entry pay to make it competitive. They

1/ Ibid., p. 20.

2/ Ibid., p. 17.

3/ Thomas S. Gates letter to Secretary of Defense, July 29, 1969, ASD(M&RA) files.

also warned that "...we must guard against underestimating what it will take in money and effort to sustain an all volunteer force...." 1/ The report of the Program Evaluation Group, subsequently revised by the Project Volunteer Committee, became the basis for the Department of Defense program and budget for the All Volunteer Force.

Early in January 1970, Kelley reconvened the Project Volunteer Committee for a series of Saturday meetings to review the Program Evaluation Group recommendations and to prepare a "specific time table of actions to implement the All Volunteer Force." 2/ The recommendations of the President's Commission were expected to be available in February and Kelley asked the Project Volunteer Committee to review these recommendations as soon as possible. Kelley noted that "we are not publicizing the Project Volunteer Committee report because we wish to avoid the possibility of appearing to compete with the work of the President's Commission." For this reason, he decided not to submit the Project Volunteer Committee report to the Secretary of Defense until after the Gates Commission report was published. Starting a word-by-word review of the Program Evaluation Group report, the Project Volunteer Committee structured the 41 recommendations of the report into a set of priorities, placing the highest priority on recommendations to strengthen the recruiting services.

The Gates Commission report was published in February 1970, just as the Project Volunteer Committee was completing work on its own recommendations. Mr. Wollstadt asked the committee to accelerate its efforts so that the report could be used in preparing the Defense Department position to the White House on the Gates report.

THE REPORT OF THE PRESIDENT'S COMMISSION

The President's Commission report was designed to be a persuasive public document which presented the economic, social, and political arguments for a volunteer force and a rebuttal to the arguments against a volunteer force. Much of the argument rested on economic grounds. Assuming the establishment of competitive pay for the entry grades as the foundation of the program, the commission report documented the feasibility of reaching a volunteer force. Other program actions were mentioned in a more general way, along with estimates of budgetary and economic costs. The report builds a case for the volunteer force by pointing out the unfairness of the draft, by establishing the feasibility

1/ A memorandum to ASD(M&RA) from Paul Wollstadt, January 1970.

2/ ASD(M&RA) memo to Project Volunteer Committee members,
Subject: Project Volunteer, January 1970.

of a volunteer force, and by refuting the arguments against a volunteer force.

The commission's objections to the draft were largely based on the hidden economic and social costs of conscription and the inequitable share of the cost of defense which the hidden costs imposed on draftees. Conscription was described as a tax-in-kind because draftees and draft-motivated volunteers were forced to serve at pay levels below those needed to induce them to volunteer. ^{1/} The report notes that Benjamin Franklin recognized the heart of the issue:

The question then will amount to this - whether it be just in a community that the richer part should compel the poorer to fight for them and their properties for such wages as they think fit to allow and punish them if they refuse?

The commission viewed this tax-in-kind as discriminatory and as an infringement of individual freedom. The "cheap labor" furnished by the draft enabled the military to use manpower inefficiently. Among the hidden costs of the draft were the alienation of the young and the disruption of career and personal plans. ^{2/}

The commission's case for a volunteer force was established indirectly. A volunteer force would rid the country of the disadvantages of the draftee force; the objections to the volunteer force were invalid; and the other alternatives to the draft were not preferred. Taking into account the hidden costs of the tax-in-kind, a volunteer force would be lower in cost.

^{1/} Report of the President's Commission on an All Volunteer Force, Superintendent of Documents, Washington, 1970, p. 24. The staff research papers prepared for the commission are published in two volumes entitled Studies Prepared for the President's Commission on the All Volunteer Force, Superintendent of Documents, Washington, D.C., November 1970.

^{2/} Lieutenant General Leo Benade, U.S.A. (Ret.), formerly Deputy Assistant Secretary for Military Personnel Policy, ASD(M&RA), in an interview April 11, 1976, said, "We were disguising the true cost of defense by a hidden tax and placing an undue burden on young men through the draft. I think we would have had to abandon the draft even if there had been no Vietnam War."

A number of philosophical objections to the volunteer force -- largely based on the supposed consequences of higher military pay -- had been raised:

- The volunteer force would be composed of "mercenaries" who would lack patriotic motives and lack the motivation to carry out military operations effectively.
- Civilian control of the military would be weakened and the members of the force would be disposed toward military adventurism.
- A volunteer force would not be representative or democratic as it would consist of blacks, the poor, and the uneducated in disproportionate numbers.
- A volunteer force would be too costly.

The commission rebutted these objections, relying heavily on common sense observations. The report points out that those who volunteer do so for a variety of reasons and that eliminating the inequities in first-term pay would not basically change their motives. "Can we regard as mercenaries the career officers and noncommissioned officers now serving beyond their first term?" ^{1/} The commission argued that a force made up of men freely choosing to serve would make for a better force. The argument that a volunteer force would lessen civilian control and lead to military adventurism was countered by the point that the change to replace draftees by volunteers in the entry ranks would not alter the character of military or civilian leadership of the Defense establishment or foreign policy decision making. Besides, Congress would have to give its consent to renewal of the induction authority under the "standby draft;" this would generate public discussion of the use of the draft to fight a war.

The commission discounted the claim that the volunteer force would be all black, or otherwise unrepresentative. The report states, "Our research indicates that the composition of the Services would not be fundamentally changed by ending conscription." ^{2/} Maintenance of mental, physical, and moral standards would assure that the Services would not recruit a disproportionate share of youth from disadvantaged

^{1/} Report of the President's Commission on the All Volunteer Force, op. cit., p. 19.

^{2/} Ibid., p. 15.

backgrounds.

The commission briefly discussed and dismissed National Service and Universal Military Training as alternatives to the draft. Both rested on mandatory service and involved enormous costs. National Service would mean training all young people for a year and the commission estimated the costs to be at least \$16 billion a year. Universal Military Training would bring into Military Service over 2,000,000 personnel a year more than were needed. The commission considered the lottery draft to be "at best an expedient." 1/ The lottery draft, the commission said, reduced uncertainty over the time of service and mitigated the distortion of the draft in an individual's planning. While the lottery aimed at equity in selection, it did not aim at the inequity of the tax-in-kind.

Having assured itself that a volunteer force could provide adequate peacetime forces at reasonable costs, the commission's argument for the volunteer force stressed the inequities of the draft system. To reinforce its case the commission attempted to rebut the speculative arguments against the volunteer force. The commission's report thus constitutes an important study of public policy as well as an economic analysis of the feasibility of a volunteer force under competitive military pay levels.

The key recommendation of the Gates Commission was to increase entry level pay. The draft had been a method of supplying manpower to the Military Services at cheap wages. In recommending an All Volunteer Force, the commission said, "...the first indispensable step is to remove the present inequity in the pay of men serving their first term in the armed forces." 2/ The proposed increases raised the average level of basic pay for enlisted personnel in the first two years of service from \$180 a month to \$315 a month and for officers in the first two years of service from \$428 a month to \$578. The commission described these as raises "designed to achieve an all volunteer force of 2.5 million men" but pointed out that they would give individuals in the initial years of service the same pay relative to civilian compensation that the military career forces received. The commission believed that no pay raises would be needed for an All Volunteer Force of 2 million men, and that an extra increase -- estimated at \$2.21 billion annually -- above the increases for the 2.5 million force would be needed for the 3 million force. The commission also stated that "these pay raises for first term personnel are justified on equity grounds alone" 3/ and recommended the

1/ Ibid., p. 146.

2/ Report of the President's Commission on the All Volunteer Force, 1970, p. iii.

3/ Ibid., p. 57.

pay rates for all of the three force sizes in their models.

Other pay raises were recommended to solve the manning problems that would not be solved by the increases in entry pay. To attract persons with special skills or aptitudes, higher pay -- as well as higher grade levels upon entry and more rapid promotion -- was recommended for those who entered in critical occupations. In order to achieve a voluntary military medical corps, a salary schedule designed to be competitive with civilian medical doctors was recommended.

While the entire Gates Commission program rested squarely on the provision of competitive pay, other actions were also recommended. These included:

- Establishment of a military salary system.
- An expanded and more effective recruiting effort.
- Provision of scholarships for ROTC and other college level officer programs and similar subsidies to medical students in exchange for service as an officer.
- Elimination of the present system of obligated terms of service for enlisted personnel.
- Expansion of the choice of military occupations as a condition of enlistment.
- Enlistment of entry personnel with civilian acquired skills at higher pay grades.
- An increase in the supply for the Reserve Components by accepting more prior service personnel and more personnel of lower mental abilities and educational level.

It was not a complicated program because -- given relative military pay -- the economists on the Gates Commission staff did not think the accomplishment of an All volunteer Force would be too difficult. In their view, the prospective enlistee or officer candidate was an "economic man," governed by laws of labor supply and demand reflected in the "price" paid for his work. They felt that the technical problem in reaching a volunteer force was simply to figure out how much pay was needed to get the job done. The commission decided not to recommend increases in such benefits as improved housing, increased educational programs, or dental care for dependents. "The question is not whether such benefits are desirable but whether they are the most effective form of compensation.... most military non-cash pay is of little value to young men and women. Therefore, it is not very effective in helping to attract and retain new

personnel...the effect of non-cash remuneration in enlistments and retention is attenuated because such compensation is not very visible." 1/

The commission recommended that funds be provided by July 1, 1970 and that the draft authority be terminated by July 1, 1971. There was no discussion of this timetable. The only reference in the entire report to this early termination is one sentence: "We believe, on the basis of our study, that the increased pay and other recommended improvements in personnel management will provide enough additional volunteers during the transition to achieve an all volunteer force by July 1, 1971." 2/ The budget increase to put these recommendations into effect for fiscal 1971 was estimated at \$3.3 billion, broken down into the following budget increases:

	<u>Billions</u>
Basic Pay Increase	\$2.68
Proficiency Pay	.21
Reserve Components Pay Increase	.15
Medical Corps Expense	.12
Recruiting, ROTC scholarships, Miscellaneous	<u>.08</u>
TOTAL	\$3.24

The early termination date of the draft and the proposed budget of only \$20 million of expenditures above the pay increases suggested that, in the view of the commission, the transition to the volunteer force would be very simple. 3/

1/ Ibid., p. 63.

2/ Ibid., p. 8.

3/ It is somewhat ironic that one of the most controversial recommendations of the report -- the July 1, 1971 date for ending draft authority -- was neither debated in commission meetings nor discussed in the commission's report. It was as if the importance of this recommendation was not even noticed by the commission or the staff. After the termination of the commission, William Meckling, Executive Director, recommended a one-year extension of the draft. Walter Oi testified before the House Armed Services Committee in favor of a one-year extension. One reasonable inference is that the staff included the early termination date of the draft in the report for the tactical purpose of dramatizing the commission's report.

THE PROJECT VOLUNTEER COMMITTEE REPORT

The Project Volunteer Report was entitled "Plans and Actions to Move Toward an All Volunteer Force," and this title accurately describes the report. The report not only provided a succinct description of the committee's views and actions needed but also the rationale for the action in general terms of its significance in increasing accessions or retention. The members of the committee were not unanimous on all points, so a number of subjects were identified for further study. The major contents of the report described a coordinated Department of Defense plan that would form the basis for future Project Volunteer budgets and detailed implementation actions by the Services.

The introduction of the report was written after publication of the Gates Commission report and essentially expresses the major concerns felt throughout the Department of Defense that "national security" might be jeopardized by an over-riding commitment to the volunteer force. "The actions recommended in the attached report are designed to reduce draft calls to zero. It is essential that this be accomplished in a manner that recognizes adequate national security as the priority requirement. Within the Department of Defense, we must assure that force structure, manpower levels, and hardware and materiel are not reduced below national security requirements in order to make room for expenditures that would increase enlistments and reduce draft calls to zero." ^{1/}

The report recommended "a carefully planned, time phased approach as the best means of attaining a volunteer force without endangering national security, creating budget imbalance, or adversely affecting members of the career force." The Project Volunteer Committee had other reservations. There were four major issues which, according to the report, remained to be resolved before a volunteer force could be achieved. These four issues were:

- Extension of Induction Authority beyond June 30, 1971 -- the Induction Authority should at least be extended to June 30, 1973.
- Manning of Reserve Forces -- combat ready Reserve forces are crucial and a high priority must be given to first term enlistees and the retention of experienced personnel

^{1/} References to the Project Volunteer Committee Report are from Plans and Actions to Move Toward an All Volunteer Force, a report to the Secretary of Defense by the Project Volunteer Committee, August 14, 1970.

in the Reserve Components.

- Physicians Draft -- attaining a volunteer force of physicians represents a special problem because of the national shortage; the possibility must be recognized that the draft of physicians will be needed after draft calls for other active duty personnel have reached zero.
- Retention in the Career Force -- while moving to a volunteer force we must enhance the status of the volunteers who are with us now or who enter the career force.

The action plan in the Project Volunteer Committee report is summarized below:

- Public Understanding of the Armed Services -- we must restore the sense of "duty, honor, country" which should symbolize the uniform and the man in it.
- Military Pay and Benefits -- major improvements in military pay are an essential first step to move to a volunteer force.
 - Differential Pays -- full range of such pays should be reviewed to assess any needed extensions and develop plans for differentiated cost of living allowances for personnel assigned to high cost areas.
 - Entitlements for Enlisted Personnel with Less Than Four Years of Service -- costs of movement of dependents and household goods should be extended to enlisted personnel with less than four years of service.
 - Enlisted Bonus -- some form may be desirable as supplemental inducement to attract volunteers which would be difficult to man without the draft.
- Educational and Training Benefits -- these rank high as incentives.
 - College Scholarship Programs for ROTC -- a major expansion should be given priority.
 - In Service Educational Programs -- should be broadened by making Associate Degree Program available and expanding fulltime four-year and advanced degree programs for enlisted personnel.

- Expand programs to assist personnel to enter post-Service work careers.
- Military Personnel Utilization and Management -- management efforts should be intensified in programs designed to reduce military manpower requirements for males or to broaden the potential supply by assuring that entry standards are no higher than needed.
 - Civilian Substitution -- as soon as practical in the post-Vietnam period, develop a comprehensive substitution program.
 - Utilization of Military Women -- support proposed Service programs for expansion.
 - Reduction of K.P. and Extra Duty Assignments -- make funds available to permit phased elimination of K.P. at troop installations.
 - Qualitative Standards -- conduct a detailed analysis of Project 100,000 (use of personnel with Below Average mental abilities) to provide a basis for establishing post-Vietnam qualitative standards.
- Recruitment Programs -- attainment of a volunteer force requires high priority to the recruitment function.
 - Funds should be made available for major increases in Service advertising budgets.
 - A pilot program of paid radio-TV advertising should be conducted.
 - Recruitment Options -- recent surveys indicate that choice of geographic area and assignment to a particular specialty have significant appeal and the Services should expand use of such options.
 - Enlistment of Civilian Trained Specialists at Higher Pay Grades -- program has been successful in Navy in construction skills and should be expanded.

- Market Research -- a DOD-wide program should be developed as a continuing activity in support of recruiting.
- Recruiter Incentives and Compensation -- proficiency pay should be awarded to recruiters and they should be reimbursed for extra "out-of-pocket" expenses which they incur.
- Number of Recruiters -- each Service should provide a sufficient number to cover the market effectively.
- Physicians and Dentists -- effort must include incentives for both accessions and retention.
 - Differential Pay -- levels of pay must be reasonably competitive with civilian counterparts.
 - Scholarship Programs -- fully subsidized professional education is the most important single incentive.
 - Increased Use of Civilian Hospital Facilities by Dependents -- dependents should be given free choice of military or civilian hospitals.
 - Reduction in Physician Requirements Through Improved Utilization.
- Reserve and National Guard Components -- major new incentives are needed.
 - Compensation -- pay schedules for Reserve Components should continue to be linked with active duty pay and increased pay provided along with active duty pay increases.
 - Special Pays -- retired pay, other benefits, should be studied with particular emphasis on a reenlistment bonus.
 - Educational Programs -- subsistence allowance should be provided for non-graduates enrolled in Reserve Programs to complete high school.
 - Junior ROTC and similar programs for high school youth should be expanded
 - Increased Reserve Participation in Domestic Action Programs -- community service projects should be undertaken as an extension of training programs.

- Intensified Reserve Recruitment Programs.
- Housing -- a major factor in career retention; the housing program that would be needed to meet all volunteer force needs is likely to exceed in magnitude the appropriations available. A five-year program estimated to cost \$2.7 billion is needed.
 - Family Housing -- construct 8,000-12,000 new units annually and upgrade existing inventory to adequate standards.
 - Bachelor Housing -- construct units for 45,000 bachelors and upgrade existing inventory.

MAJOR DIFFERENCES BETWEEN THE GATES REPORT AND THE PROJECT VOLUNTEER REPORT

The Gates Report and the Project Volunteer Committee Report were in agreement that the draft could be ended, and the programs for doing so were quite similar. The major difference between the two reports was one of timing -- the target date for ending the draft. The Project Volunteer Committee viewed the commission's recommendation to end the draft on July 1, 1971, as impractical, if not irresponsible. The Project Volunteer Committee recommended renewal of the draft for at least two years.

The Project Volunteer Committee did not agree that pay increases alone would be enough to achieve an All Volunteer Force. They recommended a full-scale program of family housing and bachelor housing. They placed more emphasis on education and training incentives. In contrast to the small increase in recruiting resources of \$8 million annually, which the Gates Report recommended, the Project Volunteer Committee accorded the highest priority to building an effective recruiting force. The committee also thought that the Gates Commission underestimated what the volunteer force would eventually cost.

The reaction to the commission's report as reflected in discussions at the Project Volunteer Committee meeting on the subject may be summarized as follows:

- The report placed too much emphasis on entry pay and too little emphasis on retention of the career force.
- The failure to recommend a housing program was a serious omission in view of the importance of family housing as a retention incentive.

- The econometric analysis of the commission's staff was optimistic and did not take into account the negative attitudes toward military service which young people felt as a result of Vietnam.
- The commission greatly underestimated the costs of a volunteer force.
- The recommendation to end the draft on July 1, 1971, was completely impractical.

In the Defense Department at working staff levels, numerous inaccuracies in, and disagreements with, the Gates Commission report were placed on the record. The military pay chapters of the report, in particular, were the subject of staff exceptions. The compensation experts of the Department felt that the pay differential between junior and senior enlisted members represented an "undesirable compression" which would have an adverse impact on senior enlisted personnel. This technical comment simply reflected the concerns over the status of career personnel previously expressed by the Joint Chiefs of Staff and the Project Volunteer Committee.

The Defense compensation experts also pointed out that the physicians' pay comparisons had omitted about 50% of the compensation of military physicians, including tax advantage, special pays, future retired pay, and other items. The omissions had the effect of inflating the amount of the proposed pay raise for military physicians. Also, the Gates Commission proficiency pay recommendations appeared to be a permanent wage differential based on skills, and the Defense specialists commented that this would be three times as costly as the existing system which awarded Proficiency Pay as long as skills were critically short. ^{1/}

The Army, in particular, had serious reservations about the size and cost estimates of the pay raises needed to achieve an All Volunteer Force. Army staff personnel pointed out that variations in the estimates as to accession requirements, number of true volunteers, or pay elasticity would sharply affect the cost estimates. Their staff analysis illustrated a wide difference in their estimates and those of the President's Commission:

^{1/} Memorandum from Brig. Gen. Leo Benade to ASD(M&RA), Subject: Evaluation of Gates Report, March 1970.

	<u>Gates Commission Estimates</u>	<u>Army Estimates</u>
FY 1972 Accession Requirements	148,000	244,000
Number of True Volunteers	97,000	60,000-70,000
Pay Elasticity	1.25	.5 - 1.0

The Army pointed out that, depending on the estimates used, the costs to achieve a volunteer force would range from the estimate of \$2.7 billion used by the Gates Commission up to \$8 billion. The Army suggested that substantial across-the-board pay raises might prove too costly; they proposed that pay be raised enough to obtain a sufficient number of volunteers for certain skills that were not difficult to fill, with these raises supplemented by special pay for other skills that posed a greater recruiting problem. ^{1/}

In spite of the many similarities between the actions proposed by the Project Volunteer Committee and those proposed by the President's Commission, the initial reaction throughout the Defense Department was largely one of apprehension about the commission's report. Virtually everyone in the Department who had worked on the problem thought that the commission had underestimated the difficulties of achieving a volunteer force. The apprehension was reinforced by the commission's recommendation to end the draft on July 1, 1971.

THE PRESIDENTIAL DECISION

The President made key decisions on the issues raised by the Advisory Commission on two occasions. First, at a National Security Council meeting in March 1970 the President indicated that the Administration should move in the direction of an All Volunteer Force. Second, he acted on the recommendations of a high level White House Group chaired by Martin Anderson which had been assembled to prepare the needed staff work. ^{2/}

^{1/} Army Point Paper, Subject: Gates and DOD Pay Raise Proposals, April 1971.

^{2/} Participants included John Ehrlichman, Peter Flanagan, General Alexander Haig and Kenneth Belieu of the White House staff; Henry Kissinger from the National Security Council; Robert Mayo, Council of Economic Advisors; Roger Kelley, Department of Defense; James Schlesinger, Office of Management and Budget.

Prior to the White House meetings, the Defense position was conveyed to the White House by two memoranda, one from Assistant Secretary Kelley to Martin Anderson, and the other from Secretary Laird to the President.

The Department's initial comments took a positive approach and avoided the temptation to pick at the numerous technical details of the commission's report. "DOD favors an All Volunteer Armed Force and enthusiastically supports the basic conclusion of the President's Commission. Through the Project Volunteer Committee, which consists of representatives of OSD and the Services, we are studying the commission's recommendations and will incorporate them into our DOD action programs as appropriate to implement the All Volunteer Force objective." ^{1/}

The honest reservations of the Project Volunteer Committee were also reflected in the comments: "...There are, however, certain cautions that deserve attention as we move toward this objective. These have to do with our inability to guarantee that spending a specified amount of money will produce an All Volunteer Force by a given future time. This is because of factors of uncertainty beyond our current reach or control." The uncertain factors mentioned were:

- The availability of funds to implement the All Volunteer Force.
- The effect of the Vietnam War on the propensity of youngsters of military age to enlist and the propensity of the Vietnam era veterans to reenlist.
- The future size of military forces.
- The availability of jobs in the labor force.

"We believe the achievement of an All Volunteer Force by 1971 is unlikely and urge that the draft authority to induct should be extended beyond July 1971 when the present authorization expires. This deserves special emphasis, for our nation's security cannot be compromised by the combined pressures of those who would eliminate the draft for anti-war reasons and those who would eliminate the draft as a hasty mechanism to induce an All Volunteer Force."

The basic Defense position was restated by Secretary Laird to the President with the significant addition of a Defense recommendation as to the timetable for the end of the draft. The memorandum pointed out that, assuming the withdrawal from Vietnam was successful, time was on

^{1/} Memorandum from R.T. Kelley to Martin Anderson, Special Consultant to the President, February 1970.

the side of the volunteer force. "As currently planned force level reductions occur, it will become increasingly feasible and less expensive to meet military manpower needs without reliance on the draft." 1/ Because of the planned Army strength reductions after withdrawal from Vietnam, draft calls in FY1973 would be likely to be as low as 60,000-70,000, even if there were no increases in military pay. Secretary Laird said that military pay increases and other actions to increase the attractiveness of military service would probably make it possible to reduce the draft below the estimated 60,000-70,000 level in FY1973. Mr. Laird recommended to the President: "You should request a two year extension of the Induction Authority beyond June 30, 1971, with the provision that you will end the draft by proclamation if it becomes clear during the two year period that the draft can be shifted to standby status without jeopardizing national security." The recommendation to extend the induction authority for two years, instead of the customary four years, provided the Defense target date for ending the draft.

As of March 1970, the Defense Department was abundantly cautious about the prospects for attaining a volunteer force. This mood was symbolized by use of the term "zero draft" -- a term coined by the Defense Department public information staff -- and reflected in the Laird memorandum. "It is our view that as we proceed toward this goal, the main emphasis should be on reducing draft calls to zero rather than achieving the All Volunteer Force, even though the objective of each is identical. There are many Americans who reject the idea of an All Volunteer Force but support reduced reliance on the draft." 2/

1/ Memorandum from Secretary of Defense for the President, Future of the Draft, March 1970.

2/ The phrase "zero draft" originated in a meeting between Wollstadt, Orville Splitt of the staff of ASD(Public Affairs) and one of the authors. The author observed that much of the criticism of the draft would diminish if draft calls were reduced to a level of 3,000-4,000 a month. Splitt exclaimed, "Zero draft -- that's our objective." Wollstadt liked the idea and the phrase and sponsored its usage. Kelley later explained the use of the phrase: "...zero draft did not conjure up mixed emotions in the minds of people, such as the All Volunteer Force often did. Zero draft, therefore, is simply a means of communicating that we have to reduce draft calls to zero as a means of achieving an All Volunteer Force." GCL

The Laird memorandum of March 1970 largely reflected the Project Volunteer Committee's views about the actions needed to move toward a volunteer force. Secretary Laird pointed out that he had earlier recommended a 20 percent pay increase to be effective January 1, 1971, for enlisted personnel with less than two years of service. He now advised the President that he would like to raise the amount to 25 percent and make the raise effective in July 1970, but could not do so by absorbing the costs within the Defense budget. He therefore concluded that he was left with his original recommendation.

In addition to the pay recommendations, Mr. Laird stated he planned to take the following actions:

- Expand the recruiting effort by each of the Services for both the Active Forces and Reserve Components.
- Restore the sense of "duty-honor-country" which symbolize the uniform and the men in it.
- Improve on-base military housing and increase housing allowances, particularly in high cost metropolitan areas.
- Improve conditions of service life and increase military career satisfaction through such actions as expansion of in-service educational opportunities, expansion of ROTC scholarships, extension of family moving expenses to short service enlisted personnel, reduction of K.P. and other extra-duty assignments, and a broader program to assist those leaving military service in their adjustment to civilian life.

"I believe action on the foregoing recommendations will take us firmly and safely on our course of reducing draft calls to zero....The Administration cannot be placed in the position of having to reduce forces below National Security Council recommendations because it has acted too soon in taking irreversible steps to eliminate the draft."

In indicating to the National Security Council that the Administration should move to a volunteer force, the President's guidance largely followed Mr. Laird's views:

- (1) The draft, which expired July 1, 1971, would have to be extended; otherwise, the President feared the Administration's foreign policy and ability to meet commitments in Vietnam or elsewhere would not be credible.
- (2) FY1971 expenditure of \$3.4 billion in order to end the draft on July 1, 1971, as recommended by the Gates

Commission, was impossible because of budget limitations.

- (3) The Administration should not commit itself to a fixed timetable for ending the draft which it could not achieve.

The group chaired by Martin Anderson was established to develop the options further. The chief arguments were over timing and budgetary considerations. The Department of Defense had already gone on record as agreeing with the Gates Commission's views on the desirability of an All Volunteer Force and of "reducing draft calls to zero." An extended debate at the Presidential level over desirability or feasibility of the voluntary force was thereby avoided.

There was little sentiment in favor of the Gates Commission recommendation to end the draft on July 1, 1971. The commission's report was rather casual about its recommendation to end the draft in one year, when the draft expired, in contrast to the Defense Department's strongly voiced fears that a two-year extension of the draft might not be enough. At the previous National Security Council meeting in March, the President had stated his view that an additional \$3.4 billion could not be made available in FY1971, as suggested by the Gates Commission. It was also recognized that the planned force reductions from 3 million strength to 2.25 million were contingent on the progress of Vietnam withdrawals. The success of Vietnamization could not be guaranteed. The argument was whether the Administration should seek a two-year extension of the draft authority, as recommended by Secretary Laird, or a three-year extension as recommended by Dr. Kissinger. There was general agreement that, since the draft would presumably last at least another two years, the Administration should undertake a program of draft reform while moving to the All Volunteer Force.

Dr. Kissinger and Mr. Ehrlichman prepared a memorandum to the President which discussed both the two-year and the three-year extension. The memorandum listed two arguments supporting a two-year extension:

- (1) It would provide a "safety factor" during the critical two-year period in which the draft was most likely to be phased out.
- (2) It would place expiration of the extended draft eight months beyond the 1972 election, thus making a further extension politically more possible.

The arguments against the two-year extension were listed as:

- (1) It would be difficult to get by Congress; they may prefer

a one-year extension so that the draft will expire four months before the 1972 election.

- (2) It might be interpreted as an apparent time limitation on our Vietnam effort.

The only argument listed as supporting a three-year extension was that it would give the President a longer period of time to work out an All Volunteer Force with little risk of having to ask for further draft extension. These arguments, however, were listed against the three-year extension:

- (1) The draft would expire during an election year.
- (2) The President's credibility on the AVF, particularly with young people, would be seriously weakened.
- (3) It was very unlikely that Congress would accept a three-year extension.

Dr. Kissinger, along with Peter Flanagan of the White House staff, favored the three-year extension of draft authority. However, Dr. Kissinger's memorandum stated that he would like to see draft calls ended in January 1973.

The second issue was over the amount of funds to be budgeted for the All Volunteer Force, particularly the size and timing of military pay raises. The commission's option of \$3.4 billion for FY1971 was the highest cost option because it contemplated pay raises for the existing 3 million man force. The Defense Department recommendation of a \$2 billion budget for Project Volunteer in FY1972 and an increase to a \$3.5 billion budget in FY1973 was the intermediate position. The Office of Management and Budget preferred \$1.3 billion in FY1972 and \$2.8 billion in FY1973.

The President's decision largely accepted Secretary Laird's recommendations. The decision was to plan to reduce draft calls to zero at some time between July 1, 1972, and July 1, 1973, and to reform the draft system in the interim. Mr. Laird's recommendation for a 20 percent increase in military pay was approved. A total of \$2 billion was approved to be budgeted for the All Volunteer Force in FY1972 and a total of \$3.5 billion in FY1973.

^{1/} Wollstadt was the chief advocate of a "set aside" of funds for the volunteer force and he convinced Martin Anderson of the importance of this action.

The President deferred the decision on the length of the draft extension which would be requested in July 1971 when the draft authority expired. Since the draft authority did not expire for over another year, it was not compelling for this point to be decided. By inference, however, the budget decisions approved by the President implied an extension of at least two years. The President's decision assured that adequate turn-around time would be available to see whether military manpower requirements could be met on a voluntary basis. Assistant Secretary Kelley announced to the Project Volunteer Committee that the DOD positions had been sustained.

The President announced his decision publicly on April 23, 1970. ^{1/}

After careful consideration of the factors involved I support the basic conclusion of the Commission. I agree that we should move now toward ending the draft. From now on the objective of this Administration is to reduce draft calls to zero, subject to the overriding considerations of national security. In proposing that we move toward ending the draft I must enter three cautions: First, the draft cannot be ended all at once. It must be phased out so that we can be certain of maintaining our defense strength at every step. Second, existing induction authority expires on July 1, 1971, and I expect that it will be necessary for the next Congress to extend this authority. And third, as we move away from reliance on the draft, we must make provisions to establish a standby draft system that can be used in case of emergency. No one can predict with precision whether or not, or precisely when we can end conscription.

The President mentioned a number of actions that would be taken:

- An additional 20 percent pay increase for enlisted personnel with less than two years' service was to be effective January 1, 1971.
- An additional \$2.0 billion would be placed in the FY1972

^{1/} Press release, April 23, 1970, Office of the White House Press Secretary.

budget for pay and other benefits to attract and retain military personnel.

- The Secretary of Defense was directed to give high priority to the expansion of programs to increase enlistment and retention in the Services, and report quarterly to the President.
- The Secretary of Defense was directed to review policies and practices of the Services to give new emphasis to recognition of the individual needs, aspirations, and capabilities of military personnel.

Both the decisions and the announcement largely reflected the Laird-Kelley views on the recommendations of the President's Advisory Commission:

- (1) The conclusions on the desirability of a volunteer force were accepted.
- (2) A commitment of significant resources to the objective of ending the draft was made public.
- (3) A "hedge" was taken as to the precise date for ending the draft.

The national security considerations, not the issue of the volunteer force, were considered overriding.

FROM PLANS TO BUDGET

The first phase of planning for the volunteer force culminated in the President's decision and the announcement of April 23; the second phase ended the following December with the Secretary of Defense decisions on the Project Volunteer budget for FY1972.

After the President's announcement, much of the language in the Project Volunteer Committee report was obsolete because the report argued for the position which the President had taken. To provide a formal record of their positions, however, the Service members of the committee suggested that the report be sent to the Secretaries of the Army, Navy, and Air Force for their personal review and, subsequently, to Secretary Laird for formal approval.

Mr. Laird forwarded the report to the Secretaries in May 1970 endorsing it in principle by stating, "Subject to review of your comments,

I plan to approve the report." 1/ The Secretaries commented favorably on the report and Mr. Laird set a date in June for a press conference to announce his approval and to issue the report publicly. At the last moment his budget advisers suggested he cancel the press conference. They advanced an argument that more funds would be required by the Project Volunteer Committee program than had been set aside by the President. As a consequence of budgetary concerns the Project Volunteer Committee report was never published as the formal Defense Department plan for reaching the All Volunteer Force.

Although the report was not formally approved by the Secretary of Defense, the committee's work on the report served as the point of departure for building its FY1972 program and budget. At a meeting of the Project Volunteer Committee after the President's announcement, Kelley asked the members to identify "where we want to spend the money as soon as possible." Accordingly, the Program Evaluation Group, assisted by a representative of the ASD(Comptroller) commenced the work of estimating the FY1972 costs of the 26 program actions contained in the Project Volunteer Report. The initial estimates for FY1972 were \$2.563 billion, of which \$2.255 billion was the estimate for the military pay and benefits, which were primarily for entry level personnel.

The pressures associated with a restrictive budgetary climate continued to disconcert the planners. The pressures were associated with the process of building the Department of Defense portion of the President's FY1972 Budget. In July the Defense Program Review Committee of the National Security Council directed the Secretary of Defense to assess the impact of a \$6 billion cut in Defense expenditures for FY1972. Such budget exercises are not unusual in the Department of Defense but this one caused a good deal of indecisiveness about the level of funds that would be available for Project Volunteer during FY1972. 2/

1/ Secretary of Defense memorandum to Secretaries of Military Departments, Subject: Report of Project Volunteer Committee.

2/ At this time General Westmoreland, Army Chief of Staff, in a conversation with one of the authors, expressed skepticism about whether sufficient resources would be made available to do the job. "The story of my life in this building has been to be promised the resources to do a job and then to get short changed." G.C.L.

In spite of the President's announcement in April that \$2 billion would be in the budget for FY1972, Project Volunteer was not exempt from the expenditure cut exercise. Accordingly, Deputy Assistant Secretary Wollstadt prepared four "straw man" options which ranged from a \$2.5 billion budget down to \$.5 billion. The decision on military pay and benefits was, for all practical purposes, the determining variable of the total costs of each option.

Preliminary Costing of Project Volunteer Recommendations, FY1972

(In Millions of Dollars)

	<u>Initial Estimate</u>	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>
<u>Grand Total</u>	2,563	1,885	1,494	1,102	470
I. Military Pay and Benefits	2,255	1,690	1,313	922	314
II. Educational and Training Programs	51	45	45	45	45
III. Military Personnel Utilization and Management	25	25	25	25	0
IV. Recruiting Programs	77	57	52	52	52
V. Reserve and National Guard Incentives	79	58	49	49	49

The variations in Military Pay and Benefits in the five different levels of cost were largely determined by possible increases in the additional pay raise above the 20 percent increase for entry personnel which the President had already announced. The table below shows the range of estimates for the military pay totals.

Preliminary Costing of Project Volunteer Recommendations, FY1972

(In Millions of Dollars)

	<u>Initial Estimate</u>	<u>Option 1</u>	<u>Option 2</u>	<u>Option 3</u>	<u>Option 4</u>
<u>Grand Total</u>	2,255	1,690	1,313	922	314
I. Increases in Mil. Pay & Benefits <u>a</u>	1,617	1,283	1,145	926	241
II. Variable Cost of Living, Housing, and Allowances	48	0	0	0	0
III. Skill Differential Pay and Bonus	200	200	100	0	73
IV. Extend Entitlements for Permanent Moving Expenses	390	206	68	0	0

- Except Option 4, includes \$416 million for 20 percent entry pay raise included in the President's legislative program.

While the budget planning continued, steps were taken concurrently to get started on programs which could be funded within existing resources by reprogramming FY1971 funds. The Program Evaluation Group developed a list of such actions which could be implemented without costs or by reprogramming. Kelley asked each Service to consider what could be accomplished without waiting for new funds. ASD(M&RA) launched the revitalization of recruiting by conducting a Joint Recruiting Conference in December 1971. The Army, in particular, began its efforts to improve its appeal to young men of military age. Some actions were under way before the first Project Volunteer funds became available by new appropriations in July 1971. ^{1/}

^{1/} For discussion of implementing actions prior to the availability of new funds, see Chapter IV, Implementation: Early Actions.

The Project Volunteer Committee was still preoccupied with budget planning. Mr. Kelley had urged Robert Moot, the Assistant Secretary of Defense (Comptroller), to allow the Project Volunteer Committee to determine the allocation of funds, subject to Mr. Laird's approval. By agreeing to this unusual exception to the customary budget procedures, Moot exempted Project Volunteer funds from the normal detailed item-by-item scrutiny of the budget analysts of his office. As Chairman of the Project Volunteer Committee, Kelley's influence over allocations of resources became his chief "carrot" for obtaining cooperation from the Services in the early stages of Project Volunteer. Few programs had received enough priority to be exempt from the Comptroller's budget review.

The committee members naturally became advocates of the claims which their Service made for a share of the funds. Kelley had to resolve the differences among the members without losing their support and cooperation with regard to the total program.

In November Kelley presented a "basic package" to the Project Volunteer Committee built around a \$1.3 billion level of funding for FY1972. This level, because of the restrictive budget climate, was significantly less than the \$2 billion level which the President had cited in his April announcement. The \$1.3 billion level essentially reflected Kelley's judgment to add another increment of 30 percent to the 20 percent entry pay raise already included in the President's Legislative Program. Under this plan entry pay would be raised in FY1972 by about half the amount which the President's Commission had urged for immediate enactment. Kelley thought that a pay raise of this size was about "all the traffic would bear." The "basic package" which Kelley presented appears on the following page.

Kelley ended his presentation by asking the Service members of the Project Volunteer Committee to furnish their comments in writing on their recommended budgets for FY1972. There was general acceptance by the Services of the basic pay raise strategy and general agreement with the programs for recruiting, ROTC, and medical scholarships. Beyond these areas of agreement, each Service wanted a larger share of the resources.

There was a sharp difference of opinion over the differential pay issue which arose out of the Army recommendation to provide Proficiency Pay, a premium pay to enlistees in the ground combat arms. The Navy wanted a pay differential in the form of Sea Pay and the Air Force favored the use of an enlistment bonus as a differential pay strategy.

The other Services also favored continued reliance on free public service advertising and disagreed strongly with the Army view of the need for paid radio/TV advertising. Kelley was unable to bring about agreement among Project Volunteer Committee members on these points.

Programmed Action

FY1972 Cost Estimate
(In Millions of Dollars)

20% pay increase for enlisted personnel under 2 years of service	450
Additional increases in Pay and Benefits	495
Proficiency Pay averaging \$75 a month for Army and Marine Corps Ground Combat personnel and Combat Medics with 30 months' service	125
Increase in active duty recruiting, including \$5 million for Army experiment with paid radio/TV advertising	70
Increases in Reserve/Guard Components recruiting costs	10
Medical scholarships	20
ROTC scholarships and subsistence, including Marine Corps Platoon Leaders Class	50
Special Funds for experiment with programs to increase enlistment and retention in Reserve/Guard Components	15
Barracks improvement and probably variable housing allowance	125
TOTAL ^{1/}	1,360

^{1/} By this time it had also become clear that the costs of the Family Housing Program recommended in the Project Volunteer report were too large to be included in the Project Volunteer budget. The author pointed out to Kelley and Wollstadt the long lead time involved in family housing construction. The transition to the volunteer force would have to be completed before the housing would be available. Secretary Laird agreed with Kelley's recommendation to fund the Family Housing Program separately from the Project Volunteer budget. Under separate funding, a strong program of construction of housing for military families was carried out during the transition.

In response to Kelley's request for written comments on the budget, the Army recommended that they receive total allocations of more than \$523 million, excluding military pay. This figure exceeded the non-pay amounts which the "basic package" contained for all four Services. The Proficiency Pay amount sought for infantry, armor, and artillery skills was \$150 a month instead of the \$75 a month in the "basic package." Secretary of the Army Stanley Resor explained the Army's view: "The task facing the Army in eliminating draftee requirements is monumental. For example, in the difficult area of combat skills, we will need to increase volunteers more than 500%, or about 4,000 additional enlistments per month in FY1972." 1/ The Army also recommended \$259 million to increase "Service Attractiveness," including reasonable barracks privacy, barracks furniture, elimination of menial details which detract from mission performance, and elimination of K.P.

The Army pointed out that an allocation of "...\$450 million for the 20% pay raise and \$60 million for a variable housing allowance leaves about \$270 million out of the \$1.3 billion in Kelley's basic package. This can be used to fund the other DOD and Service programs and contingencies." Lt. General George Forsythe, an Army member of the Project Volunteer Committee, repeatedly argued "to put the money where the problem is." Not surprisingly, the Army request for nearly two-thirds of the "pie" was not well received by the other Services.

The Army, however, received some unexpected support for its claims to the funds. The Assistant Secretary of Defense (Systems Analysis) had presented a staff analysis to Secretary Laird and Deputy Secretary Packard which concluded that, given the pay raise, the Navy, Marine Corps, and Air Force would be able to meet their accession requirement on a volunteer basis without additional incentives. Therefore, Systems Analysis did not, in general, recommend additional funding for the Navy, Marine Corps, and Air Force in FY1972. This recommendation marked the beginning of bureaucratic differences between the ASD(M&RA) and the ASD(Systems Analysis) -- particularly between their staffs -- which persisted throughout the time Kelley remained in office.

The Systems Analysis staff study was very optimistic. "The Air Force, and Navy, and to some extent, the Marine Corps, have had more potential volunteers than they have enlisted....Over 140,000 will volunteer for an Air Force enlistment in FY1972 without any change in military pay. Since the Air Force will need only 96,000 new accessions in FY1972, they will have an excess supply of more than 44,000 true

1/ Secretary of the Army memorandum to the Secretary of Defense, Subject: Volunteer Army Actions, November 1970.

volunteers at current pay rates....Given a projected demand of 39,100 annual new accessions, the Marine Corps will have an excess supply of 9,400 men....The Gates Commission estimated that the Navy's supply of true volunteers would increase from 73,800 in FY1970 to over 82,600 in FY1975 at current pay rates. If the Navy would accept as many men in lower Category III as are now accepted in upper Category III, the total supply in FY1972 could be increased by 11,000....The programmed 20% first term pay increase should increase the Navy supply by 7,700.... The planned 20% pay increase for first term personnel combined with possible reductions in strength below budget levels should preclude the possibility of a manpower gap in Air Force, Navy, or Marine Corps." 1/ It all sounded quite simple.

As a hedge, however, Systems Analysis recommended an enlistment bonus -- not only in lieu of Proficiency Pay for Army ground combat accessions but for the other Services as well -- in case they were unable to meet their accession requirements.

Adoption of the FY1972 Budget in DOD

The issues were presented by Kelley at a meeting in November 1970 with Secretary Laird and Deputy Secretary David Packard. The ASD(M&RA) "basic package" had been modified in response to Service recommendations so that it included about \$320 million for recruiting, barracks improvement, and "Service Initiatives" funds to increase Service attractiveness. The Service Initiatives concept was borrowed from the Army recommendations of November 6; the Army, having embarked on a program (Project Volar) to improve conditions of Service life and remove irritants at bases where combat units were stationed, recommended funds for its extension. The label of Service Initiatives was coined by Deputy Assistant Secretary Wollstadt. The proposed funding for Service Initiatives was the only departure from the Project Volunteer Committee report. Although about 53 percent of the funds in the "basic package" were earmarked for Army, Gardiner Tucker, the Assistant Secretary (Systems Analysis), presented an argument for Army-only allocations coupled with authority for all Services to pay an enlistment bonus. After a lengthy discussion the program decisions were deferred.

Deputy Secretary Packard asked Kelley to do more work on the problem. "In putting together our Zero Draft proposals we must put the dollars where the problems are. The available funds must be used to achieve our

1/ Manpower Requirements and Supply for the AVF, Staff study by ASD(Systems Analysis), October 1970.

Zero Draft objectives and, in particular, to ensure that we have adequate combat manpower." ^{1/} Kelley was asked to prepare the following:

- (1) Alternative bonus plans aimed primarily at solving Army's combat skills problems.
- (2) An assessment of each of his recommended programs, particularly the difficulty in providing adequate combat manpower.
- (3) A reexamination of the allocation of funds among the Services on the basis of where the problems lie.
- (4) An analysis of the proposals which distinguishes between those that are transitional and those that are steady or persistent.

Packard's guidance leaned toward the Systems Analysis view of making larger allocations to the Army than Mr. Kelley had recommended.

Kelley met with the Project Volunteer Committee December 7 to obtain their views on the enlistment bonus studies that had been completed in response to Secretary Packard's request. The Army continued to favor use of existing legislative authorities to provide increased Proficiency Pay for ground combat personnel as a form of premium pay. Army representatives argued that authority existed to commence Proficiency Pay immediately but that the Congress would have to pass enabling legislation before a bonus could be used. Lt. General Forsythe, representing the Army, said that the Army did not favor a lump sum bonus payment (it was thought that the young soldiers would probably go out and buy a used car, or otherwise "squander" the money). The Army preferred continuing payments so that the soldier would maintain his proficiency and remain in one of the ground combat specialties. Deputy Assistant Secretary Wollstadt pointed out that Proficiency Pay would have to be paid to men already enlisted and would not be as attractive an accession incentive as the bonus. Navy representatives opposed the bonus plan, stating that the bonus was impractical for use in the case of shipboard assignments unless it was given to everyone.

Kelley again asked the services to submit written papers, not only commenting on the bonus but identifying key problems, quantifying their estimates shortages, and specifying the programs which would solve the shortages. This final "go-around" was considered necessary because of the Systems Analysis view that the Navy, Marine Corps, and Air Force would have little or no difficulty meeting their enlistment objectives after the pay raise.

^{1/} Deputy Secretary of Defense Memorandum to ASD(M&RA) and ASD(SA),
Subject: Zero Draft, December 1970.

Kelley was well armed for his next meeting with Secretary Laird and Mr. Packard. By this time he had decided to push for an enlistment bonus. He also recommended an unallocated Contingency Fund of about \$110 million, holding out the promise that as problems emerged a Service could obtain funds for programs to solve them.

The areas of disagreement with ASD(Systems Analysis) had narrowed. The staff of Systems Analysis had participated with that of ASD(M&RA) in analyzing the proposed allocations and now accepted the proposed programs for recruiting and for ROTC, medical, and other officer scholarships. They continued to oppose, other than in the Army, the non-pay allocations for Service Attractiveness on the grounds they were not needed.

Subject to instructions to Kelley to make one more check with the Service Secretaries and Chiefs of Staff, Secretary Laird approved in principle the revised budget program which Kelley recommended for FY1972. It was now estimated to cost \$1.5 billion of appropriated funds.

Kelley was able to obtain a substantial amount of agreement from the Service Secretaries and Chiefs of Staff but not full concurrence. The Army agreed with the program except that it continued to recommend Proficiency Pay instead of the enlistment bonus as the incentive for enlistment into ground combat specialties. The Navy accepted the program but argued that the entry pay raise be increased by another 15 percent and paid for, in part, by use of the so-called contingency funds. The Air Force pointed out that their allocation (other than for pay) was only \$58 million; they felt that the program, which contained \$225 million for non-pay actions for the Army, favored the Army too much, and that enlistment bonus authority was the only advantage that Army needed for the ground combat specialties.

Recognizing that there had been full and complete discussion, Secretary Laird approved the program in spite of the remaining reservations. Once the decision was announced, the Services made the best of it. There was little or no grumbling in public, as at last the Services began to believe that some "new money" would be available for the All Volunteer Force.

The ASD(Comptroller) determined that, in general, the items which did not require legislation would be budgeted for FY1972 in the existing appropriations accounts and that the items, such as increased compensation, which required legislative authority would be budgeted in the President's Contingency Account. The program was, therefore, usually displayed by Legislative and non-Legislative items.

The program and budget estimates, particularly for the pay increases, varied from time to time. The table on the following page shows the estimates as of the time of their approval by Secretary Laird on December 28, 1970.

PROJECT VOLUNTEER BUDGET ESTIMATES, FY1972

(In Millions of Dollars - Total Obligation Authority)

Pay Items ^a

Entry Pay Increase (Phase I)	908.0
Ground Combat Enlistment Bonus (Army)	40.0
Adjustment in Allowances to Eliminate Dependents Assistance Act	<u>79.0</u>

1027.0

Non-Pay Items

Recruiting and Advertising	110.8
Army	(63.9)
Navy	(14.4)
Marine Corps	(18.2)
Air Force	(13.3)
OSD	(1.0)

ROTC & Other College Level Scholarships ^a	46.5
Army	(19.8)
Navy	(9.7)
Marine Corps	(3.1)
Air Force	(13.9)

Medical Scholarships ^a	20.0
Army	(7.5)
Navy	(6.0)
Air Force	(6.5)

Barracks Improvement	68.0
Army	(60.0)
Marine Corps	(8.0)

Service Initiatives	141.0
Army	(75.0)
Navy	(25.0)
Marine Corps	(16.0)
Air Force	<u>(25.0)</u>

386.3

Contingency Fund

106.8

TOTAL

1520.1

^a Requires Legislative Authority

There were five major changes in the budget plan from the earliest version to the program approved by Secretary Laird:

1. FY1972 funding for the incentives for the Reserve Components was removed, except for recruiting and advertising. In the earliest version of the budget, no less than \$49 million was planned for a variety of Reserve Component incentives, including an enlistment and reenlistment bonus, survivor's benefits, expansion of educational opportunities, and additional medical care opportunities. In the final version these incentives were deferred to allow time to work out a more specifically defined program. There was little agreement on how an enlistment and reenlistment bonus could be administered in the Reserve Components.
2. The enlistment bonus authority was substituted for enlisted Proficiency Pay as the accession incentive for the ground combat arms. The FY1972 cost estimate for Army's enlisted Proficiency Pay proposal was \$125 million compared to \$40 million finally approved for the enlistment bonus.
3. The consensus to place emphasis on recruiting and advertising programs resulted in raising the amounts from \$50 million for all Services in the earliest version of the budget to \$110.8 million in the approved budget. Incentives provided for recruiting duty included special pay of \$50 a month; reimbursement for "out-of-pocket" expenses incurred by recruiters; and leased housing for recruiters located in the community.
4. The Service Initiatives suggested by Army's Project Volar were not included in the earliest versions of the program but were budgeted at \$141 million for all Services in the approved budget. The Service Initiative funds included authorizations for hiring 6,333 civilian personnel -- to be used largely in the Army program to eliminate K.P. and other menial tasks to be performed by soldiers.
5. A Contingency Fund of \$106.8 million was established to fund additional programs as the need appeared. The fund would have provided unusual flexibility to the managers of the program. One purpose of the fund was to provide a "safety factor" for the deferment of incentives for the Reserve Components, allowing time to work out a specific program.

Effects on Future Programs

As events turned out, the FY1972 budget shaped the Project Volunteer program and budget, for better or worse, throughout the entire transition to the All Volunteer Force.

The program which emerged in the FY1972 Project Volunteer budget emphasized incentives for enlisted personnel accessions, particularly for the Army. The emphasis may be illustrated by the distribution of the dollar amounts (excluding pay) contained in that budget. The table below shows the distribution in a number of categories:

Percentage Distribution of FY1972 Project Volunteer Budget

(Non-pay Funds)			
Active Forces	98%	Reserve Components	2%
Enlisted Personnel	96%	Officer Personnel	4%
Accession Programs	85%	Retention Programs	15%
Army	64%	Other Services	36%

The funds were allocated, in general, where the problem was thought to be the greatest and the emphasis did not change significantly throughout the transition period. Earlier, the Services -- both in meetings with the President's Commission and in the Project Volunteer Committee report -- had pressed for resources to be allocated for retention but they now generally accepted the emphasis on accessions.

The toughest decision -- both because of the technical issues involved and because of the inter-Service relationships -- was the decision to allocate 64 percent of the non-pay funds in the FY1972 Project Volunteer budget to the Army. After the many adjustments during the review of the original "basic package," allocations among the Services were only roughly in proportion to their accession requirements. As the Army representatives saw it, this allocation was not at all adequate for their needs; as the other Services saw it, none of them received enough Project funds. The table below shows the proportions of FY1972 accession requirements and the proportions of non-pay items in the Project Volunteer budget for each Service:

Percentage Distribution of Accession Requirements and
Project Volunteer Budget (Non-Pay Items) by Services, FY1972

	<u>% of Accession Requirements</u>	<u>% of Project Volunteer Budget</u>
Army	52.0	64.0
Navy	20.9	12.5
Marine Corps	7.9	10.0
Air Force	19.2	14.5
DOD	100.0	100.0

There were not many "satisfied customers" after the budget was finished. It was logical enough to use the number and proportion of accessions as a point of departure, but what adjustments to make to this base was not as simple. What allowance should be made for differences in the needs of the Services for personnel with aptitudes for more technical skills, such as electronics and nuclear power? What adjustment should be made because the Air Force was the first choice of 36 percent of young men and women of military age and the Army was the first choice of 29 percent? As Kelley later aptly summarized the situation, "The Air Force popularity exceeded the Air Force proportion of accession needs. The Navy is fighting to keep its accession requirements and its preference rating among youth in balance. The Army needs exceed its popularity. The Marine Corps needs a few good men and continues to get them." ^{1/}

Considering that Army's accession requirements were about double those of the Air Force, what adjustments should be made because the proportion of "draft-motivated" volunteers was higher in the Air Force than in the other Services? As the budget went through its many permutations, the Army share was increased, partly in response to the Systems Analysis view. The final judgment was an intuitive one which gave most weight to the Army's higher accession requirements and its lower appeal to young men and women.

^{1/} Hearings before the Subcommittee on the Volunteer Armed Force and Selective Services, Senate Committee on Armed Services, March 10-13, 1972, p. 195.

The decision by Wollstadt and Kelley to use the funds to increase accessions rather than to increase reenlistment and retention was a deliberate one. Manning shortages because of low retention and reenlistment were not general but were localized to particular skills, such as electronics, where the technical training was long and difficult. The ASD(M&RA) staff believed that the incentive base for career personnel would prove adequate for a volunteer environment despite the emphasis which the Service members of the Project Volunteer Committee had placed on retention. Basic pay for career personnel was already reasonably competitive with the civilian sector; the variable reenlistment bonus system and the enlisted Proficiency Pay system authorized pay differentials for career personnel which could be varied in amounts by skills. Also, although not included as a part of the Project Volunteer budget, an expanded DOD family housing program was programmed and would enhance Service attractiveness for career personnel. If post-Vietnam retention and reenlistment rates were too low, corrective programs could be undertaken in subsequent Project Volunteer budgets. The initial priority, therefore, was accorded to actions that would increase the true volunteer accession rates. Subsequent experience confirmed the validity of this judgment and the Project Volunteer Program and budgets continued to be overwhelmingly accessions oriented. ^{1/}

The President's Post-Budget Announcement

On January 28, 1971, the President used the completion of budget planning as the occasion for a message to Congress on Draft Reform and Ending the Draft. ^{2/} Basically, the message announced the Administration's program as contained in the FY1972 Budget and its plans for the future. The programs and plans announced by the President had been shaped by the review, within the Defense Department, of the report of the President's Commission; by the preparation of the Project Volunteer Committee report; and by the formulation of the FY1972 Project Volunteer Budget. The President's announcement was a prelude to the presentation of the program to the House and Senate Armed Services Committees.

The President's announcement said:

^{1/} It should be noted that passage of the Physicians Special Pay Act in 1974 modified the accessions emphasis in the Health and Medical area by offering a bonus for physicians and other health professionals to remain in service after completion of an initial, or subsequent, term of service.

^{2/} Press release, Office of the White House Press Secretary, January 25, 1971.

I am submitting a number of legislative proposals (some of which were previously submitted to the 91st Congress) which together with Executive Actions I shall take, would take us closer to the goal of an All Volunteer Force.

I propose that we invest an additional \$1.5 billion in making Military Service more attractive to present and potential members with most of this to be used to provide a pay raise for enlisted men with less than two years of service, effective May 1, 1971....The proposed pay raise would increase rates of basic pay at the entry level by 50% over present levels. Also, I am proposing increases in the quarters allowance for personnel in the lower enlisted grades.

I am proposing a test program of special pay incentives designed to attract more volunteers into training for Army combat skills.

Existing law provides that as general adjustments are made in civilian pay, corresponding increases will be made in military pay. In addition, I am directing the Secretary of Defense to recommend for the 1973 fiscal year such further additions to military compensation as may be necessary to make the financial rewards of military life fully competitive with those in the civilian sector.

The Department of Defense, through Project Volunteer, has been actively engaged in expanding programs designed to increase enlistments and retentions in the Services. A fair level of pay, while necessary, is only one factor in increasing the relative attractiveness of a military career. I will propose that approximately one-fifth of the additional \$1.5 billion be devoted to expanding our efforts in the areas of recruiting, medical scholarships, ROTC, improvement of housing and other programs to enhance the quality of military life.

During the past year the Department of Defense has reviewed the policies and practices of the Military Services and has taken action to emphasize recognition of the individual needs and capabilities of all military personnel. These efforts will be continued and strengthened.

The President, indeed, had issued a succinct summary of the volunteer force program and budget for FY1972.

The President's message also announced the Administration's decision, deferred at the time of the White House decisions in March 1970, to go for two years of turn-around time, thereby rejecting the Gates Commission's suggestion to end the draft on July 1, 1971.

No one knows precisely when we can end conscription. It depends on many things -- including the level of military forces that will be required for our national security and the degree to which the combination of military pay increases and enhanced benefits will attract and hold enough volunteers to maintain the forces we need and the attitude of young people toward military service.

Current induction authority expires on July 1, 1971. While I am confident that our plan will achieve its objective of reducing draft calls to zero, even the most optimistic observers agree that we would not be able to end the draft in the next year or so without seriously weakening our military forces and impairing our ability to forestall threats to the peace. Considerations of national security thus make it imperative that we continue induction authority at this time.

Normally the Congress has extended induction authority for four year intervals. I propose that this Congress extend induction authority for two years, to July 1, 1973. We shall make every endeavor to reduce draft calls to zero by this time...

As long as we must continue to rely on the draft to meet a portion of our military manpower requirements we must make the draft as equitable as possible. To that end I am proposing legislation to modify the present draft law....This proposed legislation would

Permit the phasing out of undergraduate deferments...

Establish a uniform national call, by lottery sequence numbers each month, to ensure that men throughout the

country with the same lottery numbers have relatively equal liability to induction by their boards.

After two years in office the Administration had decided upon a program and a timetable for moving to an All Volunteer Force, for ending the draft, and for reforming the draft while it existed. The basic strategy of the Administration was to fix a limit on the costs of the program and to provide the funding for the program in two annual increments, reaching the maximum limit of \$3.5 billion in FY1973. The increase in voluntary enlistments would not occur all at once but would occur steadily over the two-year turn-around period. What happened next was up to Congress. The extension of the draft from July 1, 1971 until July 1, 1973, the enactment of legislative authority for increased entry military pay and other incentives, and the appropriation of funds were all necessary to implement the plan. As Administration witnesses prepared to present their case to Congress, it was not at all certain whether the Congress -- which was split into several factions over Vietnam, the draft, and the All Volunteer Force -- would ever agree to the program.

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CHAPTER III THE LEGISLATIVE DEBATE AND DECISION

Members of the committee, today the committee begins hearings on the extension of the draft and related matters. Someone has pointed out to me that the first bill the committee under my chairmanship will bring to the floor of the House will be the most difficult and controversial bill that the House has debated in my 30 years in Congress. It might have been added that it is also perhaps the most important. It would be impossible to think of a legislative package that would have more far-reaching effects on the American people, from a moral, economic, and national security standpoint, than the group of bills that we begin considering here today.

F. Edward Hebert, February 23, 1971
Chairman of the House Armed Services Committee

BACKGROUND FOR THE HOUSE AND SENATE DEBATES

THE IMPORTANCE OF THE LEGISLATIVE EVENTS

In February 1971, F. Edward Hebert, a Democrat from Louisiana, had been chairman of the House Armed Services Committee for only six weeks. He may have been prone to some overstatement, but the "package" of four bills sent to Congress by President Nixon to extend, reform, and eventually end the draft was important for three reasons. First, the legislation raised the debate about ending the draft from the relatively docile stages of a campaign promise and an advisory commission report to the more active consideration of a specific program. Second, the events in Congress were important because they authorized a program for ending the draft. And third, the congressional debate continued to bear upon numerous draft related issues, as implied by Hebert, including the war in Vietnam. The entire debate came into focus on the issue of extension of the draft at a time when a majority of the country favored the end of the war.

The President's proposals generated the greatest debate on the draft since the Second World War. Consideration of draft-related proposals extended throughout most of 1971, which indicated the importance Congress attached to the issues involved. The hearings began in January. Several bills were submitted by various Congressmen and Senators with hopes of altering or replacing the Administration's program, and dozens of amendments and motions were introduced during the House and Senate floor debates. Throughout July a conference committee met to resolve differences between the House and Senate. Final passage of the bill to extend the draft and to increase entry military compensation did not occur until September. ^{1/}

Other than the extension issue, that of compensation became most important. The President's Commission had recommended increased compensation as the key measure for achieving an all volunteer force. However, for budgetary reasons the Administration wished to phase the increase over two years. Many pro-volunteer Congressmen felt that this delay was a lack of commitment to the volunteer force, so the amount and timing of the pay increase led to a substantial debate.

Many of the amendments and non-Administration bills touched upon issues related to the draft -- the war in Vietnam, social inequity, political unrest, repression of personal freedom, and the roles of the Selective Service and the military in American life and international affairs. Few legislative debates have been so far-reaching.

ADMINISTRATION AND NON-ADMINISTRATION BILLS

Six bills of importance were considered during the House and Senate hearings. Three of these came from the Administration and were introduced in the House and Senate by the respective Chairmen of the Armed Services Committees, F. Edward Hebert and John C. Stennis (D-Louisiana). The Administration bills were:

H.R. 2476 (S. 427) ^{2/} which sought to extend the

^{1/} The volunteer program did not pass all at once. Two other bills, covering ROTC scholarships and medical scholarships, were part of the original Administration program but received separate hearings and did not pass until 1972. A third bill, the Special Pay Act, was not part of the original program but was enacted in 1974 and completed the legislative program for the volunteer force.

^{2/} In the House and Senate the same bill may be introduced, thus accounting for identical legislation having two designations. The numbers of House bills begin with "H.R.," the numbers of Senate bills with "S."

induction authority ^{1/} until July 1, 1973, and to amend the Selective Service Act, most notably to permit a direct national lottery call and to return to the President the power to eliminate student and occupational deferments.

H.R. 3496 (S. 495) which sought a \$1.0 billion increase in military compensation so as to provide a 50% pay increase to entry level enlisted personnel. This was the first phase of two increases proposed by the President which were expected to make military compensation competitive with that of civilian life. The ability of military careers to financially compete with civilian careers was considered the key part of the volunteer force program.

H.R. 3498 (S.495) which sought to provide a bonus to those enlisting in special occupations that faced manpower shortages. Though the Administration desired a flexible bonus authority applicable to any skill designated by the Secretary of Defense, this bill was frequently referred to as the "combat arms enlistment bonus," since combat arms faced the greatest shortages of true volunteers. ^{2/}

The three remaining bills which will be discussed and which received consideration during the 1971 hearings originated in Congress. In the House H.R. 4450, the "Voluntary Military Manpower Procurement Act of 1971," was introduced by Representative William Steiger (R. Wisconsin) and attracted over eighty co-sponsors. (In the Senate the same bill, S. 392, was introduced by Senator Mark Hatfield (R-Oregon) and a dozen co-sponsors.) H.R. 4450 attempted to enact the program of the Gates Commission, a \$3.1 billion program of which \$2.7 billion would go for pay increases. Steiger and his allies aimed for a volunteer force as soon as possible and made no mention in the bill of a renewal of induction authority. Their bill was a more direct approach than that of the Administration to the volunteer force in that Sec. 2 of H.R. 4450 endorsed the volunteer force:

^{1/} Only the induction authority (a power granted to the President) expired every four years and needed renewal. The rest of the Military Selective Service Act is permanent law which remains in effect.

^{2/} H.R. 3497 (S. 494) was also a part of the Administration's program. It was a minor bill which permitted recruiters to be reimbursed for "actual and necessary expenses" incurred in connection with their duties. It was a noncontroversial bill which is of interest because it illustrates the importance which the Department of Defense volunteer force program attached to recruiting.

The military manpower requirements of the nation can be adequately met through the effective administration of a volunteer system.... A voluntary system should be instituted and given a fair test as soon as practicable while providing necessary safeguards in the event that unforeseen circumstances create a need for additional military manpower. 1/

In another bill, S. 483, Senator Edward Kennedy (D-Massachusetts) proposed legislation which reflected his fears of the AVF. He believed that a volunteer force during wartime would be mercenary, composed mostly of the poor, black, and uneducated. Kennedy considered the combat arms enlistment bonus to be particularly repugnant in that it would be most attractive to the least fortunate, thereby allowing the more affluent to escape the burden of combat. His proposal, S. 483, would have extended induction authority for two years while simultaneously making the draft more equitable. The reforms would have prohibited new student deferments, abolished occupational deferments, and implemented a direct national call of draftees based on lottery numbers. 2/

A third non-Administration bill, which received consideration during the Senate hearings, was Senate-Joint Resolution 20. An all-out anti-war, and anti-draft resolution, it sought to repeal the Military Selective Service Act, thereby abolishing the Selective Service System. The bill had no direct House counterpart, although an amendment to the same effect was introduced by Representative Bella Abzug (D-New York).

These three bills deserve mention because of the positions they represented. H.R. 4450 was a stronger commitment to the AVF in both time and money than the Administration desired to make. As a more sudden end of the draft, it also attracted anti-war sentiment. In each area -- fiscal commitment, the timing for the end of the draft, and anti-war sentiment -- H.R. 4450 would directly affect the ensuing debate. And in each area the strongest AVF proponents, the strongest critics of the draft, the strongest critics of the war, would almost win. Kennedy's bill, S. 483, had little direct effect but it best represented the "mercenary-minority" fear of the AVF. That fear would eventually cause trouble for

1/ S. 392, Sec. 2 printed in full in Senate Armed Services Committee Hearings Selective Service and Military Compensation. February 1971, p. 218.

2/ Before passage of the direct national call in 1971, Selective Service assigned quotas to states and local boards on the basis of their military age population.

the combat arms enlistment bonus and arose criticism of the AVF in general. S-J Resolution 20 is significant only because it represented the extreme hostility to the draft and the war, part of the background against which these debates occurred and policy evolved.

POLITICAL TACTICS AND THE CONSERVATIVE COALITION

Several aspects of the Administration's position helped to attract a conservative coalition of Republicans and Southern Democrats. From the standpoint of the Administration's national security concerns, the President's program to extend the draft for two years while moving to an all volunteer force was more cautious than the non-Administration proposals. The President's program also involved less risk of failure to the volunteer force effort because of reliance on draftees until 1973. Finally, most conservatives in Congress had qualms about the feasibility and desirability of the All Volunteer Force, but they accepted a two-year extension of the draft in order to block the liberal, anti-war and anti-draft proposals to move more quickly to end inductions.

In particular, the Administration's request for a two-year extension of induction authority had advantages over other bills:

- H.R. 4450 and S. 392, which allowed the induction authority to expire on July 1, 1971, involved greater risks that military strengths would decline significantly in the haste to initiate a volunteer force.
- The two-year extension offered a compromise between the volunteer force skeptics, who favored a four-year extension of the draft, and the pro-volunteer activists, who rejected any extension beyond the expiration of induction authority on July 1, 1971.
- Since it set no specific date for the end of inductions and did not directly establish the volunteer force as a policy goal, the Administration approach left many conservatives, including Stennis and Hebert, free to hope that the draft would be reextended in July 1973. Administration spokesmen said they would stop using the draft earlier if the compensation and other incentive programs enacted by Congress enabled them to do so and that they would ask for subsequent extension of induction authority if voluntary methods did not succeed in meeting military manpower needs.

It was also important that the Administration spokesmen separated the issue of military compensation from the more controversial issues of the draft extension, the war in Vietnam, and the volunteer force. Though increased compensation was the main tool for achieving the volunteer force, the Administration supported the pay raise primarily on the grounds of equity and fairness, and was thus able to draw nearly universal support for increased compensation from both sides of the AVF draft issue and the war issue. Administration witnesses frequently argued that competitive pay was a sound policy because it was intrinsically fair, rather than because it would obtain more voluntary enlistments. Before the Senate Armed Services Committee, Assistant Secretary Kelley expressed this view:

There is no claim on our part that military pay, if raised to competitive levels, would solve all enlistment and reenlistment problems. Rather the point is that military pay, by any comparison, is too low -- especially for enlisted personnel at the entry and short service level. And even if the goal of zero draft wasn't at stake, it is unfair to use the power of the draft to enforce inordinantly low pay levels. 1/

The use of the terms "zero draft" and "standby draft" may have helped to overcome conservative skepticism. "Zero draft" appeared to be an extension of the traditional post-world War II policy of minimizing reliance on draftees and did not necessarily imply the absence of induction authority. The term "standby draft" was not clearly defined. In fact, the only part of the Military Selective Service Act which expired was the induction authority, but many skeptics of the volunteer force seemed more comfortable with the notion of a strong "standby draft." 2/

Many of the House and Senate votes were triumphs for the conservative coalition, which eventually determined the general policy toward ending the draft. The Administration was relying on Republicans and Southern Democrats, but traditional partisan or liberal-conservative divisions cannot completely explain how Congress behaved. Though accurate on many votes during these debates, such interpretations of voting behavior do not do justice to the complex mixture of issues which frequently created unusual political alliances on the draft and volunteer force issues. An

1/ Senate Armed Services Committee (SASC) Hearings on Selective Service and Military Compensation, 1971, p. 61.

2/ The NATO countries were also concerned over the standby draft. Upon their request, representatives of the NATO countries were briefed on the volunteer force to relieve them somewhat of their concern over a possible weakening of the military strength of the United States.

important example is the interaction between the Vietnam and draft issues. The dominant liberal position was opposed to both the war and the draft. The minority liberal position opposed the war but favored the draft. Conversely, the dominant conservative position supported both the war and the draft, while the minority conservative position supported the war but opposed the draft. The following chart shows typical Congressmen of each position.

		DRAFT	
	Pro		Con
		<u>Dominant Conservative</u>	<u>Minority Conservative</u>
	Pro	Stennis (D-MS) Hebert (D-LA)	Goldwater (R-AZ) Taft (R-OH)
VIETNAM POLICY			
		<u>Minority Liberal</u>	<u>Dominant Liberal</u>
	Con	Kennedy (D-MA)	Hatfield (R-OR) Mansfield (D-MT)

Throughout the 1971 debates, amendments frequently arose which related to both the end of the draft and the end of the war. The degree to which they pertained to one or the other of these two issues often governed the voting alliances. For example, Senator Mark Hatfield introduced an amendment to end induction authority on July 1, 1971. Though this was an attack on the war in Vietnam, Senator Kennedy, a long-time critic of the war, declined to support Hatfield's amendment because it was also an attack on the draft. Kennedy instead voted with Senator John C. Stennis, his opponent on Vietnam policy. Also, an unusual alliance was formed between Senators Barry Goldwater and George McGovern on attempts to create an all volunteer force. Both had similar views on personal freedom, though the two Senators differed on Vietnam policy.

THE CHAIRMEN - JOHN C. STENNIS AND F. EDWARD HEBERT

Although Stennis and Hebert introduced the Administration's proposals which were directed toward achieving a volunteer force, neither chairman actually favored the AVF. Both were skeptical of it. In opening the Senate hearings, Stennis called the volunteer objective "a flight from reality" in view of what he considered the minimum military requirements. ^{1/}

^{1/} SASC Hearings 1971, op. cit., p. 3.

Hebert poked fun at the notion of a volunteer force when he opened the House Committee hearings. "In our present situation," the House Committee Chairman declared, "I think the only way to get an all volunteer army is to draft it." ^{1/}

Both Stennis and Hebert, however, were forced to accept the President's program as the best compromise which could be enacted. Each had risen to power during the Cold War years when the draft had been embedded in the nation's peacetime military establishment; the memories of military weakness prior to World War II were still fresh to many of the congressional old guard. As supporters of the draft and a strong military establishment they would have preferred a four-year extension. It was impractical though for the pro-draft forces to seek it, since the Administration had requested only two years, and many Congressmen favored even less. Furthermore, with anti-draft and anti-war pressure mounting, few Congressmen could have explained to their constituents a vote for a longer extension than the Administration wanted. In the light of the Vietnam experience, the opponents of the draft cited it as a means by which the Chief Executive could expand the Armed Forces or enter and sustain an unpopular war without public or congressional consent. With Congress split, therefore, on the necessity of the draft and on the length of the extension, Stennis and Hebert largely supported the Administration's program although they did not consider a volunteer force to be feasible or desirable from the standpoint of their belief in a strong military establishment.

^{1/} House Armed Services Committee (HASC), Hearings on Extension of the Draft and Bills Related to the Voluntary Force Concept and Authorization of Strength Levels, 1971, p. 36.

COMMITTEE HEARINGS AND THE FLOOR DEBATES

President Nixon sent the four Administration bills to Congress on January 28, 1971. Senator Stennis began hearings within a week.^{1/} In the House, Congressman Hebert waited until February 23, thereby allowing the Senate Committee time to complete its hearings. The testimony that occurred before both committees was largely redundant since most of the bills, and to a great extent the witnesses, were identical.

THE PRESENTATION OF THE ADMINISTRATION'S PROGRAM

The Administration's spokesmen before both committees were the Secretary of Defense, Melvin Laird, Assistant Secretary of Defense, Roger Kelley, and the Director of Selective Service, Curtis Tarr. The plan was for Laird to emphasize the immediate need for a two-year extension of the draft and, so as not to detract from the emphasis, merely outline the volunteer force program. Kelley was to elaborate on the need for the draft extension and to provide the rationale for the volunteer force. Tarr was to explain the plans for draft reform.

Laird's statement made the point that the size and quality of military strength needed for the next two years could not be obtained without extension of the draft. He estimated that over 500,000 new enlisted men and 43,000 new officers would be required during the coming fiscal year, and that without the draft all Services would experience manpower shortages. "The draft," he explained, "has been the inducement to service for the majority of first term enlistees, for about two-thirds of the Army's combat soldiers, for about three-fourths of the Reserve enlistees, and for the vast majority of young doctors."^{2/}

^{1/} According to Ed Braswell, the Chief Counsel to the Senate Armed Services Committee, Stennis generally prefers to respond to House action rather than to initiate. Stennis recognizes that since House members are elected biennially, they may be under political pressure to spend lavishly, while Senators who have six-year terms are freer to design long range policy. The fact that Stennis began hearings first is unusual and probably attributable to his recognition that Defense Manpower issues were going to occupy much of his attention throughout 1971. The chairman wanted an early start. Later, he allowed the House to complete its action first, thereby returning the Senate to its more traditional role. Braswell interviewed by authors, April 21, 1976.

^{2/} HASC Hearings, 1971, op. cit., p. 41.

Laird also sought to show that the goal of "zero draft" by June 30, 1973 was difficult but achievable. He cited the progress Defense had made in reducing draft calls. Since 1968 they had been halved. Then, the Secretary listed three essential conditions which had to be met to achieve the volunteer force.

- Defense had to vigorously pursue the proposed program.
- Congress had to support the program with appropriate legislative and budgetary action.
- The public would have to support the volunteer force with a positive attitude toward military service.^{1/}

Several times during his appearances as a witness, Laird returned to the point that the success of the program depended on the appropriation of funds by Congress.

In elaborating on Laird's testimony, Kelley also led off with arguments for the two-year extension by criticizing proposals to extend the draft for either one or four years. "Why not extend the induction authority for just one year?" he asked rhetorically. Answering his own question, Kelley explained that a one-year extension would mislead the nation, and particularly draft age youths, about the probability of meeting anticipated manpower needs without the draft after July 1, 1972. He cited the recruitment of combat soldiers and medical doctors as examples of problems which could not be solved in one year. "Why not extend the induction authority for four years...?" Kelley then asked. An extension of longer than two years, he explained, would be inconsistent with an all out effort to end reliance on the draft. Finally, since the AVF goal was difficult but achievable, he called for "maximum pressure [from Congress] on those of us responsible for implementation." ^{2/} With this invitation for Congressional oversight, the two-year extension, as Kelley argued for it, appeared to be the logical choice.

Kelley presented his explanation of the program proposals in two parts -- the "Compensation Proposals" and "Other Proposals." Speaking of compensation, he first established that the Administration would propose further additions in military compensation in FY1973 in order to make the financial rewards of military life fully competitive with those

1/ Ibid, p. 41.

2/ Ibid, p. 63.

in the civilian sector. In explaining the pay increases, Kelley emphasized fairness and equity rather than the relation to the volunteer force. He then noted that for 13 years, 1952 through 1964, the basic pay of enlisted members with less than 2 years of service had remained unchanged.

The other proposals for barracks improvements and expansion of the recruiting force were briefly covered. There was "evidence," Kelley stated, that these areas of the Administration's program, if implemented, would produce additional volunteers. ^{1/} In a similar vein he justified the enlistment bonus, officer scholarships, special initiatives to improve the quality of service life and to improve living conditions, and the contingency fund out of which incentives for the Reserve Components were to be provided in FY1973.

He summarized the program and funds in the table shown below:

Zero Draft Program and Budget, Fiscal Year 1972 ^{2/}

	<u>Millions</u>
Pay Increase	908.0
Quarters Allowance	79.0
Special Pay Incentives	<u>40.0</u>
Subtotal, Compensation Proposals	1,027.0
Barracks Improvement	68.0
Service Initiatives	141.0
Officer Procurement	57.2
Recruiting	<u>110.8</u>
Subtotal, Other Proposals	377.0
Contingency	<u>116.1</u>
Total	1,520.1

^{1/} Ibid, p. 49.

^{2/} Ibid, p. 52.

In his statement before the Senate Committee, Kelley referred to his personal convictions about the All Volunteer Force. He gave a strong endorsement of the concept, but deleted it from his later House testimony because of Congressional skepticism of the AVF. Nevertheless, his statement provides an insight into the personal convictions of the man most responsible for ending the draft.

I believe that the right of free choice, as applied to one's work or career is important. But while the concept of free choice has always appealed to me, I didn't know when I came into this job two years ago whether the All Volunteer Force was attainable. Moreover, I wasn't sure that it represented the best deal for the American tax payer. Therefore, I could only promise Secretary Laird that I would study the subject objectively and carefully and report my conclusions to him. ^{1/}

Kelley went on to argue that the Armed Forces, like other organizations, would function most efficiently, more effectively, and with fewer men if they had to compete for people rather than rely on a forced entry. He dismissed as gratuitous the claims that a voluntary military would threaten society, be mercenary, or be all black. These misconceptions, he continued, might mislead the American people; therefore as false claims, they "should be knocked down hard."

MAJOR ISSUES DURING THE HEARINGS

Although many of the questions or comments of Congressmen during the hearings were about the specific volunteer force programs proposed by the Administration, two sets of issues evolved. One set centered around skepticism of the volunteer force and emerged most frequently in comments on the length of the draft extension. Another set of issues evolved around compensation -- pay, equity, the enlistment bonus, and the question of a mercenary force. The broad national issues such as the Vietnam War, personal freedom, the role of the draft and the military in American society were debated later when the bills came before the full House and Senate, particularly on the floor of the Senate. Witnesses who appeared before the committees to attack the draft and the war, rather than to discuss the legislation being considered, were frequently ignored or given

^{1/} Ibid, p. 56.

little attention.

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During the hearings each Congressman was allowed five minutes and each Senator ten minutes to address each witness. These time constraints served to keep the questions mainly on the program and legislative matters at hand. Even with these constraints, however, the hearings took seven days in the Senate and eleven days in the House.

Skepticism of the Volunteer Force - The Length of Draft Extension

The length of the draft extension was a major concern to the members of both the House and the Senate Armed Services Committees. Many of the committeemen favored a strong military establishment and were also pro-draft. They expressed their fear that a volunteer policy would not maintain a military force of the size they considered necessary, but only a few of them went so far as to suggest that the customary four-year extension would be wise. In the Senate Committee, Senators Stennis, Thurmond, and Ervin did so and in the House, Congressman Leslie C. Arends did so. Most of the questioning about the length of the extension, however, was from pro-volunteer force members who explored the issue of a one-year instead of a two-year extension. The conservative committeemen who favored a four-year extension were trapped. While many thought that the volunteer force was an impossible risk for the Military Services, they came to realize that a two-year extension of the draft was the best they could get in view of public disapproval of the war, the widespread resistance to the draft, and the Administration's request for two years. ^{1/}

Typical of cautionary remarks were those of Senators Stennis and Ervin during the Senate Committee hearings. On several occasions, Stennis expressed his skepticism of the feasibility of the volunteer force and his apprehensions over the Administration's request for only a two-year extension. In response to Secretary Laird's statement that two years were needed because of national security, the Chairman commented:

I hope you keep emphasizing that. I think we ought to face the facts further. Just look at this thing realistically and make it four years, and if you can

^{1/} In an interview with the authors on April 21, 1976, Ed Braswell, Chief Counsel of the Senate Armed Services Committee, expressed the situation in a rhetorical question, "When a President comes down and says he no longer needs the draft, what can Congress do?"

work out a plan on a trial run basis [and] in some way to see what you can do this extra pay...I would like to see you try this [the AVF] out on some kind of pilot run, but just to say we are going to cut off this Selective Service Act in 2 years, I don't think that is practical. 1/

Senator Ervin expressed a similar point of view:

I have very grave misgivings about the wisdom of Congress saying that on the first day of July, 1973 we are not going to make anybody serve his country in the military forces unless he is willing to do so.

Apart from that, I think we have too much permissiveness in this country and I think we need a little more emphasis upon a man's duty to his country.

I have complaints about the administration whether they be Republican or Democratic because they all practice the same kind of a program; they keep trying to promise people they are going to release them of burdens; that they are not going to have to carry burdens, and here is an administration that is trying to give the young people a promise that on the first of July 1973 they are not going to have to serve in the Armed Forces unless it pleases them, and I think we are far from being able to predict this. I think we have a very precarious world and I think it is going to stay precarious, and I think we ought to extend the draft for 4 years and then if July 1, 1973 comes and we have a happy, peaceful world, then we can abolish the draft. 2/

Kelley tried to reassure the Senators who favored the longer extension. The Administration, he pledged, would return to Congress in 1973 and explain

1/ SASC Hearings, 1971, op. cit., pp. 50-51.

2/ Ibid, pp. 92-93.

the situation if the end of the draft did not then appear feasible.

In contrast to the general skepticism given the AVF, several members of the Senate Committee expressed pro-volunteer force views usually by suggesting a shorter extension. Senator Barry Goldwater, who had believed for many years that a volunteer force was feasible, told Administration witnesses, "I am convinced it will work and that it will work now...." ^{1/} Senator Harold Hughes (D.-Iowa) asked Mr. Laird whether it would be possible to end the draft in one year if Congress combined and met all the requests for legislative authority and appropriations for FY1972 and FY1973. Laird answered that it would be better to follow the program which the Defense Department had proposed rather than embarking upon the crash program Hughes seemed to suggest. The exchange of opinions continued:

Senator Hughes: You are implying then at least it wouldn't be impossible [to end the draft in one year]?

Secretary Laird: I don't like to say anything is impossible but I think it would be very difficult...

Chairman Stennis: I don't believe you would take much chance if you said it is impossible. ^{2/}

In the House Committee the issue of the length of the extension emerged but was discussed less than in the Senate. Congressmen Leslie C. Arends (R.-Illinois) and G. V. Montgomery (D.-Mississippi) both advocated a four-year extension. ^{3/} Perhaps the closest expression of pro-volunteer sentiment came from Congressman Michael Harrington (D.-Massachusetts). He tried to pin down the date of July 1, 1973 as a commitment for achieving a volunteer force. The Congressman asked Secretary Laird whether he would agree to a measure which would grant the two-year extension, provide the Administration's phased two-stage pay increase as a larger increase in one year, and declare that inductions would definitely end on or by July 1, 1973. ^{4/} Secretary Laird responded that the date was a goal and,

^{1/} Ibid., p. 43.

^{2/} Ibid.

^{3/} HASC Hearings, 1971, op. cit., pp. 74, 98.

^{4/} Ibid., p. 90.

countering Harrington's effort, reminded the Congressman that the Administration would request larger appropriations for the volunteer force in FY1973. "When I was asked a similar question in the Senate," Laird said, "I outlined that costs could run as high as \$5 billion additional in fiscal year 1973." ^{1/} Conservative Congressmen, Laird realized, were not expected to be in a rush to appropriate an extra \$5 billion in FY1972.

To help accomplish the two-year extension, Kelley thought it was necessary to refute the Gates Commission's view that the draft could be ended on July 1, 1971. Kelley took advantage of two flaws in the Commission's analysis of the problems of the transition to the volunteer force:

- The commission, in its back-up studies, estimated the FY1972 accession requirements as only 280,000; the Defense estimate in the President's budget for FY1972 was 528,000 -- a difference of 247,800.
- The back-up studies of the commission showed that, under their estimates, there would be an Army shortfall of 116,000 in FY1973 but this estimate was not discussed in the Commission's report to the President.

Dr. Walter Oi, who had been a Director of Research for the President's Commission, responded to the Defense line of argument in testimony before the House Armed Services Committee in March 1971, saying, "The errors in end strength assumptions and projected losses that I made some fourteen months ago are history..." ^{2/} Dr. Oi explained that he had underestimated FY1970 draft calls by nearly 50,000 and that he underestimated net losses because of failure to include early releases and to take into account the expansion of two-year enlistments. It was, of course, easy enough to make these errors in projections so far ahead of events. Dr. Oi updated his estimates for the House Committee and opted for a one-year extension instead of the Commission's recommendation to end the draft in 1971. Dr. Oi also stated that the 2.5 million force level -- included in the President's budget for FY1972-- could not be achieved by July 1973 under the Administration's program for a two-phase pay increase. Dr. Oi's testimony was not damaging to the argument for a two-year extension.

^{1/} Ibid., p. 91. Laird's statement that the FY1973 cost of the AVF could run as high as \$5 billion was probably an attempt to discourage Congress from trying to reduce the transition period to one year.

^{2/} HASC Hearings, 1971, op. cit., pp. 854-860.

The Compensation Issues -- Pay, Equity
Bonus Authority and the Questions of a Mercenary Force

To establish a volunteer force, military compensation had to be competitive with pay in the civilian sector. Regardless of the efforts to end the draft, entry military pay was inordinantly low, so compensation became an issue during the hearings. The Administration proposals for FY1972 amounted to roughly \$1.5 billion, two-thirds of which would go for increased compensation. For entry level enlistees, this amounted to a 50 percent increase in basic pay. In addition, the President had directed Secretary Laird to "recommend for the 1973 Fiscal Year such further additions to military compensation as may be necessary to make the financial rewards of military life fully competitive with those of the civilian sector." 1/

The Administration planned to spread the compensation increases necessary to achieve competitive pay over FY1972 and FY1973. Assistant Secretary Kelley testified that two considerations restrained the Administration from immediately making pay fully competitive, as recommended by the Gates Commission. First, budgetary constraints and uncertainty over the exact cost and distribution of the overall pay actions led the Administration to spread the increases over two years. Second, the Administration desired to allow the Military Services time to digest the first round of significant pay raises at the lower levels. In response to questioning, Kelley testified that if the Administration's compensation proposals planned for the next two fiscal years were enacted in one year, there might be problems of "pay inversion," which could lead to retention problems in the upper enlisted ranks. 2/

The "Gates Commission Bill" (H.R. 4450 and S. 392) contrasted sharply with the Administration's program. Because H.R. 4450 did not extend authority beyond July 1, 1971, it relied mainly on the immediate enactment of fully competitive pay in order to accomplish the end of the draft. Accordingly, it proposed an FY1972 expenditure of \$2.9 billion of which \$2.7 billion was designated for increased compensation. (The expenditure level in H.R. 4450 was less than recommended by the Gates Commission because force size had declined during the year since the Commission report was issued.) Senator Mark Hatfield, before the Senate Armed Services

1/ President Nixon's Message to Congress on the AVF program, January 28, 1972.

2/ "Pay inversion" is a situation where the graduation between pay levels is insufficient to obtain enough reenlistments. In 1971 there was some fear that abrupt increases in entry pay without increases at other levels would lead to dissatisfaction among non-commissioned officers who in previous years had accepted low pay in the lower enlisted ranks in order to receive better compensation in the upper ranks.

Committee, and Representative William A. Steiger, before the House Armed Services Committee, were respectively the chief spokesmen for S. 392 and H.R. 4450. Both men reiterated the arguments presented by the Gates Commission. Hatfield emphasized that the volunteer force would actually be cheaper than reliance on the Selective Service System because conscription at less than civilian wages constituted a tax in kind, which was indirectly borne by the civilian sector. In addition, the costs of turnover and training could be reduced, declared the Oregonian, if the draft were ended. While Hatfield pursued analytical arguments, Representative Steiger appealed for the AVF on more humanistic grounds. He pointed to the nearly 50,000 servicemen who qualified for welfare and produced stories of G.I.'s living in unheated homes with open sewage running in their yards.

The only other bill of importance which related to the compensation issue was S. 483, introduced by Senator Kennedy, who proposed much smaller pay increases than either the Administration, the Gates Commission, or Hatfield and Steiger. Kennedy recognized that his proposal would attract few additional volunteers. The purpose of his compensation proposal was not to create a volunteer force, but only to cover minor changes in pay. In fact, Senator Kennedy opposed substantial pay increases on the grounds that they would essentially create a mercenary force. During the Senate Committee hearings Kennedy explained his doubts of financial inducement:

...I wonder even if we were able to build up the financial inducement to obtain a volunteer force whether it would coincide with the values of our society. The poor, either because of lack of skills, lack of educational opportunities or other kinds of inequities that this society has imposed on them, would be the ones induced to enter the Armed Forces of our country to fight our wars. I feel quite strongly that this is not fair or equitable. ^{1/}

Over the course of the year, however, Kennedy would alter his position. He remained opposed to the AVF because of the equity issue. But, he did soften on pay. By the time the first round of Senate floor debates ended in June 1971, he was ready to support a \$2.7 billion increase in military compensation.

Aside from the issue of basic pay, considerable attention was given to the enlistment bonus authority provided in 3498. The bill was designed

^{1/} SASC Hearings, 1971, op. cit., p. 63.

to allow bonuses of up to \$6,000. Kelley explained, however, that the bonus initially would be limited to \$3,000 spread across a three-year enlistment period and applied only to recruiting problems which were expected in the ground combat arms. 1/ Opposition was voiced by Representative Otis Pike (D-New York) who queried Kelley on whether the bonus would have a detrimental effect on the morale of draftees. "Wouldn't a draftee feel slighted at the very least if he were paid \$1,000 less than the guy fighting alongside him just because that guy had enlisted?" Pike asked. To this Kelley answered that the draftee would always have the "opportunity" to "qualify himself" for the bonus by merely reenlisting. Pike replied, "I don't think the opportunity to be in combat an extra year is going to improve his morale a lot." 2/

Pike's remarks typify Congressional qualms over the combat enlistment bonus. The Administration argued for an end to pay inequity, but the bonus could not be defended on that basis. In fact, to critics such as Pike the bonus represented pay inequity. The combat enlistment bonus appeared mercenary, and the difficulties of defending it illustrate the sensitivity of Congress to the issue of pay as it related to the AVF. There would be little opposition to pay increases so long as they were supported on the nobler grounds of equity, free competition within the labor market, and a better military service. However, Kelley had to defend the combat enlistment bonus by arguing that the additional pay was directly related to getting the additional volunteers. Congress disliked the thought of luring people to fight by paying a bonus, but even those who were opposed to the volunteer force favored equitable pay.

NON ADMINISTRATION WITNESSES

While the testimony of Laird, Kelley, and Tarr generally addressed the legislation at hand, the testimony of non-Administration witnesses frequently did not. Representatives of church groups, the American Legion, anti-war and anti-draft groups, the Reserve Officers Association, and others attacked or defended the war and the draft. Because of the critical environment in which the draft was being ended -- often under attack as an unfair institution, for its relationship to the war, and for

1/ During the Senate hearings (SASC, p. 63), Kelley explained that there already were several forms of special military pay which provided incentives to be used in situations where "critical skills are in short supply, or when a job is unpopular or has particularly disagreeable features." He described the situation in the ground combat arms as particularly suitable for the enlistment bonus stating that Army volunteers for the combat arms accounted for only four percent of the combat arms accession requirements.

2/ HASC Hearings, 1971, p. 199.

its role in the American military establishment -- the responses of several Congressmen to such non-Administration witnesses provide insights into the way many conservatives viewed the situation.

For example, when spokesmen for the American Legion testified in support of the draft and against the volunteer force, Congressman Floyd D. Spence (R-South Carolina) concluded that sending draftees to Vietnam had indeed been a "very good educational tool." It gave them an understanding, he maintained, "that we are actually faced with enemies in this world, and that our country needs defending." 1/ Sam Stratton, an up-state New York conservative Democrat, was impressed by the American Legion presentation and came very close to endorsing a four-year extension. He believed that the AVF just would not work, partly because he expected reserve strength to decline under a volunteer policy. Stratton regretted the loss of draft pressure. Then he repeated the Cold War interpretation that the peacetime draft was at the foundation of military preparedness which was necessary to prevent war.

Congressman Richard White (D-Texas) took a similar historical approach when he confronted Representative William A. Steiger, the co-sponsor of the vigorous bill to end the draft, H.R. 4450. The pro-volunteer forces had tried to separate the All Volunteer Force debate from questions of strategy and preparedness, but White warned that the United States should maintain a viable force capable of responding to emergency situations. As the following exchange shows, White believed that the end of the draft would deplete America's strength. Steiger, however, had a different perception.

Mr. White: I am not aware of any emergency in the history of this country where we weren't unprepared, including Korea, when our forces were depleted to a point we couldn't respond adequately. This is what I am concerned about at this time. You would not have your trained men, at least your trained pools adequate to respond to a larger emergency for 3 or 4 months after the Congress authorized it.

Mr. Steiger: It would take a period of time, quite obviously. There is one other consideration, may I say to the gentleman from Texas, that I think you have to give some thought to, and that is whether or not you are going to face a large-scale armed

1/ HASC Hearings, 1971, op. cit., p. 358.

force battle. I am no military expert, that is for sure, but I think one can argue that the concept of two massive forces trying to come together may not be the kind of battle that you are going to face.

Mr. White: I think this country has to respond to the unexpected. I think this country is going to have to anticipate the unexpected from here on for at least 20 years. That is what I think concerns the membership of this committee. 1/

Most of the committeemen were concerned about maintaining not only the strength but also the image of the Armed Forces. Vietnam and the draft certainly had tarnished that image. Many conservatives were sensitive to criticism of the military by the press and believed that such criticism was detrimental to the Services. Perhaps the best example of such a belief and how it became involved in the hearings comes from Representative John E. Hunt (R-New Jersey). When Congressman Steiger testified in behalf of H.R. 4450 and advocated larger pay increases than the Administration desired, he related the stories of G.I.'s living in unheated homes in Germany with open sewage running in their yards. That the poverty must be ended was Steiger's point. But what irritated Hunt was not the poverty, but the source of Steiger's stories. The discovery that the source was the CBS television network, which had previously aired a documentary critical of the Pentagon, 2/ led to this exchange between Congressman Hunt and Steiger:

Hunt: So they [CBS] have consistently produced stories of this nature, have they not?

Steiger: On poverty in Europe, I am not sure.

Hunt: No, on matters detrimental to the military. I ask you the question because I know you are very knowledgeable in this field....I am not referring to the low military pay on this network. I simply ask the question, is it not the truth this network has consistently produced evidence or commentary detrimental to the military forces of this Nation?

1/ HASC Hearings, Op. Cit., pp. 280-281.

2/ The documentary, "The Selling of the Pentagon," was first aired on February 23, 1971, the day the HASC started its hearings.

Steiger: That is a very subjective judgment, to be honest with you.

Hunt: Let's be subjective for a change.

Steiger: Mr. Hunt, I would not be in a position, since I don't watch that network.

Hunt: You took this and served it, you must have thought it had some merit about that network?

Steiger: It did. I thought the story needed to be told. 1/

While opinions that Vietnam was an "educational tool" or that CBS was "detrimental to the military" did not substantially affect the final legislation, such reactions were part of the political environment in which the AVF, the draft, compensation, equity, and the Vietnam War were discussed. The words of men like Hunt, White and Spence reflect the sensitivity that so many Congressmen on the left and right felt about these issues.

THE HOUSE DECIDES - H.R. 6531

Although the Senate Armed Services Committee began and finished its hearings on the Administration's and other draft-related proposals before the House Committee started, the Senate Committee did not issue its report until the House Committee had done so and the full House had acted. By waiting for the House to complete its action, Stennis returned the Senate to its traditional role of responding to House action on Defense matters.

The House Committee Report

As the House Armed Services Committee concluded its hearings on March 11, 1971, Hebert and his committeemen found themselves favoring

1/ HASC Hearings, 1971, op. cit., p. 277.

compensation proposals substantially different from those offered in January by President Nixon. Although the committee did accept the Administration proposals for draft reform and the two-year extension, differences did occur in three major areas of the AVF program: basic pay, allowances, and the enlistment bonus authority. Of the three areas, basic pay accounted for most of the dissimilarity. Under the guidance of the Chairman, F. Edward Hebert, the Committee proceeded to re-draft most of the compensation provisions and submit on March 25 its own all-encompassing bill, H.R. 6531. This bill, although eventually altered, passed later in the year.

Because of the perceived budgetary restraints, the President had requested a total FY1972 "investment" of \$1.5 billion, with additional unspecified costs deferred until FY1973. In general, the Administration spokesmen maintained that further actions during FY1973 in the areas of pay, quarters, and allowances could not be easily projected until the Pentagon understood the effect of the FY1972 increases. The cost of the pay schedules alone requested in the President's bill, H.R. 3496 (S.495) for FY1972 was \$908 million. During Kelley's testimony, however, the projection did arise for the total anticipated pay actions by FY1973. The cost was \$2.687 billion. 1/

That figure is important. Although it was a 1970 projection, it gave Hebert and others a convenient expenditure level at which to re-design the compensation proposals. In opening the hearings Hebert had announced his belief that the pay increases requested by the President were inadequate to end the need for draftees after June 1973. Frank Slatinshek, Chief Counsel to the House Committee, recalls the feeling within the committee at that time:

There was an awareness on the part of the Committee and the Congress that public opinion and momentum was to get rid of the draft. The Committee still favors the draft, but downstream we all knew we would lose the draft, so we had to jury rig a system to compensate for the lack of it. 2/

By advancing the FY1973 figure to FY1972, Hebert was able to, and did, imply that the committee was contemporaneously advancing to the pay

1/ HASC Hearings, 1971, op. cit., p. 192.

2/ Interview with Frank Slatinshek, November 12, 1976.

schedules anticipated by the Administration for FY1973. The situation was not so simple, however, for the Administration had yet to form its pay proposals for the FY1973 AVF program. The absence of specific Administration plans allowed Hebert, as well as the pro-volunteer force advocates, to play a greater role in designing pay schedules higher than the Administration had requested for the entry level lower pay grades and also higher than the increased compensation provided for career personnel. Finally, the figure was within a few million dollars of the FY1972 pay increase proposed by the strongest AVF and anti-draft proponents. It was close to the "bottom line" cost of H.R. 4450, which sought to enact the Gates Commission program. Such factors led Hebert to declare in executive session, after the public hearings closed, that the committee ought to design its own pay schedules at the level of \$2.7 billion for FY1972, or the strong AVF forces would design the pay schedules themselves out on the House floor. 1/

For several reasons Hebert wanted the committee to set the pay schedules. Most of all he honestly believed that draftees and other first term personnel deserved pay raises in excess of those offered by the Administration. Even before the first witness testified on February 24th, Hebert had urged both the supporters and the foes of the volunteer force to consider pay and the AVF as separate issues, and in spite of his own opposition to the volunteer force, he went on to say that the Administration's pay proposals were simply inadequate. Hebert was also concerned about the career people in the Services. If all the money for increased compensation went to the lower pay grades, there could be re-enlistment problems among the upper grades.

On a more personal level, Hebert may have wished to step into the role of his predecessor, L. Mendel Rivers. Rivers had been responsible in 1967 for tying military pay adjustments to those of civilian government employees, thereby beginning a process by which some military pay reached comparability with civil service and private sector pay. Hebert may well have seen H.R. 6531 as an opportunity to continue this trend and establish himself as the "father" of the modern soldier. 2/ As Al Farlow, who at the time was in frequent contact with both the House and Senate Committees, later recalled:

Hebert and that Committee have always tried to look after the servicemen. They saw themselves as the only protectors or representatives of the

1/ Interview with Stephen Herbits, August 5, 1975.

2/ Interview with Stephen Herbits, op. cit.

enlisted men. That is the only powerful ones,
at least. 1/

Finally, this was Hebert's first bill as Chairman of the House Armed Services Committee. It was probably important to him that he not be beaten on a major issue, such as compensation, on the floor of the House of Representatives.

The committee proportionally allocated the \$2.7 billion much differently than had the Administration. Whereas the President had requested \$908 million for pay increases, H.R. 6531 provided \$1,825.4 million. The President's plan had amounted to a pay increase of 50% for entry level personnel and an average increase of about 36% for all enlisted men and junior officers with less than two years service. By contrast, the committee's plan (H.R. 6531) approximately doubled the pay at entry levels and provided an average 68.8% pay raise for personnel with less than two years service. For the career force the committee bill provided additional allowances. 2/ The Administration had requested \$79 million in quarters allowances, with all of it going to junior personnel, thereby allowing the repeal of the Dependents Assistance Act of 1950. The committeemen raised this amount to \$824.2 million, with most of it going to the career force but still providing even greater allowances for first-termers than the Administration had requested. Finally, the committee allocated \$37.8 million in subsistence allowances, with over 60 percent of it going to the career force. The Administration bill had provided no additional subsistence allowances.

The special enlistment bonus authority was rejected by the House Armed Services Committee. As it became more and more identified as the combat enlistment bonus, it acquired mercenary taint. In summarizing its rejection, the committee reported:

The Committee believes that more thought would
have to be given to the effect of the bill
[H.R. 3498, the bonus authority] in the case
where two men would be serving in the infantry

1/ Interview with Al Farlow, Deputy Assistant Secretary of Defense (Legislative Affairs), April 20, 1976.

2/ Subsistence allowances, quarters allowances, and dependents assistance allowances are in addition to basic pay.

side by side and one, who is an enlistee, is getting an extra thousand dollars a year while the other, who is inducted, gets no such amount. 1/

When compared to the Administration bills, H.R. 6531 did accelerate the fiscal commitment to the AVF. This commitment was sold primarily on the basis of equity, however, and not on the volunteer force. Yet, the committee bill still maintained the dual goals established by Richard Nixon in his campaign radio address of October 17, 1968. Those goals were to move toward a volunteer force and to reform the draft while it was still needed. Although major portions of the President's fiscal plan were altered by the committee, his program for draft extension and reform came through unscathed. The vote in committee was 28 to 7 against adopting H.R. 4450, which would have enacted the Gates Commission program. Similar lopsided majorities defeated the one-year extension and passed the two-year. 2/ However, the real test on the draft extension would come on the House floor.

The two major draft reforms, the uniform national call and the termination of undergraduate deferments, sailed easily through committee. These were ideas whose time had come. In 1967, Hebert had defended undergraduate deferments and successfully kept them in the bill despite Senate opposition. But during the 1971 hearings almost all of the witnesses opposed undergraduate deferments. Furthermore, with the forced retirement of General Hershey in 1970, the Selective Service was no longer so concerned about protecting its discretionary authority. It was much easier for Curtis Tarr, the new Director of Selective Service, to accept the uniform national call and the end of student deferments.

The committee's bill was in a good position as it went to the floor on March 25, 1971. By raising compensation to the \$2.7 billion level, Hebert would not have to mount a major defense of the compensation provisions. This left one issue -- the length of the draft extension. It was that issue that posed the real threat to his first bill as Chairman of the House Armed Services Committee.

The House Floor Debates

The House floor debates on H.R. 6531 lasted three days, from March 30 to April 1. Considering that a procedural rule limited each Congressman's

1/ HASC Report to Accompany H.R. 6531, Report No. 92-82, 92nd Congress, 1st Session.

2/ Congressional Record, March 30, 1971, p. H.2116.

debate on an issue to five minutes and because of an agreed upon limit on intervening motions, three days was a rather long debate for the House. Into those three days, various factions compressed their views on numerous topics. The broad issues of Vietnam, the AVF, and the unfairness of the draft entered into the debate much more than they had during the committee hearings when the discussions had been more programmatic. The length of the draft extension became entangled in the debate over Vietnam, for to some Congressmen the draft symbolized the machinery of an immoral war and to others it represented the mainstay of national security. Finally, the trial of Lieutenant Calley for the murder of civilians at My Lai arose as an issue symbolic of the Indochina War and the draft.

Hebert was the floor manager for H.R. 6531. In opening the debate, he reiterated the only two grounds by which he saw that the bill should be justified. They were:

...the requirements of national security and equity toward the men and women in our Armed Forces. On that basis and on that basis alone, I present it [H.R. 6531] to the House. Whether you believe or do not believe in an all-volunteer force, the bill compels your support on the grounds of equity alone. 1/

Plainly the AVF was not a paramount concern to him. His statement represented his commitment to increased compensation on the grounds of equity rather than the AVF. It was also significant that Hebert was no longer attacking the AVF as an impossible dream.

Equity, however, was no longer the issue, and Hebert knew it. There would be no challenge to the pay provisions of H.R. 6531. As floor manager, Hebert learned that Steiger and Matsunaga (D-Hawaii), the main sponsors of H.R. 4450, would not introduce an amendment to replace the committee's compensation provisions with those of H.R. 4450. Steiger and Matsunaga had considered doing so, but Dr. Walter Oi, who had played a prominent role on the staff of the Gates Commission, convinced them that the pay provisions of H.R. 6531 were sufficiently similar to those of the Gates Commission proposal to achieve the goal of ending the draft within one year. Congressman Robert Stafford (R-Vermont) also advised Steiger and Matsunaga to adopt the Hebert pay provisions. The long range support of the Chairman would be needed, Stafford warned, to avoid the failure of the AVF.

1/ Congressional Record, March 30, 1971, p. H 2116.

The decision not to challenge the committee's pay provisions left one issue outstanding -- the length of the draft extension. Hebert and his Republican allies were confident of victory, perhaps, overly so. Neither he nor the Republican leadership initiated whip checks to inform the members of party positions and to build support for the two-year extension. Then, the Republican policy committee failed to mention the draft extension issue in their position paper on H.R. 6531. Finally, Hebert allowed the volunteer force coalition to put forth its amendments in the best possible order:

1. *Total repeal* of the Military Selective Service Act. To be offered by Bella Absug, the anti-war Congresswoman (D-New York), this amendment had one main motive - to cut off the manpower source for the Vietnam War.
2. *Non-extension* of induction authority. Offered by Michael Harrington (D-Massachusetts), this amendment was also a strong anti-war position.
3. The *one-year extension* of induction authority. To be offered by Charles Whalen (R-Ohio), this amendment had several advantages.

First, it attracted the support of anti-war and anti-draft Congressmen. Second, others saw it as a stronger commitment to the volunteer force than sought by the Administration. It permitted one year of inductions while the Pentagon transferred to an All Volunteer Force. Third, Whalen's amendment would give Congress an opportunity for reconsidering after one year the need for a reextension of induction authority and for additional changes in compensation. This would be an assertion of Congressional control of executive war powers. Fourth, it would provide more pressure on the Department of Defense to achieve a volunteer force since there could be no assurance of draftees after July 1, 1972. Thus, the amendment would not allow the Pentagon to take a "wait until next year" attitude toward the AVF program.

The notion of one year of induction authority after compensation increases became effective was somewhat consistent with the Gates Report which had recommended that induction authority cease on July 1, 1971, and that its pay proposals be enacted for July 1, 1970.

If Hebert had insisted on the reverse order of presenting these three amendments it would have been difficult for supporters of the non-extension to vote first for the one-year, since that could have been interpreted as a pro-draft vote. The order which Hebert permitted, however, allowed members first to express their preference for the imme-

diate end of the draft, and then to vote for the one-year as the best alternative.

Since the issuance of the Committee Report, Steiger and Matsunaga had been building a strong coalition to support the one-year extension. They would have to draw their support from anti-war liberals, conservative supporters of the AVF, and advocates of Congressional war powers. With the advice of Stafford, it was agreed that the most effective strategy to do this would be to split ranks. Matsunaga would press for the non-extension to be offered by Harrington. Since Matsunaga was respected as a moderate liberal, his advocacy would legitimize the anti-draft position, making the Steiger-Stafford arguments for a one-year extension seem quite reasonable in contrast. With the anti-war group covered by Matsunaga, Steiger and Stafford agreed that advocacy of the one-year extension should avoid any specific reference to Vietnam. Instead, they emphasized the war powers issue and the one-year transition to a volunteer force in order to attract additional support. Steiger and Matsunaga could count on about 175 votes; with a break they could get the 200 they probably needed to win.

A break came. It was the conviction of Lieutenant Calley for murdering civilians at My Lai. The effect on the House was electric as pent up emotions over the war in Vietnam became unleashed. The fact that an American boy had been sent to prison for military actions in a stalemated war particularly affected many Southerners and conservatives. Two Southern Democrats, John Flynt and Phil Landrum, both of Georgia, announced they could no longer support the draft under such conditions. The cloak-rooms buzzed with activity as Armed Services Committee members fought to prevent further defections.

Then, one break went the other way. In introducing on March 30, the amendment for the one-year extension, Congressman Whalen spoke first of the volunteer force and followed with the war powers issue. As he drew to a close, however, the Congressman declared that the one-year extension would force the President to end the war and bring the troops home. That did damage, because the idea of a forced withdrawal threatened to alienate some of the potential supporters of the one-year extension.

As the Whalen amendment gathered support, its opponents declared that the war should not be debated in the context of a draft extension. Furthermore, the AVF would be a "crippled duck," warned Representative Charles Gubser (R-California), if Congress allowed only one more year of inductions and draft-induced volunteers. Naturally, those who supported the two-year extension doubted the argument that Congress would reconsider the issue after a year. As everyone realized, 1972 was an election year and the draft and the war were increasingly unpopular. The opponents of the Whalen amendment could reasonably expect that this was the last draft

extension. As the debate proceeded, it was clear that the House was close to evenly split on the one-year extension.

Voting was scheduled for the following day, March 31. Bella Abzug's amendment, the total repeal, was up first and failed miserably, barely attracting a quorum to even consider it. Then came Harrington's amendment to strike the induction authority. It, too, was easily defeated, 62 to 330.

Next up was Whalen's amendment. This would be the crucial vote. As the debate on the one-year extension continued into the late afternoon, the membership grew restless. At 5:00, Whalen and Hebert agreed that all debate would cease at 6:00, with speeches limited to one minute apiece.

Hebert and Gubser led the opposition to Whalen while minority leader Gerald Ford gave an impassioned speech, asking the membership not to tie the President's hands by legislating the volunteer force before it was ready. The one minute limitation on speeches, however, greatly assisted the challengers. Whalen, Steiger, and Matsunaga lined up a large number of Republicans and Democrats to speak in favor of the amendment from two points of view. Some would emphasize the pro-volunteer force "transitional year" argument, while others would acknowledge support for the draft, but argue that the law should be reviewed every year. As member after member rose to give a crisp one minute speech in support of the Whalen amendment, the mood of the House shifted away from the leadership and Armed Services Committee. At 6:00, when all time for debate expired, the bells rang throughout the House chamber and the office buildings, calling members to the floor for the vote.

From across the House floor and from offices, members came to take a red or green card for a "yes" or "no" vote from a table in front of the Speaker's desk and walked down separate aisles where the cards were collected. Minority leader Gerald Ford and the Republican Policy Chairman John Rhodes manned the table in an attempt to influence the Republicans. ^{1/} Nevertheless, it became apparent that the vote was going to be close as many Republicans took the card to vote "yes" for the Whalen amendment. Normally, only twenty minutes were allowed for a vote. Twenty minutes passed, but the Speaker's gavel did not fall. The leadership had its agents combing the halls of the House and the office buildings to get every last favorable vote to the floor. Several minutes later, the gavel

^{1/} House voting is now done through a computerized system in which members enter a special card in one of many voting stations scattered around the House chamber.

descended. Speaker Albert asked the teller counting the votes in favor of the amendment to report: 198 members voted "aye." Then he turned to request the report on the vote against: 200 voted "no." The one-year extension had failed.

The vote was so close and on such a crucial issue that it deserves some analysis. Two Congressmen played pivotal roles; they were Shirley Chisholm (D-New York) and Alvin O'Konski (R-Wisconsin). Both of them had voted for the Harrington amendment to end the draft in 1971, a proposal which stood no chance of passing. But neither of them voted for the Whalen amendment, a more realistic proposal with broad bi-partisan support.

There were many issues involved in this vote. Vietnam, the draft, the AVF, equity, war powers, national security, personal freedom, Congressional vs. Presidential authority, and Lieutenant Calley, all came to bear upon the Congress. The record shows an unusual combination of allies. From the left, Bella Abzug, liberals like "Spark" Matsunaga, moderates like Steiger and Stafford, and conservatives like Barry Goldwater, Jr. (R-California), all carried the red card for a "yes" vote. However, through all the confusion, the conservative coalition was still the dominant group. Of the 200 "nays," 159 were Southern Democrats or Republicans, and of the 198 "ayes," 118 were Northern Democrats.

There were other minor votes -- attempts to limit the war and the draft -- but they were all inconsequential. Charles Carney (D-Ohio) introduced an amendment for an 18-month draft extension, but Steiger, Stafford, and Matsunaga chose not to organize for it out of deference to Hebert. The Chairman had treated them fairly, in marked contrast to earlier, autocratic chairmen of the Armed Services Committees. He had supported the higher pay raise, and he had allowed his opponents the most favorable order of amendments. Again, Stafford cautioned, Hebert's support was needed for the long range success of the AVF. Carney's amendment failed. Amendments for national service, for easing the burden of conscientious objectors, and to prohibit involuntary assignment to Southeast Asia were all rejected. In an amendment dedicated to Lieutenant Calley, Congressman John R. Rarick (D-Louisiana) attempted to exempt all servicemen from charges of murder as a result of combat actions. His amendment was rejected -- a tribute to the House at a time of intense political pressure.

On April 1, 1971, the House passed H.R. 6531 by the comfortable margin of 293 to 99. The President's package of four bills had now been welded into one piece of legislation which would extend the draft for two years, finish the process of draft reform, and provide in one fiscal year a version of the pay raise which President Nixon had planned to spread across two years. Although the special bonus authority requested by the Administration was now included, H.R. 6531 as passed by the House

would provide enough time and money to prevent the AVF from being a "crippled duck." The bill was also, however, a disappointment to the anti-war faction who believed that an earlier termination of the flow of draftees would force an early termination of the war in Vietnam.

THE SENATE RESPONDS

House action had been prompt. Senate action, however, came slowly. Both the Administration and the Senate Armed Services Committee had to respond to the House bill. On the floor there was the threat of a filibuster by anti-war and anti-draft Senators. If that threat materialized, cloture would be needed to end the debate. Each Senator knew that cloture votes are always difficult. To cut off debate could be a fight in itself.

The Senate Committee Report

Although the Senate Armed Services Committee finished its hearings in February, Senator Stennis did not print the Committee Report until May 5, 1971, more than a month after House passage of H.R. 6531, and only a day prior to the opening of the Senate floor debates. But Stennis was not one to waste time. During that month, he was in frequent contact with Defense and Administration officials, obtaining their reactions to the House bill and to amendments he expected would be offered in the Senate. With these reactions in hand, the Senate Committee undertook substantial revision of the bill. The final product was almost identical to the Administration's original program.

The approach taken by Stennis differed from that of Hebert because of their different situations. ^{1/} During House consideration, Hebert had maintained very little recorded communication with Defense Department

^{1/} According to Al Farlow, former Deputy Assistant Secretary of Defense (Legislative Affairs), who worked with the Congress as the Defense Department's legislative representative, "Senator Stennis has a tendency to support the President. He believes in a strong executive and it bothers him for the executive and Congress to be at odds, particularly on national security issues. Stennis believes in patriotism, and he lives very much by his views of it. If you are judging a man by patriotism in the finest sense of the word, not in a cheaper more tawdry sense, Stennis would rate very high. It sounds sort of corny but he believes very much in service to one's country, national honor and prestige." In an interview with the authors, April 20, 1976.

officials, specifically Laird and Kelley. The hearings had served that function. As the Senate neared consideration of H.R. 6531, however, Stennis had to respond to the House bill. A flurry of letters ensued, and largely in response to inquiries made by Senator Stennis or his committee counsel, T. Edward Braswell, the Administration began an intense effort to influence the bill.

In response to an April 1 letter from Senator Stennis, Secretary Laird summarized the Administration's objections to the House bill:

The Executive Branch believes that H.R. 6531 would authorize many of the actions needed to end reliance on the draft while ensuring that the nation will be provided sufficient manpower to meet the overriding considerations of national security.

In two important respects, however, the Executive Branch disagrees with H.R. 6531 because it commits the spending of \$1.7 billion over the Administration recommendations for FY1972 without reasonable assurance of the desired result, and also because it fails to provide the means [the combat enlistment bonus] necessary to solve special manpower supply problems in a no-draft environment. ^{1/}

As explained in the letter to Stennis, Secretary Laird believed the House bill represented poor personnel management and fiscal irresponsibility. He felt Congress was trying to remedy in just one year nearly twenty years of pay inequity. This was unwise, he maintained, because further adjustments would be needed in pay and compensation. If the pay actions were divided across FY1972 and FY1973, then the Department of Defense and Congress would be in a better position, Laird believed, to evaluate for FY1973 the actions taken in the previous fiscal year. Congress could then appropriately allocate additional money for basic pay, allowances, and special pay.

Laird reiterated the Administration belief that the House bill would create an intolerable budgetary deficit. To this he added an argument he had not used in the hearings -- that the additional \$1.7 billion would jeopardize national security. One could not assume, the Secretary wrote to Stennis, that Congress would raise the defense budget by \$1.7 billion. It could, therefore, further squeeze money appropriated

^{1/} Letter from the Secretary of Defense, Melvin Laird, April 9, 1971, to Senator Stennis. ASD(M&RA) files.

for weapons systems. Laird maintained. this was an unwise trade-off. 1/

The second major objection to the House bill was the lack of the enlistment bonus authority requested for the Secretary of Defense. The authority had been intended for skill areas short of manpower, particularly combat arms. It was because of this that Laird criticized the House bill for its failure "to provide the means necessary to solve special manpower supply problems."

Foremost among the changes made by the Senate Armed Services Committee was the overhaul of the compensation proposals in the House bill. More than on any other point the Administration pushed for reduction of the compensation package (basic pay and allowances) from the \$2.7 billion level to the \$1.0 billion level. Stennis obliged, though not without resistance from some members of his committee. Senators Harold Hughes (D-Iowa) and Richard Schweiker (R-Pennsylvania) attempted to maintain the House pay raise and substitute the one-year extension of the induction authority in the Senate Committee bill. Only Stuart Symington (D-Missouri) came to their support.

The Senate Committee bill lowered the compensation program to \$987 million dollars, the level recommended by the President. Stennis apparently believed as did the Administration that it was sounder personnel management to spread the increase over two years in order to permit "adjustments" in the second year. This is the rationale he stated later in his speech accompanying the opening of the Senate floor debates. Stennis did not, however, mention the Administration's argument of budgetary deficit or the threat to national security.

Like Hebert, Stennis was also reluctant to accept the special enlistment bonus. In response to pressure from Defense he finally agreed to include it in the committee bill. Still, Stennis put his views on record when he first addressed the Senate:

Mr. President, I do not believe that by paying these bonuses we can meet fully the problem of acquiring the necessary manpower. As I said before, only four percent of the accession requirements in combat units are met by volunteers. Along with the rest of this program, the enlistment bonus may help improve this situation to some extent, and I would personally be gratified if it succeeded. But I do not

1/ Ibid.

want us to blindly rely, without thorough experimentation, upon enlistment bonuses and pay increases to reverse completely our current procurement policies for the Army combat skills. 1/

Two other changes made by the Senate Committee affected the volunteer force program and future use of the draft. One was a reduction of 56,000 man years in average military strength for FY1972, and the other was a ceiling of 150,000 on annual inductions. The reduction in force size was concentrated in the Army, which had the most difficult job of attracting volunteers. Although not enacted for this purpose, the lower force size reduced accession requirements and made it easier to accomplish the All Volunteer Force.

The ceiling on inductions was more a limitation in principle than in fact. 2/ It was opposed by Defense, also as a matter of principle, though the Department's projections made available during the hearings had estimated that inductions would be about 150,000 during FY1972. The Senate Committee bill, however, did provide an escape clause by which the President could circumvent the ceiling in a national emergency. This clause and the ceiling itself later became minor issues during the Senate floor debates.

Stennis described both the ceiling and the reduction in force size as "significant limitations" asserted by Congress on the President's authority over manpower. 3/ Though these actions had little effect on the war in Vietnam, they were assertions of the constitutional authority of Congress to regulate some executive war powers. They also served to placate Senator Kennedy.

1/ Congressional Record, May 6, 1971, p. S 6416.

2/ Senator Kennedy first espoused the ceiling in his bill, S.483. He recognized then that the 150,000 man ceiling was more a limitation in principle designed to encourage use of the reserves in future emergencies and allow for Congressional prerogative than it was a real limitation on immediately available manpower.

3/ Congressional Record, May 6, 1971, pp. S 6412-13.

The Senate Floor Debate

In contrast to the House floor debate, the Senate debate was unrestrained. Anti-draft and anti-war forces eventually filibustered, forcing the induction authority to expire for the first time since 1948. For most of May and June, the Senate argued. Throughout July, House and Senate conferees met to resolve the differences between the House and Senate passed versions of the bill. ^{1/} In August the House acted on the Conference Report, and the following month so did the Senate, thereby completing for 1971 the Congressional attention to the draft issue.

Stennis opened the floor debates on May 5 with an explanation of the hearings and the Senate Committee substitute. Thirteen of the sixteen members of the committee had voted for the substitute as it was written. Senators Symington, Schweiker, and Hughes opposed it. In favoring the one-year extension and the higher pay provisions passed by the House, their supplemental views attached to the Committee Report foreshadowed the major issues of the coming Senate debate. During the first three days of speeches (May 6, 10, 11), committee members gave general presentations of the bill. Some amendments and opposition were offered, but the most intense disputes would occur only with consideration of specific amendments. In presenting the committee substitute, Stennis repeatedly defended the two-year extension of induction authority. It would be, he realized, his biggest fight.

The earlier House vote on a one-year extension had made Stennis' political position difficult. The vote had been close, and the margin of only two votes accentuated the Administration's need to win the two-year extension in the Senate. If the Senate extended the draft for only one year, then the House conferees would probably have to yield due to the weakness of the House margin for the longer extension. For Stennis to yield, in such a situation, would not have been tolerated by the decidedly more anti-draft Senate. Within the Administration every one knew that obtaining a two-year extension from the Senate was the first priority, but as Curtis Tarr, the Director of the Selective Service, explained in a memorandum to the National Security Council, the chances

^{1/} Frequently the House and Senate pass different versions of the same bill. Conferees approved by their respective bodies to represent the interests of that body, then meet to form a Conference Committee which resolves the differences in the appropriate legislation. The Conference Report, a compromise bill with explanations, then must be passed by both Houses.

of a one-year extension passing on the Senate floor appeared "to be about even." ^{1/} With the pressure on him both politically and philosophically, Stennis set about to establish his case.

First, he emphasized the critical nature of the draft. An abrupt halt of inductions would severely impair manpower procurement for all four Services, he maintained, not just the Army which alone used the draft. All four depended on the draft to motivate many of their enlistments. Stennis went on to cite the demands of American commitments abroad, and reiterated his Cold War belief that our foreign policy required the support of the draft in "a period of uncertainty." ^{2/}

Next, he stressed the continued reliance of combat units on draftees. According to the committee inquiry, fully 68 percent of those in combat units were drafted and only four percent were enlistees who actually volunteered for combat assignments. (The remaining 28 percent, Stennis explained, were enlistees who had failed to specify a preferred type of unit.)

Finally, Stennis presented evidence that the Reserves were indirectly, but nearly totally, dependent on the draft because their enlistments relied so heavily on those wishing to avoid the draft. Without draft pressure there would be no Reserves, the Chairman warned, and without the Reserves there could be no viable volunteer force.

By taking these positions, Stennis proclaimed his skepticism of the volunteer force. In his opinion the draft would be needed at least until 1973 and probably beyond. Furthermore, he had clearly implied his belief that the draft would continue to be needed as long as American commitments were maintained in the face of a hostile world. To this, Stennis added his personal judgment that a four-year extension would be preferable. He was joined by Senator Margaret Chase Smith (R-Maine), the ranking Republican on the Senate Armed Services Committee, and by Senator Sam Ervin (D-North Carolina).

The endorsement of a four-year extension may well have been a political move to protect the two-year extension. In anticipation of coming arguments, Stennis called on Ervin to give his thoughts on the one-year proposition. "The proposal to extend the draft for only one year," said the North Carolinian, "would be about as wise as the action of the man who cut off his dog's tail just a bit at a time, to keep from hurting his dog so much." A one-year extension, Ervin continued, would

^{1/} Memorandum for Mr. Wayne Smith, National Security Council, from Curtis Tarr, Director of Selective Service. Subject: On Order of Priority for Enactment of Key Issues on the President's Program for Draft Extension and Reform, April 21, 1971, ASD(M&RA) files.

^{2/} Congressional Record, May 11, 1971, p. S 6671.

compel Congress to consider a further extension, thereby disrupting military planning. 1/ Margaret Chase Smith also explained her views. She reiterated her support of the AVF but felt that four years would certainly facilitate a smooth transition to a volunteer force. Two years were mandatory, she continued, and one year would be just chaotic.

Senator Stennis advocated the committee's further reduction in average force strength, which accelerated by one year the force reductions planned by the Administration. Stennis allowed that these reductions were possible because of the increased rate of troop withdrawals from Vietnam and the possibility of reductions in Europe. The move also helped to reestablish Congressional control over military manpower. In no way, however, did he relate the committee's force reductions to the volunteer force.

The Senate Committee bill encountered difficulty almost immediately. At the onset of the debates, Senator Gravel (D-Alaska) announced his intention to filibuster the bill in order to cut off the manpower source for the Vietnam War. The move threatened the chances of more aggressive AVF legislation by weakening the alliance of anti-war and anti-draft liberals with conservative supporters of the AVF.

Then, Stennis had hoped that the committee presentation of the bill would be completed at the end of the legislative day May 11, but he had no sooner stated his wish than Senator Schweiker ended the presentation by calling up his amendment to extend the draft for only one year. Earlier in the day, Stennis had tried to dissuade Schweiker from doing so until a time more convenient to the Chairman's wishes.^{2/} Now Stennis was upset, for events had begun to move somewhat faster than he wished. At first, he urged Schweiker to withdraw his amendment. Schweiker agreed, but only so that an amendment by Senator Mike Mansfield (D-Montana), to reduce by 150,000 the American troop commitment in Europe, could be considered first. ^{3/}

Now, Stennis suddenly had to urge Schweiker not to withdraw his amendment from consideration. He had immediately realized that if 150,000 troops were cut from Europe, that could totally change the environment in which the Senate would subsequently consider several more aggressively pro-AVF or anti-war amendments. First, the ceiling on inductions, which

1/ Ibid, May 10, 1971, p. S.6553.

2/ Ibid, May 11, 1971, pp. S. 6670-71, S. 6679.

3/ For years, Mansfield had been trying to pass legislation requiring a reduction of American forces in Europe. His concern had always been the extensive dollar drain.

the Senate Armed Services Committee had placed at 150,000, might be dropped to only a few thousand. Robert Tait, the conservative junior Senator from Ohio, did in fact introduce at that time a substantial reduction of the induction ceiling. 1/ Second, the redeployment of 150,000 troops would certainly increase the likelihood of passage of some limit on the use of draftees in Southeast Asia. And, finally, the one-year extension, the greatest threat to the plans of the Administration, would stand a better chance of success if fewer draftees were needed. In vain, Stennis tried to talk Schweiker out of his agreement with Mansfield to withdraw the amendment. 2/

For seven days the Senate debate over troops in Europe continued. Though the amendment had implications for the volunteer force, the Senators kept mostly to the specific issues of NATO and American presence in Europe. At issue was a fundamental aspect of American foreign policy. When the tally was finally taken on May 19, only 35 Senators voted for the reduction of forces in Europe; 61 were opposed. Consideration of other amendments in a light more favorable to Stennis was now apparently assured. But, again, those who sought a more aggressive program to end the draft maneuvered for parliamentary advantage.

While Mansfield's amendment was being debated Stennis kept a constant vigil on the floor of the Senate. He had noted Hebert's near disastrous mistake of permitting the pay increase to go through, along with a vote on non-extension before the one-year extension vote. If the higher pay raise passed, then limiting the extension to one year could again seem like a responsible "transition" to the volunteer force. Stennis also wanted the vote on the one-year extension amendment to precede the non-extension vote. He knew that those in favor of an immediate end to the draft would find it difficult to publicly justify voting for a one-year extension before the non-extension proposal was defeated.

For days the staffs of Hughes and Schweiker -- proponents of the 2.7 billion dollar pay raise -- had poured over Senate precedents until they found the proper parliamentary vehicle to produce the desired voting order. If they combined the pay and one-year amendments into one, they could move the combined amendment, and request a division with a separate vote on each of the component parts, each of which could be amended. Hatfield could offer his non-extension amendment to the one-year extension, thus obtaining the order most advantageous to the pro-AVF forces. Stennis

1/ Congressional Record, May 12, 1971, p. S. 6819.

2/ Congressional Record, May 11, 1971, pp. S. 6678-79, S. 6682.

objected that an earlier resolution scheduling Schweiker's amendment for a vote on that day, May 19, had mandated that the amendment as it was at the time of the resolution should be laid before the Senate. The Chair ruled, however, in favor of Schweiker and Hughes. Always the gentleman, Stennis realized that he had been bested. He shook hands with the two dissident members of his committee, slyly reminding them that they still had to obtain a majority vote to pass their proposal.

The lobbying against the combined amendment was fierce. In a May 19 letter to Stennis, Laird attacked the one year extension.

Extension of the draft authority for two years is absolutely vital to our national security...We cannot look only at the number of new military entries required in FY1972. We must look also at FY73. Without the draft in FY73, and even with strength reductions, the Army could fall 100,000 short of its needs. 1/

Then, a few days later, on May 25, the Deputy Secretary of Defense, David Packard, attacked the higher pay provisions of the Schweiker-Hughes amendment. He, too, raised the spectre of harm to the "national security effort."

Our basic objection to the higher pay and allowances provided in the House Bill is that these would be harmful to the national security effort, in FY1972 and in the long run as well. This would result from a serious misallocation of resources (a) between the pay area and other critical aspects of the Defense effort, such as investment, research, and operations and (b) within the pay area itself. 2/

Packard's letter was immediately followed by one from Joint Chiefs of Staff, stressing their fear that additional increases in pay would have to be absorbed elsewhere in the Defense budget.

1/ Letter from Secretary of Defense Melvin Laird to Senator Stennis, May 19, 1971, ASD(M&RA) files.

2/ Letter from Deputy Secretary of Defense, David Packard, to Senator Stennis, May 25, 1971.

[T]he necessity to absorb any substantial portion of the proposed additional pay increase of approximately \$1.7 billion at the expense of other accounts would severely disrupt essential defense programs and substantially impair our capabilities to meet national security requirements. ^{1/}

The debate itself basically reiterated the arguments over pay inequity and the relative advantages and disadvantages of trying to reach comparability with civilian pay in one year or two years. The only significant change came when Senator Gravel, the liberal anti-war and draft opponent from Alaska, accused the Administration of mounting a "conspiracy" to maintain the draft. By dragging out the pay increases over two years, Gravel charged, the White House and the Joint Chiefs of Staff were trying to "ward off" any efforts to do away with the draft or to decrease the time in which the draft is needed." ^{2/} In what may have been a strategic mistake, Schweiker concurred and emphasized that the higher pay tables would enable the draft to be extended for only one year. ^{3/} Schweiker's concurrence may have weakened support for the higher pay provisions by alienating some conservatives who supported the AVF but could not accept the one-year extension.

When the votes were finally ordered on May 26, the higher pay provisions were rejected, 31 to 42. The conservative coalition had triumphed again. Of the 31 yeas, 22 were Northern Democrats, and of the 42 nays, 35 were Republicans or Southern Democrats. With the defeat of the pay raise, the rationale for a one-year extension became more tenuous.

Consistent with their earlier intentions, Schweiker and Hughes allowed Hatfield to offer his amendment for the non-extension of induction authority. Though the amendment was easily defeated, it brought out the broad issues and numerous positions related to abandoning the draft. The notion of an immediate end of the draft created a sense of urgency which accentuated the philosophical commitments of the protagonists on all sides. Stennis declared, the amendment "is very important because it strikes at the very vitals of the entire bill." ^{4/} It struck at the military estab-

^{1/} Letter from the Joint Chiefs of Staff to Senator Stennis, May 26, 1971.

^{2/} Congressional Record, op. cit., p. S. 7881.

^{3/} Ibid.

^{4/} Ibid, op. cit., June 2, 1971, p. S. 8046.

lishment, its strength, and American commitments abroad. To many, such as Hatfield, the immediate end of the draft also struck at the Vietnam War and executive war powers. To other, such as Senators Kennedy and William Fulbright (D-Arkansas), both critics of the war, the amendment threatened to create an unrepresentative military, unresponsive and dangerous to the rest of society, mercenary, and largely composed of the poor, black, uneducated, and unemployable.

With the defeat of Hatfield's amendment, the Senate undertook the consideration of the most crucial issue -- the one-year extension. The liberals had suffered several defeats now. They had lost on the issue of troops in Europe; they had lost on the pay scales; and they had lost on the immediate end of the draft. There had been other lesser defeats, too, particularly on attempts to limit the use of draftees in Southeast Asia. But, the one-year extension was the most important vote, and it could be close. The question now was how much the defeat of the higher pay scales had weakened the support of the one-year extension.

The debate was short, mostly between Schweiker and Stennis. By this time all issues -- Vietnam, executive war powers and Congressional restraints, equity, foreign commitments, NATO, compensation and the AVF -- had been well discussed. The floor speeches were anti-climatic. The outcome of this vote would greatly affect the AVF, the draft, and perhaps even Vietnam and other American commitments abroad. Yet, there remained nothing left to say. After less than two hours of debate, on June 4 the Senate rejected the one-year extension, 49 to 43.

With the successive defeats of the Mansfield amendment, Schweiker-Hughes Pay, the Hatfield Amendment, and finally Schweiker's one-year extension, the situation looked bleak for the anti-war and anti-draft liberals. At this point the Senate Armed Services Committee bill, which was virtually the Administration's proposal, had come through the Senate floor debates without significant amendment.

Suddenly, however, one Senate staffer completely reversed the situation. George C. Will (now a nationally syndicated columnist) was serving as an assistant to Colorado Republican Gordon Allott. Senator Allott was probably the least likely Senator to champion pay equity, having opposed every federal pay raise since he entered Congress, as well as a 1970 Hatfield-Goldwater attempt to legislate the Gates Commission proposals. He was also a strong proponent of the President's war policies. The poverty in the military, however, bothered him and so did the argument that conscription was a tax-in-kind. Will persuaded Allott of the conservative merits of the pay equity issue, convincing him to introduce the old Steiger-Matsunaga-Gates Commission pay tables as an amendment to the Senate Committee bill. As Chairman of the Republican Policy Committee, Allott was in an excellent position to help.

Since the cost of the Steiger-Matsunaga proposal was the same as the Schweiker-Hughes amendment, it seemed unlikely that the Senate would go along. However, the defeat of the Schweiker-Hughes amendment actually facilitated strategy on the Allott amendment. First, it made Stennis, the Administration, and the Pentagon overconfident. Second, it provided a sure measure of support -- mostly the liberal Democrats.

The only problem was that Allott had virtually no contact with any liberal Democrats. At this point, Senator Alan Cranston (D-California) came to his aid. In behalf of the amendment, Cranston carefully lobbied his Democratic colleagues always keeping a low profile and letting Allott take all the credit. For Allott's amendment to pass, Cranston would have to deliver most of the liberal Democrats.

When Allott brought his amendment to the floor on June 7 his arguments were much different from those employed earlier by Hughes, Schweiker, and Gravel in advocacy of similar pay provisions. Allott realized that for his amendment to succeed he would have to pick up support from at least ten Senators who had opposed Schweiker-Hughes. In addition, he would need to count on the support of three anti-war liberal Democrats who had missed the Schweiker-Hughes vote. ^{1/} In order to win his converts, Allott had to separate himself from three positions previously attached to Schweiker-Hughes. Those positions were (1) passionate advocacy of the volunteer force, (2) support of the one-year or non-extension of induction authority, and (3) limitation of or withdrawal from the Vietnam War.

Allott proceeded to admit his qualms about the volunteer force. He questioned its feasibility because of the anti-military disposition of many young people. The goal of his amendment, he declared, was not to guarantee a volunteer force, but instead to "enable [Congress] to improve [its] knowledge of the factors which will determine whether or not an all volunteer army is feasible." Since ending reliance on the draft was a worthy goal, although perhaps unrealistic, he concluded that a "test" was needed and should be given every opportunity for success. A venture so great as abandoning the draft, he concluded, should not be undertaken without adequate information. These positions had three implications:

- The pay increase should come all in *one year* rather than across two years.
- The increase should be *visible*, all in pay as recommended by the Gates Commission, rather than split among various kinds of compensation as passed by the House

^{1/} The three Senators were Frank Church (D-Idaho), Phil Hard (D-Michigan), and Lee Metcalf (D-Montana).

- The draft authority should be maintained for *two years* while the effect of increased pay was being assessed.

To Allott, the lapse of induction authority was not the proper way to attack the war. He criticized those who intended to filibuster, thereby separating himself from the most ardent anti-war and anti-draft Senators. Finally, he hoped that if the Gates Commission pay tables passed, then an anti-war filibuster might be avoided. ^{1/}

The arguments of the Colorado Senator were compelling in that they allowed Senator Stennis only one rebuttal -- that of fiscal responsibility. ^{2/} In addition, the Administration put up little resistance since it had just won a similar vote on Schweiker-Hughes. When the amendment came to a vote on June 8, Allott and Cranston had gathered the support they needed. Nearly all of those who had supported Schweiker-Hughes, and thirteen Senators (among them Allott himself) who had opposed Schweiker-Hughes switched sides. Nine Senators who missed the vote on Schweiker-Hughes voted for the Allott amendment. It passed 51 to 27.

During the prolonged debate over pay and the draft extension, the Senate had rejected on May 25 one other amendment relevant to the end of the draft. Senator Kennedy had proposed barring payment of enlistment and reenlistment bonuses because of his fears that they would be used solely for combat arms and would be of greater inducement to poor people. To him, the bonuses bore a mercenary taint, and so long as the Vietnam War continued, Kennedy would remain adamantly opposed. ^{3/}

Kennedy's position was somewhat dated. He had replaced conscription by Selective Service with conscription by economic forces. Having fought for so long against the many inequities of the draft, he responded almost reflexively when questions of equity changed from *equal threat* of induction to *fair compensation* for military service. Furthermore, the Senator faced a formidable alliance of anti-draft, pro-AVF, and pro-Administration Senators. His amendment was defeated 49 to 25.

^{1/} Congressional Record, op. cit., June 8, 1971, p. S. 8519.

^{2/} Senator Strom Thurmond (R-South Carolina), who vehemently opposed the AVF, went furthest on the fiscal responsibility argument. He cited a statement of the Secretary of the Army, Stanley Resor, estimating the FY1973 cost of the AVF at 7.5 billion dollars.

^{3/} Kennedy had not realized what many Pentagon and Administration officials had clearly realized: a volunteer policy would become increasingly possible only as the country continued withdrawal from Vietnam.

Kennedy was successful, however, in asserting Congressional control of executive war powers by limiting the President's induction authority. The Senate Armed Services Committee had placed the ceiling for inductions in FY1972 and FY1973 at 150,000. But, at Stennis' recommendation the committee also had included the escape clause wherever the President could merely issue an Executive Order lifting the ceiling and then report to the Congress his reasons for doing so. Kennedy introduced an amendment to remove the escape clause. At issue was who controlled the size of the Armed Forces, Congress or the President, and Kennedy was less concerned about the actual ceiling than he was about the inviolability of Congressional control. This time Stennis gave in to the Senator from Massachusetts and even proposed that the ceiling on inductions be reduced a few thousand. The Senate accepted Kennedy's amendment, with the Stennis modification, 78 to 4.

Two other attempts, which affected the draft debate, were made to limit executive war powers. Senators Mark Hatfield and George McGovern (D-South Dakota) introduced their perennial amendment to bar the use of funds to support U.S. Forces in Indochina after December 31, 1971, subject to the release of American prisoners of war. ^{1/} For five days the Senate carried on its frequent anti-war debate, supplemented this time by the recently published Pentagon Papers. Once again, however, the "amendment to end the war" was defeated.

Of more importance was another amendment proposed by Senator Mike Mansfield, the majority leader, to mandate the U.S. withdrawal from Southeast Asia within nine months after enactment and subject to the release of American P.O.W.'s. The amendment passed 57 to 42 and is important to the history of the volunteer force for two reasons. First, it became the most disputed element of the Senate bill, and as such led to a protracted conference in which Senate and House conferees tried to settle differences. Second, the amendment represented a major political coup by Mansfield and the anti-war and anti-draft forces. It was the first and last passage of an amendment to end the war. ^{2/}

^{1/} During the later years of the Vietnam War, McGovern and Hatfield frequently introduced versions of this amendment. Though it never passed it became known as the "amendment to end the war."

^{2/} The majority leader had carefully worded his amendment so as to attract enough support for passage. After making sure he had the strongest amendment possible, but still capable of passage, he just kept quiet and waited. At this point he had to skillfully judge the timing of his amendment and count upon the integrity of John C. Stennis. A conference to resolve the House-Senate differences was already assured. Stennis would lead the Senate conferees and his well-known integrity would dictate that if the Mansfield amendment passed he would fight for it in

Passage of the Mansfield amendment completed consideration of the last major item. As in the House, the two-year extension had barely passed, and the pay schedules had been raised to the 2.7 billion dollar level. In important respects, the Senate had gone further than the House. By reducing force size and by authorizing the enlistment bonus, the Senate had eased the way to a volunteer force, and by imposing an invisible ceiling on inductions, the Senate had also asserted its control over war powers.

On June 23, by a vote of 65 to 27, the Senate agreed to close off debate. Mansfield and several other moderate-to-liberal Democrats joined the majority in voting for cloture. Gravel had been unable to end the draft by filibuster as he had tried. The following day the Senate passed, 72 to 16, its version of H.R. 6531. ^{1/}

THE CONFERENCE REPORT AND FINAL PASSAGE

Twenty-eight differences existed between the House and Senate passed versions of H.R. 6531. Those differences were resolved by a conference committee composed of Stennis, Hebert, and fourteen other members

conference. Mansfield knew that both the Senate floor debate and the induction authority would end soon. In fact, Mansfield was reportedly working at this time to engineer a cloture to cut off the debate. He had never liked filibusters, which had so frequently been used by Southern conservatives to frustrate civil rights legislation. Strategically, it would be best for Mansfield to get his amendment passed in late June just prior to cloture. He probably expected that Stennis and Hebert, as conferees, would then feel pressured to get H.R. 6531 enacted before the lapse of induction authority. On June 21, just two days before cloture, Mansfield introduced his amendment. The following day it passed before the Administration even had time to respond.

^{1/} The Congressional interest in the issues during the debate was intense. Considering the magnitude of the controversy, it was vital for the Defense Department to maintain its credibility. There were 850 requests from the Congress during 1970 for positions, statistical analyses, and information on the volunteer force and the draft. Many requests were complex or detailed; for example, one request from Senator Mark Hatfield contained 60 questions. Within ASD(M&RA), the Office of Procurement Policy was responsible for staff level actions in response to Congressional inquiries. Kermit Mohn, Assistant Director of Procurement Policy, and Fred Suffa, Chief of Analysis and Review of the Office of Procurement Policy, responded to most Congressional inquiries.

of their respective Armed Services Committees. Of the nine Senate conferees, only two had supported the Mansfield amendment for withdrawal from Vietnam and only four had supported the Allott amendment. Both amendments had passed in the Senate versions and had been crucial issues during the debate. Of the seven House conferees, only one, Charles E. Bennett, had supported efforts to limit the draft and the war.

The purpose of the committee was to produce a compromise bill which could be recommended for passage to both the House and Senate. But, the conservative predisposition of the conferees eventually created three problems which obstructed final acceptance of the Conference Report. The number of disagreements was no obstacle -- twenty-seven of the issues were easily resolved during the first meetings -- but for more than a month the conferees wrestled with and finally weakened the Mansfield amendment. As the most difficult issue facing the conferees, it obviously became the first obstacle to Senate acceptance of the Conference Report.

The Allott amendment was the second. Although the issue of compensation was to be easily resolved by the conference committee, it was an issue which had sharply divided the Senate. Deletion of the Allott amendment in favor of compensation provisions less substantial than those passed by either the House or Senate jeopardized Senate passage of the Conference Report.

The third obstacle was procedurally more complicated. In 1970, as part of the Legislative Reform Act, the House rewrote the rules governing House conferees. Reform minded Congressmen had criticized that conferees were exercising undue power by going outside of either the House or Senate versions of conflicting language in order to reach agreement. This gave the conferees, and particularly the committee chairmen, tremendous legislative power in determining the final provisions of a bill, which the Senators and Representatives could only accept or reject and no longer amend. Passage of the Legislative Reform Act of 1970 limited that power by requiring that conferees either accept, reject, or compromise within the provisions of the other house. They could no longer go outside the House or Senate versions to find a solution.

On seven issues, however, the conferees on H.R. 6531 did go outside the passed provisions. Among these were the Mansfield amendment for Vietnam withdrawal and increased military compensation, the backbone of the volunteer force program. By violating the Legislative Reform Act, the conferees created their third problem.

The Conference Report did maintain other important provisions of the draft and AVF legislation. Draft reform and the two-year draft extension remained intact as did the reduction in force size and the ceiling on inductions. The enlistment bonus survived but was expressly limited to the "combat elements."

Everyone on Capital Hill knew that the Mansfield amendment would be the most divisive issue faced by the conference. It had been the most significant anti-war vote to date; the House had yet to register a comparable opinion. So, upon passage in June of the Senate version of H.R. 6531, anti-war members of the House moved to instruct their conferees to accept the Mansfield amendment. Representative Whalen, who had sought the one-year extension, led the move. In an appeal for support from pro-draft Congressmen, Whalen urged that if the House conferees were instructed to accept the Mansfield amendment, then the conference would be short and H.R. 6531 would soon be enacted, possibly even without a lapse of induction authority. Whalen's hopes were dashed when Hebert moved to table the motion to instruct. In a roll call vote, the House accepted the Hebert motion to table by 219 to 176. The failure of Whalen's motion condemned the conferees, the House, and the Senate to a long and difficult dispute over H.R. 6531. This dispute forced for several months the first lapse of induction authority since 1948. Ironically, what Mike Gravel had failed to do by an anti-draft filibuster in the Senate had now been accomplished by a House vote in support of the President's war policies.

With the failure of the Whalen motion, the House and Senate conferees tried to work out compromise language. They eventually eliminated the specified withdrawal date and essentially conveyed the Mansfield amendment as a "sense of the Congress" resolution, rather than as the declared policy of the United States. ^{1/} Such language, however, was outside the House- and Senate-passed versions and therefore the rewritten provision violated the Legislative Reform Act of 1970.

The conferees also rewrote the compensation provisions, again violating the Reform Act, rather than accepting either the House or Senate language. Whereas both the House and Senate had passed bills at about the \$2.7 billion level, the conference committee rewrote the compensation package at the \$2.4 billion level. As Congressman Steiger remarked, the result of this compromise was to provide first-term personnel, who were the target of the pay reform in the first place, with a lower rate of compensation than they would have received from *either* the House- or Senate-passed versions.

After a month of argument, mostly over the Mansfield amendment, the conference committee finally produced its report on July 30. Senators

^{1/} "Sense of the Congress" resolutions do not have the power of law. As passed by the Senate, the Mansfield amendment would have been law. As altered by the conference committee, the amendment only conveyed the feelings of Congress as to what the policy should be and did not have the power of law.

McIntyre and Symington, the two conferees who had voted for the Mansfield amendment, withheld their signatures from the Conference Report because of the alteration of that amendment. 1/

The violations of the Reform Act created a problem for the House Rules Committee which was responsible for establishing the *rule* 2/ governing House debate on the Conference Report. Rules may vary from bill to bill, but in this case the seven violations clearly were grounds to recommit the bill to conference. Instead, the Chairman of the Rules Committee, William Colmer, (D-Mississippi), readily recognized the danger of another conference with the House and Senate then facing an insoluble dispute over the Mansfield amendment. Colmer was an arch conservative and a strong supporter of the President's war policies. If the Conference Report was not accepted, he realized, the lapse of draft authority could then continue indefinitely as the Congressmen argued among themselves. Colmer's solution was to send the bill to the floor under a rule which prohibited points of order so as to preclude any motion to recommit the bill.

His decision was controversial. Before a bill can be debated on the floor of the House, members must vote to accept the rule on that bill. Usually a *pro forma* procedure, this vote was not. Many Congressmen were insulted and infuriated at the prohibition of points of order. They viewed it as a restraint on their privileges, as ramrod politics at its worst, and as a crude attempt to save Hebert and the House conferees from their own mistakes. Colmer defended the committee action as follows:

This conference report presented so many parliamentary problems [violations of the law] that it was recommended to the committee that a general waiver [of points of order] should be granted. 3/

This was tantamount to saying that there were so many errors that they should not be corrected.

In the brief and heated debate that ensued, the rule was roundly criticized, but it still maintained enough support to pass, 250 to 150.

1/ Congressional Record, op. cit., September 13, 1971, p. S.14230.

2/ When a bill is debated on the floor of the House, the debate is regulated by the *rule*. The rule may prohibit, limit, or permit various motions as well as govern the use of time allotted to each Congressman or opposing side. The rule must be accepted by the House before the bill can be brought to the floor.

3/ Congressional Record, op. cit., August 4, 1971, p. H. 7831. Parentheses by the authors.

The number of "no" votes was extremely large. Representative Gerald Ford, the minority leader, summarized the opinion of the majority when he declared:

...I voted for the Legislative Reform Act of 1970. I believe in the basic aims and objectives of that legislation. I believe in most, if not all, of its provisions.

I regret that on this occasion we are apparently violating some of the intent and some of the provisions of that legislation. I add, however, that I do not consider this action here today a precedent for any subsequent situations that might arise. 1/

In this manner, many Congressmen dealt with the apparent contradiction of passing an act to govern their own behavior and then failing to abide by it. The number of votes against the rule was unusual, however, and provided a sense of moral victory to those who had supported the Mansfield amendment and defended the integrity of the Legislative Reform Act of 1970.

As had happened so often before in the House and Senate during these long months of debate, the actual passage of the Conference Report came much easier than had many narrower, more specific amendments and motions. With the vote on the rule, all purposeful debate ceased. The members of Congress had by now clearly made up their minds. Only a few bothered to put their final thoughts on record. Hebert defended the Conference Report. William Steiger, who had authored H.R. 4450, reluctantly declared that he would support the report as a "step in the right direction." 2/ John R. Rarick, another Louisiana Democrat, then closed the debate declaring:

I can never, in good conscience, support a draft to conscript American men unless they are to serve in an American army of military force for the protection of the people of the United States.

1/ Ibid., op. cit., August 4, 1971, p. H. 7834.

2/ Congressional Record, op. cit., August 1971, p. 7841.

The wide spectrum of opinions still divided Congress. Hebert called for the votes; Whalen moved to recommit. Whalen's motion failed, and in a moment it was all over in the House. The bill passed 297 to 108.

Renewal of the draft now rested with the Senate. As the author of the most controversial amendment to the draft bill, Senator Mike Mansfield could easily influence the coming Senate debate. It became immediately apparent that Senator Gravel would lead another anti-draft filibuster. Just how the majority leader responded again would be crucial. Mansfield had been upset by the substantive alteration of his amendment, but as he had shown in the previous Senate cloture, he was not one to engage in a filibuster. On August 6, just after the Senate had scheduled the debate to begin on September 13, Mansfield proposed that the debate be limited to eight hours for each side. Although Gravel objected, thereby preventing the needed unanimity, Mansfield's move had signaled his intentions. He would support another cloture vote, and a filibuster would continue only at his pleasure.

Senator Gordon Allott, the surprise advocate of the pay increase, also had a powerful position. He, too, was upset over the conferees' action. In a lengthy, articulate, and sometimes angry speech on September 13, Allott specified his numerous objections, which basically came to the fact that the compensation tables of the Conference Report were less advantageous for first-term enlisted men than either the House or Senate bills. The conferees, he maintained, had completely rewritten the pay provisions, thereby slighting the intent of each body. Allott summarized his criticism of the conferees:

What they (the conferees) have done is taken orders for either chocolate or vanilla and couldn't agree on either so they brought back strawberry instead. 1/

The Senator then took a major step. He proposed that the Senate reject the conferees' pay provisions and accept a compromise which he would offer subsequent to a motion to table the Conference Report. Mansfield pledged to offer such a motion if Allott did not. Both were in a position to swing several votes and both realized that a successful motion to table at this point would require that the bill be recommitted to conference. Thus, a broad alliance of opposition to the Conference Report was in the making. Anti-war Democrats upset over alteration of the Mansfield amendment, pro-Administration Republicans upset over the rejection of Allott's pay tables, and traditional opponents of the draft were all

1/ Congressional Record, op. cit., September 13, 1971, p. S. 14215.

uniting in what appeared to be majority opposition. If the bill were returned to conference, it would then be likely that different conferees, more favorable to the new Allott compromise position and even to the Mansfield amendment, would be appointed. 1/

Furthermore, not only would the Allott and Mansfield provisions have to be re-settled, but so would the issues related to the House violations of its rules governing conferees. Recommital could also extend the lapse of induction authority too long for the Administration. If a renewed conference stalemated, as it probably would, then the White House would face the difficult decision of whether to accept the Mansfield amendment in order to get the draft extension.

To prevent such a chain of events, the Administration had to split the opposition to the Conference Report. The first step was to organize an intense lobbying effort. The second was to work a deal with Allott.

On September 14, Secretary Laird announced he was canceling all appointments in order to head the lobby effort. At his behest, every Senator received on the following day a letter, co-signed by the Service Secretaries, urging defeat of the expected motion to table. The Secretaries predicted critical manpower shortages and a threat to the AVF program if the Conference Report were not accepted. In quick succession, Stennis also addressed two letters to his colleagues. In the first he urged that the Conference Report be supported because it gave large compensation increases to low-level personnel while still protecting the interests of the career force. In the second, he argued that recommital to a protracted conference could threaten the programs to achieve an all volunteer force by July 1, 1973.

The initial impact to the lobbying was minimal at best. Confidently, Mansfield predicted that Administration forces would fail and that the motion to table would carry. Stennis realized the danger in the situation. A motion to table could come from any Senator at any moment, and Senate rules specified that once the motion was made there could be no debate. The vote would be immediate. Thus, the Senate floor debate had become a game of sudden death between two legislative masters, with Stennis' only chance being to gain more time for the lobby effort. Just as Mansfield had earlier counted upon the integrity of John Stennis to defend the Mansfield amendment in conference, Stennis now counted upon the integrity of Mike Mansfield not to cut him short in the floor debate. Both men were gentlemen imbued with respect for Senate procedure, decorum, and fair play. Claiming that he would develop new information to prove the

1/ In fact, Gravel had already asked for new conferees because of the alteration of the Mansfield amendment, and other Senators had criticized the fact that only two of the original Senate conferees had voted for the Mansfield amendment.

critical nature of the draft, Stennis sought to postpone the motion to table for a few more days. But Mansfield could only allow him a few more hours. The Majority Leader would not seek, nor did he want, a lengthy postponement, for that would have been an insult to the coalition he and Allott represented. At Mansfield's intervention, several Senators withheld motions to table, on which Stennis apparently would have lost. Respect for Mansfield as Majority Leader and author of the contested amendment allowed the vote to be postponed until the sixteenth of September.

On that day, the White House joined the campaign. First, each Senator again received a letter, this time drafted by the Congressional Relations and National Security officers of the White House. Second, in an attempt to reach some accommodation with Allott, President Nixon personally telephoned the Colorado Senator. The president promised his later support for a supplemental pay raise equal to the additional amount envisioned in Allott's compromise proposal, if the Senator would vote against the motion to table. ^{1/}

Under heavy pressure from the White House and with the understanding that he had a commitment from the Administration, Allott began to waver. Now, what had appeared to be certain defeat for Stennis began to look like a possible victory. Stennis again asked for more time. "Just two or three or four more calendar days," pleaded the besieged Chairman. "This is not a personal matter," he repeated, while recalling that "there was a time when my request would not have been rejected."

Having recognized the personal plea as an attempt to gain more lobbying time, Mansfield faced Stennis. "This is a body of equals," he rebuked, "and every Senator's voice as far as I am concerned is just as loud, just as strong, just as valid as any other Senator's voice." ^{2/} Still, Mansfield's sense of obligation as Majority Leader to accommodate the wishes of all Senators rose above his personal involvement in the matter. If compromise was possible, he would take it.

Earlier in the day, September 16, Allott had promised to make a motion to table at 3 p.m. Now, he was wavering. An agreement between him, Stennis, and the White House appeared close. When 3 o'clock passed without the motion, it became obvious that some agreement had been reached.

^{1/} Congressional Quarterly, "The Power of the Pentagon," Congressional Quarterly, Inc., Washington, D.C., 1972, p. 62.

^{2/} Congressional Record, op. cit., September 16, 1971, pp. S.14408-10 and N.Y. Times, op. cit., September 17, 1971, p. 20.

The defection of Allott from the opposition signaled the collapse of the temporary alliance of anti-draft and anti-war Senators with pro-Administration Republicans upset over the deletion of Allott's pay tables. Mansfield grabbed at the best option left to him and announced that at 11 a.m. the following morning he would offer the motion to table. This gave Stennis and the Administration one evening left to lobby. Whether or not they were able to swing additional Senators in the few hours after Allott changed position remains unclear, but in general the sixteenth had been a critical day. When the debate had begun, the Senate was apparently ready to recommit the Conference Report. Personal intervention of the President, however, had shaken Allott, then the coalition, and finally forced its collapse.

As he had promised, Mansfield made the motion to table on the following morning. According to rule, the yeas and nays were ordered immediately and the motion was defeated 47 to 36. If Senators who did not vote but who announced their positions are included in the tally, the margin of defeat decreases to 54 to 45. Once again, the conservative coalition determined the outcome. Of those opposed to the motion, 46 of the 54 were Republicans or Southern Democrats. Northern Democrats comprised 30 of the 45 who supported the motion.

The failure of the motion to table ended all meaningful debate. On September 21, 1971, after eight months of hearings, debates, motions and amendments, the Senate voted to close off the debate and then accepted the Conference Report, 55 to 30.

The Allott deal was a tactical victory for the Administration. It was also a critical defeat for the anti-war, anti-draft forces. Prior to the collapse of Allott and his followers, the Senate had come to the brink of sending the bill back to conference. That did not happen so one can only speculate as to what would have been the result. Would the House have accepted some version of the Vietnam withdrawal amendment? Would there have been a one-year extension of the draft or none at all? Would earlier termination of the induction authority have resulted in failure of the volunteer force effort, as the Administration supposed? Would the procedures of the Legislative Reform Act have been followed more carefully the second time around? The results of recommitment would have been unpredictable and that uncertainty must account for some of the opposition to the motion to table.

The Allott deal assured passage of the bill which enacted, along with the two-year extension of the draft, the compensation increases which the Administration would have spread over two years. The Administration's program for moving to the volunteer force was enacted and, in view of the acceleration of the compensation increases, the Congressional change in the program represented a more substantial "down payment" on the volunteer force than the Administration had proposed.

The legislation, Public Law 92-129, was signed into law by the President on September 28, 1971. It was not exactly what he had wanted. Nor was it exactly what Stennis and Hebert had wanted, and it certainly was not what Mansfield, Hatfield, Steiger, Schweiker, or Kennedy, among others, had wanted. ^{1/} The bill was basically an intermediate position between those who considered permanent use of the draft to be necessary and those who wished to end the draft more rapidly than in two years. As Congressman Steiger, one of the staunchest advocates of an earlier end of the draft had recognized, it was at least "a step in the right direction."

^{1/} In an interview on April 21, 1976, with the authors, Ed Braswell, the Chief Counsel to the Senate Armed Services Committee, explained his opinion of the final acceptance of, and attitude toward the bill: "Congressmen always have to look forward to the vote on the next issue. They don't stay satisfied or dissatisfied long. The prevailing notion, however, was one of skepticism that the volunteer force would work."

CHAPTER IV
IMPLEMENTATION OF PLANS AND PROGRAMS: EARLY ACTIONS

Every man feels instinctively that all
the beautiful sentiments in the world
weigh less than a single lonely action.

J. R. Lowell

Assistant Secretary Kelley liked to say that Project Volunteer demonstrated what could be accomplished by a group of people working together as a team. Through the Project Volunteer Committee the same individuals were responsible for planning and for actions to carry out the plans. The important management skill was to mobilize the vast energies of people in Headquarters, in the Recruiting Commands, and at local posts and bases of the Services in carrying out the objective of ending the draft. Although it was necessary for ASD(M&RA) to allocate resources and to serve as an "umpire" in policy disputes, Kelley genuinely believed that the Services should have wide latitude to carry out their individual plans and programs. Without this application of Laird's and Kelley's philosophy of participative management, it is doubtful that the program could have been implemented on a timely basis, if at all.

IMPLEMENTATION DURING FY1971

The President's decision to achieve an All Volunteer Force was publicly announced on April 23, 1970. After this announcement it was necessary for the Department of Defense to shift from planning to action. Contrary to what would be expected, the six months following the President's announcement was a period of indecision in the Department of Defense. The outlook was clouded by an uncertain budget situation, as was noted earlier. ^{1/} The Project Volunteer Committee report, which was the Services' agreed-upon "road map" to a volunteer force, was not published, on the advice of Secretary Laird's budget advisors who thought endorsement of the report would be interpreted as endorsement of a

^{1/} See Chapter II, p. 75.

future spending program that would exceed fiscal limitations. A "budget exercise" of a \$6 billion cut in Defense expenditures for FY1972 included development of several hypothetical volunteer force budgetary levels that were smaller than the levels that had been announced by the President. The signals were confusing and Defense action lagged. The shift from plans to actions was not smooth but by the end of 1970 some actions were under way, particularly in the Army.

Kelley, Vice Admiral William Mack (Kelley's Principal Deputy), and Wollstadt used the time in missionary work with senior officers of the Services, trying to convince them to devote their talents and abilities to the program. Admiral Mack, in particular, was helpful in convincing fellow officers that the Administration was serious in its purpose to reach a volunteer force.

On October 12, 1970, the Secretary of Defense first put in writing to the Secretaries of the Military Departments and the Chairman of the Joint Chiefs of Staff that the goal of the Department was to reach "zero draft calls by the end of FY1973." Mr. Laird asked the Secretaries of the Military Departments to review the Project Volunteer Committee report and to discuss the priority actions needed with Assistant Secretary Kelley. This was the Secretary's first official reference to an action program and the first clear Defense instruction to the Services to move forward from planning to action. To some degree the memorandum compensated for the previous tabling of the Project Volunteer Committee report.

The ASD(M&RA) staff was preoccupied with detailed work with the Services in connection with formulation of the FY72 budget and preparation for the Congressional hearings on the extension of the draft authority. As an initial action ASD(M&RA) conducted the first Joint Recruiting Conference in December 1970, thereby starting each Service down the road toward a more effective recruiting organization. For the most part, however, the start of the action program was up to the Services.

ARMY INITIATIVES

The Modern Volunteer Army Program

The Army was the first Service to respond decisively to Secretary Laird's memorandum. On October 13, 1970, General William Westmoreland, Army Chief of Staff, used his speech to the Association of the United States Army as the occasion to announce the Army's commitment to a volunteer force. He also announced three decisions:

- Appointment of a senior general officer as the Project Manager of the Volunteer Army effort to report directly to him.

- Immediate increase in the size and quality of the recruiting effort.
- Assignment to senior officers throughout the Army of personal responsibility for retention of good people by improving the living standards of their men and their families.

General Westmoreland said, "We will leave no stone unturned. We are willing to depart from past practices where such practices do not show a useful and productive end." ^{1/} With this directive by the Chief of Staff, reaching the Volunteer Army had now become a priority Army objective, and the Army moved rapidly.

Lt. General George Forsythe, Jr. was appointed Special Assistant for the Modern Volunteer Army (SAMVA) on October 25, 1970. He reported directly to the Chief of Staff and to the Secretary of the Army. His mission was "to develop and manage the Modern Volunteer Army program." ^{2/} The MVA program was to accomplish the following:

- (1) Establish conditions that contribute to the effectiveness of the Army "while reducing reliance on the draft."
- (2) Raise to the maximum extent the number and quality of enlistments and reenlistments, both Active Forces and Reserves.
- (3) Assist in increasing Service attractiveness and career motivation.
- (4) Make provisions for standby draft law to meet national emergencies.

This was to be accomplished by performing such functions as:

- Develop a Master Plan
- Monitor tests and experiments
- Conduct attitude surveys

^{1/} Address by General William C. Westmoreland to the Association of the United States Army, Washington, D.C., October 13, 1970.

^{2/} Charter of the Special Assistant for the Modern Volunteer Army (SAMVA), October 31, 1970.

- Conduct briefings
- Prepare speeches

The charter put SAMVA in the leadership role in the Army volunteer effort. By having SAMVA report directly to the Chief of Staff and to the Secretary of the Army, General Westmoreland cut across normal organizational channels. This strengthened SAMVA initially but led eventually to the discontinuance of the office early in 1972.

In November 1970, the Secretary of the Army, Stanley Resor, asked the Secretary of Defense for \$131 million to launch needed actions in FY1971. The Secretary of the Army's opening words were, "I have committed the Army to an all-out effort to reach zero draft calls by the end of FY1973." The Army asked for FY1971 funds for such actions as:

- Increase Recruiting Command strength by 536 personnel as quickly as possible, and open 100 new recruiting stations.
- Begin paid TV advertising.
- Improve soldier living conditions, by providing barracks privacy and more comfortable barracks surroundings and by freeing the soldier from KP and other menial duties.
- Double the pay of combat soldiers by giving them \$150 a month in proficiency pay.

The Office of the Secretary of Defense had no source of funds for Project Volunteer actions in FY1971. Therefore, the Assistant Secretary of Defense (Manpower) urged the Army to reprogram funds within its own resources to start actions in 1971. In January 1971, the Secretary of Army notified the Secretary of Defense that a total of \$39.8 million of Army funds had been reprogrammed for recruiting, advertising, and improvement of soldier living conditions.

At the Army Commanders Conference on November 30, 1970, the Chief of Staff emphasized the changes to be made to move in the direction of the Modern Volunteer Army. Some of the statements and actions by the Chief of Staff were:

I expect commanders at every level to take rapid and positive actions which enhance Service attractiveness and remove irritants to the troops.

I reiterate my earlier instructions that holding unnecessary troop formations is detrimental to morale...

I have directed the liberalization of Army pass policies, consistent with readiness or alert requirements, to include:

Elimination of the pass form and the sign-in, sign-out requirement.

Elimination of bed check practices except for individuals undergoing punishment.

Elimination of locally imposed restrictions on distances that individuals may travel.

I desire that instructions be given throughout the Army personnel system to emphasize the personal aspects of improving communications up and down.

Insure at installation level an interim response within 24 hours to any personnel question asked by an individual. 1/

There is no question that the Major Commanders became aware quickly that the Chief of Staff wished to bring about changes in the conditions of Service life conducive to a volunteer force.

The reprogramming of Army funds in January 1971 enabled the Army to initiate two other important actions -- neither of them directed by the Secretary of Defense. They were establishment of:

- "Project Volar," an attempt to develop ideal models of Service attractiveness at selected Army posts and stations. Project Volar received \$25 million of the reprogrammed funds.
- An intensive campaign of paid radio-TV advertising. This campaign received \$10.6 million of the reprogrammed funds.

These actions, in addition to the start of the recruiting build-up, not only gave notice throughout the military community that the program was under way but also attracted national media coverage and public interest.

1/ "High Impact Actions Toward Achieving a Modern Volunteer Army," Department of Army files.

Project Volar

Project Volar was the Army effort to improve Service living conditions and to remove some of the dissatisfactions which soldiers felt about Service life. Started at four experimental posts in January 1971, Project Volar gave local Commanders a great deal of flexibility to develop programs which would increase satisfaction with the Army. After the Volar plans submitted by Commanders were approved, the Department of the Army provided additional funds to the local Commanders for the program. An average of about \$3 million was provided to the experimental posts for actions to increase the attractiveness of Service life.

The specific actions, the changes in attitudes of men located at the experimental posts, and the increase in reenlistments were to be measured with a view to extending the successful actions to 16 Army posts at which sizable numbers of combat troops were located, provided funds for the expansion were included in the FY1972 Project Volunteer budget. In this way Project Volar was expected to bring about changes in the traditional ways of Army life.

Project Volar reflected the thinking of Lt. General Forsythe and his Deputy, Brig. General Robert Montague. In the first place, they thought the Army had to change its customary procedures to compete successfully for personnel in a "no draft" environment. Second, they believed that much more than competitive pay was needed to offset some of the disadvantages of military service,^{1/} and third, they believed that more individual freedom and choice for young soldiers during off duty hours would not be inconsistent with military discipline. They felt that the recruitment of ground combat personnel would prove to be an over-riding problem so they focused the Project Volar effort on ground combat posts.

Maj. General Bernard Rogers (later Lt. General and Deputy Chief of Staff, Personnel, and Chief of Staff, Army) the Commander of Fort Carson, one of the experimental posts, compiled a list of "what 'bugs' soldiers" for SAMVA's use. The list furnished a good overview of conditions which the Army set out to correct. The first 15 items on General Roger's list of "what 'bugs' soldiers" were:

- Meaningless training
- Guard duty
- K.P.

^{1/} The British, in moving to a volunteer force, concluded that more than competitive pay with the civilian sector was needed to meet enlistment goals; the British called this increment above competitive pay the "X" factor -- shorthand for "the extra factor."

- Janitorial duties and other menial nonmilitary tasks
- Reveille and retreat
- Nonparticipation in policy
- Layering of inspections
- Lack of privacy
- Improper assignment as related to skills and training
- Insufficient pay to support families, inadequate housing
- Instability of assignment
- Complexity of maintenance forms and standards
- Application of military justice
- Lack of confidence in authority
- Inability to communicate with officers and non coms

The Army was, indeed, taking a good, hard look at itself. Project Volar was an experiment which was intended to demonstrate, using General Forsythe's words, that "the Army is changing for the better."

Examples of the hundreds of actions taken under Project Volar are:

- Hiring civilians for K.P. duties and other menial tasks performed by soldiers.
- Improving and modernizing day rooms and lounges in barracks.
- Establishing "learning centers" for self-paced off-duty instruction.
- Inauguration of "short order" food service.
- Establishment of "one-stop" centers to service new personnel coming on post.

Some of the Volar actions were "no cost" or "low cost" actions but they also dramatized the image of an Army that was willing to change. Lt. General Forsythe liked to describe these actions as the "Army's war on 'Mickey Mouse' practices." Reveille and other unnecessary ceremonial formations were abolished at some posts; young soldiers were allowed to decorate their barracks in the contemporary styles preferred by many young people; hair length was somewhat liberalized; beer was allowed in barracks; an eight-hour "working day" became standard. One of the experimental posts attracted publicity because a "go-go" dancer entertained at enlisted men's clubs.

Some of this seemed like a "breakdown in discipline" to many oldtime Congressmen who fondly recalled their own experiences in the Army; however, the program served the movement toward the volunteer force well. Considering that the Army was one symbol of the Vietnam War, drastic changes were needed if the image of the Army was to change.

The Army made a major effort to evaluate Project Volar. 1/ One of the major contributions of the program was expressed by Major General Talbot, the Commander of Fort Benning, who advised General Forsythe, "...any evaluation at this time must be frankly judgmental. It appears that a 'wait and see' or open minded approach to attempt to improve Army attractiveness is the predominant attitude among Fort Benning personnel...The major accomplishment of the MVA program to date has been the creation of a receptive attitude at Fort Benning to the Volunteer Army program. From this point forward, we need to convince the soldiers that changes brought about under the Volar test are here to stay..." 2/ As much as any single action, Project Volar dramatized the initial Army efforts to reach a volunteer force.

There was, of course, some difference of opinion about Volar within the Army. The mixed emphasis on professionalism, life style, and public image created some confusion as to how leadership, decentralized training, pay increases, haircut policy, junior officer councils, barracks improvement, race relations, elimination of K.P., and many other aspects of Army efforts to change were related. There were some officers who thought the Army was overcommitting itself in terms of the benefits promised. Some expressed concern that an experiment which made better services available at selected Army posts where combat units were stationed might make other Army members envious and dissatisfied. Some thought that by stressing the word "modern," the Army might be implying that it was archaic and needed a complete overhaul. "By emphasizing the promise of improvements in living conditions, job satisfaction, and style of life associated with the MVA concept...we have submerged the very real benefits -- tangible and psychological -- that are associated with military life." 3/

The FY1972 budget included \$75 million for the expansion of Project Volar in the Army and \$66 million for similar "Service Initiatives" in the other Services. The Army program caught the attention of Kelley and

1/ See Chapter XI, section on Evaluation of Project Volar. Also see Attitudinal Studies of the Volar Experiment, James Goddard et al, Human Resources Research Organization, Alexandria, Va., August 1972.

2/ Special Volar Message, Major General Talbot to Lt. General Forsythe, March 1971. Assistant Secretary of the Army (M&RA) files.

3/ Memorandum from member of General Staff to Secretary of the General Staff, Subject: "Where Shall We Head?," August 5, 1971. Assistant Secretary of Army (M&RA) files.

Wollstadt who recommended its continuance and extension. Wollstadt particularly liked the "grass roots" approach of Project Volar which involved sizable numbers of local level personnel in working on volunteer force objectives. They also believed that the Services were in a better position than ASD(M&RA) staff to determine what local level expenditures would do most to improve conditions of Service life. As has been recounted, Systems Analysis questioned this view and, in general, opposed the Service Initiatives in all three of the Project Volunteer budgets.

Paid Radio-TV Advertising

In common with Project Volar, the Army's paid radio-TV advertising campaign impressed upon the country that an effort to reach a volunteer force was under way. The campaign, which began in March 1971 and lasted for 13 weeks, fueled a controversy over the issue of whether the Services should rely on free public service advertising in the electronic media or pay for most of their advertising in these media as they did for advertising in magazines and newspapers. Even the theme of the Army's campaign -- "The Army Wants to Join You" -- became controversial, strengthening in the minds of some Congressmen their apprehension that weakening of military discipline might attend the changes brought about by the move to a volunteer force. Because of the controversies, the impact which the campaign had upon the press and public continued longer than the campaign itself.

The paid radio-TV issue provided a case study of the early difficulties that occurred in ASD(M&RA) management of controversial actions. During the development of the Project Volunteer program, the Army and the Marine Corps both had recommended a major increase in advertising funds, to be used for paid TV and radio broadcasts. At that time, there was no paid radio-TV advertising and relatively little paid magazine advertising. The total amount of paid advertising of all Services in FY1970 was \$7.4 million; the estimate of the value of free public service radio and TV time was \$30 million, although very little was available in prime time. ^{1/} The Air Force and Navy believed that the loss of free public service time would offset the value of paid advertising. The unpublished Project Volunteer Committee report had stated a compromise view: "Funds should be made available for a carefully designed pilot project to assess the cost effectiveness of paid radio-TV advertis-

^{1/} Subsequent studies indicated that the values of free public service time were overestimated.

ing in a particular area and to measure its impact upon availability of public service time." 1/ In its 1971 campaign, the Army tested the strength of the adherence of the Office of the Secretary of Defense to this compromise view.

The U.S. Army Recruiting Command was the chief Army proponent for paid radio-TV advertising. As early as April 1970, the Army advertising agency, at the request of the Recruiting Command, had developed a detailed plan for a test of paid radio-TV. However, the Recruiting Command was unable to obtain approval or funds from the Department of the Army, partly because of the inter-Service differences of opinion about paid radio-TV that were voiced in the Project Volunteer Committee.

The Army advised the Secretary of Defense on January 4, 1971, that it planned to conduct a test of paid radio-TV advertising from March through mid-June by reprogramming \$10.6 million of its available funds. Mr. Wollstadt, the Deputy Assistant Secretary (M&RA-Research and Utilization), began a search to recruit a competent advertising specialist to join or consult with the OSD staff. Wollstadt, who favored a modest test of paid advertising conducted by OSD, recognized the potential seriousness of the inter-Service controversy that might erupt as a consequence of an Army campaign; the Navy and Air Force opposition to paid advertising was a matter of record in the Project Volunteer Committee. The reply to Army was signed by Deputy Secretary of Defense Packard, who wrote:

It is my understanding that experiments in the use of paid radio-TV recruitment advertising during FY1971 are to be conducted under the supervision of ASD(M&RA). This understanding was reached with Army and the other Services at the recent Recruiting Conference and was to ensure that there would be reasonable balance and selectivity in the tests made. Plans are already underway with the Army and the other Services to launch this experimental program at an early date. 2/

On January 25, 1971, John Kester, the Deputy Assistant Secretary of the Army (Manpower and Reserve Affairs), sent Wollstadt a copy of the

1/ Unpublished report of Project Volunteer Committee, ASD(M&RA) files.

2/ Memo for Secretary of the Army from David Packard, Deputy Secretary of Defense, Subject: Army Zero Draft Requests for FY1971, January 12, 1971.

proposed Army advertising test plan, notifying him that the test "would get underway on 1 February." The Army interpreted the lack of response to this memorandum as tacit approval and Mr. Kester notified the Army staff to execute the test plan. 1/

On February 20 Mr. Wollstadt called Service representatives together to hear the Army present its plans for the campaign. The Army informed the meeting that they had already purchased the media time for the campaign. The President of N. W. Ayer and Son, the Army advertising agency, said that the Army had recently instructed the company to "forget about the test and go for accessions." 2/ The Navy and Air Force again presented their general view that the campaign would result in the loss of free public service time. Speaking for the Office of the Secretary of Defense, Mr. Wollstadt said:

- (1) OSD recognized that the Army had committed the funds and that there was no turning back now.
- (2) He had not expected Army to initiate a full-fledged advertising campaign.
- (3) The Deputy Secretary of Defense had directed that ASD(M&RA) evaluate the campaign.

The Army clearly had taken action on an important controversial issue on which ASD(M&RA) had wished to be more deliberate. The Army accomplished its objective to conduct a vigorous campaign. The purposes of the 13-week test, as stated by the Department of the Army, were:

1/ "Paid Radio and TV Advertising in Support of a Volunteer Army," Lt. Col. Robert C. Foreman, U.S. Army, Industrial College of the Armed Forces, Washington, D.C., 1972. Army records suggest a lack of clarity in communication with OSD. For example, Deputy Assistant Secretary of the Army (M&RA), in a Memorandum for the Record, January 12, 1971, Subject: Volunteer Army Advertising, refers to a memorandum which Wollstadt received from Kelley saying, "...as long as the evaluation is made by an outside agency, I have no objection to confirming the test to the Army." In a memorandum from the Deputy Assistant Secretary of the Army (M&RA), to the Secretary of the Army, February 14, 1971, Subject: Paid Radio and TV Advertising Test, there is a reference to Mr. Packard's indication to Mr. Resor that "he would do what was necessary to get its advertising under way if a block developed in OASD(M&RA)."

2/ Memorandum for Record signed by Irv Greenberg, Deputy Director of Procurement Policy, ASD(M&RA), February 21, 1971, ASD(M&RA) files. (Greenberg was later Deputy Assistant Secretary of Defense Defense (Plans and Requirements).

- To test and determine what messages and media will increase inquiries at the recruiting stations and subsequently increase the number of enlistments.
- To provide current data to assist in designing the most effective advertising plan.
- To test and determine what broadcast medium or combination thereof will most effectively reach the primary target audience of 17- 21-year olds and the secondary audience of influencers.
- To increase the awareness and knowledge of the primary target audience of those opportunities available in the Army by means of the television and radio media. ^{1/}

The campaign was extensive and intensive. Radio was used primarily to reach the 17- 21-year age group and TV was primarily directed at the "influencers" of the target group, including parents, teachers, and ministers. In each of the top 100 markets the leading radio stations from the standpoint of reaching young men were selected and were provided an average number of 72 "spots" a week; leading stations in smaller markets were scheduled less frequently. The objective was to reach 75-80 percent of the target audience 22 times a week. Contracts were made with 2,055 radio stations.

Television was handled differently because of the difference in the industry. Two-thirds of the TV advertising was done by network sales for national coverage on prime time network shows. The other one-third was done in eight special markets where coverage was double the national level. The eight-test markets were selected on the basis of their isolation from "spill over" from the other radio and television coverage. This approach was expected to help test the effectiveness of TV markets. On the national level the plan was designed to reach 70 percent of the target audience twice a week; in the eight special markets the objective was to reach 95 percent of the target six times a week.

Unfortunately for the Army, criticism and opposition came from unexpected and powerful sources. The February issue of Broadcast Advertising carried a feature article, "Army Enlists Ayer for Ad Blitz." This reasonably factual statement was the first public announcement about the test. A series of Congressional inquiries followed. The first of these came from Congressman Hebert, Chairman of the House Armed Services Committee.

^{1/} Fact Sheet, "Army Radio and TV Recruiting Advertising Test," January 19, 1971, Office of the Assistant Secretary of the Army (M&RA).

During hearings on the Project Volunteer program on February 23, 1971, Mr. Hebert asked Kelley if the Columbia Broadcasting Company was going to receive any contracts for Volunteer Army advertising. The Army's contract with CBS was \$1.2 million for television advertising and \$50,000 for radio. As a matter of principle Hebert believed that as a quid pro quo in exchange for FCC licensing privileges, the electronic media should, on a cost-free basis, furnish the Military Services with the Advertising which they needed. The Chairman's adherence to this principle may have been reinforced by annoyance as a result of unfavorable publicity directed at him, as well as the military, in a TV special, "The Selling of the Pentagon," which had been aired by the Columbia Broadcasting System.

On March 2, the day after the Army commercials hit the public amid Hebert's inquiries, Kelley sent a memorandum to all Services stating that "further obligations or expenditures for television or radio time are not authorized."

In April, Congressman Van Dierlin (D-California) introduced a resolution in the House which would prohibit paid advertising broadcasts by federal, state, or local government departments and agencies. Hearings by the subcommittee on Interstate and Foreign Commerce were held April 21-22. Mr. Wollstadt was the chief Department of Defense witness.^{1/} In his opening remarks he said,

If the results of the Army test show that it is effectively helping us toward volunteerism and a zero draft, we believe the Military Departments should have the opportunity to use paid time to supplement the public service time as part of the total national effort to reduce, and ultimately to end, reliance on the draft.

Although the general tenor of the questioning was hostile to the advertising test, the subcommittee did not act favorably on the resolution.

Before the advertising test was concluded, the Army -- convinced that the test had stimulated great interest in the target audience -- began to plan a follow-on campaign. On June 12, Hadlai Hull, the Assistant Secretary of the Army (M&RA), proposed to Kelley a modest six-week follow-on campaign July 26 through September, at a cost of \$3.1 million. Kelley's disapproval of the request cited a "lack of convincing evidence

^{1/} Hearings before the House Subcommittee on Communication and Power, April 21-22, 1971, Serial No. 92-12, Washington, D.C.

that enlistment gains of the last three months are due substantially to paid advertising." ^{1/} Kelley also pointed out that the evaluation of the initial campaign had not yet been completed. ^{2/} Secretary Resor appealed the issue to Mr. Laird and, subsequently, on July 2 the Army follow-on plan was approved with some modifications.

On July 5, Kelley and Hull visited Mr. Hebert, in accordance with Secretary Laird's request, to advise the Congressman of what the Army planned to do. According to the reports of the meeting, Mr. Hebert was polite but the "no" was positive. At this point paid radio-TV advertising was dead. In mid-July, Senator Allen Ellender (D-Louisiana) advised the Office of the Assistant Secretary of the Army (M&RA) that in the event the Army continued to plan to use paid radio-TV advertising, he would see that all advertising funds in the budget were deleted. ^{3/} The Army waged one more battle; on July 22, Undersecretary of the Army Thaddeus Beal and General Forsythe again saw Hebert who again stated that his position was firm and he would not change his mind.

Acting upon Mr. Hebert's request, the Congress prohibited the use of FY1972 funds for paid radio-TV advertising. While the Congressional prohibition was not continued in the FY1973 budget, and there was much support for paid radio-TV among pro-volunteer Congressmen, the Deputy Secretary of Defense, in deference to Chairman Hebert's strong views, prohibited the further use of paid radio-TV. Except for a modest radio campaign conducted by the Army in 1975 and a modest joint test of radio time conducted by ASD(M&RA) in 1976, no paid radio or TV advertising has been authorized by OSD since the initial Army campaign in 1971. In the end, therefore, the Army lost rather than gained, from the decisive action in pushing the campaign in 1971.

The Enlistment Bonus/Proficiency Pay Issue

At the same time in January that the Army received approval to reprogram \$39.8 million of Army FY1971 funds for advertising, recruiting, and Project Volar, Secretary of the Army Resor also asked for authority to reprogram \$30 million for Special Pay of \$150 a month for men assigned in combat skills. This proposal was referred to as "our FY1971 Special

^{1/} Assistant Secretary of Defense (M&RA) memorandum for Assistant Secretary of the Army (M&RA), Subject: Paid Radio-TV Advertising, June 22, 1971.

^{2/} The evaluation was also controversial. See Chapter XI, section on Evaluation of the Army's Paid Radio/TV Campaign for a discussion of the evaluation.

^{3/} Op. cit., Foreman, p. 36.

Pay Experiment." The Army arguments were stated strongly: "It puts the money where the problem is -- in attracting volunteers for the combat skills...It can be done now. No other pay incentive can be... It will help lower draft calls in CY1971." 1/ The memorandum launched a policy dispute regarding the use of an enlistment bonus which lasted well over a year.

The Army proficiency pay proposal was not approved but an equivocal OSD reply permitted the Army to keep pursuing the matter. "As you know, we have strongly favored the enlisted bonus over pro pay for combat personnel, believing that it would be very difficult to stop pro pay once it had been started. On the other hand, the particular form of pro pay designed by the Army is well considered, and it might be possible to implement it in FY1971, providing Congressional leaders agree with you that it falls within the meaning of the present statute on proficiency pay. Therefore, I suggest that either General Westmoreland or General Forsythe accompany Roger Kelley when he goes over to the Hill during the week of January 18 to explain these options to the leadership of the Armed Services Committees." 2/

The issue was still a live one on March 26, 1971, when Kelley advised the Army of the Administration's position on Proficiency Pay and the Enlistment Bonus. This occurred after the Administration program had been presented to the Congress requesting the bonus authority. There were three points:

- (1) The Administration supports the Army pro pay position and urges its early approval by Congressional Committees.
- (2) The Administration continues to recommend the early enactment of enlisted bonus authorization as presented to the Armed Services Committees. The use of pro pay will be phased out as soon as the enlisted bonus is authorized by Congress.
- (3) Beyond supporting the Administration recommendations for pay increases for entry level personnel, Congress should be urged to spend money for pay in FY1972 in areas of demonstrated short supply. This could mean saving the

1/ Secretary of Army memorandum to Secretary of Defense, Subject: Army Funded Zero Draft Actions for FY1971, January 1971, ASD(M&RA) files.

2/ Memorandum for Secretary of the Army from David Packard, Deputy Secretary of Defense, Subject: Army Zero Draft Requests for FY1971, January 1971, ASD(M&RA) files.

additional \$1.7 billion for pay increases in FY1972,^{1/}
recommended by the House Armed Services Committee.

The issue of pro pay or bonus was not finally resolved until the Congress enacted the enlistment bonus authority in October 1971. As it turned out, pro pay was not used for the ground combat arms and the enlistment bonus was not implemented until May 1972. The Army was nevertheless able to increase ground combat skills enlistments by a vigorous recruiting effort.

INITIATIVES IN THE OTHER SERVICES

The Services, other than Army, did not reprogram FY1971 funds except to build-up their recruiting organizations. There were, however, some "no cost" developments similar to those taken by Army under Project Volar.

The All Volunteer Force effort received unexpected assistance from Admiral Elmo Zumwalt, the Chief of Naval Operations. Unlike General Westmoreland, Admiral Zumwalt did not commit the Navy to a specific program to maintain itself without the draft. The Navy had requested the delivery of draftees only three times since the end of World War II. As long as the Army used the draft, the Navy could count on a supply of draft-motivated volunteers, and the Navy was not enthusiastic about the prospect of losing the draft-motivated supply of personnel. Admiral Zumwalt, however, was personnel-oriented. He undertook a personal campaign to improve personnel management, operations, and human relations throughout the Navy. Upon assuming office he said, "...my first task is the improvement of many aspects of the naval career."

The Admiral's messages on the improvement of Navy life, referred to as "Z-grams," were widely publicized and associated with the volunteer force by the news media. A sample list of the subjects in "Z-grams" follows:

- 30 days leave guaranteed on change of station
- 1st class petty officers dress as please off duty
- Bureau of Personnel "detailers" who assign personnel answer calls 8:00 p.m., Mon.-Thurs.
- 50% leave for ships crews in CONUS, regardless of inspections

^{1/} Multiple addressee memo from ASD(M&RA), Subject: Administration Position on General Pay Increases/Enlisted Bonus, March 1971.

- Reduction of junior officer additional duties
- Liberal pass policy on public holidays
- Navy wife representation to local commands
- Beer machines in barracks
- Extension of commissary hours
- Adapt officers clubs to junior officers
- Chief Petty Officer Board to advise CNO

The volunteer force movement benefited significantly from the interest of the Chief of Naval Operations in improving the living conditions and quality of life of the Navy. ^{1/} Many of the actions were similar to those taken by the Army under Project Volar.

The Chief of Staff, Air Force in December 1970, announced seven policy changes which were intended to improve Service life by eliminating irritants along the lines already announced by the Chiefs in Army and Navy. The seven policy changes were:

- Reduce the number of unit-level and individual inspections to the minimum necessary to assure that facilities are properly maintained and personnel meet the required standards of dress and appearance.
- Authorize time off when duties are performed in excess of normal working hours.
- Eliminate additional duties not absolutely necessary and reduce the number of meetings/formations to an absolute minimum.
- Abolish the Liberty Pass.
- Authorize sufficient time off during permanent change of station moves to help families get settled.

^{1/} Vice Admiral John W. Finneran, Deputy Assistant Secretary for Military Personnel, ASD(M&RA), said in an interview June 14, 1976, "I've known Admiral Zumwalt for years. Had there been no volunteer force, the changes would have happened anyway. He had a deep-seated concern to change some of the archaic rules and procedures."

- Eliminate base POV inspections where such inspections are required by state or local government agencies.
- Expand sponsor programs to include all personnel.

Much less publicity accompanied the Air Force activities. Air Force already enjoyed a favorable image for good personnel management. In October 1971, the Air Force offered new recruits the job assignment of their choice in return for a six-year enlistment. This was an important early initiative which worked out well for the Air Force; later on, 46 percent of Air Force enlistments were for six years.

THE RECRUITING BUILD-UP

Significantly, the purpose of the first ASD(M&RA) action was to get under way the programs to improve the effectiveness of recruiting -- a goal which received much of Kelley's personal time and effort. The first of three joint Department of Defense Recruiting Conferences was held in December 1970. The meeting was unique in several aspects: top civilian and military management attended in abundant numbers; the working level recruiting personnel who attended were able to communicate freely with top management because the briefer on a subject presented information and views which covered all Services on a coordinated basis, not just information about his own Service. Recruiting duty, which had not enjoyed much prestige, began to be recognized as an important and desirable assignment.

Among those attending the conference were the Deputy Secretary of Defense, the Assistant Secretary of Defense for Manpower and his counterparts in the Military Departments, and the military Personnel Chiefs of the Services. Their unprecedented, concerted attention to recruiting was the starting point of the high priority given to recruiting throughout the transition to the volunteer force. ^{1/} Throughout the rest of his time in office, Kelley never ceased to emphasize the importance of recruiting.

As a result of the Joint Recruiting Conference, several steps were promptly taken to upgrade recruiting. In January 1971 Special Pay of \$50 a month was provided to recruiters in order to increase the number of volunteers for recruiting duty. (Three years later the Special Payment was raised to \$100/\$150 a month for senior recruiters.) The Services

^{1/} One of the authors, Gus C. Lee, initiated the Joint Recruiting Conferences. Irving Greenberg, then Deputy Director of Procurement Policy, ASD(M&RA), planned the conference and was assigned to give full-time leadership to the recruiting build-up.

also began the build-up of their Recruiting Commands by reprogramming FY1971 funds. The amounts reprogrammed for recruiting in FY1971 were:

Army	\$14.0 million
Navy	1.2
Marine Corps	.015
Air Force	<u>4.0</u>
	\$19.3 ^{1/}

These recruiting funds were the only reprogrammed funds made available in FY1971 for the All Volunteer Force program by Navy, Marine Corps, and Air Force; the amount of Army funds reprogrammed exceeded the amount initially planned. OSD and the Services were in full agreement on the criticality of effective recruiting in a volunteer environment.

The success, early on, of Army efforts to increase ground combat enlistments gave increased credibility to the common sense assumption of the importance of improved recruiting. During 1970, the Army had recruited an average of only 250 new personnel a month specifically for ground combat. Most of the entrants into ground combat had been draftees or enlistees who entered without a guarantee of specific training or assignment. Because of this poor combat recruiting record, the Army held a pessimistic view of their capability to recruit sufficient ground combat personnel. Kelley was convinced that the Army, relying heavily on the draft, had not really made sufficient effort to recruit ground combat personnel and he urged them to do so. The Army fashioned an attractive program of enlistment options in a drive to give the individual enlistee more choice in his initial assignment and to improve their past record. The unit-of-choice option permitting enlistments directly into one of the seven major combat units of the individual's choice was first offered on February 1, 1971. Other options offered choice of initial duty in Europe, Hawaii, Alaska, Panama, or Vietnam. The availability of these options, the paid radio-TV advertising campaign, and the emphasis placed on ground combat enlistments by recruiters contributed to a rapid, significant increase in the number of ground combat enlistments. In one month, June 1971, the number of ground combat enlistments exceeded 4,000. The Department of Defense viewed this achievement as a demonstration of what could be expected from a more effective recruiting and advertising effort.

^{1/} Excludes \$10.6 million which Army reprogrammed for paid radio-TV advertising.

The experience with ground combat recruiting had a significant effect upon the views of Clay Gompf, the Army's Deputy Assistant Secretary for Military Personnel (ASA-M&RA), who helped plan and direct the recruiting build-up. Gompf recognized early that the emphasis on the special manning problems of ground combat skills needed to be in balance with the rest of Army accessions. The increase in ground combat accessions had been accompanied by a decline in enlistments for Service School options which provide enlistees for the Army's more technical skills. During the first six months of calendar year 1971 when the recruiting priority was accorded to ground combat skills, Service School enlistments fell from 18 percent of accessions to 2.5 percent of accessions. Gompf believed that the approach taken to increase ground combat enlistments could also be applied to Service Schools: unit of choice and geographic area of choice options might be made available and an enlistment bonus might also be offered.

There was, of course, uncertainty as to whether such actions would "draw-down" on the gains in ground combat enlistments. As Gompf's studies indicated, a much finer information and accessions management system was needed under a volunteer force than was needed under the draft. The Army staff was directed to begin work on a system to enable "fine-tuning" of the recruiting effort. The steps taken to increase ground combat enlistments were later taken to increase Service School enlistments.

SHIFTING GEARS -- 1972

SERVICE IMPLEMENTATION AND EARLY RESULTS

Fiscal Year 1972, beginning in July 1971, is properly viewed as the first full year of implementation of a program to reach an All Volunteer Force. Once Project Volunteer funds became available, increasing numbers of Service personnel thought the volunteer force effort might be "for real." Although entry pay raises were not authorized by legislation until October 1971, the Congress had at least appropriated money for the volunteer force programs which did not require new legislation.

In addition to the entry level pay raise, in October 1971, the major implementing actions in FY1972 were:

- Further build-up of the recruiting services.
- Significant expansion of paid magazine advertising for recruiting.
- Barracks improvement.
- Other expenditures, called Service Initiatives, to improve conditions of Service life and to reduce irritants.

- Increased number of scholarships and increased subsistence for ROTC and other college level officer procurement programs.

The implementation of these programs was well under way in all Services by the end of FY1972.

During FY1972, the recruiting build-up moved forward in all Services, again demonstrating the consensus as to the importance of effective recruiting. By the end of February 1972, about five months ahead of schedule, all of the Services except Navy had substantially completed the planned addition of recruiters and recruiting stations.

- The Army had added 96 percent of the increment of 2,347 recruiters and 95 percent of the increment of 556 recruiting stations.
- The Marine Corps had added 95 percent of 418 recruiters and 87 percent of 175 recruiting stations.
- The Air Force had added 109 percent of 654 recruiters and 90 percent of 115 recruiting stations.

The Navy, however, lagged behind the other Services: Navy had added only 68 percent of its increment of 500 recruiters and 51 percent of the increment of 150 recruiting stations. Navy experienced recruiting shortfalls in the first six months of FY1972 and attributed them, in part, to the relatively slow expansion of its recruiting force.

The Air Force became apprehensive about meeting quality goals because, in FY1971, the Air Force had failed to meet its total non-prior service recruiting objectives for the first time in five years. The failure was partly attributable to the fact that objectives were raised late in the year. Qualitative measures, including the percentage of high school graduates, the percentage of personnel in Mental Group I (the highest mental group), and the percentage of enlisted accessions with an Airman Qualifying Examination score of 80 or higher (average score on this test is 50), had declined a few percentage points in comparison with FY1970. At the Air Force Recruiting Conference in August 1971, General John Ryan, the Chief of Staff, said, "Quality must set the tone of our future recruiting....During the past year quality has fallen off....This is an intolerable situation....It represents a trend that must not only be stopped, but reversed."

In February 1972, the Air Force Recruiting Service revised its Recruiting Group Competition Rules, placing the emphasis on quality by no longer awarding points to a recruiter for meeting quotas. Prior to the change, more than 5.0 points were awarded to a recruiter just for

meeting quotas but 30 points a year was the maximum that could be awarded for recruiting high school graduates. The change in point credits motivated recruiters to enlist individuals of the preferred quality. The points typically available under the new schedule are shown below:

AIR FORCE RECRUITERS

<u>Airman Qualifying Exam Score</u>	<u>Recruiter Credits per Enlistment</u>
80 - 95	3.715
60 - 75	2.972
40 - 55	2.230
High School Graduate	0.742

The Recruiting Service revised the Competitive Point System periodically to make it compatible with the quality of recruits desired. By this means, among others, the Air Force successfully communicated its qualitative recruiting objectives to recruiters.

The Air Force also continued to be successful with a new program which offered guaranteed training in a school-of-choice in return for a six-year enlistment. The Air Force capability to obtain six-year enlistments was a measure of its relatively high appeal to young men of military age.

The Army, in addition to expanding and upgrading the regular recruiting force, initiated two new programs for assisting the Army Recruiting Command. Recruiter Assistants, who were distinguished enlisted graduates of Advanced Individual Training, were temporarily detailed to their home town or area to help recruiters locate and enlist prospects. Unit Canvassers were assigned to help recruiters locate and enlist prospects for the Canvasser's own unit, offering a unit-of-choice enlistment option which guaranteed initial duty assignment to the unit.

The Recruiter Assistant Program was initiated in July 1971, and reached a peak of 416 Recruiter Assistants in July 1972. On the average, during 1971-1972, an additional Army recruiter of any type increased Mental Group I-III or high school graduate enlistments about six additional enlistees per year. For Mental Groups I-III the productivity of Recruiter Assistants and Unit Canvassers was about three times the average and for high school graduates their productivity was about double the average. Both programs were successful.

As shown by the accompanying chart, the Recruiting Services received a high priority in the allocation of funds throughout the volunteer force effort.

Recruiting and Advertising Budgets a/
(In Millions of Dollars)

<u>Fiscal Year</u>	<u>Recruiting and Advertising</u>	<u>Advertising Only</u>
1971	162.4	(22.5)
1972	229.9	(40.4)
1973	326.0	(68.8)
1974	386.3	(96.1)
1975	413.2	(102.1)
1976	481.0	(67.0) b/

a/ Excludes \$26 million for recruiting losses, through FY1975 when budgeting was transferred from General Services Administration to Army.

b/ Congress reduced request of \$104 million.

It would be hard to overdramatize the improvements in the recruiting organizations. High qualifications for selection of recruiters and supervisors and improved training, particularly in salesmanship and communications, were emphasized. Illustrating the high priority given to the function, the Army assigned three general officers to the Recruiting Command for a period in 1972. Attractive incentives were provided and an effort was made to make recruiting duty a voluntary assignment, insofar as practical. Among the incentives for recruiters were extra pay (initially \$50 a month and later as high as \$150 a month for some recruiters); reimbursement for out-of-pocket expenses, such as parking fees or purchase of a cup of coffee for prospects; leased housing in the community to reduce the commuting time of recruiters. Offices were refurbished and many new offices were established in shopping centers and other favorable locations. There was a concerted, organized effort in all Services to upgrade recruiting.

There was a longer lead time between the availability of funds and the accomplishment of results in the barracks improvement program. Persistence was necessary to get things done in this program area. Designs were approved and contracts were awarded by the end of FY1972, but only the renovation of the 18,000 barracks spaces funded by the earlier Army reprogramming of its own FY1971 funds was completed.

The so-called "Service Initiative Funds" for the improvement of conditions of Service life were gradually obligated at an even rate during FY1972. The amounts were:

Army	\$75 million
Navy	\$25
Marine Corps	\$16
Air Force	\$25

The Army used its funds to extend the "Project Volar" experiment to 12 posts besides the 4 initial experimental posts. Examples of the actions funded by the other Services were:

- Elimination of K.P. (Marine Corps)
- Employment of additional educational and career counselors (Air Force)
- Expansion of the enrollments in associate degree programs (Navy)
- Recreational facilities (Navy, Marine Corps)
- Barracks furniture (Marine Corps)
- Additional Junior ROTC (Navy)
- Improvement of working conditions at aircraft maintenance facilities (Air Force)

These programs were implemented in the field during FY1972. They were more valuable as symbols of the kinds of changes that were planned by Project Volunteer than for their actual impact on enlistments and re-enlistments.

By August 1971, enough actions had been taken under Army initiatives for the Special Assistant for the Modern Volunteer Army to report to the

Deputy Chief of Staff on the reaction of the major Army commanders to the initiatives. The major points covered by the Army commanders in their comments on the MVA Program were:

- The MVA program is credited with morale improvements.
- Discipline has not been adversely affected.
- Junior Officer and enlisted councils are a valuable supplement to other means of communication to the chain of command.
- Housing and other facilities require more rapid upgrading.
- MVA needs high quality people. Standards for accession and retention must be raised.
- MVA goals and policies are still misunderstood by many. Frequently new policies are disseminated through the press and other media faster than through normal distribution channels. 1/

The Army's major commanders were not disaffected by the volunteer force program. There was, as the Deputy Chief of Staff indicated in a response to these reports, some "uneasiness which comes from a feeling that a Volunteer Army is neither feasible, desirable, or supported by OSD or Congress." 2/

Some positive effects began to show up as a result of the early implementing actions. In his first appearance before the Congress after funds became available under the FY1972 Budget and after passage of the legislative program, Kelley summarized the gains by comparing the enlistment experience of the last six months of calendar year 1971 with the same six months of 1970. 3/ He first pointed out the decline in "draft pressure" represented by the fact that draft calls were 11,000 during this period in 1971 compared to 70,000 in the 1970 time period. Despite

1/ Memorandum from SAMVA to Deputy Chief of Staff, Subject: Commanders' Reports on MVA, August 1971. Assistant Secretary of Army (M&RA) files.

2/ Multiple addressee memorandum from Deputy Chief of Staff, Subject: MVA/VOLAR/MPA, August 1971. Assistant Secretary of Army (M&RA) files.

3/ Hearings before the Subcommittee on the Volunteer Armed Force and Selective Service, Senate Armed Services Committee, March 10, 13, 1972, p. 198.

the decline in draft pressure there were signs of progress:

- 7 out of 10 enlistees were "true volunteers" compared to 6 out of 10 the previous year.
- 25,000 more "true volunteers" enlisted than in the same period of 1970.
- Combat arms enlistments in Army increased from an average of 250 a month to 3,000 a month.

There had been only two full months of enlistments since the massive entry pay raise in October 1971; "true volunteer" enlistments were up 29 percent compared to the same two months of the previous year. At last there had been some progress.

THE GROUND COMBAT ENLISTMENT BONUS

The Army began to press for use of the ground combat enlistment bonus within a few months after authority became available in October 1971. ^{1/} The ground combat accessions requirement was about 32,000, 35 percent of the total accessions during the first half of calendar year 1972. ^{2/} With the pay raise the Army expected to enlist directly into combat skills between 16,000 and 24,000, filling in the balance with draftees or general enlistments. The Army argued that use of the bonus would be likely to cut the shortfall of direct enlistments in ground combat in half and enable them to give recruiting emphasis to the more technical skills during the last quarter of the fiscal year. Enlistments in the Service school or technical skills had fallen as priority in recruiting had been given to ground combat. ASD(M&RA) insisted, however, that the effects of the pay raise should be known prior to use of the bonus authority. Youth attitude surveys indicated that young men were slow to perceive the magnitude of the pay raise; Kelley wanted to wait a few months to see if the bonus was really needed.

There were differences of opinion between the Army, the other Services, and ASD(M&RA) over the policies regarding the bonus:

- (1) Whether to authorize the Navy and Air Force to use the bonus.

^{1/} Chapter VIII, p.337 contains a further discussion of the enlistment bonus.

^{2/} Memorandum to Assistant Secretary of Defense (M&RA) from Assistant Secretary of the Army (M&RA), Subject: Assessment of Combat Arms Bonus, August 10, 1973.

- (2) Whether to authorize the bonus at \$3,000 for a three-year combat arms enlistment, as proposed by Army.

The decision was made in May 1972 to implement the bonus in June 1972 in Army and Marine Corps at \$1,500 in return for a four-year enlistment. The Army subsequently advocated continuance of the four-year enlistment term, which they had resisted initially, but they continued to believe that the bonus amount was too low. One year later, on the basis of strong arguments by Army, the bonus amount was increased to \$2,500 in May 1973, and offered only to high school graduates. Army success with the use of the bonus ultimately convinced their top management that the combat arms accession requirement could be met without the draft. The Marine Corps adhered consistently to the position that they were not in favor of implementation of the bonus authority but that they were required to use the bonus if the Army used it. The Marine Corps was, therefore, included in the implementing action on the basis that, otherwise, they would be greatly disadvantaged by Army in recruiting ground combat skills. 1/

The implementation of the bonus completed the "shifting gears" throughout the Military Service which had commenced about eighteen months earlier. By the end of Fiscal Year 1972 the movement toward a volunteer force was well under way. The steps taken in FY1972 made the basic difference in the accomplishment of the All Volunteer Force. Continued momentum of the All Volunteer Force was needed to overcome the many problems of enlisted recruiting and new actions were needed to solve special manning problems. The basic foundation for the All Volunteer Force, however, was in place by the end of FY1972.

1/ Feelings about the enlistment bonus ran high. At the Third Joint Recruiting Conference in February 1973, Lt. Gen. Robert Dixon, Deputy Chief of Staff, Personnel, and an Air Force member of the Project Volunteer Committee, in a discussion of the Army recommendation to raise the amount of the bonus described the bonus as a "substitute for good personnel management."

CHAPTER V

IMPLEMENTATION OF PLANS AND PROGRAMS:
SETBACKS AND RESPONSES

Winning isn't everything.
It is the only thing.

Vince Lombardi

The implementation of the program after 1971 is, in large part, a story of setbacks and responses to the setbacks by Assistant Secretary Kelley and the Services. There were, in particular, three major setbacks:

- (1) Navy recruiting shortfalls of 11,000 (about 10% of accessions needed to meet enlisted strength goals) which occurred during FY1972.
- (2) The decision to add no new incentives to the Project Volunteer Budget for FY1973.
- (3) Army's establishment of a high school graduate objective of 70 percent of accessions in February 1973, and the limitation of nongraduates to 30 percent of accessions, which resulted in monthly recruiting shortfalls during February-June 1973, and press reports of the "failure" of the All Volunteer Force.

In the long run, all of these adversities resulted in responses which strengthened the movement toward the volunteer force.

NAVY RECRUITING SHORTFALLS

The Navy recruiting shortfalls which occurred in FY1972 were largely unanticipated by Navy and by OSD. There were several explanations for the overestimate of Navy recruiting capability. The Navy pool of enlistees under contract for delayed enlistments (called CACHE in Navy) was larger than in other Services in the last half of FY1971. Attitude surveys showed that Navy enjoyed a favorable image among youth, second only to the

Air Force; accession requirements for FY1972 were relatively low -- about 92,000 for Active Force recruiting programs and about 19,000 for a program in which the enlistee entered the Naval Reserve but served two years of active duty in addition to Reserve duty of six years. These advantages were negated, however, by the lag in the Navy recruiting build up -- the slowest of the four Services. Vice Admiral Emitt Tidd, Commander of Navy Recruiting, later described the Navy as "being left at the starting gate." Compounding the slow recruiting build-up, the Navy established more stringent quality controls in July 1971, reducing their potential supply by an estimated 30,000 recruits. 1/

During October-December 1971, the Navy Recruiting Command missed accession objectives by about 8,000. The Navy, in response, reduced the initial term of service by offering a three-year enlistment contract that guaranteed choice of duty on the east or west coast; the choice of school program was retained for four-year enlistments. The temporary outlook was severe enough that, in February 1972, the Navy considered placing a draft call but finally decided against this step.

The Navy, during FY1972, met only about 80 percent of its accession requirements. Even to do this, however, quality standards were lowered so that in one month the input of Mental Group IV, the "Below Average" Mental Group, constituted 30 percent of accessions. The FY1972 monthly recruiting quotas, cumulative, were 107,000 compared to enlistments of 84,489; however, these numbers call for some interpretation. Since recruiting quotas are set on a month-to-month basis, it was Navy practice -- as it was in the other Services -- to compensate for a shortfall by increasing the quota for the following month. The monthly total target of 107,000, therefore, includes "double counting." A better measure of performance would be to compare the number of enlistments to the accession requirement needed to meet Navy's enlisted end strength. Using this measure, the objective for FY1972 would be 92,000; the Navy accomplished only 92 percent of this requirement. It was not a good year for Navy recruiting, however, by any measure.

The turn-around occurred in the summer of 1972. Admiral Zumwalt, Chief of Naval Operations, gave the Recruiting Command high priority; Kelley devoted a considerable amount of time working with him personally on the problem. In July, after the appointment of Rear Admiral (later Vice Admiral) Emitt V. Tidd as Commander of the Navy Recruiting Command, the highest number of recruits in three years was obtained. In August the number of recruits was the highest since 1966, and in September the

1/ Vice Admiral John W. Finneran, Deputy Assistant Secretary for Military Personnel Policy, in an interview June 14, 1976 said, "The Navy came to realize it was not ready to move out into the market place."

Navy met its recruiting quotas for the first time in three years. There was no magic in the accomplishment; mostly, the Navy worked hard to replicate the recruiting build-up already accomplished in the other Services.

A supplemental Navy appropriation of \$14 million was approved by OSD in August 1972, and Navy reprogrammed a like amount of funds, bringing its recruiting and advertising budget into parity with the other Services on the basis of costs per accession. Recruiters were added, advertising was increased, facilities were expanded; recruiter selection and training was improved; techniques for better central management planning, and control of recruiting were adopted. Admiral Tidd emphasized the "recruiting team" approach and the issuance of enlistment quotas to the organization, rather than individual recruiters; he also emphasized de-centralization of training to the District level. On the whole, however, the improvement methods were those followed by the other Services. The shortfalls in FY1972, brought about by a slow response to the volunteer environment, finally resulted in the establishment of an effective Navy recruiting service by FY1973.

THE FY1973 BUDGET SETBACK

At the end of the first year of implementation the volunteer force program again encountered budgetary pressures within the Administration. The FY1973 budget planning commenced in July 1971. The Project Volunteer legislative program had been presented to Congress but had not yet been enacted. New funds were not yet available. As previously discussed, some actions had been taken with reprogrammed funds: the recruiting build-up was under way; Army enjoyed a successful response to the new enlistment options for the combat arms; "Project Volar" was launched at three Army basis. Draft pressure was still strong. Not enough time had elapsed nor enough experience obtained from implementation to throw new light on planning the volunteer force. The FY1973 budget, therefore, had to be planned with about the same basic information as had been available for planning the FY1972 budget.

The scenario followed in the development of the FY1973 budget was about the same as that in FY1972. Deputy Secretary Wollstadt asked the Project Volunteer Committee in July to submit their recommendations, listing them in priority order. He gave the committee members several assumptions:

- (1) The total \$3.5 billion set aside by the President in March 1970 would be available for FY1973.
- (2) A few actions would probably take up most of the funds -- another 50 percent increase in entry pay, incentives

for the Reserve Components, and extension of the enlistment bonus authority to cover other skills as well as ground combat skills.

- (3) A total of \$500-\$600 million would probably be available for non-pay programs.

In asking for Service recommendations, Wollstadt did not set a ceiling for each Service submission. As a consequence the initial Service recommendation totaled well over a billion dollars for non-pay actions. Over the next few months the initial Service proposals were worked down to a practical level by the Program Evaluation Group.

Concurrently, in accordance with the plans made at the time of the FY1972 budget, the Project volunteer Committee addressed itself to the use of the Contingency Fund. The President's budget included a Contingency Fund of \$117 million -- a somewhat larger amount than was estimated in earlier plans. Assistant Secretary Kelley asked the Service members to submit their recommendations for use of the funds.

As usual in cases of inter-Service competition for funds, the total Service requests of \$326 million were higher than the amount available in the Contingency Fund. Some of the Service requests favored by the ASD(M&RA) staff were:

- Incentives for the Reserve Components.
- Trial use of the enlistment bonus for high aptitude skills in the last quarter of FY1972.
- Extension of travel entitlements to personnel in grade E-4 with less than 2 years of service.
- Upgrading the Armed Forces Entrance and Examining Stations.

The issues never came to a head. In September 1971 the Assistant Secretary of Defense (Comptroller) ruled that the Contingency Fund had been "wiped out" because the costs of the pending pay bill in Congress, likely to become law, would significantly exceed the FY1972 planning figure of \$1.5 billion which the President had established in January. This was the first occasion on which the Project Volunteer Committee made plans for the use of funds which, in the end, were not available; the second occasion -- a more serious setback -- was soon to follow in connection with the FY1973 budget.

Returning to the development of the FY1973 budget, the Project Volunteer Committee in November discussed the three issues on which the Program Evaluation Group had been unable to agree:

- (1) Use of the Enlistment Bonus. The Project Volunteer legislation that had been enacted in September confined the use of the bonus to the "combat elements." Lt. Gen. Robert Dixon, the Air Force Project Volunteer Committee member, said the Air Force estimated that they would need \$20 million for the enlistment bonus in "hard-to-get" skills. Vice Admiral John Guinn, the Navy member, did not consider the bonus to be suitable for their needs but pointed out that Navy would need "Sea Pay" if the other Services used a bonus. Kelley said that it might be necessary to go back to Congress and get the words "combat elements" changed so as to extend the use of the bonus to other "shortage" skills. There was no consensus among the members of the Committee on the use of the enlistment bonus.
- (2) Extension of Travel Entitlements to Enlisted Personnel, Grade E-4 with Less Than 2 Years of Service. The Navy, Marine Corps, and Air Force recommended the action as a high priority item but the Army opposed it. The cost estimate was \$170 million, of which \$90 million was for the Army. The Army believed that the problem of inadequate housing in Europe would be compounded if travel benefits were paid to junior enlisted personnel. Kelley expressed the view that the issue was a joint issue, not one to be decided by each Service unilaterally.
- (3) Reserve and National Guard Components. At long last the Services recommended significant funds for incentives for the Reserve and National Guard components. Nearly \$92 million was included, over half of it for an enlistment and reenlistment bonus. Kelley expressed the view that the Services should work hard to see what could be accomplished with the \$24 million to be included for Reserve and National Guard recruiting before using an enlistment bonus.

The differences on these key issues were not resolved and Kelley concluded the meeting by saying that he would discuss his recommendations separately with each Service.

Enactment of the legislative program in October had clarified the fiscal picture. Instead of the 50% entry pay raise at a FY1972 cost of \$1.027 billion recommended by the Administration, the Congress had enacted a higher entry level pay raise at a cost of \$2.450 billion. Also, the Administration, in order to obtain the support of Senator Gordon Allott of Colorado for the two-year draft extension had agreed to support him in his plan to sponsor a subsequent addition to entry pay.

As shown in the table below, except for \$486 million, the "planning funds" were already allocated as a result of Congressional actions:

Project Volunteer Funding for FY1973
(In Millions of Dollars)

Pay and Allowances in Public Law 92-129	\$2,450
Senator Allott's Proposal for Further Entry Pay	359
Cost to "Carry Over" Programs Started in FY1972	205
Available for "New Starts" or Expanded Programs	<u>486</u>
TOTAL	\$3,500

There was some warning of the trouble ahead. The Office of Management and Budget staff advised Kelley of their view that the full amount would not be available under the overall budget constraints which had been given to Secretary Laird. 1/ On December 6, 1971, the Deputy Comptroller for Budget ASD(M&RA) told the Staff Director, Project Volunteer that there would be "cuts." 2/

Kelley had to push ahead with the budget planning in spite of these warnings. After discussions with each Service, Kelley shaped a program which allocated a total of \$691 million, consisting of \$205 million of "carry over" funds and \$486 million for new starts and expanded programs. Kelley found a compromise to the three key issues: The enlistment bonus funds were not allocated by Services; funds for travel entitlements for pay grades E-4 with less than 2 years of service were included but at a much lower amount than the initial estimate; significant funds were included for incentives for the Reserve Components. Kelley also included funds for Navy "Sea Pay."

Kelley's recommendations are summarized in the table on the following page.

1/ Interview with Thomas Stanners, Office of Management and Budget, July 1976.

2/ Memorandum from Gus C. Lee, Staff Director, Project Volunteer, to ASD(M&RA), December 6, 1971.

ASD(M&RA) PROPOSED PROJECT VOLUNTEER
PROGRAM AND BUDGET FY1973
(In Millions of Dollars)

	<u>Army</u>	<u>Navy</u>	<u>Marine Corps</u>	<u>Air Force</u>	<u>Total</u>
<u>Pay and Benefits</u> a/					
Enlistment Bonus-Short Skills					35 ^{b/}
Extend Travel Entitlements/E-4 less than 2 years service	16	4	1	7	28
Navy Sea Pay-One half year		35			35
Test Bachelor Allowance in 5 substandard quarters				15	15
Special Pay - Medical	9	5.5	0	5.5	20
Special Pay - Navy Nuclear Personnel	—	<u>4</u>	—	—	<u>4</u>
Total Pay and Benefits	25	48.5	1	27.5	137
ROTC, PLC and Medical Scholarships Subsistence	25	20	1.4	20	66.4
Reserve and National Guard Incentives	59	23	5	26	113
Recruiting	50	25	15	25	115
Barracks Improvement, other facilities	65	20	26	4	115
Education Programs	10	14	8	9	41
Service Initiatives	50	20	8	20	98
Upgrade AFEES	<u>6</u>	—	—	—	<u>6</u>
GRAND TOTAL	295	170.5	64	131.5	691.4

a/ Excludes \$55 million for Army ground combat enlistment bonus included in Public Law 92-129.

b/ Use by Services to be determined later.

There was, as usual, less than complete agreement with the Services. Assistant Secretary of the Air Force (M&RA), Richard Borda called the distribution of funds "very disturbing." He wrote Kelley that "my problem rests with the gross imbalance in allocations among the Services. The Air Force, as the second largest Service with 31 percent of the force received only 18 percent of the funds." 1/

The differences of opinion between ASD(M&RA) and ASD(Systems Analysis) which occurred in the FY1972 budget development again occurred. Assistant Secretary Gardner Tucker of Systems Analysis nonconcurred in the proposed funds for barracks improvement, extension for travel entitlements, education programs, and Service Initiatives to make military service more attractive. Tucker agreed with Kelley on the need for enlistment bonuses, ROTC scholarship and subsistence (but not scholarships or subsistence for other college level officer programs), and further increase in funds for recruiting. Upon submitting his recommendations, Kelley advised Secretary Laird that Tucker believed that funds should be concentrated in Army "so that we can find out by September 1972 whether reliance on the draft can be ended in July 1973...he believes that some of our recommendations have a poor prospect for pay off." 2/ As was discussed in Chapter 2, Systems Analysis had also recommended larger allocations to Army in the course of the arguments over the FY1972 Budget.

The Program/Budget Decision document approving Kelley's recommendations was signed by Laird on Christmas Eve. Kelley and his staff, as well as the Services, looked forward to gathering momentum in the program. But the joyous mood was brief in duration. A few days later, Secretary Laird advised Kelley that \$350 million had been withheld from the proposed FY1973 Volunteer Force budget which he had earlier approved, "pending assessment of the recent military pay raise on enlistments and identification of the most productive programs to attract added recruits." 3/ The decision was referred to throughout the Pentagon as the "no new starts" decision. Mr. Laird did not identify *who* had withheld the funds but he stated that he had reminded the Office of Management and Budget and the National Security Council staff on December 8 of the need for the \$3.5 billion level of funds and that he had reminded the White House of the

1/ Memorandum from Richard J. Borda, USAF (M&RA), to ASD(M&RA), Subject: Project Volunteer Funding, December 13, 1971.

2/ ASD(M&RA) memorandum for Secretary of Defense (no subject), December 1971.

3/ Secretary of Defense memorandum to ASD(M&RA), Subject: The All Volunteer Force, December 1971.

need on December 14. Laird concluded his memorandum by asking Kelley to start all over again. "The All Volunteer Force FY1973 budget decision reflects a charge to us to put together a comprehensive, logical and convincing manpower program. Any call on added manpower funds will rest on our ability to do the requisite homework."

Many of the Project Volunteer Committee members regarded the decision as a reproof to them and to Kelley. The decision coincided with "front office" pressure on Kelley to make other changes in his organization and direction of the effort, including the abolition of the Program Evaluation Group and the establishment of the Central All Volunteer Force Task Force.

This was the third of three setbacks that had occurred because of fiscal constraints. First, the Project Volunteer Committee report had not been published because of apprehensions that its approval might represent too large a commitment of future funds; second, the FY1972 Contingency Fund had been used to absorb costs of the entry pay raises enacted by Congress; now, the third budget-oriented decision limited the expansion of the program in FY1973.

In retrospect the second and third decisions appear prudent, but at the time they were widely interpreted throughout Defense as a weakening in the Administration's determination to end the draft. It was difficult to rationalize a judgment for non-use of the total planning funds in FY1973 with the implementation of the program barely started and with the draft authority slated to expire at the end of FY1973.

The bureaucratic difference between the staff of ASD(M&RA) and Systems Analysis were now sharp. Phillip Odeen, the Deputy Assistant Secretary for Systems Analysis, had led the staff group which developed Tucker's positions in opposition to further expansion of the non-pay incentives; Odeen had transferred to the National Security Council staff in time to influence the "no new starts" decision from that vantage point. Stephen Enke, a former member of the Systems Analysis staff who now was employed as a management consultant to Secretary Laird, had submitted a report on Project Volunteer which suggested to Mr. Laird that the project was not likely to be successful unless the analytical effort to develop and evaluate the program was strengthened. Also, Systems Analysis initiated with Army a study of the need to renew the draft in 1973. The inference made throughout much of the manpower and personnel community was that Systems Analysis was anti-volunteer force.

Although there were strong feelings about the no new starts decision, its adverse impact was far less than was supposed at the time. Except for an astute course of action taken by the Army, it is likely that the consequences in that Service would have been severe. But the Army had earlier decided that not enough funds would be available from the Project

Volunteer budget to bring about the changes in working and living conditions at Army posts and stations that were needed to increase the attractiveness of Army service. The Army had already made significant shifts in its own budget to give increased priority to "soldier-oriented" budget programs. By Army bookkeeping, including both Project Volunteer funds and Army funds, the "soldier-oriented" programs were planned so as to increase from \$2.0 billion in FY1972 to \$3.2 billion in FY1973, or about 46 percent. An estimated \$400 million of this total was for programs similar to those funded by Project Volunteer under the caption of "Service Initiatives." Thus Army, which had the greatest need for such programs, was able to expand their programs significantly in FY1973 despite the decision that there would be "no new starts" made with Project Volunteer funds.

General Forsythe, Special Assistant for the All Volunteer Army, presented a well worked out rationale for the "soldier-oriented" budget at the OSD budget review. As a result, the "soldier-oriented" budget items were approved with only minor modifications. An extract from the presentation illustrates the Army's approach:

Relieving Soldiers of Menial Tasks

Objective:

Increasing pride and professionalism through challenging training in full strength units.

The Situation Now:

Every single day 45,000 soldiers are diverted from their assigned military mission duties to perform base operations tasks.

The Consequences:

- Gilbert Youth Survey: Army ranks lowest of all Services in "Best Chance to Use One's Skills or Abilities."
- 88% of enlistment candidates list interesting and challenging work as most important aspect of a job. Less than half believe the Army offers such work (Opinion Research Corporation Survey).

What FY73 Budget Items Reduce Diversions from Unit Strength?

- Hiring civilian kitchen attendants (KP) \$99.4 mil.

- Replacing soldiers performing base operations \$50.0 mil.
- Buying labor saving devices \$ 7.0 mil.

What is the Value of These Measures Which Will Release 14,000 Soldiers to Mission Training?

- Soldier surveys show these measures have the highest affect on soldier job satisfaction.
- Commanders say these measures contribute very significantly to unit proficiency and pride.

The "soldier-oriented" Army budget items were approved in the OSD budget review with only minor modifications. The inclusion of these funds in the Army budget offset the impact of the cutback in the Project Volunteer budget.

After the final pricing of the FY1973 budget, there remained approximately \$400 million of the \$3.5 billion planning figure which had not been utilized and was available for FY1974. The budget estimates of the Secretary of Defense had, of course, been modified substantially by the larger pay raise enacted by the Congress. The table which appears on the following page shows the FY1972 estimates as of January 1971 based on the Administration program, the FY1972 estimates in February 1972 based on the legislation enacted by Congress, and the FY1973 estimates after the final "no new starts" budget decisions.

THE CENTRAL ALL VOLUNTEER FORCE TASK FORCE

The decision in December 1971 to cut \$350 million from the proposed FY1973 Project Volunteer Budget of \$3.5 billion and to make "no new starts" was, at the time, the most serious setback. The implementation of actions was just beginning to pick up momentum, and the success or failure of the undertaking was still an open question. The cutback was viewed by many Project Volunteer planners as a lack of commitment by the Administration to the volunteer force objective and a lack of confidence by top management of Defense in the program sponsored by Assistant Secretary Kelley and the Project Volunteer Committee.

The decision coincided with criticisms of the All Volunteer Force Task Force effort contained in a report by Dr. Stephen Enke, a former member of the Systems Analysis staff in OSD, employed under contract with the Secretary of Defense. The Enke report predicted severe shortfalls

Project Volunteer Program as of February 1972
(Budget Authority in Millions of Dollars)

	<u>FY1972</u>		<u>FY1973</u>
	<u>Jan. 1971 Est.</u>	<u>Feb. 1972 Est.</u>	<u>Feb. 1972 Est.</u>
Enacted Legislation			
Pay and Allowances	987.0	1,546.0	2,376.8
Combat Arms Enlistment Bonus	40.0	12.4	55.0
Recruiter Out-of-Pocket Expenses	4.2	2.2	4.5
Special Pay, Optometrists	<u> </u>	<u>.4</u>	<u>.6</u>
Total PL.92-129	1,031.2	1,561.0	2,436.9
ROTC and Officer Candidate Scholarships & Subsistence PL.92-166	32.6	17.9	22.5
Non-Legislative Programs	<u>320.1</u>	<u>306.6</u>	<u>245.0</u>
Total Funded Programs	1,386.9	1,885.6	2,904.14
Contingency Fund	116.2		
Pending Legislation			
Medical Scholarships	20.0	20.0	40.0
Total Project Volunteer	1,520.1	1,905.5	3,104.4
Available for FY1974			395.6
Total Planning Estimate			3,500.0

and stated that adequate plans had not been made for meeting them. ^{1/}
These two events were the "low point" of the volunteer force effort.

The response was to set up a Task Force for one year to bolster the staff effort in support of Project Volunteer. Enke thought that part of the problem was lack of a sufficient number of competent analysts to furnish a high level analytical capability and the Task Force staff was expected to correct this. In response to pressure, Kelley was forced to depart somewhat from his earlier view that additional staff would not be added to ASD(M&RA) for the volunteer force effort. The push for the Task Force came primarily from Brig. General Robert Pursley, a Special Assistant in Secretary Laird's office, rather than from Kelley. General Pursley, who had previous OSD duty in Systems Analysis, also thought a stronger, centralized analytical effort was needed.

The establishment of the Task Force reflected the remaining uncertainty felt by top Defense management concerning the attainability of the All Volunteer Force. In his memorandum establishing the Task Force, Secretary Laird repeated the language he used in advising Mr. Kelley of the cutback in the proposed FY1973 budget.

The cost of this project is high and the recent All Volunteer Force FY1973 budget decision reflects a chance for us to put together a comprehensive, logical, and convincing manpower program....We must be able to make sound judgments in the following areas:

- (1) The amount and nature of FY1973 reprogramming and supplemental funding to be requested for the All Volunteer Force.
- (2) The combination of manpower programs, policies and practices necessary to implement our national security policy in FY1974 and beyond without reliance on the draft.
- (3) FY1974 funding to be requested for the AVF.
- (4) What kind of draft legislation, if any, should be requested beyond FY1973. ^{2/}

^{1/} See Chapter VI, pp.228 for further discussion of the Enke report.

^{2/} Secretary of Defense memorandum to ASD(M&RA), Subject: The All Volunteer Force, December 1971.

It was still realistic in December 1971 for the Secretary of Defense to consider that additional draft authority might be needed after July 1, 1973.

Kelley responded to Mr. Laird promptly, assuring him that "in coordination with Gardner Tucker, Assistant Secretary of Defense (Systems Analysis), we have restructured our control plans over the All Voluntary Force program." ^{1/} The memorandum dealt with the clarification of the lines of responsibility which had been obscured by the Systems Analysis role in the "no new starts" decision. There were three recommendations in the memorandum:

- (1) Kelley's office would be the control point for coordinating OSD and Service AVF plans and programs.
- (2) A Steering Committee, consisting of two ASD(M&RA) Deputies and an ASD (Systems Analysis) Deputy would guide the work of the Central AVF Task Force. ^{2/}
- (3) The Project Volunteer Committee would continue overall policy and planning direction of the program.

These recommendations, which were accepted, reestablished Kelley's leadership role which had been threatened by the Systems Analysis criticism, the "no new starts" budget decision, and the criticism in the Enke report. Kelley's memoranda stressed six tasks to be done:

- (1) Develop and implement a system for monitoring and reporting manpower developments within the Services to determine how particular components of current policies and programs are working in terms of their costs and their contributions to a viable AVF.

^{1/} Memorandum for Secretary Laird from ASD(M&RA), Subject: All Volunteer Force, January 3, 1972.

^{2/} The Steering Committee did not prove useful. It replaced the Program Evaluation Group which had accomplished the initial development of programs and budgets in behalf of the Project Volunteer Committee. The Steering Committee, lacking Service representation, could not accomplish this function. The committee was also unable to accommodate the differences between ASD(M&RA) and ASD (Systems Analysis) staff.

George Daoust, newly appointed Deputy Assistant Secretary for Manpower to succeed Paul Wollstadt, was Chairman of the committee, whose members were Lt. General Leo Benade, Deputy ASD(M&RA) for Personnel Policy, and Donald Snull, Deputy Assistant Secretary for Systems Analysis. The committee met three times and was discontinued. Brig. General Robert

- (2) Improve our projections of the demand for and supply of volunteers by Service, option, education and scores on mental and physical tests for FY1974 and beyond.
- (3) Identify likely shortfalls.
- (4) Determine the sensitivity of these shortfalls to the personnel policies, requirements and manpower programs.
- (5) Probe the validity of the rationale for the policies, requirements and programs.
- (6) Determine the correlation between present pre-induction selection techniques and satisfactory job performance... to determine whether more efficient selection amongst potential enlistees is possible.

The selection of the tasks was an effort to respond to the System Analysis and the Enke report criticism of Kelley's management efforts.

The more important task orders of the Central AVF Task Force were a response to the Enke report criticism that contingency plans for use in the event of recruiting shortfalls were inadequate. These study tasks assigned to the Central Task Force had been recommended by both the President's Commission and the Project Volunteer Committee reports but had not yet been implemented. The major tasks were:

- Study for each Service the positions for which civilian personnel, direct hire or contract, may be substituted for male military personnel in the last half of FY1973 and the FY1974 period.
- Study the utilization of military women and prepare alternative utilization plans, by Services, for FY73-77.
- Study the qualitative accession needs of the Services in terms of mental ability as measured by scores on aptitude tests and AFQT for FY1973 and FY1974, and beyond, to the extent practical.

The major studies were designed so as to help prevent recruiting shortfalls; the studies of civilian substitution and use of military

Montague, the Director of the Central Task Force, had direct access to Kelley and became one of his principal advisers on the volunteer force for the next year.

women were expected to reduce "shortfalls" by reducing the accession requirements for males, and the study of qualitative requirements was expected to reduce "shortfalls" by lowering the mental qualifications for entry of men into service, thereby increasing the supply.

In addition to the major studies there were other tasks including:

- To set up a management information system which would provide "danger signals" of future problems.
- To inventory recent manpower research, particularly research on the volunteer force effort.

Mr. Kelley talked about the Central All Volunteer Force Task Force at the January 1972 meeting of the Project Volunteer Committee. The Task Force was to be an additional staff consisting of 10 military personnel detailed from the Services, four civilians from OSD, and four personnel from contractors. It would not disrupt existing staff agencies and would not operate outside normal procedures for coordination with the Services.

Shortly after the organization of the Central AVF Task Force, there was a major change in Army in the charter of the Special Assistant for the Modern Volunteer Army (SAMVA). The responsibilities of the office for direction of the Army's volunteer force programs were deemphasized. The Chief of Staff wrote to General Forsythe:

Considerable and noteworthy progress has been made in developing a Master Program for the Modern Volunteer Army effort. A large soldier-oriented FY73 budget supporting this program has been submitted. Now, consistent with your charter, you should place increased emphasis on consideration of military professionalism which will enhance the Army effectiveness. You should, of course, continue overall monitorship of the Modern Volunteer Army program, but as has been our practice, your office should continue to phase out of activities whenever we are confident that desirable new initiatives are fully set as lasting Army practices. ^{1/}

^{1/} Memorandum from Chief of Staff for Lieutenant General Forsythe, Subject: Guidance for the Special Assistant for the Modern Volunteer Army, January 15, 1972, Assistant Secretary of the Army (M&RA) files.

The SAMVA staff declined in size and influence. This decline led to the availability of Brig. General Montague, Deputy to the SAMVA, to become Director of the Central AVF Task Force in March 1972. The SAMVA office in Army was abolished about a year later.

Civilian Substitution Study

A standardized method of operation, well illustrated by the project on civilian substitution, was established for the Central Task Force. ^{1/} A task order approved by ASD(M&RA) was written for each major study assigned to the task force. This procedure was necessary to save "start up" time and avoided the disruption of existing staffs during the year of task force operation. The task order on civilian substitution, for example, told the task force "what to do" and "when to do it;" it was up to the task force to devise "how to do it."

The task order on civilian substitution read as follows:

Coverage of the Study

1. Identify the positions in each Service in support type, noncombat units and activities in the United States and overseas to be filled by military personnel during this time period.
2. Ascertain the rotation prospects for the military specialties involved in filling these positions, sorting the specialties by those for which rotation will be adequate and those for which rotation will be inadequate.
3. Develop outline plans, time phased for substitution by Services, for those positions and estimate the comparative costs of use of civilian personnel, direct hire or contract, as is appropriate for those substitution plans. Include consideration of the labor market for civilians in developing the outline plans and indicate what actions, if any, are to be taken to expand the labor market as part of the outline plan.
4. A contingency set of plans will be developed for meeting possible accession shortages of 10,000 and 20,000 in Army Navy and Air Force and 5,000 and 10,000 in Marine Corps.

^{1/} The author and Irving Greenberg, Deputy Director of the Task Force, developed the method of operations described. Greenberg later supervised the study effort of the task force. GCL

Assumptions of the Study

1. Resources will be made available as necessary if the outline plan is implemented.
2. It is necessary to quantify the effects of the plans on combat readiness insofar as practical.

Due Dates

1. Study plan and data annex to be submitted by February 19, 1972.
2. Completed staff study to be submitted by June 1, 1972. ^{1/}

Pursuant to the task order, the Central Task Force prepared a study plan for each of its assignments. The study plan provided the methodology of the study, primarily for the guidance of the Services in making their inputs. In the case of the study of civilian substitution, the study plan stated:

The basic approach to this study is to determine the theoretical maximum number of military billets which could be civilianized in the FY74 force of each Service, within the constraints of personnel retention and military requirements. Time-phased contingency plans for the civilianization of certain numbers of these billets (10,000 and 20,000 for the Army, Navy and Air Force; 5,000 and 10,000 for the Marine Corps) will then be drawn up. Difficulties envisaged in substituting civilians for military personnel, such as insufficient rotation base, restricted labor market, and degradation of combat readiness, will be summarized and evaluated.

The study plan identified four specific subtasks:

1. Theoretical Maximum Civilianization Potential. Each Service was asked to identify for FY1974 the enlisted positions in support-type jobs in the United States by occupation

^{1/} Civilian Substitution, Central All Volunteer Force Task Force, Office of the Assistant Secretary of Defense (Manpower and Reserve Affairs), October 1972.

and pay grade. Next, each Service identified which positions were needed to permit rotation of personnel between duty overseas and duty in the United States under existing rotation policies. The rotation requirements identified were subtracted from the total number of support positions. The Services then subtracted the positions which should remain military because of law or custom (e.g., recruiters, bandmen). The remaining military positions were considered to be the theoretical maximum of military positions that could be converted to civilian positions.

2. Costing. Each Service was asked to calculate the costs of the military personnel susceptible to civilianization as well as the costs of the civilian personnel who were to be substituted. Cost of recruitment, training, maintenance, and retirement were included, as well as salaries and benefits. Detailed guidance for costing and formats to be used were furnished by the task force.

3. Contingency Plans. The Services were asked to designate the military positions out of the theoretical maximum they would convert and the comparative costs after conversion for the magnitudes contained in the task order (5,000 and 10,000 for Marine Corps and 10,000 and 20,000 for the other three Services).

4. Final Report. After receiving the reports of the Services, the task force would review the data for comparability. The areas of anticipated difficulty would be discussed. The rotational policies of the Services would be compared and estimates made of the effect of modifications. Lastly, the staff would summarize the effect that implementation of the plans would have on combat readiness. 1/

The Services, working with the task force, carried out the study plan. The Services reported that approximately 103,000 enlisted military support positions were the theoretical maximum number of positions which could be converted in FY1974. 2/ The task force report pointed

1/ Ibid., Tab A.

2/ Civilian Substitution, Lt. Col. Ames S. Albro, Jr., Vol. I Studies prepared for the President's Commission on an All Volunteer Force, November 1970. This number was lower than the 106,000 positions which the President's Commission had recommended for civilian substitution for a force of about the same size.

out that there were practical implications which would have to be considered in the development of implementing plans. Among these were:

- Effect on promotion flow. If a significant number of senior enlisted positions were civilianized, promotion opportunities for these in lower grades would be upset.
- Military surge capability. Military personnel in support functions provide a pool of qualified manpower to bring combat units up to full strength virtually instantaneously in event of a national crisis. The impact on readiness would have to be assessed and might result in smaller programs than the theoretical maximum.
- Availability of qualified civilians. Experience with previous substitution programs had demonstrated that civilian labor market problems limited the hiring of civilians in certain skills at some locations.

The key to the civilian substitution project was that each Service actually submitted a "high" (70,000 substitutions) and a "low" (35,000 substitutions) plan derived from their analysis of the maximum theoretical substitution potential. The numbers to be included in the high and low plans were specified in the task order for the study. The remaining decision was to select the high or the low plan. The estimated budgetary savings for FY1974 ranged from \$38-\$58 million for the high plan and \$22-\$31 million for the low plan, depending on the size of the indirect military support positions eliminated as a result of substitution.

None of the Services recommended implementation of either plan. The Army view was that the military strength was needed for the required force structure and that "any large scale civilianization plan should be undertaken only as a last resort." ^{1/} The Navy urged more comprehensive study that would include corollary plans for substitution of military positions for civilians, where appropriate.

Assistant Secretary Kelley selected the low plan on the basis that the program could be subsequently extended. The low plans, with modifications, were largely executed during FY1974. About 30,000 civilian positions were added and 36,000 military positions were eliminated, reducing accession requirements significantly. In civilian substitution

^{1/} Memo from Paul D. Phillips, Deputy Assistant Secretary, Army (M&RA) to ASD(M&RA), Subject: Request for Inputs to Civilian Substitution Plans, September 14, 1975. ASD(M&RA) files.

more military personnel are withdrawn than the number of civilians who are added because there is less need for military trainers and trainees as substitution occurs.

Utilization of Military Women

The study of the utilization of military women was also one of the more timely and successful studies produced by the task force. The task force asked the Army, Navy, and Air Force to analyze plans to double the number of military women from the end of FY1973 to FY1977 and the Marines to analyze plans to increase 40 percent. Shortly after the study began, the Equal Rights Amendment was passed by the Congress in March 1972, focusing the nation's attention on equal rights for women. Also, Deputy Assistant Secretary of Defense Daoust pressed the Services vigorously to improve the utilization of women.

In response to the impetus of the Equal Rights Amendment, the "contingency plans" under study by the Services on the utilization of women were announced as action plans. The Air Force announced plans to triple the number of military women by FY1977; the Navy announced plans to double the number of women by FY1977; the Army announced plans to double the number by FY1978. The Marine Corps, believing that recruiting difficulties and high loss rates would prevent its accomplishment of a 40 percent increase, announced plans for a 20 percent increase.

The table below shows women as a percentage of enlisted accessions in FY1974 through FY1977, compared to the percentage in FY1964:

Women as a Percent of Enlisted Accessions

<u>Fiscal Year</u>	<u>Army</u>	<u>Navy</u>	<u>Marine Corps</u>	<u>Air Force</u>	<u>All Services</u>
1964	1.1	2.6	2.4	2.1	1.8
1974	8.3	8.0	2.6	10.6	8.2
1975	9.9	7.9	2.5	13.0	9.0
1976	8.5	6.1	2.5	12.0	7.9
1977 (Planned)	9.2	3.7	2.6	13.0	7.6

In addition to the increased strengths of military women, the task force study made recommendations for broadening the assignment opportunities for military women and for improving selection policies. After

an extended debate, legislation was passed to allow women to enter the Service Academies in Fiscal Year 1976.

The task force effort achieved its major purpose of reducing military manpower accession requirements. In addition to the reduction of accession requirements which resulted from civilian substitution there was a reduction of male accessions corresponding to the increased use of military women. Under the initial Service plans submitted to the task force, the strength of military women, officers and enlisted, was expected to increase from about 35,000 in June 1971, to nearly 88,000 by the end of FY1978. By FY1976 there were important modifications in the initial plan. The planned strength for FY1977 was increased to 120,000. The modifications occurred mainly in the Army and Air Force. The Army significantly increased its planned use of military women as a result of its success in recruiting them; the Air Force reduced its planned use in proportion to its cuts in total military strength. For all Services, the percentage of women's strength was estimated to reach 6.2 percent in FY1978 compared to 1.1 percent before the Vietnam War.

The reduction in male accession requirements is somewhat less than the increase in the accession of women because the strength build-up is, in part, based on increased retention of military women. Under the Service plans to meet the strength objectives of 104,000 women, the accessions of enlisted women are to increase from 12,000 in 1971 to an estimated 42,000 in FY1978 and male accession requirements would be reduced by a like amount. The percentage of women within total military strength would increase from 1.6 percent in FY1971 to 5.8 percent in FY1977 -- a significant change consistent with the increased participation of women within the civilian work force.

The actions on civilian substitution and increased use of military women constituted the major specific contributions of the Central Task Force to the volunteer force effort. The total reduction of about 50,000 in male accession requirements as a result of civilian substitution and increased use of military women was significant in helping to reduce recruiting shortfalls during the transition to the All Volunteer Force. By FY1978 the reduction in male accession requirements would be even larger.

Study of Qualitative Accession Requirements

In contrast to the studies of civilian substitution and utilization of women, the Central Task Force report on the qualitative accession needs of the Services was not approved or implemented. The task force concluded that all Services overstated their quality requirements and recommended a percentage distribution of accessions for each Service on the basis of mental test scores of applicants. The task force stated,

however, minimum needs should be considered in approving resource allocations for recruiting, enlistment bonuses or other incentives. ^{1/} The Navy, Marine Corps and Air Force minimums were below those which they estimated to be needed and they strenuously objected to the task force report and the methodology used to compute the minimums.

The task force used three different methods of computing minimum mental requirements. One method was to use the lowest mental distribution estimate of any of the Services for an occupational field as its minimum estimate of mental distribution needed by all Services for the occupational field. Another method used the average entry requirements of all Services for an occupational area; and a third computation used each Services' own test requirements. The Army's estimates of mental requirements for entry were generally the lowest of all the Services. As a practical matter, therefore, the computational method used by the task force had the effect of lowering the estimated qualitative requirements of the other Services to those of the Army. This mechanical approach was bound to meet objections from the Services that would be adversely affected. Because the Task Force recommended that each Service be allowed to recruit above the minimum mental score, its report did not serve the contingency planning objective of increasing military manpower supply.

The task force, which had been planned as a temporary organizational arrangement to strengthen the volunteer force effort, was abolished after a year. Brig. General Montague remained on the staff of ASD(M&RA) for an additional year as Special Assistant on Volunteer Force Matters and became one of the most vigorous advocates of the volunteer force. The Army subsequently assigned General Montague to a key position as Deputy Commander of the Army Recruiting Command.

THE SPECIAL PAY ACT OF 1972

The FY1973 budgetary cutback also led, indirectly, to the formation of a new legislative program for the All Volunteer Force. The Laird memorandum which established the Central Task Force referred to the need to make sound decisions on "...FY1973 reprogramming and supplemental funding to be requested for the All Volunteer Force." A cutback having been made, this statement was, if nothing else, conciliatory to the AVF proponents in holding out the prospect of supplementary funds. At the January 1972 meeting of the Project Volunteer Committee, Mr. Kelley

^{1/} Qualitative Accession Requirements, Central All Volunteer Task Force report, November 1972.

stated that reprogramming of a supplemental appropriation for FY1973 should be considered in the April-June period. The important work in response to this opportunity resulted in the new legislative program and was done "behind the scenes" in February-March, 1972.

The legislative proposal was worked out informally by Stephen Herbits and Major General Leo Benade and approved by Assistant Secretary Kelley before it was formally initiated through more official channels. Herbits, a former member of the Gates Commission, was the leading staff member for the pro-volunteer Congressional group. Herbits, as well as a limited number of others, knew that the Administration had agreed to support further increases in entry pay to be sponsored by Senator Allott. ^{1/} This agreement had been made in return for Allott's support on the extension of the draft for two years. Some action was needed to restore the loss of confidence among the Defense Department adherents of the volunteer force which followed the budgetary cutback. Herbits agreed to explore the development of a new program for furthering the solution of the special manning problems of the All Volunteer Force and to try to persuade Senator Allott to accept it in lieu of the so-called Allott pay increase.

The details of the program, primarily worked out by Herbits and Benade, was a combination of incentives oriented to the special manning problems of a volunteer force. The program included incentives for medical personnel, for the Reserve Components, and for critical enlisted skills in short supply. It also included reenlistment bonus reforms which the ASD(M&RA) staff would have sought to accomplish in any event. At first Herbits was reluctant to include the expanded enlistment bonus authority in the program because he thought that inclusion of this proposal would not receive Congressional support, but he saw the advantage of strong Defense sponsorship of the legislation in obtaining Congressional acceptance. Assistant Secretary Kelley approved the legislative proposals, obtained Secretary of Defense approval and presented the program, off the record, to Senator Allott. Later, Kelley gave Herbits full credit for accomplishing initial Congressional acceptance. The Services promptly endorsed the program when it was presented to them.

Because of the new legislative program, Kelley and the Project Volunteer Committee recovered from the loss in morale which resulted from the budgetary decision to make no new starts in FY1973. In March 1972, Kelley announced to the Project Volunteer Committee that the Administration had submitted a new Project Volunteer legislative proposal in the

^{1/} The author had contacted Herbits. The suggestion to Herbits was that the funds set aside for an additional entry pay raise as a result of the Administration's understanding with Senator Allott could be used to better advantage by applying the funds to the solution of special manning problems. GCL.

form of the Special Pay Act of FY1972. The proposals included:

- Expanded enlistment bonus authority so as to authorize payments to any critical skill, not just ground combat skills.
- Enlistment and reenlistment bonus authority for the Reserve Components.
- Medical Special Pay and bonuses.
- Bonus authority for officers in critical skills who execute active duty extension agreements.
- Selective reenlistment bonus authority in critical skills and discontinuance of the regular reenlistment bonus paid to anyone who reenlisted.

Members of the Project Volunteer Committee were unanimous in their praise of the ASD(M&RA) leadership in developing the program. Although modified significantly, substantial portions of this program were subsequently passed by the Congress in 1974 and implemented during 1974 and 1975.

THE PROJECT VOLUNTEER BUDGET FOR FY1974

By the time the Project Volunteer Committee developed the FY1974 budget during October-December 1972, implementation of the program was well under way. The entry level pay raise became effective in November 1971 and the recruiting build-up had been completed. The number and percentage of "true volunteers" had increased significantly during 1972 so that Kelley hoped to operate without draft calls in Calendar Year 1973. But empirical data on which to base new programs or terminate old ones was still not definitive. The progress of the volunteer force effort still depended heavily on the implementation of initial plans and programs largely developed in 1970.

Some lessons had been learned from the previous Project Volunteer budget cycles. This time Kelley gave each Service a planning figure within which to develop its budget requests. The "no new starts" decision had left a balance of approximately \$400 million of the \$3.5 billion originally set aside for FY1973. The planning figure given to each Service, shown in the table on the following page, was primarily based on each Service's proportion of accessions:

Project Volunteer Budget - Planning Figures for FY1974

	<u>Millions of Dollars</u>	<u>Percent of Total</u>
Army	168	42
Navy	98	23
Air Force	98	23
Marine Corps	<u>48</u>	<u>12</u>
	412	100%

The major categories of programs recommended by the Services were about the same as the previous year:

- Recruiting and Advertising
- Reserve Recruiting
- Improvements in Living Areas
 - Barracks
 - Leased Housing for Recruiters
 - Dining Halls
- Service Initiatives
 - Civilianize KP and Other Menial Work Details
 - Medical and Dental Care
 - Recreational Services
 - Other Post Services
- Education Programs
- Extension of Travel Entitlements to E-4 with Less than 2 Years Service

Kelley grouped the \$400 million of program actions into three priority groups. He described the top priority group, consisting of \$205 million as "necessary and essential to end the draft by June 30, 1973, and to maintain the quality of forces required by all Services in the absence of the draft." The second ranking group totaled \$80 million

and the low priority items totaled \$109 million. The programs in the first priority group were preponderantly accession oriented, but the dollar volume in the other two groupings -- 50 percent of which were allocated to Army -- were weighted towards retention. ASD(Systems Analysis) continued to dissent for the third consecutive budget in favor of lower funding for the All Volunteer Force. This time they proposed \$109 million to be allocated to Army and Navy. They foresaw shortages of 10,000 each in these two Services and, therefore, recommended that allocations be made only to them.

The Secretary of Defense approved the priority 1 items recommended by Mr. Kelley. On the basis of this decision, the FY1974 Budget was estimated to be nearly \$3.4 billion. Later the estimates for Special Pay Act of 1973 which included incentives for the Reserve Components and for Medical and Health personnel as well as expanded enlistment bonus authority, was scaled down and the total was revised to \$3.3 billion. This sum was about \$200 million less than the \$3.5 billion originally set aside by the President for the volunteer force. This total of \$3.3 billion has continued to be used by the Department of Defense as the "annual budgetary cost of the All Volunteer Force."

The table on the following page shows the budget estimates for the All Volunteer Force as of December 1972 when the FY1974 budget decision was made.

For FY1975 the Project Volunteer Committee recommended and both the ASD(M&RA) and the ASD(Comptroller) agreed to incorporate the Project Volunteer budget into the overall OSD budget. A separate budget procedure was no longer necessary since all of the Project Volunteer funds were allocated. The influence which Kelley had over the budget allocations had served as a "carrot" in inducing Service cooperation in the program in its early stages. From FY1975 on, each Service was responsible for requesting and defending funds needed to sustain itself on a volunteer basis. The FY1974 levels were generally continued in FY1975.

The major volunteer planning efforts had been completed by December 1972 with the formulation of the FY1974 budget. Subsequent chapters cover the re-planning which occurred as the Special Pay Act of 1972, which addressed the special manning problems in the Reserve Components and in Health and Medical personnel, was developed. Although the plan was adjusted in the light of events, the basic plans for the program and budgets which followed had been developed by the planning work of the Program Evaluation Group and the Project Volunteer Committee in 1970.

All Volunteer Force Budget Estimates
(In Millions of Dollars)

	<u>FY1973</u>	<u>FY1974</u>	<u>FY1975</u>
Enacted Legislation			
Pay and Allowances	2,377.0	2,377.0	2,377.0
Enlistment Bonus	465.0	64.8	65.0
Recruiter Allowances	4.7	4.9	5.0
ROTC Scholarships	229.0	25.6	26.0
Health Scholarships	<u>19.4</u>	<u>46.7</u>	<u>47.0</u>
	2,470.9	2,519.4	2,520.0
 Proposed Legislation			
Special Pay Act of 1973	80.2	308.2	399.5
 Non-Legislative Items			
Recruiting & Advertising	141.5	227.6	227.6
Barracks Improvement	10.0		
Education Programs	22.2	30.6	30.6
Travel Entitlements E-4		59.5	59.5
Service Initiatives	<u>70.9</u>	<u>99.8</u>	<u>99.8</u>
TOTAL	2,796.3	3,256.4	3,369.9

ARMY QUALITY STANDARDS

Against a background of progress in moving toward a volunteer force, the Army decided in February 1973 to raise the quality standards for entry

into the Army. This Army decision was one of the least understood and most bitter setbacks which the volunteer force effort received.

After the recovery from the "no new starts" budget decision, 1972 had been an encouraging year. In August, Secretary Laird reported to the President and the Chairmen of the Armed Services Committees that "we are within reach of achieving an All Volunteer Force composed of 2.3 million Active Duty and 1 million Selected Reserve members." ^{1/} True volunteer enlistments for all Services had increased 59 percent in 1972 compared to 1970; for Army the increase in true volunteers was 70 percent. The last draft call had been issued and the last draftee entered the Army in December 1972. The prospects for the volunteer force looked favorable. In March 1973, Secretary of Defense Elliott Richardson announced that the Administration would not ask for renewal of the draft authority which would expire on July 1, 1973.

The Army, under the leadership of Clay Gompf, Deputy Assistant Secretary for Army (Manpower and Reserve Affairs), was struggling to find the proper balance between quantity, quality, and the potential skills of incoming personnel. Secretary of the Army Robert Froelke had directed the Army staff not to lower quality in order to reach a volunteer force. With the outlook generally favorable, the Army decided to raise its quality standards by placing a 30 percent limit on the percentage of non-graduates from high school ("high school dropouts") who were permitted to enlist. The Army policy was to accept 70 percent, or more, high school graduates and no more than 30 percent nongraduates. The limitation on "high school dropouts" had not been previously tried by the Army, or any other Service. Traditionally, the Services had decreased Mental Group IV entries (Below Average) when they desired to raise the quality of incoming personnel. As far as improving the quality of men entering the Army is concerned, the policy emphasizing high school graduates was a desirable one because adverse discharge rates for high school graduates are significantly lower than for nongraduates. The proportion of 70 percent high school graduates approximated the proportions in the population of males of military entry age who were not in college. Since recruiting trends were favorable, why not try to improve the high school graduate content of the Army?

Unfortunately, the Army did not have the recruiting capability at this time to meet its accessions requirements with 70 percent high school graduates. Seasonally, February-May are the poorest months of the year for recruiting high school graduates. Another important factor was an

^{1/} Report from the Secretary of Defense to the Chairmen of the Armed Services Committees, Progress in Ending the Draft and Achieving the All Volunteer Force, August 1972, p. iii.

untimely Army decision to reduce the number of recruiters. 1/ Two results followed. First, the number of high school graduates volunteering for the Army increased; the 70 percent objective produced an estimated gain of about 4,000 high school graduate volunteers in the first eight months of 1973 compared to the same months of the previous year. Second, recruiting shortfalls rapidly developed; the 30 percent limit on nongraduates resulted in 12,000 fewer volunteers than in the first eight months of the previous year. The press began to feature stories about the failure of the All Volunteer Force. The "wound" had been self-inflicted by the Army and thus was more difficult to heal.

As the shortfalls began to develop, Paul Phillips, Army's acting Assistant Secretary for Manpower, advanced several arguments to justify the policy decision. In the first place, he pointed out that, although there were recruiting shortages, the actual strength of trained Army personnel, as distinguished from trainees, was in line with authorizations. This situation, he reasoned, afforded the Army an excellent opportunity to test its recruiting capabilities to raise the quality of personnel without great risk to its combat capabilities. He suggested that, in fact, the policy was resulting in a significant increase in the number of high school graduates who enlisted in the Army. Phillips argued strongly that the Army should be allowed to continue the policy at least through June, the best recruiting month for high school graduates, to see whether 70 percent high school graduates could be obtained through the good summer recruiting months. Assistant Secretary Kelley was reluctantly persuaded by the Army not to intervene. 2/

Kelley later regretted this decision. Each month news stories emphasized recruiting shortfalls, overlooking the fact that "double counting" occurred because one month's shortfall was added to the objective for the next month. In April, for example, the Army enlisted 4,400 males compared to an objective of 9,000; in May, they recruited 5,000 compared to an objective of 8,000. For FY1973, as a whole the Army met 95 percent of its accession objectives and 98.3 percent of its authorized strengths, but the monthly recruiting shortfalls were "blown up" out of proportion. During this time period, the press and TV also featured stories about recruiter malpractices in the Army, ranging from giving

1/ In response to House Appropriations Subcommittee criticism of the magnitude of the build-up of recruiters, the Army decided to reduce the number of recruiters by 250. A decision was also made to relocate the Headquarters of the Army Recruiting Command from Fort Monroe, Virginia to Fort Sheridan, Illinois. The relocation contributed, temporarily, to a lack of attention to the recruiting force. The number of recruiters declined about 800 from January-May 1973.

2/ For further discussion of the issue, See Chapter IX.

assistance to recruits on examinations to forging such documents as high school diplomas. 1/ Concurrently, the Army had permitted its recruiting force to decline to about 80 percent of its authorized strength. The Army volunteer force effort appeared to be in disarray.

Kelley's previously planned resignation from office after four years to return to private life became effective at the end of May 1973. It was unfortunate that the success of his leadership of the volunteer force effort had become clouded by the effect of the Army decision to limit the entry of nongraduates from high school. At the time of his departure, Kelley had strong misgivings about the seriousness of the Army efforts to achieve a volunteer force. There were enough doubts in his mind that he alleged in a press interview, shortly after leaving office, that the Army was out to sabotage the volunteer force effort. The statement served the purpose of focusing attention on the Army problems. 2/

Under guidance from the Office of Secretary of Defense, the Army, in July, reversed the policies which had manufactured the shortfalls. The 30 percent limit on nongraduates from high schools was replaced by a 50 percent limit. 3/ The change in policy was a recognition on the part of the Army that they were unable to recruit enough high school graduates, even in the favorable summer recruiting months, to reach the objective of 70 percent of accessions. The Army still considered the 70 percent goal to be desirable; however, General Bernard Rogers, the Deputy Chief of Staff of Personnel, recognized that a continued failure to recruit the number of personnel authorized by Congress would probably result in Congressional reductions in Army strength. The new goal of 50

1/ There was great pressure on recruiters and some were remiss. ASD(M&RA) staff conducted a case by case review of 59 alleged incidents of recruiter malpractice in 1974; nine cases of malpractice were identified. A report of the Government Accounting Office, Improving the Effectiveness and Efficiency of Recruiting, July 1976, discusses the subject more completely.

2/ Opinions varied widely throughout the Defense Department on the Army's dedication to the volunteer force effort. The author believes that General Westmoreland made good on his statement to the Army's Commander's Conference in November 1970: "After the President made the choice that we would go this route I had the choice of three positions. (1) I could drag my heels, (2) I could give lip service to the matter, or (3) I could take the position that we would go all out. I took the position that we will go all out." In the author's opinion, the decision to limit nongraduates and the accompanying decline in recruiting strengths were untimely judgments, rather than a deliberate effort to defeat the programs. Later the Army gained more experience in assessing the effect of quality controls in the recruiting market. GCL.

3/ For further discussion of the decision, see Chapter IX, section on Service Efforts to Manage Quality.

percent high school graduates was well within Army's recruiting capability and the new 50 percent ceiling on nongraduates did not cause shortfalls. After the change in policy the Army rebuilt its recruiting strengths and began to come closer to its monthly recruiting goals.

CHANGING THE GUARD

Secretary of Defense Laird, Assistant Secretary Kelley, and General Westmoreland, Army Chief of Staff, were three of the main actors on the All Volunteer Force stage. These three left the Department of Defense at about the same time to return to private life. Mr. Laird resigned at the end of February 1973. Mr. Kelley resigned, and General Westmoreland retired at the end of May. Secretary of the Army Robert Froehke resigned in June. Froehke had cooperated with the volunteer force program but was later to make public his view that the draft should be restored. Westmoreland had provided strong leadership to the Army volunteer effort but later recommended a limited draft call plan. Kelley, whose successor had not yet been appointed at the time of his resignation, viewed the outlook with some misgivings.

Kelley took three actions in anticipation of his departure. First, he proposed to change the name of the Project Volunteer Committee to the All Volunteer Task Force and to have Deputy Secretary of Defense Clements, a strong supporter of the volunteer force, to serve as Chairman; second, Kelley designated Lt. General Robert Taber, his Principal Deputy, as responsible within ASD(M&RA) for volunteer force matters; and third, he appointed Steve Herbits, whose zeal for the volunteer force was unquestioned, as Special Assistant to ASD(M&RA) for the Volunteer Force, succeeding Brig. General Montague. This combination, Kelley thought, might offset the "slackening" in the Army effort.

The first (and only) meeting of the Task Force presided over by Deputy Secretary Clements occurred on May 14, 1973, with the Chairman of the Joint Chiefs of Staff and the Chiefs of Staff of the Services attending.

The comments of the Chiefs, participating in a discussion of the end of induction authority, disappointed Kelley:

- Admiral Thomas Moorer, Chairman of the Joint Chiefs of Staff: I think it is a mistake to go out on a limb with optimistic statements.
- General Creighton Abrams, Army Chief of Staff: I do not question the validity of the All Volunteer Force. But many people in the Army, officers and senior NCO's do....

Our job is to make them exercise enough imagination to make the concept work. Thus, we've got to be careful about giving signals that we are not sure about the concept. Opponents would read something into our signals.

- Admiral Elmo Zumwalt, Chief of Naval Operations: Is it too late to reconsider asking for draft authority? We will regret it by the end of the year, if we don't.
- General Ryan, Air Force Chief of Staff: We have been discussing Active Forces; the Reserves are a bigger problem.

The tenor of the comments of the highest military officials did not generate optimism about support for the volunteer force in the future. The lack of support from the Navy, on top of his troubles with the Army, distressed Kelley.

In his final memorandum to the Deputy Secretary of Defense on May 31, 1973, Kelley summed up his views:

With the termination of induction only one month away, it is distressing that a few members of the Defense team are talking and acting as though the decision to end the draft is yet to be made. There is only one thing that can keep the All Volunteer Force from being a success and that is a lack of complete and positive commitment of those responsible for its operation.

The subsequent history of the All Volunteer Force has substantiated Kelley's assessment of its success, but at the time his view was not widely shared.

Secretary of the Army Froehlke, after Kelley had returned to private business, also wrote a final memorandum at the time of his departure. He assured the Deputy Secretary of Defense that the Army was committed to "zero draft" and accepted the decision to end the induction authority. "However," he wrote, "I disagree strongly with several basic points in Roger's paper. The voluntary mission has not been accomplished as far as the Army is concerned. The mission will be accomplished but still requires attention and work."

"Another basic disagreement I have with the paper is the assertion that quality standards are unrealistically high. We must have the con-

confidence of the Congress and the public in our providing a uniformed force of sufficient quality to perform the missions assigned. This is perhaps the single major doubt in the minds of those who question our ability to make the volunteer force work...can we maintain quality standards. I do not intend to be the man who accepts a below-standard force as an answer to providing the numbers needed for a 13-division Army." 1/ It is somewhat ironic that the quality standards which caused the Army's shortfall and Kelley's apprehension about the Army's support of the volunteer force were soon to be changed.

After the initial meeting of the Task Force, Kelley chaired the next sessions; neither Deputy Secretary Clements nor the Chiefs of Staff of the Services attended, so the group reverted to the same composition as the predecessor Project Volunteer Committee. After Kelley's departure, Lt. General Taber chaired the group's next meeting, which was attended by Deputy Secretary Clements. The FY1973 recruiting results and the outlook for FY1974 were discussed. Secretary Clements said that he was favorably impressed by the progress being made and that the Department was remiss in not making this progress known to the press. He asked the Assistant Secretary (Public Affairs) to arrange a monthly meeting with the press to make the facts available. His instructions culminated in monthly press briefings, beginning in July and continuing regularly throughout most of the following year. The first three briefings were conducted by General Taber and later briefings by Assistant Secretary William K. Brehm, who, in September took office as Kelley's successor. Brehm, who had been an analyst in the Office of the Assistant Secretary of Defense (Systems Analysis), analyzed the data and the issues and concluded that a volunteer force could succeed. His style was to present the facts to the press and let the "facts speak for themselves." The briefings were helpful in reversing the unfavorable publicity.

The third of Kelley's actions to compensate for the hiatus in leadership after his departure was the appointment of Steve Herbits as Special Assistant for the All Volunteer Force. The appointment was interpreted widely throughout the Department of Defense as an action by Kelley to counter movement by the Army or other Services to let the program fail. Herbits' contacts with, and confidence of, the pro-volunteer members of Congress were expected to permit him to be somewhat independent in his advocacy of the volunteer force within the Department of Defense.

Herbits' role is illustrated by a memorandum which he prepared for discussions of the situation with Assistant Secretary Brehm upon his taking office in September 1973. "In my opinion," he wrote, "the AVF is in more danger today than at any time since President Nixon appointed

1/ Memorandum for Deputy Secretary of Defense from the Secretary of the Army, Subject: All Volunteer Force, June 1973.

the Gates Commission in March 1969. As I see it, the President's program is being subverted through non-justifiable means -- a lack of proper management. Only early and dramatic attention to this problem can right it before a vicious and scrutinizing debate in Congress over reinstating conscription further diminishes the standing of the Defense Department in the public mind." 1/

Herbits cited the Army's policy of limiting non-high school graduates to 30 percent of its monthly enlistments as an example. He also pointed out that the Army's recruiting shortfalls for eight consecutive months resulted, in part, from adding the shortfall in one month to the recruiting target for the next month (a sensible enough practice if the market would permit recruiters to "make up" the shortfall). This practice accumulated the shortfall over eight months and led to press stories about not meeting All Volunteer Force objectives. "By year's end, Army verified their needlessly high goals by admitting to having enlisted 167,000 of a total of 171,000 -- 97%. Yet they did this after six months of bad press."

Herbits faulted the Army leadership for mismanagement of the volunteer force effort. In regard to this conclusion, he cited Army "sign language" as revealing. Herbits cited the following signs as indicators of a lack of Army support of the effort:

- General Abrams, in an Army-wide message, discontinues use of the expression "Modern Volunteer Army."
- General Abrams tells Associated Press that he is not prepared to predict the outcome of the AVF.
- An unidentified General is quoted in the press as saying privately, "The feeling is growing that it is doubtful that we can make it."
- General Abrams inserts into his Weekly Summary an address attacking the volunteer force for its quality standards.
- Secretary Calloway creates a false impression that unless the 70% - 30% goal for high school graduates is maintained it will be a lowering of standards.
- General Abrams tightens the pass policy, signaling a return to the "old style" Army.
- The Office of the Chief of Information releases the Chief's Army Birthday speech without one reference to the Volunteer Force.

1/ Unaddressed memorandum from Stephen Herbits on DOD Leadership in the All Volunteer Force, September 10, 1973.

- Secretary Callaway has directed the elimination of the current advertising theme "Today's Army Wants to Join You," which is a signal that return to the "old ways" is appropriate.
- Legislative Liaison personnel are reported "bad-mouthing" the AVF all over Capitol Hill.

Herbits discussed the changes in top leadership and discontinuities in support of the program which occurred after Laird and Kelley left -- particularly the lack of support from Secretary of Defense James Schlesinger:

Secretary Callaway, having just arrived, was in no position to challenge the quality policy established by former Secretary Froehlke, especially when the latter had blown out of proportion the 'issue' that the quality of the Army should not be allowed to deteriorate. His newness had not given him an appreciation for the 'problems' facing the AVF.

After Secretary Laird left DOD with a statement ending the use of the draft, Secretary Richardson took office. He had time to focus on this issue to the degree where his own publicly admitted skepticism was reversed and he issued a strong, unequivocal and fully positive report in March.

Secretary Richardson's abrupt departure left the issue to Secretary Clements, who when briefed, and at the urging of former Assistant Secretary Kelley, took an active role and spoke unequivocally and with determination on this issue....But Secretary Clements' time was valuable, as he was essentially running all DOD; he could not become nor should he have been expected to become a day-to-day monitor of the AVF program.

....the Army's problems with the volunteer force were left with the Principal Deputy Assistant Secretary of Defense -- a three star Army general. While it was not fair to place any career officer in that untenable position, Lieutenant General Taber met his responsibility to OSD with forthrightness and vigor....

As the appendix shows, Secretary Schlesinger's comments are considerably more equivocal than any former major Administration statement....Secretary Clements has

apparently mentioned this to the Secretary on more than one occasion, but Schlesinger continues to use the same phraseology. 1/

He has expressed his own doubts on more than one occasion within the building. He does not believe that one in three eligible and available men will join the service -- although that is what is happening now....

The Secretary apparently does not want to be associated with this issue, for fear of its failure. But he is not understanding the political realities -- both within and without the Department -- that his aloofness is causing the defeat of the AVR when it need not.

In the conclusion of his memorandum Herbits anticipated that the worst case -- a continuation of the hiatus in top management support of the volunteer force -- might happen.

The chemistry of leadership becomes apparent: a reversal in AVF momentum has taken place with impunity and the current posture of OSD leadership remains undefined. Continuation of the status quo will surely lead to the following:

Further anti-AVF management in the Army and a jeopardizing of the AVF concept.

Further negative press and continuing credibility loss for a Presidential program....

And for those who are philosophically inclined, one might want to speculate on what kind of control the civilians in this government can expect to exert over a military which has knowingly won a battle against the end of the draft when there was absolutely no reason that

1/ Schlesinger was lukewarm toward the volunteer force. At his nomination hearing he made a typical statement: "I think that we all recognize that it would not be easy to maintain a force structure of the size the United States wishes to maintain on a voluntary basis. I think that we have all determined to make that attempt but it will not be an

it should have won. If resistance and undermining can win: that one, then it can win anyone.

Fortunately for the volunteer force, the "worst case" as described by Herbits did not happen. Herbits deserves some of the credit because of his missionary zeal in behalf of the volunteer force. Deputy Secretary of Defense Clements continued his support. Assistant Secretary Brehm, to whom Herbits addressed his remarks, studied every statistic about the volunteer force he could locate; he concluded, independently, that success was within reach; and he patiently and lucidly explained this conclusion to the press. Most important of all, Secretary of the Army Howard Callaway, who succeeded Froehke, became a convert to the volunteer force and soon made it clear throughout the Army that he was determined that the volunteer force would be successful. The volunteer force program survived the high level changes in top Defense management and leadership that occurred in 1973.

SUCCESS AND REACTION

After June 1974, the press and other media began to perceive that the volunteer force had been successfully implemented. The press had long fixed on 100 percent achievement of recruiting objectives as the single most important measure of success. June 1974 was the first month in which all Services met or exceeded their recruiting objectives by 100 percent. More important, the combined Services achieved 99 percent of their strength objectives for the entire fiscal year. The press did not overlook this achievement. The unfavorable publicity that had been featured for many months began to be replaced by stories of the success of the volunteer force.

Assistant Secretary William K. Brehm deserves much of the credit for the press turn-around. Taking office in September 1973 at the peak of press and media stories of failure, Brehm immersed himself in analysis of the measures for evaluation of implementation. He concluded that the facts would speak for themselves if they were made available to the public in a logical manner. Month after month he presented the

easy road....By and large we are going to make the attempt and I am hopeful it will be successful. I cannot guarantee that it will be successful." Senate Armed Services Committee Hearings, No. 93-1, June 1973, p. 43.

recruiting results and strength data, good and bad, in an accurate manner without rhetorical interpretation. When the results showed 100 percent accomplishment, the press was willing to recognize the achievement.

By the end of December 1974, the facts were clear: In general, officer and enlisted strengths in all Services could be maintained on a volunteer basis. For the first six months of FY1975 the Department of Defense had attained over 100 percent of its recruiting objectives. No Service was under 99 percent. Through December, the Department of Defense had attained over 99 percent of its strength objectives. Sixty-six percent of the new accessions for the first six months of FY1975 were high school graduates and ninety-two percent were in Mental Groups I and II (Above Average and Average Mental Groups). The civilian and military top management personnel of all Services, as well as Defense, now agreed that performance had greatly exceeded their expectations.

The conventional view throughout the Department was that higher youth unemployment rates contributed materially to the turn-around. Field recruiters in areas of unemployment stated that their "drop in" traffic had increased and their waiting lines were longer. When questioned by the press on the effect of increased unemployment on the recruiting success, Assistant Secretary Brehm stated that increased unemployment had "no effect." He went on to explain that the Services, under his forecasts, would have met their objectives even if unemployment had not increased. Using the technique of regression analysis of the variables which affect recruiting, the General Research Corporation estimated that only 8,000 out of the 413,000 FY1974 enlistments were attributable to increased unemployment. ^{1/} While the estimates may be uncertain, it does not appear that increased unemployment was the dominant factor in successful recruiting in the last half of 1974.

An important action was taken by Brehm early in 1975. The organization for the administration and processing of mental and physical examinations for entry into Service was improved in January 1975, concurrently with the establishment of a new form of the Armed Services Vocational Aptitude Battery as a single entry test for all Services. The new setup was, in part, a response to General Accounting Office criticism of the compromise of examinations administration and fraudulent enlistment, such as by falsifying age or police records. ^{2/} The

^{1/} Statement of Assistant Secretary of Defense (Manpower and Reserve Affairs), William K. Brehm before the Senate Armed Services Committee, February 24, 1975, p. 42.

^{2/} Improving the Effectiveness and Efficiency of Recruiting, report by the Comptroller General, July 1976.

old Armed Forces Entrance and Examining Stations, which had been established as a joint agency since 1951, were replaced by the Military Enlistment Processing Command. ^{1/} The Joint AFEES' functions had been impaired by a 1973 decision which authorized each Service to select and administer its own entry test and, subsequently, its joint operations were largely confined to the administration of entry medical examinations. The new Processing Command performed all examining functions on a joint, centralized basis. A new function of monitoring the police records checks for all applications was removed from recruiters and assigned to the new Command. A single enlistment contract form was developed. These changes were expected to improve selection procedures as well as to reduce the troublesome allegations of recruiter malpractice.

The early delays in getting actions started, the setbacks in implementation, and the changes in top Defense leadership had been overcome. In a general way the program had been implemented along the lines initially planned by the Project Volunteer Committee in 1970. Some replanning had occurred in response to changing circumstances; for example, a substantial program of incentives was not implemented for the Reserve Components although such a program was contemplated in the early plans. On the whole, however, the attainment of the volunteer force represented the successful outcome of the implementation of the initial plans.

The early reaction of the Department of Defense to the "success" of the All Volunteer Force was to begin to prune back on some of the programs that had been implemented. In February 1975 the decision was made to reduce the expanded enlistment bonus which had been started in 1974. The improved market conditions provided the rationale for the decision. About 40 skills were dropped from the list of bonus skills. The decision was not severe; a reduction of the program had already been budgeted for FY1976. At the same time, Defense directed the Army and Marine Corps to terminate two-year enlistments by June 30, 1975, and the Navy to terminate three-year enlistments. Brehm pointed out that the lengthening of enlistment tours would reduce turnover and training costs, and would increase stability and experience levels within units. The decisions also took advantage of market conditions to accelerate changes that otherwise would largely have occurred during FY1976. The outlook was favorable because the Services had enlisted 456,000 new accessions in FY1975 and were required to enlist a smaller number -- 425,000 in FY1976.

^{1/} Final Report of Task Force on Enlistment Processing, Office of the Assistant Secretary of Defense (Manpower and Reserve Affairs), December 1975. The Task Force was chaired by Colonel John Johnston, U.S.A.F.

In 1975 other cutbacks were recommended by the Department of Defense or the White House, including GI Bill benefits, commissary privileges, and recruiting resources. ^{1/} Brehm wrote Congressman George Mahon, Chairman of the House Appropriations Committee, that he had reviewed recruiting and advertising programs since he had testified on the FY1976 budget request and concluded that an overall reduction of \$25.5 million, or about 6 percent, would be a "prudent adjustment to economic conditions." ^{2/} The letter may have been a tactical error because the Appropriations Committee decided to be even more "prudent." Their report recommended a reduction of \$52 million in recruiting and \$37 million in advertising -- serious enough, if the reduction had prevailed, to have a significantly adverse impact on recruiting capability. Most of the recruiting reduction was restored in committee conference but the advertising cuts were not restored. The reduction amounted to a 15 percent cut in resources. As of September 1976, the Secretary of Defense had approved and forwarded to the Appropriations Committees an Army request for reprogramming \$60 million of funds to their recruiting budget. ASD(M&RA) still had trouble "sizing" the recruiting budget and convincing the House Appropriations Committee of the need for the recruiting resources requested. The chief issue remaining at the end of FY1976 was whether "success" might "spoil" the All Volunteer Force by reductions in the incentive structure and in lack of management attention to the problem.

^{1/} In October 1976, the President signed legislation which ended GI Bill educational benefits for those who enter Military Service after December 31, 1976. The new plan substitutes a contributory plan in which the payments of individuals are doubled by the government. The Defense Department is authorized to contribute additional amounts to the education account of those who enlist for critical skills. The FY1977 budget was enacted with a full subsidy for commissary stores, restoring reductions made in FY1976. In these cases the threat of a major change in incentives was greater than the change which actually occurred. A drop in the propensity of 16- 21-year olds to enlist occurred in the Fall of 1976 and may be attributable to changed perceptions of the incentive structure and cuts in advertising.

^{2/} Letter from William K. Brehm, Assistant Secretary of Defense (M&RA), to Congressman George Mahon, Chairman, House Appropriations Committee, August 28, 1975.

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CHAPTER VI EVALUATION OF PROGRESS

Progress is not an illusion. It happens
but it is slow and invariably disappointing.

George Orwell

The critical importance of developing a system to evaluate progress and forecast problems in the transition to the volunteer force was evident to the managers of the undertaking from its early days. Throughout the Defense Department the feelings among the principals in the beginning ranged from outright doubt to some uncertainty about the chance of success; few were really confident of a completely successful outcome. The principals had high responsibilities for national security and all were unwilling to take the risks of jeopardizing the national security objectives of the United States. If authorized military strengths could not be maintained on a voluntary basis, the principals were willing to ask for renewal of the draft authority at the expiration of the two-year extension in July 1973. Convinced that the volunteer force would fail and that the draft would continue to be needed, the Chairmen of the Armed Services Committees in the House and Senate made known their intention to scrutinize events closely. The whole plan would have to be executed in a "gold fish bowl." It was essential, therefore, to evaluate progress on a continuing basis.

The progress evaluation system was a key factor in the success of the volunteer force effort. There was a good deal of controversy concerning the evaluation of progress. Within the Defense Department the Assistant Secretary for Systems Analysis and his staff repeatedly criticized the Assistant Secretary of Defense (M&RA) and his staff for the lack of a sophisticated evaluation system. The Services criticized Kelley personally for "overoptimism" in his interpretation of the data which showed that progress was being made. The draft "die hards" in Congress thought Defense was hiding the weak spots in the program. In retrospect, however, it appears that the progress evaluation system adequately served management needs to forecast results and to spot problems when they emerged.

THE BEGINNINGS

The importance of measuring progress was recognized early by the staff of ASD(M&RA) as an essential element of program planning. A relatively good accessions data base had been established in ASD(M&RA), some of it dating back to 1951. In late 1969, Fred Suffa, a senior manpower analyst in ASD(M&RA), designed a system of reporting enlistments and officer accessions by draft lottery number. His foresight in doing so made it possible to analyze "true volunteer" accessions rates beginning in 1970. Trends in true volunteer accessions were one of the key indicators in measuring progress in the transition to the volunteer force.

A monthly analysis of key indicators was initiated by the staff of ASD(M&RA) in January 1970, and forwarded to Assistant Secretary Kelley and Deputy Assistant Secretary Wollstadt. The purpose of this series of analyses was to establish a baseline for comparison with accessions and reenlistments when draft calls declined and draft pressure diminished. The monthly reports covered enlistments and reenlistments, officer procurement and retention, and strength trends. Through this series ASD(M&RA) top management was able to become familiar with manpower trends in each of the Services when the volunteer force programs began to be implemented.

The first Project Volunteer progress evaluation report was established in connection with a quarterly progress report from the Secretary of Defense to the President. Such a report was requested by the President in his announcement on April 23, 1970, of the Administration's decision to move to an All Volunteer Force. The initial report was essentially a report of actions planned or taken by ASD(M&RA) or the Services to implement the program, but it also included an analysis of enlistment and reenlistment trends, officer procurement and retention trends, and strength trends.

The first report was made to the President as of May 1970. ^{1/} The analysis of enlistment trends included in the report illustrates one of the first rough attempts by ASD(M&RA) staff to measure progress toward the volunteer force and to forecast the magnitude of the needed improvement in recruiting capability:

For calendar year 1970 to date, enlistment results are satisfactory. The Services have obtained 93,470 enlistments, or 104.5% of their recruiting goal of 89,425.

^{1/} Memorandum from Secretary of Defense to the President: Quarterly Progress on the All Volunteer Force, May 1970.

All Services except Army limited their enlistments during this time period and Army limited their enlistments of Mental Group IV (Below Average). Because of these limited quotas the Army enlistment market of Mental Group I-III (Average and Above Average) is the best indicator of current enlistment trends.

On the basis of current enlistment trends we estimate the Army's market to be on the order of 145,000 enlistments annually. This rate of enlistments, plus draft calls of under 100,000 would be adequate to maintain Army strengths in FY1971 and FY1972. Assuming 50% of the enlistments to be draft motivated, this rate would need to be doubled to maintain Army strengths in FY1973 in the absence of the draft.

Most of Kelley's attention during the last half of 1970 was focused on the Services' initiation of action and the construction of the FY1972 budget. Until 1971, when an evaluation system was developed, the Quarterly Report to the President was the source of the official Department of Defense report of progress.

DEVELOPING A SYSTEM FOR MEASURING PROGRESS

Initial Evaluation Structure

Plans for the evaluation system evolved further during 1971. Assistant Secretary Kelley, in a memorandum to the members of the Project Volunteer Committee in June 1971, established the initial structure:

Now that we are into the action stages of the Project Volunteer program it is essential that progress toward attaining the All Volunteer Force be under continuing study and evaluation -- and that our game plan be readily adjustable to the needs and experiences of the four Services.

Given the challenging goal of ending reliance on the draft in FY1973 it will take maximum effort and cooperation between our various offices to communicate effectively, analyze our trends and experience promptly and accurately, and act objectively in the best intent of all concerned.

To facilitate this process I have asked Paul

Wollstadt, Deputy Assistant Secretary (Manpower Research and Utilization), to be Chairman of the Program Evaluation Group serving the Project Volunteer Committee....

The objectives of the Evaluation System for Project Volunteer were stated as follows:

1. Monitor our progress toward zero draft; forecast our ability to meet quantity and quality manpower requirements of the Services at specific future dates.
2. Measure the costs and effectiveness of various elements of the Project Volunteer program and other actions, determine which elements should be emphasized, deemphasized, changed, dropped and what new elements should be considered.
3. Provide a basis for evaluating alternative solutions.

Deputy Assistant Secretary Wollstadt outlined the ASD(M&RA) views on program evaluation at the Program Evaluation Group meeting on June 10, 1971. Under the Laird-Kelley-Wollstadt management philosophy of decentralization, the Project Volunteer Committee, particularly the Service members, was regarded as responsible for evaluating progress, but the OSD staff was assigned a key leadership role in working with Service staffs to support the Project Volunteer Committee in its assessments. 1/

This chapter primarily discusses the measurement and evaluation of progress; the evaluation of the cost-effectiveness of separate programs is discussed in Chapter XI, Research and Analysis.

Four efforts were launched by way of staffing an "Evaluation System for Project Volunteer:" First, each Service was asked to present to the Project Volunteer Committee a summary of its Project Volunteer plans, progress to date, and plans for evaluating results within its Service. Second, the Services were asked to comment on the formats developed for the "Basic Indicator of Progress" to be compiled monthly by the ASD(M&RA) staffs, working with Service staffs. Third, four Working Groups of ASD (M&RA) and Service staffs were established to assure "full exchange of information, early surfacing of problems at staff level and preparation of meaningful information for management." The Working Groups were:

1/ Within ASD(M&RA) staff, responsibility for overall evaluation was primarily assigned to the Directorate of Procurement Policy with other organization elements responsible for inputs for their functions.

Enlisted Procurement and Retention
Officer Procurement and Retention
Recruiting
Management Information

Fourth, negotiations had begun on a contact with Dr. Steve Enke of TEMPO, a General Electric subsidiary, which would assist in the evaluation of Project Volunteer progress. ^{1/}

The network of Working Groups reflected Kelley's views that the essential leadership task was to get all participants to work together cooperatively. At a later date the organization for program evaluation was modified as a result of criticism that it was a "committee system" that was inadequate to accomplish the analyses needed to evaluate progress and to anticipate problems.

A key element of the progress in the evaluation system became the regular monthly briefings presented by ASD(M&RA) staff to the Project Volunteer Committee. Wollstadt presented the first of these briefings at the June meeting of the committee, covering FY1971 recruiting trends.^{2/} The analysis concluded that draft pressure had been sufficient and the recruiting effort had been adequate to meet the strength objectives of all Services except Air Force. The Air Force exception was attributed to poor planning rather than to market conditions: the Air Force had increased its enlistment objectives for the last quarter of the fiscal year in mid-March and again in mid-April and the Recruiting Service did not have sufficient leadtime to increase production.

According to Wollstadt's report, "Evidence of a tighter market and the need for vigorous recruiting appears in such indicators as the following:

- Air Force shortfall from their increased enlistment objective for the last quarter, FY1971.
- A high proportion of 2-year enlistments in Army.
- Some declines in the proportion of high school graduates in Air Force.
- A decline in Mental Group I and II (Above Average) enlistments -- the mental groups in which draft motivation is relatively higher.

^{1/} For discussion of the Enke report on the AVF, see Chapter V.

^{2/} After the first briefing to the Project Volunteer Committee, the author gave the regular monthly briefings until October 1973, when Assistant Secretary Brehm presented them. GCL.

- The delay enlistments pool (men who have actually signed an enlistment contract but who have elected to delay entry on Active Duty up to 180 days) was smaller than it had been in the same months of the previous year."

The briefings were published and circulated widely throughout the Department of Defense.

The draft authority lapsed on July 1, 1971, while the Congress extended debate on the volunteer force. After the draft authority was not renewed in July 1971, the draft call for October-December was only 10,000 because of a Congressional cut of 50,000 in the man year strength authorization of the Army for FY1972. By this time the lack of draft pressure was felt by both Army and Navy. The Army missed its recruiting goals for three successive months and the Navy for six successive months. 1/ The continuous "tracking" of monthly results in the Project Volunteer Committee meeting prevented the managers of the effort from being caught by surprise.

The lapse of the draft authority on July 1, 1971, and the legislative delay of its renewal until October caused a great deal of top management attention to be directed at the effects of the absence of the draft during this interval. Congress had not yet authorized any new incentive programs for the volunteer force. According to the conventional wisdom, adverse effects could be expected to show up rather promptly.

At the August meeting of the Project Volunteer Committee, ASD(M&RA) staff gave an assessment of the effects of two months without the draft occasioned by the Congressional delay in the renewal of induction authority. The delay did not cause across-the-board failures to meet the numerical recruiting goals. (Although the Navy missed its August goals, this was largely attributable to a mid-August increase of 1,500 in recruiting quotas.) There were, however, many signs of increased difficulty in recruitment and several emerging unfavorable trends. Among these indicators were:

- The percentage of Mental Groups I & II (Above Average) personnel entering Air Force was down in three out of four aptitude areas.
- The supply of Mental Group IV's (Below Average) exceeded Service quota limits in all Services.
- The increase in true volunteers had occurred among the

1/ For a full discussion of Navy Recruiting shortfalls see Chapter V, pp. 177-179.

17- and 18-year-old enlistees and disciplinary problems were higher among these groups than among the older age groups.

- Geographically, there was an imbalance; the South and Southwest areas, which contain relatively high proportions of minorities in their military age populations, exceeded recruiting objectives in all Services.

It is interesting that these early signs of a weakening market in the face of reduced draft pressure continued to persist throughout most of the transition period.

Mr. Kelley's technique of keeping the top Service personnel managers familiar with the trends --not only in their own Service but in all the Services-- continued to be used in the evaluations presented to the Project Volunteer Committee. The Service members of the Project Volunteer Committee responded to the stimulus. For example, Hadlai Hull, Assistant Secretary of the Army (Manpower and Reserve Affairs), at the August Project Volunteer meeting referred to Army's development of a reporting system "to assure the kind of finger tip control we will need to direct our accession machinery as we move toward the MVA." Mr. Hull requested the Army staff to go to work on the problem:

I have in mind our ability to control career field and other enlistment options of all kinds and especially control over enlistment and even reenlistment bonuses. Unless we have a responsive management system, based on developed cause and effect factors we could experience serious imbalances and errors such as overloading desirable geographic areas or MOS's and paying bonuses which are not necessary. 1/

The Air Force established a system of forecasting and tracking accession supply called FAST which provided the Air Force staff a bi-weekly analysis of accession results.

The indicators to be covered monthly in the briefings to the Project Volunteer Committee were fairly well established by the beginning of 1972. The trends in the following indicators were covered each month for each Service:

1/ Memorandum from Assistant Secretary of the Army (M&RA) to Secretary of the General Staff, Subject: Data and Management System of the Modern Volunteer Army, October 1971.

- Service strengths compared to objectives.
- True volunteer enlistments.
- Educational level of enlistments.
- Enlistments by mental group scores.
- Recruiting results compared to objectives.
- Combat arms recruiting results compared to objectives.
- Recruiting results compared to objectives in technical programs, such as Navy's Nuclear Power and Advanced Electronics Options.
- Length of enlistments.
- First term and career reenlistments compared to objectives.
- Forecasts of shortfalls.

The Project Volunteer Committee members usually elaborated on the interpretations of trends in their Service, reported on corrective actions that had been taken on problem areas, and made recommendations for ASD(M&RA) actions. The system may have lacked precision of analysis, but its strength lay in the involvement of the key decision makers and managers in what was happening in the movement toward the All Volunteer Force.

Critiques of the Evaluation System

The Assistant Secretary of Defense (Systems Analysis) sponsored the first critique of the evaluation system. Concurrently, Secretary Laird's office sponsored a review by Steve Enke at the entire All Volunteer Force program and its execution. The Enke study gave attention to the problem of program evaluation. Both studies served the useful purpose of focusing continuing attention on the evaluation process.

The study sponsored by Systems Analysis was completed in December 1971. ^{1/} The authors concluded that the emerging evaluation system made available substantial and useful information about the current

^{1/} The Evaluation of the Transition To a Volunteer Force, by F.S. Hoffman and M.R. Fierello, RAND Corporation, December 1971.

status and effects of policies and programs related to the achievement of an All Volunteer Force, but that the system was inadequate in that it lacked "a regular presentation of projections of the future course of manpower procurement and retention over a long enough period, based on clearly understood assumptions, and reflective explicitly the actual uncertainties." 1/ It was recommended that the accession and reenlistment projections, which were currently being made be extended to include projections of the "inventory of Active Duty personnel distributed by occupational groupings, mental standards, grade, age, length of service (and ancillary variables such as race, origin by regions and socio-economic status)." 2/

The Project Volunteer Committee did not agree, however, that such inventory projection models were generally needed to measure progress by the committee on reaching the All Volunteer Force. The committee emphasized the need for information on a monthly basis rather than for information on the long range trends reflected in the slow changes in the characteristics of the personnel inventory. Throughout the transition, the evaluation system basically continued to focus on accession, reenlistment, loss, and strength data. The Project Volunteer Committee continued to concentrate on the fundamentals -- trends in the quantity and quality of enlistments and reenlistments and trends in military strengths.

One approach to evaluation discussed in the RAND report was later advocated periodically by the Assistant Secretary (Systems Analysis) and his staff. The RAND report stated that understanding of programs and policies could be improved by the "design and analysis of a few selected operations designed with planned variations that will permit evaluation of alternative policies." 3/ The authors of the report were clearly skeptical, however, of the likelihood of making a definitive cost-effectiveness evaluation of component programs. "It must be recognized," the report stated, "that for many of the component programs of Project Volunteer the prospects of measuring achievement affects are not good because it is difficult to separate the impact of various programs." 4/ The same point of view was repeated:

1/ Ibid., p. 111.

2/ Ibid., p. v.

3/ Ibid., p. vi.

4/ Ibid., p. iv.

Because of the difficulty and cost of designing very many experimental programs, it appears unlikely that reliable estimates of program effectiveness in behavioral terms can be expected for each of the component programs being undertaken in Project Volunteer. It may be necessary in the case of many component programs to settle for evaluation of broad program aggregates or to rely on relatively impressionistic evaluation of effectiveness while emphasizing the analysis of program costs. 1/

In general, as discussed in Chapter XI, Research and Analysis, these observations in the RAND report were borne out by subsequent experience.

The RAND report was critical of the assignment of the evaluation function to the Program Evaluation Group, which was described, accurately enough, as a "DOD-wide committee." The report recommended assignment of the function to OSD staff. 2/ The report observed that the Program Evaluation Group would be useful for purposes of liaison and communication but that this was not a substitute for clear assignment of the evaluation function within OSD. (As discussed earlier, the Program Evaluation Group, which had made major contributions to planning the Project Volunteer program and budget, was abolished in January 1972 when the Central All Volunteer Task Force was established.)

The Enke study, which was sponsored by Secretary Laird's office, was primarily an analysis of program actions needed but its critical comments on problems of obtaining and evaluating manpower data, although exaggerated, influenced the course of events. The author of the report briefed Mr. Laird personally on the findings, indicating the unusual interest of top management in the progress of the program. In a discussion of shortages in strength and quality, the report states:

The crucial question is whether DOD can 'make it' to an All Volunteer Force. The most probable answer is 'not quite, without certain innovations.' However, partly because existing manpower data are not adequately processed for management supply analysis this tentative conclusion includes caveats.... The need is not for more raw data but rather for more data processing. At present all relevant data

1/ Ibid., p. 35.

2/ Ibid., p. 34.

in personnel files are probably not on personnel tapes....If more detailed and comparable processed manpower data were available, it would be more possible to predict future deficits and excesses of manpower.... 1/

The problem was restated and magnified throughout the report:

Part of the trouble is that OSD in the manpower area, as in other areas, must try to make policy decisions without truly relevant information....the development of quantitative analytic models by OSD staff will soon define data needs. The projection model described in Annex B provides an illustration. The outputs of that model are far from conclusive because it had to be designed to use personnel data as now processed.... however, during the next 12 months an improved "demographic" model, based on more processed and reliable data, should be developed and used by OSD staff every month to assist senior officials making recommendations on draft calls, bonuses, pay differentials, etc. 2/

The report recommended a temporary AVF Planning Staff to evolve contingency plans and to include such model makers.

The Central All Volunteer Force Task Force was established in response to those portions of the report which recommended a temporary staff to develop contingency plans. The Program Evaluation Group was abolished, partly in response to the criticism of the "committee system" contained in the RAND report. In a modification of the initial plans for the Central AVF Task Force, the Directorate of Procurement Policy in OASD(M&RA) was assigned staff responsibility for the evaluation functions initially assigned to the Program Evaluation Group and subsequently planned for assignment to the AVF Task Force. The modification reflected Kelley's view of use of the existing staffs as much as possible. The Manpower Analysis and Research Data Center (MARDAC) was later established

1/ Innovations for Achieving an AVF, Dr. Steven Enke and TEMPO staff, Washington, D.C., January 1972, p. iv.

2/ Ibid., p. 107.

as a central data processing agency for manpower and personnel information. ^{1/}

While the Enke report served a useful purpose in focusing more attention on the evaluation problem, its analysis appeared superficial to ASD(M&RA) and Service staffs. The major difficulty in forecasting was not a problem in the DOD data base, the information system, or the analysis -- as was asserted in the Enke report -- but rather the unpredictability of strength decisions and other program changes. The FY1972 reduction in Army strength was the most notable example. The President's FY1972 budget called for a reduction in 203,000 military man-years in the phase-down to planned post-Vietnam baseline strengths. The Congress made a further cut of 50,000 man-years, in effect, accelerating the Administration's strength reduction plan by about a year. In addition, the Army had overestimated losses during FY1971 and had entered FY1972 at higher than planned strengths. This combination of factors caused the strength reduction to be 263,000, or 21 percent in one year. Again in FY1973, Army end strength authorizations changed from 841,000 to 828,000 and finally to 815,000 during various stages of the program and budget cycle. Previous estimates of accession requirements and short-fall ranges had to be revised significantly on account of such changes.

Another limitation on forecasting was the administered nature of the recruiting market. There was not a free interplay of the forces of demand and supply. All Services administered the market in an effort to maximize their enlisted inputs of "preferred" personnel -- high school graduates and Mental Groups I-III (Above Average and Average). In FY1973, for example, the Services made over 30 changes in entry standards. The changes often caused problems for local recruiters who found that some of the prospects they had encouraged under previous standards were no longer eligible. Although some of the changes were minor, each of them restricted or increased the supply of enlistees. While most analysts were aware of the relationship between changes in entry standards and supply, it was not possible to anticipate more than a few months in advance the changes in standards which a Service might make. Both the short range and the longer range forecasts had to be continuously adjusted to reflect such changes.

Status Briefing for the National Security Council

One of the earlier comprehensive evaluations of progress was made early in 1972. In January, Dr. Henry Kissinger, Assistant to the Presi-

^{1/} MARDAC came into existence in 1973 under Dr. Eli Flyer, but its forerunners, also under Flyer, had existed since 1970 on a smaller scale.

dent for National Security Affairs, asked the Secretary of Defense for a study to "assess our capability to support the planned force structure while reducing draft calls to zero by July 1973." 1/ The emphasis on support of the planned force structure reflected the National Security Council staff's legitimate concern with military readiness. The heart of the study, however, was to be a forecast of the prospects for the success or failure of the volunteer force effort. The study was to cover problems and their consequences; personnel shortfalls expected after the end of the draft in terms of both quantity and quality of personnel; alternative programs needed to reach a volunteer force, including costs and effectiveness; and the possible increased use of lower quality personnel, civilians, and women. The study was to include not only the Active Force, but the National Guard and Reserve Components as well.

The correspondence from Dr. Kissinger was routed to the Systems Analysis staff for action, in accordance with the usual practice of routing National Security Council correspondence within the Office of the Secretary of Defense. In view of advocacy of a smaller budget a month earlier, and in view of the criticism of ASD(M&RA) evaluation capabilities contained in the Enke report, there was staff speculation -- both in ASD(M&RA) and the Services -- about the extent to which Systems Analysis would take over the planning of the volunteer force effort.

Such views proved to be inaccurate. Secretary Laird tasked Kelley to be his representative to the National Security Council to respond to Dr. Kissinger's questions. The briefing was largely prepared by Brig. General Montague who had recently been assigned to OASD(M&RA) as Director of the Central All Volunteer Force Task Force.

The briefing, given in March 1972, was entitled "All Volunteer Force: Progress - Prospects." The briefing covered the following topics:

- Force levels and draft calls
- Current and projected trends
- Manpower requirements and gaps
- Closing the gaps
- Options under consideration
- Conclusions
- Recommended position

The briefing began with background information on two important and relevant All Volunteer Force trends -- the decline in military strengths

1/ Classified memorandum to Secretary of Defense from the Director, National Security, Subject: Military Manpower.

and the decline in draft calls. ^{1/} The information displayed is shown below:

Declining Military Strengths
(In Millions)

FY	1964	2.69
	1968	3.55
	1971	2.71
	1972	2.39
	1973	2.36

Draft Calls

CY1952-67 (average)		193,000
1968		299,000
1969		289,900
1970		163,500
1971		98,000
1972	less than	50,000
1973		?

As a prelude to assessments of current recruiting trends and future gaps between accession requirements and enlistments, Kelley listed a number of "uncertainties." He said that "even with two years' experience with the volunteer force, projections are still imprecise. We are really breaking new ground." The major uncertainties were listed as:

- First-time experience with large volunteer forces.
- Attitude of the young toward military service.
- Attraction power of pay increase.
- Effect of unemployment and labor market conditions.
- Impact of no draft calls.

^{1/} The decline in strengths was in accordance with the Administration's post Vietnam plans but the decline was accelerated about one year by Congressional strength reductions in the FY1972 budget.

- Impact of AVF on quality.
- Impact of Vietnam and other overseas deployments.

The briefing described the current recruiting trends as "mixed," partly because of low draft pressure. The draft call for October-December 1971 was 10,000. Only the Air Force and Marine Corps were accomplishing their recruiting objectives. The Navy had experienced six straight months of shortfalls, having been unable to "make up" when the shortage of the previous month was added to the current monthly objective. The Army had failed to meet its objectives for three months.

But there were encouraging signs in the comparison of the six-month experience since the large increase in entry pay which was enacted in October 1971. Kelley pointed out that the year-to-year increase in true volunteers for the six-month period was from 101,000 to 122,000. The quality indicators were also favorable.

Quality Trends - DOD

	<u>October 1970 through March 1971</u>	<u>October 1971 through March 1972</u>
High School Graduates	64.7%	76.0%
Mental Groups I & II (Above Average)	35.6%	37.1%
Mental Group IV (Below Average)	20.0%	15.2%

Kelley continued the briefing by saying:

Having set the stage by describing the environment and current trends, I wish to continue with the central portion of the briefing -- our estimates of requirements and gaps, if any, in the two critical years ahead. The Office of the Assistant Secretary of Defense (Systems Analysis) has been working on a reply to Dr. Kissinger's memorandum asking for detailed projections of force levels under zero draft conditions. At the beginning of my briefing I stated my strong views that maintenance of adequate force levels had overriding importance and was upper-

most in my thinking and action as the manpower manager for the Department of Defense. My office has worked closely with Systems Analysis and I will present our joint views today.

Before proceeding I want to be very clear that what I stressed earlier on projections is thoroughly understood. Any estimates of requirements and gaps are just that - estimates.... Hence, we intend to keep very careful track of trends and constantly refine our estimates as we learn more or come closer to the period covered by the estimate.

The magnitude of the problem was stated as shown below:

Enlisted Accession Requirements and Gaps
(In Thousands)

	FY1973	FY1974
Army Requirement	194	177
Gap	44	23
Navy Requirement	143	85
Gap	41	0
Marine Requirement	55	53
	0	0
Air Force Requirement	107	85
	0	0

Keiley next offered a list of "current actions" that "offer a means of keeping further shortages as small as possible" and a list of "alternatives for closing existing or projected gaps in accessions." The current actions were:

- Higher Pay
- More and Better Recruiting
- Increased Advertising
- Varied Enlistment Options
- Improved Service Attractiveness

These were programs that had been started, but not fully implemented in all Services. Kelley pointed out, for example, that the Navy had begun paying for magazine advertising for the first time in the previous month.

Kelley said:

...we have chosed to withhold paying enlistment bonuses until we are more certain of the effects of the pay raise on the volunteer rate...We are looking now at the time for starting the bonus and considering starting it at less than \$3,000 on an experimental basis or offering it only to volunteers who agree to a four year enlistment.

Kelley stated that the most important alternative was the Uniformed Services Special Pay Act of 1972 which had just recently been submitted to Congress.

Kelley concluded the briefing on a positive note. The conclusions were:

- Substantial progress has been and is being made toward the volunteer force.
- Gaps are appearing and will grow unless corrective measures are initiated.
- Uncertainties exist which make accurate predictions difficult.
- Separating out actual effects of any single measure is very difficult.
- A variety of practical initiatives are available; their costs are reasonable.
- The chances of meeting the AVF objectives are reasonably high, if necessary actions are taken promptly.

The recommended position for the Administration was:

- Adhere to present AVF policy and the July 1973 zero draft objective.

- Maintain necessary force levels, using the draft through 1973.
- Support reasonable initiatives, including Uniform Services Special Pay Act of 1972.
- Complete preparation of legislation for standby draft after July 1, 1973.
- After end of calendar year 1972, assess need to extend the induction authority.

The facts and logic of the briefing helped to quiet the voices of those within the Administration who were worried that authorized military strengths and national security commitments could not be met without the draft.

Legislative Oversight of Progress

The Congressional committees began to exercise their "oversight" function over the volunteer force program before the legislative program was passed. The Special Subcommittee on Recruiting and Retention of the House Armed Services first heard Defense witnesses in September 1971. In March 1972, a Senate Armed Services Subcommittee on the Volunteer Force and Selective Service held hearings to review progress on the volunteer force program and manpower authorization. Each year the Defense posture hearings of the Armed Services Committees and the appropriations hearings of the Appropriations Committees provided occasions for the committees, both in the House and Senate, to check on progress and to identify problems. During 1973 and 1974 the Senate Armed Services Committee requested eight formal reports which dealt with progress and prospects of achieving a volunteer force. The Congress played a key role in the evaluation of progress.

Congressman W. C. Daniels, Chairman of the Subcommittee on Recruiting and Retention, opened his hearings by saying that Mr. Hebert, Chairman of the House Armed Services Committee had charged four subcommittees to "get to the root of the multifaceted personnel problems that confront the Armed Services." ^{1/} The subcommittee hearings came at a time when the Services were under pressure from several directions. As had the

^{1/} Hearings, Special Subcommittee on Recruiting and Retention, House Armed Services Committee, HASC No. 92-42, July-December, 1971, and February-March, 1972, pp. 8075, 8076.

rest of society, the Services had experienced increased drug use, racial tensions, and demonstrations of dissent against authority. Daniels said it was necessary "to examine closely all aspects of morale and the influences both inside and outside the military establishment which affect our military personnel" in order to study recruiting and retention. This made for a hearing that touched on a number of topics.

The subcommittee, in advance, advised Kelley, the Department of Defense witness, that the following topics were representative of its interests: ^{1/}

- What was meant by Secretary Laird's use of the phrase "sufficiency" in describing our military posture?
- What were the major threats to the United States and the mission of the Services in the next few years?
- What were the sources of manpower to fulfill that mission?
- To what extent would inductions be needed if "zero draft" was not reached?
- What would be the role of the National Guard and Reserves?
- What motivates people to enlist?
- Would the compensation increases passed in H.R. 6531 make military pay competitive with civilian?
- Should tax dollars be used in commercial advertising in the media, and what were the results of extensive Army advertising?
- Was discipline being sacrificed in the effort to go all volunteer?
- Was the volunteer force effort ignoring the career force?
- How were drug abusers handled within the Services?
- What was being done to improve retention rates?
- What was being done to correct poor living conditions for troops overseas, especially in Germany?

^{1/} Ibid., pp. 8076-79.

It was too early at the first hearing in September 1971 to report much specific progress in moving toward a volunteer force. In order to provide a backdrop against which to answer the specific questions of the committee, Kelley first spoke generally of the AVF program. Strength levels would stabilize for FY1973 and beyond, he explained, so personnel turbulence and turnover would diminish. Without the draft, the role of the Guard and Reserve would be more important, so their equipment build-up was going forward. Two bills, providing increased scholarships for ROTC and Marine Corps platoon leader programs, had passed the House and awaited Senate action. Those bills would help the AVF, Kelley testified, as would the provisions for reasonably competitive pay and the enlistment bonus authority, which were awaiting final action by Congress.

One of the most encouraging signs, Kelley reported, was the better utilization of military personnel. Task analysis, he said, was doing a better job of matching trained personnel to the skill requirements of specific jobs. "Make work" was being eliminated, largely at the direction of General Westmoreland. These steps would improve the attractiveness of retention, training, and career planning. In such an environment, quality manpower could be maintained. Kelley said,

The energy of the Services is not being spent arguing the feasibility of the All Volunteer Force or ending the draft. Rather, it is being directed in constructive ways toward improved personnel management and better utilization of people. 1/

Thus, Kelley was presenting a generally optimistic picture during the early stages of the volunteer force effort.

In the midst of news stories about drug abuse and racial tensions in the Services, many Congressmen felt some anxiety that the changes occurring as the Army moved to a volunteer force would be accompanied by a lack of discipline. The cessation of sign-ins and sign-outs, reveille, and bed checks, as well as the installation of vending machines for beer in the barracks were areas of reform which seemed to some Congressmen to symbolize a permissive attitude. Lt. General Forsythe, the Special Assistant for the Modern Volunteer Army, defended Army's Project Volar. Forsythe explained that the Army's program had two primary thrusts: first, to develop professionalism through better training and more time to train, and second, to convince the soldier that he can live with decency and

1/ Ibid., p. 8084.

dignity in the Army and that "his individualism should be respected so long as it doesn't interfere with the discipline of the military structure." 1/ Forsythe called upon Major Peter Dawkins (a Rhodes Scholar and former Army football great at West Point) to describe the Army's concept further. Dawkins said, "the actions Army is taking to strengthen itself as a more competent fighting force are the same things we must do to make it an institution which is attractive to young Americans and can draw them to its willing service." 2/ The Congressmen appeared to be reassured by Forsythe's statement that the Army's goal was to install "willing self-discipline."

The Senate Armed Services Committee also established a special subcommittee, chaired by Senator Lloyd Bentsen (D-Texas), to look into the volunteer force program. The Subcommittee on the Volunteer Force and Selective Service held hearings in March 1972. This time the volunteer force program had been under way long enough for Kelley to report both signs of progress and possible problem areas. There were grounds for optimism. Draft calls had declined. The proportion of true volunteers, as opposed to draft-induced volunteers, had risen from five out of ten in 1969 to seven out of ten in 1971. At the same time the number of high school graduates among enlistees had increased, so quality showed some signs of being maintained. The FY1972 budget had provided all the funds which Defense had requested for building the effectiveness of the recruiting organizations, improving barracks, and Service Initiatives to improve military life. 3/ When Kelley addressed the committee, the recruiting buildup was 70 percent complete and more than half of the funds for Service Initiatives had already been obligated. Finally, combat arms enlistments in the Army had increased from a monthly average of 250 in the latter half of 1970 to 3,000 in the last half of 1971 -- an increase of 1,200 percent. 4/

In spite of these signs of progress toward ending the draft, Kelley indicated several areas in which problems might occur. First, the decline of draft pressure made recruiting more difficult. Kelley warned of possible shortfalls and pointed to the Navy, which had been slower in expanding its recruiting effort and had not met its recruiting goals in six months. Second, the long-term ability to man the Reserves and

1/ Ibid., p. 8124.

2/ Ibid., p. 8125.

3/ SASC, Subcommittee on the Volunteer Armed Forces and Selective Service, 1972, p. 198.

4/ See Ibid., p. 198, for Kelley's discussion of progress and problems.

the National Guard was in doubt. In the absence of the draft, Kelley reported that the long waiting lists to join, so common in earlier years, had virtually disappeared. Third, although the proportion of high school graduates had increased, Kelley still voiced his concern for manpower quality. Of the top categories, Mental Groups I and II, fewer were true volunteers than in the lower mental categories. Fourth, while Army enlistments in combat arms had increased dramatically, they were not yet sufficient to meet the needs of a draft-free environment. Kelley noted, however, that combat arms enlistment bonuses had not yet been used in order to first assess the effect of the pay increases. Finally, there remained the problem of obtaining and retaining a sufficient number of medical specialists. The retention rates were so low at that time that, if they continued, the Services would need up to one-third of the men upon whom medical degrees were conferred each year.

To deal with these problems, Kelley explained that Defense was considering several incentives. Among them were:

- A reenlistment bonus and an enlistment bonus for the Reserve and National Guard.
- A broader enlistment bonus than that authorized for combat arms, so as to include the authority to meet shortages in critical, high quality personnel requirements.
- Special pay augmentation for physicians and dentists.
- An expanded sea pay provision. ^{1/}

On the matter of another extension of the draft, Senator Bentsen tried to pin down the Administration position. Kelley explained:

At this point the Administration does not know whether the system will be capable of providing its needs on a strictly voluntary basis, and because we do not know we cannot securely state to you that we will not ask for a continuation of the induction authority when the present authority expires on July 1, 1973. We hope that we will not have to ask for an extension of the induction authority but that judgment would have to be made on the basis of our experiences between now and the end of the year.

^{1/} Ibid., pp. 199-200.

Reports Required by the
Senate Armed Services Committee

The Senate Armed Services Committee requested a continuous flow of recurring reports and special one-time reports on progress and problems. The first of these was a monthly statistical report on qualitative trends in enlistments which Senator Stennis first requested in October 1971. The report covered the monthly results as well as trends in enlistments of high school graduates and nongraduates and accessions by mental groups. The subcommittee staff, in common with most Defense Department personnel, did not expect the quality of enlisted personnel to be maintained. 1/

The first special report to the Armed Services Committees was required by law. Not later than June 30, 1972, the Secretary of Defense had to report on the effectiveness of the entry pay raise of 1971 and other provisions of the volunteer force legislative program in increasing the number of voluntary enlistments. 2/ This report, discussed in the next section, was published in August 1972 and was widely distributed by the Department of Defense as a public relations document.

Other reports to the Senate Armed Services Committee, made by the Department of Defense, included the following:

- Prospects and Problems of the All Volunteer Force, November 1973.
- Defense Manpower Quality Requirements, December 1973.
- Accessions Requirements and the Availability of Volunteers, 1975-1990, November 1974.
- Distribution of Recruits by Demographic Characteristics (Annual Report), November 1974.

In addition, the committee requested the Brookings Institution to make a report, June 1973 on "All Volunteer Forces: Programs, Problems and Prospects." If the Defense Department had not already developed a

1/ Ed Braswell, Chief Counsel of the Senate Armed Services Committee, in an interview with the authors April 21, 1976, emphasized the prevailing notion in the Senate that the All Volunteer Force would not work. The failure was expected to show up first in qualitative trends. The series of Senate Armed Services Committee reports were designed to show whether the volunteer force was successful.

2/ Section 211, H.R. 6531, 1971.

system for evaluation, the Congressional requirements for reports would have made it necessary to do so.

EVALUATION OF PROGRESS "GOES PUBLIC"

Reports by the Secretary of Defense

As the effort to achieve an All Volunteer Force proceeded, a series of public reports was prepared to apprise a wider audience of the prospects of reaching the volunteer force. Steve Herbits convinced Kelley that a public report was needed. Also, Kelley thought of the report as a replacement of the initial quarterly report to the President on the grounds that the report to the President gave too many details without giving a broad view of progress and remaining problems. The first public report, published in August 1972, was a report by Secretary Laird to the President and the Chairmen of the Armed Services Committees. The report was entitled "Progress in Ending the Draft and Achieving the All Volunteer Force." 1/

Irving Greenberg, the action officer who wrote the Laird report in draft form, later said that "every word was edited by Kelley and reflected his views." A dedicated effort was made, however, to obtain Service concurrence in the language of the report and Greenberg wrote several revisions to accommodate their views. Many throughout the Department of Defense expressed the view, nevertheless, that the assessments reflected Kelley's "optimism."

The message of the report was stated in Secretary Laird's transmittal to the President:

During the past three and one-half years of this Administration the draft system has been reformed and draft calls reduced from 300,000 to 50,000 a year, a quality force has been maintained with reduced draft pressure, and the proportion of true volunteers among those enlisting has been increased from 40% to 75%.

1/ Report from the Secretary of Defense to the Chairmen of the Armed Services Committees of the Senate and House of Representatives (PL 92-129), Progress in Ending the Draft and Achieving the All Volunteer Force, August 1972.

We are within reach of achieving an All Volunteer force composed of 2.3 million Active Duty and 1 million Selected Reserve members. Never before has a nation maintained a volunteer military force of that size.

But while great progress has been made in moving toward this historic goal, there are critical manpower problems yet to be solved. Their solution urgently calls for the understanding and support of Congress and the American people. 1/

The decline in draft calls was cited by Secretary Laird as the most significant evidence that an All Volunteer Force was within reach. The report pointed out that the dramatic decrease in draft calls had been made possible by substantial reductions in the size of the Active Forces and by attracting more voluntary enlistees to military service. The size of the Active Force had been reduced from a Vietnam war peak of 3.5 million in 1968 to 2.3 million at the end of FY1972. The number of true volunteers increased from 214,000 in FY1971 to 278,000 in FY1972. Draft calls were reduced as shown below:

<u>Calendar Year</u>	<u>Draft Calls</u>
1969	289.9
1970	163.5
1971	98.0
1972	50.0

The report pointed out that in FY1973 draft calls were only 25,000 (there were no draft calls during the last half of FY1973). Despite this sharp drop in draft calls, enlistment levels had been maintained and the proportion of true volunteers among those who enlisted increased from 59 percent to 75 percent. Several reasons were singled out for the increase in true volunteers. Among them were:

- The increase in entry military pay in October 1971.
- Improved conditions of Service life.
- Modernized training and new emphasis upon professionalism.
- Greatly revitalized recruiting programs.

1/ Ibid., p. 11.

"The factor which may have contributed most to these volunteer increases is the improvement of the recruiting program," the Defense Secretary reported. 1/

The report cited the progress in the areas of ground combat enlistments, quality of enlistments, and officer procurement. The emerging concern in some quarters about the racial composition of the Army was hinted at, but, on the whole, was not developed in the report. The report acknowledged that "the current rate of black enlistments and reenlistments has increased in the Army and is currently higher than the national percentage of black youth. Long range, however, we do not foresee any significant difference between the racial composition of the All Volunteer Force and racial composition of the Nation." 2/ Even his friendlier critics thought Kelley was not looking very hard at this point.

The report attributed the "spectacular rise in Army ground combat enlistments to "aggressive and creative recruiting." 3/ Ground combat enlistments averaged 3,000 per month from July to December 1971, compared to 227 a month in July to December 1970. The report noted that these increased enlistments still did not meet the required level of about 5,000 a month. According to Secretary Laird:

With Army combat arms enlistments stabilized at 3,000 a month we began a test on June 1 of the combat arms bonus authorized earlier by Congress in Public Law 92-129. A bonus of \$1,500 is being offered to Army and Marine Corps ground combat volunteers who enlist for four years. Before the bonus test, there were some Marine Corps four-year ground combat enlistments but none in the Army. The test results in June show that the bonus is effective in securing longer-term enlistments. 4/

1/ Ibid., p. 17.

2/ Ibid., p. 26.

3/ Ibid., pp. 18-19.

4/ Ibid., pp. 19-20.

(This emphasis on the value of longer enlistments was later developed by Assistant Secretary Brehm into an elaborate analysis of the cost-effectiveness of the volunteer force as compared to a "mixed" force of draftees and volunteers.)

Although Secretary Laird reported that great progress had been made in reducing reliance on the draft, the report also pointed out that attention must still be focused on solving the remaining problems. The problems, as described in the report, were:

- To avoid substantial enlisted shortages that could be 40,000 in Army and 15,000 in Navy in FY1974 after the draft ends.
- To meet the manning requirements of the National Guard and Reserve Components.
- To avoid projected shortages of physicians estimated to be 800 in FY1975 and 1,515 in FY1976.

In discussing how to solve the remaining problems, the report states that management actions would be taken to use more military women and civilians and to make better utilization of physicians -- but that the solutions would also require early action by the Congress to pass the Uniformed Services Pay Act of 1972 and the Uniformed Services Health Revitalization Act of 1972.

The message and tone of the report accomplished both of Kelley's purposes: one, a factual account of progress to show that the All Volunteer Force was attainable; two, an account of the remaining problems in order to build a case for passage of the pending legislation.

Seven months later, in March 1973, an update of the Laird report was published over the signature of Elliot L. Richardson who had succeeded Mr. Laird as Secretary of Defense.

The Richardson report was the vehicle for public announcement of the Department's decision that it would not request renewal of the draft authority which would expire July 1, 1973. Secretary Richardson's message in the foreword of the report made this announcement:

The material in this report is evidence that the historic goal of having an All Volunteer Force can, indeed, be reached by this generation of Americans. Accordingly, on behalf of the Administration I have advised the Chairmen of the Armed Services Committees of the Senate and the House of Representatives that it will not be necessary

to extend the draft induction authority
beyond its expiration date of July. 1/

For all practical purposes, this announcement officially settled the issue of whether the Administration would "stay with" its All Volunteer Force objective: henceforth, the arguments were on the issue of whether the All Volunteer Force was a success. 2/

The publication of the report over Mr. Richardson's signature made clear to the Defense community that the new Secretary supported the All Volunteer Force. The Secretary's message says:

Secretary of Defense Melvin R. Laird announced that 'the Armed Forces henceforth will depend exclusively on volunteer soldiers, sailors, airmen and marines. The use of the draft has ended.' Three days later I became Secretary of Defense. Let no one doubt that I count it as among my most compelling tasks to make the All Volunteer Force a working reality. 3/

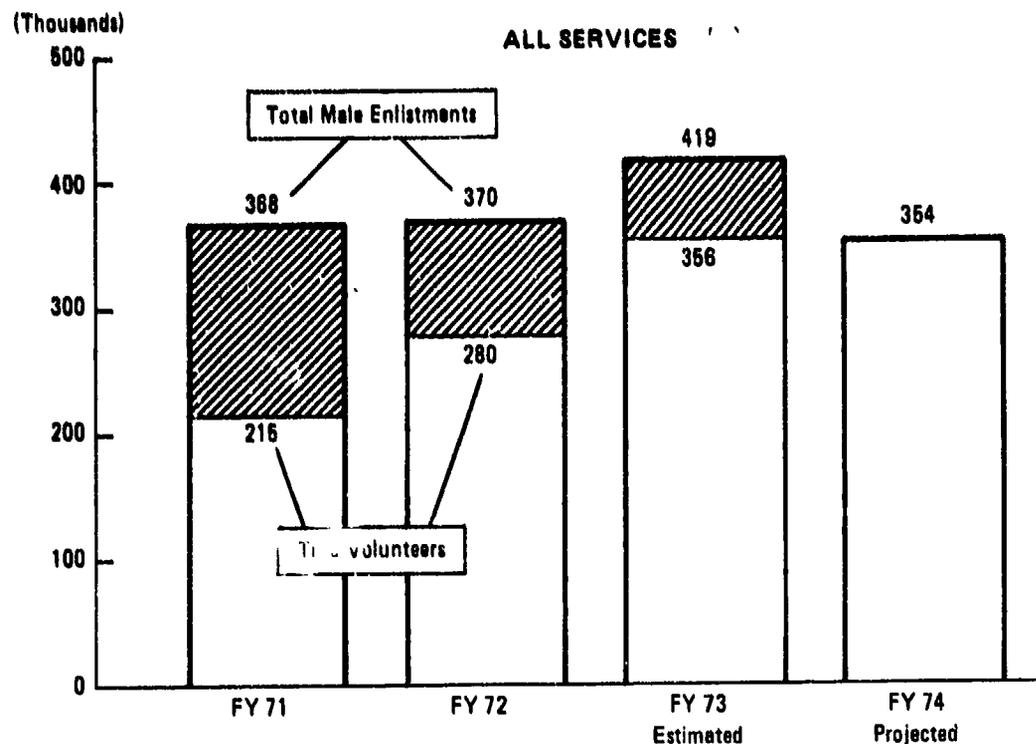
The most important change in the outlook noted in the Richardson report, in comparison with the earlier Laird report, was in the reduced prospect of enlistment shortfalls. By the time the Richardson report was published, it was no longer necessary to report the possibility of substantial FY1974 enlisted shortfalls as it had been in the earlier Laird report. The noteworthy fact, highlighted in the chart -- which appears on the following page -- from the Richardson report, was that the level of 356,000 true volunteers estimated to be obtained in FY1973 would approximate the total male enlistment needs of 354,000 which were projected for FY1974.

1/ Special Report of Secretary of Defense Elliot L. Richardson, The All Volunteer Force and the End of the Draft, March 1973, p. 4. Brig. General Robert Montague, U.S.A. (Retired), was the principal author of the report.

2/ In an interview with the authors, Stephen Herbits, who was then Special Assistant for the All Volunteer Force, stated his belief that the Richardson statement was critical. Herbits was concerned that the monthly recruiting shortfalls incurred by Army would result in a last minute effort to extend the draft authority.

3/ Special Report of Secretary of Defense Richardson, op. cit., p. 3.

What is Trend in Overall Male Enlistments?



For the first time the report suggested the thesis -- later to be fully developed by Assistant Secretary Brehm -- that the All Volunteer Force was not as costly as had been estimated earlier. The line of reasoning was that many of the costs associated with the All Volunteer Force program should not even be charged against the program because they are expenditures that would have been prudent under the draft. The entry pay raise was the best example:

Prior to enactment of Public Law 92-129 in November 1971, first term enlisted men and women did not enjoy competitive pay scales with their civilian peers. As a result, every young soldier, sailor, airman, or marine -- inductee or volunteer alike -- was paying a large implied tax while serving his country. ^{1/}

^{1/} Ibid., p. 27.

Under this line of reasoning, the cost of the November 1971 pay increase would be subtracted from the \$3.135 billion estimate of the FY1973 incremental costs of the All Volunteer Force; the incremental costs of the All Volunteer Force would not exceed \$1 billion if this subtraction were made. This argument was based in part of the belief that an entry pay raise would have occurred even if the draft had remained. The argument emphasized that the President had advocated the entry pay raise on the basis of equity, and deemphasized that he also described the pay raise as the first step in moving to an All Volunteer Force. As discussed in Chapter II, many Congressional supporters of the pay raise were for the draft but they voted for the entry pay raise for reasons of equity.

Kelley's Final Statement to the Congress

Shortly after publication of the Richardson report, Kelley made his final Congressional appearance before leaving office -- three years after the Presidential decision to move to a volunteer force. Kelley elaborated on the message of the report that draft calls had ended and that the draft authority need not be restored in peace time.^{1/} He described the accomplishment as the sum total of many actions -- a vastly improved recruiting system, a substantial increase in military pay (particularly at the entry level), selective retention and lower turnover of experienced members, better matching of people and jobs, and improvement in conditions of Service life.

Kelley's testimony did not cover the existing problem of Army recruiting shortfalls caused by the 30 percent ceiling which the Army had placed on the accession of nongraduates from high school. The tone of the report was deliberately optimistic because Kelley expected the General Accounting Office to give a pessimistic report on the volunteer force at the same Congressional hearing.

Kelley once again described enlistment trends, saying:

The favorable trend in male enlistments for all Services and especially the trend in true volunteers coupled with the decline in required Armed Forces strengths, have been key factors in eliminating the need to continue the draft.

^{1/} Hearings before the House Subcommittee on Armed Services, May 1973, pp.

He summarized the progress of each Service and gave, briefly, an estimate of the outlook for FY1974:

- Army. To meet its accession requirements of 162,000 new men Army must enlist 11,000 more than its expected level of true volunteers for FY1973. The enlistment trend indicates that with continued improvement Army will meet its FY1974 enlistment requirement.
- Navy. Experienced recruiting shortages in late FY1971 and early FY1972, partly due to shortages in its recruiting force. The Navy has overcome these early difficulties and is now attracting sufficient volunteers to meet its FY1974 requirements.
- Marine Corps. The traditional appeal of the Marine Corps will enable it to meet its enlistment requirements in FY1974 and beyond.
- Air Force. During the entire transition to the All Volunteer Force, the Air Force has met its manning requirements with high caliber enlistees. Its effective recruiting system and its popularity with young people assure its capability in meeting enlistment requirements in the future.

The remarks emphasized that FY1973 results -- except for improvement needed in Army -- were sufficient to meet FY1974 accession requirements. The assessment was reasonable although, in fact, both Army and Marine Corps later had difficulties during FY1974 because of the Congressional limitations on the enlistment of nongraduates from high school. ^{1/} Kelley pointed out the special problems remained and the legislative authorities in the Special Pay Act were still needed for critical enlisted specialities, for medical officers, and for the Reserve and National Guard components. With this qualification he considered, correctly, that the job of ending the draft had been largely accomplished by the time of his departure.

Independent Evaluation of the Efforts

Soon after the Richardson report, two independent evaluations of the success of the volunteer force were made public by agencies outside the Department of Defense. In May 1973, the General Accounting Office published a report after first making it available to the House Armed Services Committee. It was natural for both Armed Services Committees to seek to obtain independent appraisals of the progress and prospects

^{1/} See Chapter IX, section on Congressional Interest in Quality Standards.

coincident with the end of the draft authority.

The General Accounting Office report was generally considered by Kelley and the staff of ASD(M&RA) to have an anti-volunteer force bias. By interpreting the desired "quality goals" stated by the Services for high school graduates and for personnel in the Average and Above Average Mental Groups as "hard" requirements, the GAO report created the impression of the likelihood of shortfalls of serious proportions. The GAO estimated that the shortfalls in new enlistments for FY1974 could be as high as 83,000 and indicated that to meet its FY1974 enlistment requirement of 162,000, the Army might need to accept between 21 and 23 percent of Mental Category IV (Below Average) enlistees, compared with a desired limitation of 20 percent. 1/ Although the GAO qualified its estimate by indicating that quality goals were not rigid and that the shortfall might be as low as 11,000, the report nevertheless was the most pessimistic evaluation which had been published by a reputable organization. 2/

Thomas D. Morris, the Assistant Comptroller General, appeared before House Armed Services Subcommittee No. 2 on May 2, 1973, to testify on the report. 3/ He reported the shortfall estimates and cited three alternatives to allowing the induction authority to expire:

1. Extend the existing system of inducting men for a year or more.
2. Extend the induction authority under limited conditions such as under a Presidential finding that a serious manpower shortage exists.
3. Allow the induction authority to expire but provide for rapid reinstatement by allowing the President to submit plans to Congress to reinstate the draft unless rejected by resolution of either House within 60 days of submission.

1/ Report to the Congress, Problems in Meeting Military Manpower Needs in the All Volunteer Force, Comptroller General of the United States, May 1973, pgs. 17 and 25-26.

2/ Kelley and the ASD(M&RA) staff were not caught by surprise because the GAO had furnished a draft of the report. Kelley presented his views to the Assistant Comptroller General, Thomas D. Morris (a former Assistant Secretary of Defense for Manpower, 1965-1969), in a full off-the-record discussion of the subject.

3/ Statement of Thomas D. Morris, Assistant Comptroller General of the United States before Subcommittee No. 2, Press Release by United States General Accounting Office, Washington, D.C., May 2, 1973.

The threat to the volunteer force posed by the evaluation of this report was softened, however, by Morris' concluding remarks:

We would like to stress, in conducting this review, that our objective has been to raise questions for consideration rather than to draw conclusions. Certainly there are now in being compensation and incentive plans, and recruitment programs, which have proved their success in obtaining the numbers of people which the Services will require at today's force levels. Further, there are many alternatives which are being used -- but which have still greater potential -- for reducing the number of male volunteers required. Hence, sustaining a 2.2 million Active Force level in the near term does not appear to be an insurmountable problem. On the other hand, many unanswered questions and uncertainties remain as to how successful the Services will be in the long run in attracting the number of *qualified* enlistees desired, in the absence of draft pressure.

The GAO report did not cause a last minute effort by Congressman Hebert to renew the draft authority as some pro-volunteer advocates had feared would be the case.

The findings of the Brookings Institution report to the Senate Armed Services Committee were much more compatible with the conclusions of the Laird and Richardson reports:

At present the Administration views a force of about three million under arms (Active and Reserve) as the minimum peacetime requirement. Can enough men and women be found willing and able to volunteer -- without exorbitant costs and without compromising appropriate quality and therefore the effectiveness of the Armed Forces?

This is a monumental task unprecedented in any country's history. Yet the conclusion of this paper -- directed to the practical implication of planning, developing, and maintaining an All Volunteer Armed Force -- is that it is likely to prove a feasible proposition, if timely measures are taken to reevaluate manpower requirements and

standards and to deal with foreseeable recruiting shortfalls. 1/

The report further said:

On balance the 1970-73 transition experience is promising. A continuation of FY1973 enlistment rates would be sufficient to meet FY1974 male recruitment needs. However, shortages of manpower in certain activities may threaten the effectiveness of an All Volunteer Force in the period immediately ahead. 2/

The Brookings analysts did not think the probable shortfalls would be so severe as to warrant endorsement of the expanded bonus legislation advocated by the Department of Defense as the chief tool for avoiding shortages. The study questioned the quality standards for critical enlisted skills, observing that:

...until each type of quality specification can be more clearly rationalized by further investigation, undue concern about shortfalls in certain skills would be premature. Moreover, additional financial incentives to attract men who score higher on some specific measure could be buying more quality than is necessary. 3/

Regarding shortages in the Reserve Components, the Brookings report said:

A review of Reserve force requirements not directly related to national security is overdue.

1/ All Volunteer Armed Forces: Progress, Problems and Prospects, by Martin Binkin and John D. Johnston, The Brookings Institution, June 1973.

2/ Ibid., p. 2.

3/ Ibid., p. 2.

More attention should be paid to the recruitment of personnel leaving the Active Service, women, non-white, or those scoring in the lower Armed Forces qualification list categories -- sources that have not been fully exploited. 1/

To meet anticipated shortages of medical personnel, the report suggested that the use of scholarship plans for medical students and the civilianization of some military medical tasks should be further explored. 2/ (The Department of Defense continued to ask Congress to enact bonus authority for critical enlisted skills and for medical personnel; however, in line with the Brookings Institution recommendation, the legislative proposal for bonus authority to solve shortages in the Reserve Components was finally dropped from the 1974 Legislative Program.)

On the whole, the Brookings report gave a fair assessment of the quality outlook as it appeared at the time. For the transition period the Brookings study reported accurately that there was a steady but modest decline in the proportion of enlistees with "above average" scores on the standardized entry test of mental abilities, a modest increase of those who scored "average" on the mental test, and a steady decrease of enlistment of those scoring "below average." "On balance, by this measure, quality has increased during the past few years and in Fiscal Year 1973 closely approximated pre-Viet Nam experience." 3/

The report pointed out that, while the proportion of high school graduates among accessions declined during the transition year as draft pressure declined, the Services (except the Marine Corps) maintained proportions comparable to or greater than in the civilian labor force, ages 16-20. 4/ The report also noted that there had been a marked decrease in the proportion of high school graduates entering the Army and Navy during the first nine months of FY1973, partly because of high accession requirements, but that the trend appeared to have improved since January 1973.

On both the qualitative and quantitative factors, the Brookings report was the first objective analysis, outside the Department of Defense, that assessed the prospects for attaining the All Volunteer Force as favorable.

1/ Ibid., p. 3.

2/ Ibid., p. 3.

3/ Ibid., p. 12.

4/ Ibid., p. 16.

FINISHING TOUCHES ON EVALUATION

The logic of the evaluation system was best developed by William K. Brehm, who became Assistant Secretary of Defense for Manpower and Reserve Affairs in September 1973. There had been no draft call for eight months. Sufficient time had passed without the draft for a reasonably accurate appraisal of the prospects. First, Brehm immersed himself in the raw data; second, he "worried" with the charts, statistical tables, and graphics -- trying to get every bit of clarity into the presentation of material; third, he "thought through" the statement of the issues.

The results of this effort, as they evolved, were used in Brehm's monthly press conferences and were fully presented in a special report on the All Volunteer Force issued in February 1974. ^{1/} Brehm said that speculation about the All Volunteer Force revolves around four major issues:

- Whether or not enough recruits are being obtained.
- Whether or not quality standards have been reduced.
- Whether or not there is racial imbalance in the Services.
- Whether or not the volunteer force costs too much.

Brehm stated that he would minimize speculation by setting out the facts concerning these issues as they became available. He summed up his assessment as follows:

If we meet our estimate of about 400,000 enlisted volunteers, we will be 5% short of our goal for this year. We prefer no shortfall at all. But this shortfall -- 20,000 out of a strength of 2.1 million -- is not large enough to cause us to think about returning to the draft. Not when we have managed to increase the number of volunteers each year and have achieved an increase of 60 percent in just three years. ^{2/}

Brehm also summarized his assessment of the quality issue as reflected by mental test scores:

^{1/} A Special Status Report: All Volunteer Force, by William K. Brehm, Commanders Digest, February 28, 1974. Stephen Herbits, Special Assistant for the All Volunteer Force, assisted Brehm in writing the report.

^{2/} Ibid., p. 3.

Our underlying policy -- that each enlistee must perform satisfactorily -- is firm. Yet there has been criticism that the All Volunteer Force has required a lowering of standards. Actually, the reverse is true. The trend is clearly toward a better quality mix. Below average individuals now make up only 10 percent of all new enlisted entrants of the four Services, compared to 15 percent in 1964 and compared to 36 percent in the general population. Today the actual content in the Army in Category IV personnel -- the below average group -- is 18 percent, down from 22 percent in June 1972.

The high school diploma is another indication of quality. Non-high school graduates tend to have more discipline problems and lower retention rates and more early discharges. For that reason, the Services seek to maximize the intake of high school graduates. However, the Army's experience shows that four out of five non-high school graduates make good soldiers...altogether, the four Services are doing about as well today in terms of new accessions as in 1964 when high school graduates averaged 65% of all enlisted accessions, including draftees. Among the Services, however, there are substantial variations. So far in Fiscal Year 1974, the Army is averaging 54 percent high school graduates in its new accessions, compared to 67 percent in 1964. 1/

The racial issue was discussed more openly in Brehm's report than it had been in the previous public reports:

The third All Volunteer Force issue is the racial mix within the Services. In December 1970, blacks comprised 11 percent of total enlisted strengths. Today, that figure is about 15 percent compared to a general population figure of 13 percent. The Army's percentage has increased from 14 percent to about 20 percent since 1970. We are watching these figures but are not now concerned about them for one important reason: the Department of Defense sets high entrance standards for enlistment -- standards designed to assure that an applicant can perform a military mission as a member of a team. Performance is the sole basis upon which the Department of Defense

1/ Ibid., p. 4.

seeks to accept or exclude any individual. We are an equal opportunity employer. 1/

Brehm was saying that the proportion of blacks had, indeed, risen to the point that blacks in the Army were "over-represented" in comparison to the population, but Brehm was also making the assertion that this fact was irrelevant to the question of effectiveness of the All Volunteer Army.

A more complicated web was woven on the cost issue. An elaborate line of reasoning was used to argue that the incremental cost of the volunteer force program is \$300 million or less. First, the "comparability" and "catch up" pay raises were excluded from the costs because they were "deserved in the interests of fairness and equity whether we moved to an All Volunteer Force or not." 2/ This exclusion would leave about \$750 million, covering the cost of recruiting and advertising, travel entitlements, special initiatives, bonuses, and scholarships. However, even this figure overstates the incremental cost because it fails to take into account the substantial cost savings brought about in the volunteer force program. Annual budget savings, which will amount to \$400 to \$500 million in FY1975 and \$500 to \$600 million in FY1976 and beyond, according to the Brehm report, are attributable to the reduced turnover and training replacement costs which occur as three- or four-year enlistees replace two-year draftees.

During the high draft years (1957 to 1965) each military accession contributed an average of 3.3 productive man years....Today each accession contributes an average of 4.1 productive man years. After FY1975 this figure will increase to 4.5 productive man years. Thus the costs of the added recruiting effort are largely offset and a more reasonable estimate of the incremental cost of the volunteer force program is \$300 million, or less. 3/

1/ Ibid., p. 5.

2/ Ibid., pp. 6-7.

3/ Ibid., p. 7.

The cost concept is discussed in a subsequent chapter. ^{1/} It was readily accepted by good friends of the volunteer force but not by others.

SUCCESS IN REACHING THE ALL VOLUNTEER FORCE

Reaching Objectives Without the Draft

The turning point toward acceptance of the fact of the success of the volunteer force came at the end of FY1974 -- one year after the end of the draft authority. At the end of FY1974 the Services reached 99 percent of their military strength objectives -- a shortfall of 12,000. During the year the advance ASD(M&RA) estimates of strength shortfalls had ranged between 14-28 thousand.

Despite the shortfall, all four Services combined met 96 percent of their enlisted accession objectives from all sources for the fiscal year. The quality measures showed that 66 percent of accessions were high school graduates or possessed General Educational Development Certificates of high school equivalency; 90 percent of accessions scored in the Average or Above Average Groups on the entry mental test.

By the end of calendar year 1974, recruiting and strength objectives had been substantially met by all Services consistently for six months. As the facts became known, skeptics on the Hill and in the press began to accept the volunteer force as a fact of life. The publicity in the press as well as the electronic media took a favorable turn. Assistant Secretary Brehm was able to publish a valedictory report in the form of a Fact Sheet entitled "Two Years With the Volunteer Force." The situation was summed up as follows:

The Department of Defense has now completed its second year without the draft and has been able to satisfy its personnel requirements both in terms of quantity and quality. We now believe we can maintain our peacetime force levels on a volunteer basis. However, the continuing task of recruiting one young man out of every three who is qualified and available for military ser-

^{1/} See Chapter X, "Costs of the Volunteer Force."

vice remains a formidable challenge -- one which will require our sustained best efforts. 1/

The achievement of recruiting objectives was the measure that persuaded most military personnel, as well as the press, to accept the volunteer force as successful. The results for the first six months of FY1975, shown below, were reassuring in all Services.

Enlisted Accessions--All Services
FY1975 Through December 2/
(In 000's)

	Fiscal Year Through December		
	Objective	Actual	Percent
<u>By Service</u>			
Army	110	113	103%
Navy	64	63	98
Marine Corps	32	32	100
Air Force	<u>38</u>	<u>38</u>	<u>100</u>
	244	246	101
<u>By Source</u>			
Non-Prior Service			
Men	209	207	99
Women	19	21	111
Prior Service	16	18	113

1/ Fact Sheet, Two Years With the All Volunteer Force, ASD(M&RA) files, p. 1. The Fact Sheet was primarily the work of Douglas Johnston of the ASD(M&RA) staff. Johnston is now Deputy Assistant Secretary of the Navy (Manpower and Reserve Affairs).

2/ Ibid., Table II, p. 2.

The Fact Sheet also covered the quality measures:

At the same time the Services have been maintaining high standards of quality. The two yardsticks most frequently used to assess quality are the level of education achieved (high school graduate status) and the results of standardized tests which measure mental capacity and aptitude. For the first six months of FY1975, 66 percent of all non-prior Service enlisted accessions were high school graduates. This compares with 68 percent achieved in FY1964, the last year in which we had a peacetime draft.

During the first six months of FY1975, 92 percent of all non-prior service enlisted accessions were in Mental Categories I, II, or III (the Average and Above Average categories). The comparable figure for FY1964 was 85 percent. The percentage of enlistees in the two Above Average Categories now runs about 30 percent, slightly lower than the 35 percent achieved in FY1964; however, the percentage in Category IV, the Below Average Group, is now about 8 percent, the lowest since we started keeping records in 1951, and about half of the FY1964 figure of 15 percent. ^{1/}

After two years without the draft, the racial composition of the All Volunteer Force was more heavily weighted with blacks than the manpower analysts and experts had supposed it would be. As of the end of FY1974, the percentage of blacks in enlisted strength was 16 percent for all Services and 22 percent for the Army -- the Service with the highest percentage of blacks. This was a significant increase from FY1970 when the percentage of blacks was 11 percent for all Services and 14 percent for the Army. For FY1974 the percentage of blacks among new accessions was 21 percent; the percentage was lowered a bit, to 20 percent, during the first half of FY1975. The proportion of blacks in the enlisted strength (16 percent) can be expected to rise slowly as long as the accession rate of blacks (20 percent) is higher than the proportion of blacks in the inventory. The Gates Commission had estimated that the percentage of blacks in the enlisted strength in 1980 would be 14.9 percent of the strength of all Services and 18.8 percent in the Army but these percentages had already been exceeded by the end of FY1974.

^{1/} Ibid., pp. 3-4.

At the end of FY1974, the Reserve and National Guard components achieved 99.9 percent of their authorized strength. The results for the first six months of FY1975 were comparable, as shown in the table below:

D'D Selected Reserve Paid Drill Strength (Average Strength in Thousands)	FY1974	FY1975 (first half)
	Authorized	913
Actual	912	907
Percent of Authorized	99.9%	98.1%

The Fact Sheet said:

While the Reserve Components experienced some difficulty in meeting programmed manning levels, results from intensified recruiting effort across the board were generally encouraging. Although enlistments in the non-prior service category fell below objectives in all components, the shortfall was offset in large measure by recruiting prior service enlistees. 1/

Although strength shortages existed in all of the Reserve Components except the Air Force Reserve and the Air National Guard, the manning of the Reserve Components was not the "disaster" area which had been anticipated in the earlier transition years. 2/

At the end of two years without the draft, the medical personnel area remained the most uncertain, but there were signs of "pay off" from the newly enacted medical incentives contained in the Uniformed Services Health Professions legislation of FY1974. The Services were 507 short of 11,823 authorized physicians at the end of calendar year 1974. But

1/ Ibid., p. 5.

2/ As of June 30, 1976, however, the Reserve Components again appeared to be a problem area. For FY1976 the shortfall in average strength was 40,000. Chapter VIII (Reserve Components section) discusses the lack of an incentive structure in the Reserve Components as a factor contributing to the shortfall.

the new retention bonus pay was available for four months during the first half of FY1975; the number of doctors on Active Duty increased by 112, compared to a net decrease of nearly 600 during the same period of the previous year. A total of 3,476 military doctors (73 percent) of the 4,784 who were eligible to do so signed bonus contracts to extend their term of service; significantly, about 40 percent of those signing contracts agreed to extend their terms of service for 3 or 4 years. It was generally agreed, as further discussed in Chapter VIII, that the medical manning problem was virtually solved with the implementation of the Uniformed Services Health Professions legislation of FY1974.

AIR FORCE AND ARMY REPORTS

The Air Force, in February 1974, was the first Service to issue a status report recognizing that its volunteer force effort was successful. ^{1/} The report was distributed widely throughout the Air Force but not widely outside the Air Force. In the foreword, signed by Major General K. L. Tallman, Director of Personnel Plans, ^{2/} the Air Force stated that its transition to the volunteer force had been successful.

For the first time in two generations, the military is competing in the open market for the loyalties and services of the country's youth. We are competing with school, and colleges, with unions and with the business community. To make it we are selling competitive salaries, vocational training, education opportunities, and equally important -- a way of life. We are in a new game and it's tough but indications are that we are attracting the young people we need to insure our future. This success is in great part due to the professional and innovative job being done by the men and women of the Air Force Recruiting Service. For example, the guaranteed skill program for enlistees, a significant breakthrough in military recruiting, has enabled us, for the first time, to match the industry practice of hiring a person for a specific job.

^{1/} Air Force Status Report on the Transition to and Maintenance of the All Volunteer Force, Directorate of Personnel Plans, Headquarters USAF, February 1974.

^{2/} Subsequently, Lt. General Tallman, Deputy Chief of Staff, Personnel.

In the summary the report did not equivocate in stating the success of the Air Force transition to the volunteer force.

The first year of operating in a volunteer environment has been completed with the Air Force recruiting the quantity of men and women it required without excessive costs and without any compromise of Air Force effectiveness. This success -- our ability to attract sufficient volunteers -- was principally a result of increased financial incentives and dynamic recruiting efforts...

Near term and long term prospects of sustaining our Air Force comprised of only volunteers appear encouraging. However, this favorable position is contingent upon several factors -- that military pay remains reasonably comparable to civilian pay, current military benefits (health services, retirement, commissary, etc.) continue to be provided at current levels, education benefits are maintained, sensitivity to irritants is continued, and Air Force is permitted to conduct a recruiting program (i.e., staff, advertising and incentives) that is competitive with the other Services...

There has been speculation that under draft free conditions the military would primarily attract the economically deprived. Experience to date does not support such a contention. In terms of the earnings of recruits' parents, data for the Air Force indicate that the earnings distribution remained about the same during the transition from the draft period (Fiscal 1970) to a predominantly volunteer mode (Fiscal 1973). Further, this distribution does not differ markedly from that of the general population.

The reports by the Army, issued at the end of Fiscal Year 1974 and the end of calendar year 1975, were distributed publicly. ^{1/} Each Congressman was sent a copy of the FY1974 report, which contained a note saying that the "continued interest and support...are very much appre-

^{1/} The Volunteer Army - One Year Later, July 31, 1974 and The Army 1974 Year End Report, undated, both published by the Department of the Army, Washington, D:C.

ciated. The success of the volunteer Army is one chapter of the Year End Report, which covers all Army activities for the calendar year."

The FY1974 Volunteer Army Highlights provides the key statistics included in the report:

The first full year without a draft authority was completed on 30 June 1974 and is a good point at which to assess the success of the volunteer Army. It is an unqualified success as indicated by the following:

Total Strength. We achieved an end strength of 782,900 or 1,300 more than Congressionally authorized active Army manpower strength of 781,000.

Recruiting. We recruited almost 199,200 men and women this year which is equivalent to 53% of the combined accessions of the other Military Services. In June alone we recruited 25,700 new soldiers, about 17,000 (66 percent) were high school graduates or the equivalent.

Male. Recruited almost 166,800 new male soldiers (all true volunteers), which is about 25% more than the true volunteers enlisted in FY1973 and about 52% of the combined accessions of the other Military Services.

Female. Recruited over 15,400 females, 110 percent of our objective and almost 78 percent more than FY1973.

Prior Service. Recruited almost 17,000 prior service men and women, 127 percent of our objective and about 19 percent more than in FY1973. These enlistments represent an appreciable dollar savings since in most cases the added expense of basic training is avoided.

Congressional Quality Mandate. We achieved these results within the quality guidelines directed by the Congress. Congress directed a minimum of 55 percent high school graduates -- the Army achieved 56 percent. Congress directed a minimum of 82 percent of the recruits should be in the upper mental categories (Categories I, II, III -- the Army achieved 82 percent.

Combat Arms. We recruited 37,300 new soldiers into the combat arms, one of the most difficult skills for which to get volunteers. Slightly more than one-third (34.5 percent) of those chose the \$2,500 combat arms bonus,

which represents enlistees who are high school graduates, upper mental category personnel and enlisting for four years.

Reenlistments. We reenlisted over 58,000 men and women, 108 percent of our objective and 23 percent more than in FY1973.

- 22,000 first-term soldiers (135 percent of objective.
- 36,000 career soldiers (97 percent of objective.

Representation. At year end, the minority content of the Active Army was about 21 percent of whom 19 percent are Black. This represents an increase of about 3 percent in minority content since end FY1973. The increase is due primarily to enlistments which ran about 27 percent Black for FY1974, indicating that group's positive perception of the opportunities available in the Army.

Reserve Components. In the Reserve Components, the Army National Guard ended the year at a strength of about 411,000 or 8 percent above the authorized drill strength. Both components have shown great resiliency in overcoming the disappearance of long waiting lists of recruits -- lists which decreased when the draft ended. Black participation in the Reserve Components has steadily increased and Blacks now comprise 5 percent in the ARNG and 6 percent of the USAR strengths. Intensive recruiting of females has resulted in ARNG exceeding its objective by 14 percent and USAR by 82 percent with females now numbering 8,900 within two components. Thus, both components continue their effort to maintain strengths and become more representative of the communities in which they are located.

Readiness. The readiness goal for all major United States Army force is to achieve a combat ready posture. When the last draftee entered the Army, 4 of our 13 divisions were combat ready. Today all 13 divisions are operational and ready for combat.

The Year End Report repeated the success story:

1/ Ibid., p. 11.

This is a report on the status of today's Army after 2 years as a volunteer force. The Army, in fact, became truly all volunteer with the discharge on 22 November 1974 of the last enlisted draftee who did not want to remain in the Army.

The first major test of the volunteer Army was to meet its Fiscal Year 1974 end strength, a goal which many thought to be impossible. The Army not only met that goal, but even slightly exceeded the authorized strength of 781,600 by 1,300 soldiers. Having proven that we can recruit the number of people required for the Army, we have increased emphasis since June 1974 on improving the quality of our new enlistees as well as the overall quality of the Army. We have made significant progress. The percentage of Mental Category IV personnel recruited, the lowest category accepted into the Army, has dropped from a high of 29.4 percent in July 1973 to a low of 6.4 percent in December. Since the end of 1972, the overall Mental Category IV content of the Army enlisted force has dropped from 21.4 percent to 16.5 percent. During the same period, high school graduates have increased from 70.6 percent to 74.5 percent. In terms of discipline, absence without leave and desertion rates dropped to the lowest level since 1969, with nonjudicial punishment and courtmartial rates also declining. Based on current programs, we expect these favorable trends to continue.

In summary, the Army's second year as a volunteer force was highly successful. We not only recruited sufficient men and women to meet our authorized strength, but at the same time, improved to the point that it is capable today of fulfilling any mission which it might be assigned.

The two reports were issued 15 months and 22 months after Howard H. Callaway became Secretary of the Army. At the time he became Secretary in April 1973, the Army was suffering recruiting shortfalls -- largely because of the self-imposed limitation of 30 percent nongraduates from high schools and the question of Army "sabotage" of the volunteer force effort had been raised. Under the circumstances it was appropriate for Secretary Callaway to publicize the Army's achievements widely. The turn-around was indeed remarkable. In no small part it was attributable to Secretary Callaway's vigorous support of the volunteer effort.

Results During FY1975 and FY1976

The results for all of FY1975 continued to tell an impressive success story. All Services met or exceeded their accession objectives and, for all practical purposes, met their military strength objectives.

Military Strength and Accessions - FY1975 (June 30, 1975, In Thousands)

	<u>Objective</u>	<u>Actual</u>	<u>% of Strength Objective</u>	<u>% of Accession Objective</u>
Army	785	784	99+	102
Navy	535	535	100	101
Marine Corps	196	196	99+	101
Air Force	611	612	100	102
TOTAL DOD	2,128	2,127	99+	102

Overall the "quality" of enlisted accessions, as measured by educational level and mental test scores was at an all-time high. In the two tables which follow, the percentages for FY1974 and FY1975 are compared with FY1964, a pre-Vietnam year under the draft:

Enlisted Accessions - Percent of High School Graduates

	<u>All Services</u>	<u>Army</u>	<u>Navy</u>	<u>Marine Corps</u>	<u>Air Force</u>
FY1964	65%	67%	58%	61%	84%
FY1974	66	56	70	54	92
FY1975	72	66	75	57	91

In all Services the proportion of Mental Group IV (Below Average) was at an "all time" low during FY1975. In view of the fact that about 30 percent of the military age population would fall into Mental Group IV, or below, the Military Service with only 6 percent of its Below Average Group entering Service enjoyed a relatively high standard.

Enlisted Accessions – Percent Mental Group Distribution

	All Services		Army		Navy		Marine Corps		Air Force	
	MG I-III	MG IV	MG I-III	MG IV	MG I-III	MG IV	MG I-III	MG IV	MG I-III	MG IV
FY 1964	85%	15%	80%	20%	91%	9%	91%	9%	96%	4%
FY 1974	90%	10%	82%	18%	97%	3%	92%	8%	99%	1%
FY 1975	94%	6%	90%	10%	95%	5%	96%	4%	99+	< 1%

The story was repeated in FY1976, except for the Reserve Components which showed some weakening in their ability to maintain their authorized strengths. As of June 30, 1976, total Active military strength was 2,081,900 -- 99.8 percent of the objective. All Services essentially met or exceeded their strength objectives. There were 422,100 men and women recruited by all Services -- over 100 percent of the objective. For all Services the percentage of high school graduates accessions was 75 percent, exceeding the 72 percent of FY1975. The percentage of new personnel in the Average and Above Average Mental Groups was 95 percent, slightly above the percentage of FY1975. ^{1/}

CONCLUSIONS

The conclusion reached in 1973 that renewal of the draft was not necessary because a sufficient number and quality of personnel could be obtained on a volunteer basis proved to be correct. The much criticized performance evaluation system had worked sufficiently well to enable such a valid forecast to be made. The forecasts made in the Laird report in August 1972 -- about one year after the development of the evaluation system -- for the most part had been validated by results after two years without the draft.

There were some shortcomings in forecasting capabilities: the shortfalls as a result of the Army restriction of 30 percent non-high school graduates in the last half of 1973 were underestimated; the increase in Blacks was larger than had been projected; the upturn in enlistments as a result of higher youth unemployment rates from late in Calendar

^{1/} A slight weakening of the market appeared to be occurring in FY1977. In July-September 1976, high school graduates were about 3,000 less than in the previous year. The Army combat arms enlistment shortfall for the Fiscal Year was 3,700 in the first quarter.

Year 1974 through 1975 was not anticipated. On the whole, however, the system provided management with timely analysis of emerging problems. The performance evaluation system was one of the important ingredients of the successful transition to an All Volunteer Force.

The evaluation function of measuring the costs and effectiveness of various elements of the volunteer force program, discussed in Chapter XI, was less successful. On this score the conclusions of the RAND Corporation report of December 1971 were prescient:

It must be recognized that for many of the component programs of Project Volunteer the prospects of measuring behavioral affects are not good because it is difficult to separate the effects of various programs. ^{1/}

Assuming good management by the Department of Defense and maintenance of an adequate system of incentives, the evaluations clearly indicated by the end of FY1976 that peacetime Active Forces of the present size composed of men and women who met high qualitative standards could be maintained on a voluntary basis. A slight weakening of the market appeared after the end of FY1976; in July-September 1976, high school graduate enlistments were about 3,000 less than in the previous year. There were also signs that the Reserve Components were in need of attention. The actual average strength for the fiscal year was 865,000 compared to the authorized strength of 904,000. The evaluation system was able to discern these problems and to indicate the need for corrective action shortly after the problems appeared.

^{1/} The Evaluation of the Transition to a Volunteer Force, M.S. Hoffman and M.R. Fierella, RAND Corporation, December 1971, p. iv.

PART III

SPECIAL POLICIES AND PROBLEMS OF THE VOLUNTEER FORCE

CHAPTER VII

THE DRAFT DURING THE TRANSITION YEARS

You might as well fall flat on your face
as to lean over too far backwards.

James Thurber

The Nixon Administration did not plan to end the draft abruptly. When, in 1970, President Nixon accepted the basic conclusion of the Gates Commission to move toward ending the draft, he also recognized that the draft should be reformed so as to operate more fairly during the years of transition to a volunteer force. Reducing draft calls became an important interim objective. Draft reform, draft call management during the transition, and the standby draft are parts of the history of ending the draft. These three topics are the subject of this chapter. Chronologically, the topics and the events described in this chapter are a "flash back" to Part II of the book; they are presented separately, however, in order not to interrupt the account in Part II of the growth of the volunteer force.

DRAFT REFORM

The pressure during the 1960's to reform the draft contributed greatly to the pressure in the 1970's for its abolition. While the AVF progressed from a campaign promise to the Gates Commission, to Project Volunteer, and finally to legislative action in 1971, the Nixon Administration also made concurrent attempts at draft revision. Several reforms of particular importance were adopted between 1969 and 1971. They were:

- The lottery, which was begun in 1969, and which included the 19-year-old draft and limited maximum vulnerability to one year.
- The elimination of occupational and student deferments in 1970 and 1971.

- The uniform national call put into effect in 1972 to eliminate local quotas for delivery of draftees and to enable the lottery to work on a nation-wide basis.
- The guarantee of procedural rights to individuals wishing to appeal the decisions of local boards.

Of these reforms, the lottery and the improvements it included aroused the most controversy. They were the earliest of the major reforms which helped to ease the burden of the draft. With continued public criticism of the draft and with General Hershey's retirement in 1970 as Director of Selective Service, the lottery later led to the uniform national call which coincided with the end of college deferments and the guarantee of procedural rights in 1971.

Prior to the reforms of 1969 and 1971, the operation of Selective Service was full of inequities, and the major accomplishment of the reforms was to reduce the inequities. The drafting of the oldest first, as required by the Military Selective Service Act, had been imposing seven years of uncertainty on young men; from ages 19 through 26 the draft had disrupted career and family planning. The performance of local boards and the populations they registered had varied widely. Deferment policies had been another source of inequity and it was frequently the poor and the uneducated who could not beat the system, go to college, or find deferred occupations. Although deferments were widespread, the size of the available manpower pool in the years just prior to the Vietnam War had begun to exceed the requirement for draftees. Consequently, an increasing proportion of young men reached age 26 without being drafted and escaped the draft entirely.

The operation of Selective Service during the years before the reforms was based on outmoded ideas, such as local board autonomy, state and local draft quotas, and the assumption that local citizenry knew best which individuals to draft. Byron Pepitone, now the Director of Selective Service, later described those years at Selective Service:

We were endeavoring to use bureaucratic machinery established for an agrarian society 100 years earlier. I have no objection to having local citizenry choose those to go for military service, but local knowledge is a myth. Here was an agency just fit for computerization but running on pencils and paper and the assumption that local citizenry knew the individuals they were drafting. ^{1/}

^{1/} Interview with Byron Pepitone, Director of the Selective Service System, June 29, 1976.

By 1969 Selective Service was ripe, if not over-ripe, for reform.

THE LOTTERY

When the Nixon Administration came into office in January 1969, an effort to implement a draft lottery had just been stalemated by opposition from Congressman Hebert, who was then Chairman of the Special Subcommittee on the Draft of the House Committee on Armed Services, and General Hershey. Just before leaving office, President Johnson had tried again to get "FAIR" (his proposal for a draft lottery) through Congress. All that was needed was repeal of a clause in the 1967 Act which restrained the President from altering the order of call so as to establish a lottery. But Johnson was on his way out when he resubmitted the proposal and he was too weak politically to fight a major battle for draft reform, and General Hershey complained that Johnson's proposal would be difficult to administer. FAIR got a "predictably hostile" reception from the House Armed Services Committee. When Melvin Laird became the new Secretary of Defense, Alfred Fitt, the outgoing Assistant Secretary for Manpower and Reserve Affairs, identified the opposition of Hershey and Hebert as the principal reason for the failure to get FAIR adopted. Fitt noted that Congress and General Hershey still appeared to be reluctant in the pursuit of draft reform. ^{1/}

In May 1969, Senator Edward Kennedy submitted legislation to repeal the restraint clause, provide for a lottery, and eliminate educational and occupational deferments. After Kennedy's initiative, President Nixon in May offered his own proposals for draft reform. In a message to Congress he recommended a lottery, a youngest-first order of call, and a period of limited vulnerability. ^{2/} Nevertheless, he did not immediately submit a bill to repeal the restraint clause. Both the House and the Senate Armed Services Committees traditionally respond only when Administration bills are submitted, so no hearings were held on either Kennedy's bill or the President's recommendations. Not until August did the Administration finally send a bill to Congress.

The Administration's impetus for reform came from the Department of Defense, not the Selective Service System. Soon after the Administration sent its legislation to Congress, Secretary Laird recommended to the President that the Administration should try to achieve some

^{1/} Memorandum from Assistant Secretary Alfred Fitt to Secretary Laird, Subject: Selective Service Matters, January 1969, ASD(M&RA) files.

^{2/} Message from the President relative to Reform of the Selective Service System, House Document No. 91-116, May 13, 1969.

reform by administrative rather than legislative action if the Armed Services Committees failed to act. In the search for administrative alternatives General Hershey proposed a "prime age group" plan which limited vulnerability to one year at age 19. The major deficiency of his proposal, however, was its approach to the requirement of the 1967 Act that the oldest be drafted first. Hershey simply wanted to draft the oldest 19-year-olds first. This was administratively convenient but it did not use the random selection method of a lottery, and Secretary Laird rejected the plan. Instead, he proposed a "moving age group" plan, which also limited vulnerability to one year at age 19 but, to meet the "oldest first" requirement, would have drafted first the oldest within each month for which a draft call was placed. Laird believed that this plan introduced an element of chance. However, he realized that even his proposal of possible executive action was not equal to the President's proposals which were stalled by Congressional inaction. So, Laird concluded that pressure should be put on Congress to repeal the restraint clause.

Toward that end, Assistant Secretary Roger Kelley and Frank Slatinshek, the Assistant Chief Counsel to the House Armed Services Committee, met to discuss the matter. Slatinshek reaffirmed the general objection by the House Committee to draft reforms. He explained the Committee's belief that opening up the law at that time might bring a flood of amendments that could be undesirable to the Pentagon, the war effort, and the House Committee. In particular, the repeal of the restraint clause could become bogged down by debates over anti-war amendments, student and occupational deferments, limits on local board powers, procedural rights, conscientious objectors, and the volunteer force. With the committee unwilling to act, Kelley raised the possibility of achieving reforms by executive order. As Slatinshek understood what might be done without Congressional approval, he warned that such actions, particularly the "moving age group plan," could cause administrative problems for Selective Service. Thus, the committee was in the position of opposing both legislative and executive action to reform the draft. 1/

On September 19, 1969, the Secretary of Defense and the President went to the public. In a joint statement and press release, they explained in full the executive actions that would ensue if Congress failed to act on the President's proposals. The President would put the "moving age group plan" into effect by executive order.

For awhile, the Democratic leadership in the House and Senate remained reluctant to act. Senate Majority Leader Mike Mansfield and Speaker Carl Albert claimed that a backlog of legislation would not per-

1/ Memorandum from Assistant Secretary Kelley to Secretary Laird, September 1969, ASD(M&RA) files.

mit consideration of draft reform. Actually, the Democrats could not agree among themselves on whether the debate on draft reform should be limited to repeal of the restraint clause, as the President wished, or wide open for broader draft reform and anti-war amendments, as Kennedy and other liberals wished. Time was running out in the Congressional session. Since Congressional action appeared unlikely, public, press, and Congressional pressure for draft reform mounted. Mansfield, Kennedy, Senator Mark Hatfield, and Hebert called upon the President to undertake reform by executive order. The situation amounted to the Republican President and the Democratic Congress urging each other to act and blaming each other for the continued failure to reform the draft.

Then L. Mendel Rivers, Chairman of the House Armed Services Committee, shifted position and relieved the political pressure. Previously intransigent, he suddenly scheduled subcommittee hearings on the President's proposals. Hebert was to chair the subcommittee hearings, however, so the chances for the lottery looked bleak. In addition, Senator Stennis doubted that his committee would approve the lottery. Instead, he promised full hearings on the draft as soon as possible in the next Congressional session.

Hebert held four days of generally critical hearings on the issue in October 1969, but then to the surprise of many, the subcommittee recommended and the House Armed Services Committee approved the lottery, the youngest-first order of call, and the limited vulnerability, by a 31-0 vote. Hebert stated the reason for the committee's reversal:

The subcommittee was not persuaded the proposed change in the system of selection would provide any greater equity in the selection process than is provided by the present 'oldest-first' system.

However, in view of the strong recommendation of the President in this regard, urging the Congress to permit him to modify the existing system of selection, the subcommittee believes that this request of the Commander-in-Chief should be honored. ^{1/}

^{1/} New York Times, October 17, 1969, pp. 1 and 23.

This was not, however, the whole story. Hebert had fought hard against the lottery in 1967 and as recently as January 1969, when the Johnson Administration had resubmitted FAIR. Now he said he had suddenly come to believe that the "request of the Commander-in-Chief should be honored." Other factors contributed to Hebert's reversal. First, he had been able, in committee, to beat back those amendments he had opposed. By procedural votes, the amendments had been ruled not to be germane to the issue at hand. Furthermore, similar procedures could probably be followed on the House floor and in the Senate Committee. If anti-war or other controversial amendments were added which Hebert and the President opposed, then the President could always veto the legislation. Finally, Hebert was responding to the intense pressure for draft reform which occurred against the background of massive anti-war protests. While Hebert's subcommittee was considering the lottery, millions of citizens joined the first Vietnam "moratorium" demonstrations.

On October 20, the House approved the lottery selection of 19-year-olds after rejecting a proposal to consider additional reforms. On the other side of Capitol Hill, however, the lottery did not fare so well that day. Senate Democratic leaders dealt the President a serious rebuff as they again refused to act during the current session. Mansfield held out for a comprehensive review during the following session.

Then, within a month, the situation changed again. Yale University President Kingman Brewster, a frequent critic of the draft, proposed that the lottery bill be amended to advance the expiration of induction authority to January 1, 1971, thereby assuring that a comprehensive review would have to be held during the next Congressional session. Mansfield and Kennedy jumped at the plan, seeing it as a way to pass the reforms proposed by the President and still assure a comprehensive review of the draft during the next session. Stennis then announced that his committee unanimously favored the President's proposals and planned brief hearings. He remained opposed however, to attaching additional reforms not proposed by the President to the lottery bill and threatened that if the bill "gets cluttered" with amendments "we will ask that it be sent back to committee." ^{1/} This left Kennedy and others who favored other reforms and amendments in a difficult situation. If Stennis carried out his threat, the Democratic Congress and particularly the liberal reformers could be responsible for thwarting the President's proposals -- reforms which the liberals wanted very much. They did not want to throw away a chance at draft reform just because they could not get all that they wanted.

The following day, Kennedy, Mansfield, and Stennis met. Kennedy yielded on the issue of other amendments in return for a promise by

^{1/} N.Y. Times, Vol. CSIX...No. 40,834, November 11, 1969, p. 8.

Stennis to hold comprehensive hearings on the draft no later than February 15, 1970. The two Senators then appeared before the press to announce their agreement. "You don't feel you've been taken to the cleaners on this?" a reporter asked Senator Kennedy. "Never, never," replied Senator Stennis, intercepting the question as Kennedy silently eyed him. 1/

After the agreement between Kennedy and Stennis, committee approval and Senate passage followed easily in November. The President signed the bill, thus completing the first major legislative victory for the new Administration. In December 1969, Selective Service held the first draft lottery since 1940.

The President's lottery proposal, when finally implemented, would ameliorate most of the objectionable features of the old system. Under the lottery the order of call was provided by random selection of birthdays -- the "luck of the draw." The drawing would be made prior to a young man's 19th birthday, and his 19th year would be his year of maximum vulnerability. If his sequence number was not called up during his 19th year, the young man was placed lower in the order of call. For practical purposes, short of all-out mobilization, his vulnerability was limited to one year. The primary age group of 19-year-olds replaced the old procedure of the "oldest first" order of call. With the order of call provided by chance, it was not necessary to grant wholesale deferments in order to reduce the size of the manpower pool so that virtually all qualified and available 26-year-olds would serve. The lottery system thus facilitated the curtailment of deferments.

Early in 1970, there were repeated alerts from the Office of the Assistant Secretary of Defense for Legislative Affairs that Stennis would hold hearings on draft reform and on the All Volunteer Force. Several reform bills had been submitted by several Congressmen, but there was as yet no legislative program from the Administration on the All Volunteer Force and the draft authority did not expire until July 1, 1971. To Stennis, the "status quo" was preferable, so the hearings were never held. This was not unwelcome to some volunteer force advocates who believed that success of the lottery and draft reform might abate criticism of the draft and cut off movement toward the volunteer force.

THE ENKE REPORT

At the same time that Congress was struggling with the legislation on the lottery, the White House initiated a high-level, comprehensive

1/ N.Y. Times, Vol. CXIX...No. 40,835, November 12, 1969, p. 1.

study of the Selective Service System to determine what further reforms might be necessary. Dr. Stephen Enke, a former Defense employee in Systems Analysis, was commissioned as an expert by the White House to conduct the study.

In December 1969, his report, which became known as the "Enke Report," was made available to a limited number of officials within the Administration. ^{1/} Enke's recommendations were strikingly similar to those of the Marshall Commission in 1967. Both studies recommended:

- A direct national call and the elimination of local board and state quotas.
- The end of college deferments.
- The end of occupational and agricultural deferments.
- Standardized local board procedures.
- The use of automatic data processing by Selective Service.

The important difference from 1967, however, was that this time the recommendations received better support. During the election campaign and in his message to Congress in May, President Nixon had committed himself to draft reform. Soon after Enke delivered his report, General Hershey was succeeded as the Director of Selective Service by Curtis Tarr, who was more supportive of reform. Certainly the mood of Congress and the public had changed since 1967. The cumulative effect was that whereas many of the earlier studies and reviews of Selective Service, such as the Marshall report and the Clark study, discussed in Chapter I, had been left to collect dust, the Enke report, in its most important recommendations, became a program for reform.

SPECIAL SUBCOMMITTEE ON THE DRAFT, HOUSE ARMED SERVICES - 1970

Though Senator Stennis never held hearings in 1970 on the draft, Congressman Hebert did. Hebert was chairman of the House Special Sub-

^{1/} Secretary Laird took an active interest in the report. Al Kay, then Assistant Director of Procurement Policy, ASD(M&RA), was assigned fulltime to assist with the report. Laird and Kelley believed that active interest by the Defense Department was needed to offset the lack of interest by the Selective Service System.

committee on the Draft which held seven days of oversight hearings to review the administration and operation of the draft law. The hearings were in executive session, closed to the public. They were held because the lottery did not run smoothly during the early months of 1970. Hebert was upset over the public criticism and confusion which had resulted from the lottery and the other reforms passed in 1969. There had been accusations that the drawing of lottery numbers had been mismanaged. Inequities occurred when some local boards, in attempting to satisfy individual draft quotas, were required to induct registrants with lottery numbers as high as 150 while other boards did not have to go beyond lottery numbers 30 or 40.

The Administration's response to the uneven distribution of lottery numbers was twofold. As a temporary measure, Selective Service established monthly ceilings on lottery numbers that could be drafted and directed that no local boards should draft above the monthly ceilings. ^{1/} For a permanent policy, the President requested further amendments to the draft law. He proposed a direct national call and authority to end future undergraduate deferments. ^{2/}

Hebert, however, objected to any immediate changes in the draft law. He opposed public hearings on the matter because he believed that the lottery had created a dangerous, chaotic situation and that public hearings would only add to the confusion. The ceilings on lottery numbers had prevented many local boards and states from meeting their quotas. On top of the shortfalls and the lottery, Hebert said the ceilings had led to uncertainty over who would be drafted. ^{3/} In July he

^{1/} Within the Administration there were apprehensions about the Selective Services' willingness and ability to manage the new system. Peter Flanagan of the White House staff convened an ad hoc group of experts to advise on the establishment of lottery ceilings. The group included Enke, Donald Srull, Deputy Assistant Secretary of the Army (M&RA), and Fred Suffa, a manpower expert from the Procurement Policy staff of ASD(M&RA).

^{2/} The President's recommendations for draft reform were part of the same statement on April 23, 1970, in which he accepted the general conclusions of the Advisory Commission on the Volunteer Force. He also issued at that time an executive order ending future occupational and paternity deferments.

^{3/} House Armed Services Committee, Special Subcommittee on the Draft, Review of the Administration and Operation of the Draft Law, HASC No. 91-80, 1970, pp. 12465-12469.

began hearings in executive session and made clear his opposition to both public hearings and any immediate amendments to the draft law:

I am adamant against public hearings and any tampering with the draft law during this session of Congress. I don't think any good can come from it. I think it would just open a Pandora's box, in this year we are in.

...My paramount concern is the security of this Nation. And from the events that have taken place and how they take place, I don't think discussion of this type in an open forum would serve the purpose, except to even more divide the American people and bring about more chaos than now exists. 1/

Curtis Tarr was the principal spokesman for the Administration at the oversight hearing on the operation of Selective Service. In his statement, Tarr explained that the shortfalls and operational problems had resulted from the procedural changes that were necessary because of the initiation of the lottery and the youngest-first order of call. Information and pre-induction physicals had previously been managed according to the oldest-first criterion. Now they had to be rearranged by lottery number, and some local boards found that their registrants, or their pool of examined and qualified registrants, contained an inordinate proportion of men with high draft numbers. Such circumstances served to demonstrate the need for a direct national call. Tarr explained that the local boards had overcome their initial shortages by drafting in excess of their quotas during the months after the procedural adjustments had been made.

However, Tarr's explanations did not quell Hebert's criticism of the lottery or of the way the draft law was managed. In December, after the hearings ended, Hebert wrote to L. Mendel Rivers, the Chairman of the House Armed Services Committee, that the lottery and the other reforms had not resulted in greater equity and that the proposals for additional reform only served to further confuse the public. Hebert blamed part of the confusion on the federal judiciary for not enforcing the draft law. He wanted more convictions and stiffer sentences for draft evaders.

1/ Ibid., p. 12469.

So, the hearings had no direct effect on either the management of the draft or the plans for ending it. No legislation was considered during these hearings; their function was Congressional oversight only. Not until 1971 would further draft reforms and a program for ending the draft be considered by the Armed Services Committee.

THE NATIONAL CALL AND THE END OF COLLEGE DEFERMENTS

In January 1971 the situation with respect to draft reform changed. Hebert ascended to the chairmanship of the House Armed Services Committee after the death of L. Mendel Rivers in December 1970. The newly elected 92nd Congress convened and the President sent to Congress the package of four bills designed to extend, reform, and eventually end the draft and move to a volunteer force. Suddenly, the draft extension, military compensation, and the volunteer force became more important issues. The final draft reforms -- the direct national call, authority to end student deferments, and the guarantee of procedural rights -- sailed easily through the House and Senate and became law in September 1971. They were belated reforms; there would be only one more year of draft calls.

In the presentation of the Administration's reasons for recommending the four bills, Secretary Laird emphasized the need for an extension of induction authority and Kelley explained the AVF program while Tarr justified the draft reforms. The major inequity remaining in Selective Service was undergraduate deferments, which handicapped those who for one reason or another did not go to college. Tarr had been a university president and firmly believed that the draft had influenced many young men to go to college who were not college material and who might otherwise not have gone. He explained that while an undergraduate deferment technically only postponed the time when a young man would enter Service, in actuality the longer he was able to delay his entrance the better his chances of becoming exempt because of physical impairment, family hardship, or conscientious objection. Because deferments decreased men's chances of being drafted, they also decreased the chances of their serving in Vietnam.

In 1967 Congress had acted to protect undergraduate deferments after the Marshal Commission recommended that they be ended. The 1967 Military Selective Service Act declared that student deferments "may be substantially restricted or terminated by the President only upon a finding by him that the needs of the Armed Forces require such actions." ^{1/} President Nixon now sought to repeal this section of the law and end

^{1/} The Selective Service Act of 1967, Section 6, paragraph h(1).

college deferments retroactively to April 23, 1970, when he had announced his intentions to seek an end to such deferments. Several House Committeemen maintained that the 1967 Act did not prevent him from ending college deferments, but they complied and voted overwhelmingly to repeal the section of the law. The Senate did likewise but restricted the President from retroactively repealing college deferments. This restraint was retained in the conference report.

The concept of the uniform national call was challenged by some members of the House and Senate Armed Services Committees. The national call was to replace the system of quotas that allocated draft calls to states and to local boards on the basis of the number of men available for service within the state and local board jurisdiction; credit toward the quotas was given for men who voluntarily enlisted. Many southern Congressmen and Senators just could not accept the idea that their states should not be given credit for the fact that they produced proportionally more volunteers. 1/ The old system of draft quotas had reduced the draft burden for such areas. The belief that the states should contribute proportionally equal amounts of their citizenry to military service was a notion that dated back to the militia system when the states were viewed as having an obligation toward their common defense. The direct national call was a reversal of that state-oriented approach to distributing the burden of military service. The new approach essentially declared that equality should be not among states but among individuals. Americans had long since ceased to fight as Iowans, Virginians, and such. Tarr explained that, in taking the point of view of the registrant rather than that of the state, the uniform national call was the fairest way to run the system.

The logic of the uniform national call is that the fact that one man who did not have to go went willingly should not relieve another man of his responsibility to serve if he has a low enough number so that he should. 2/

While the state and local quota system had, in the view of the House Committee, worked well over the years, the Committee did concede that substitution of a uniform national call "may be more equitable in view of the establishment of the lottery." 3/ The Senate Committee took no issue with the uniform national call.

1/ Interview with Byron Pepitone, Director of Selective Service, June 29, 1976.

2/ HASC Hearings, 1971, op. cit., p. 126.

3/ HASC Report to accompany H.R. 6531, op. cit., p. 10.

House and Senate acceptance of these final reforms, including the guarantee of procedural rights to registrants appealing local board decisions, completed the process of draft reform. The old system of "channeling" to manage the manpower pool by way of deferments had been thrown out. Deferments for marriage, paternity, graduate school, occupations, and undergraduate school had been eliminated. These reforms, with the lottery and uniform national call, made the local boards more consistent. Qualified young men were now equally exposed to military service under the lottery. Nothing more could be done now to make the draft any fairer; the next step was to end it.

DRAFT CALL MANAGEMENT DURING THE TRANSITION

The reduction of draft calls during the transition to the All Volunteer Force and the substitution of true volunteers for draftees and draft-motivated enlistees were significant steps toward ending the draft. Draft calls were steadily reduced over a period of four years. During the build-up of the Vietnam War, draft calls had averaged over 300,000 annually. With the gradual withdrawal from Vietnam and the move to the All Volunteer Force, they were steadily lowered and eventually reduced to zero, as shown below:

<u>Calendar Year</u>	<u>Draft Call</u>
1969	290,000
1970	163,500
1971	98,000
1972	50,000
1973	0

The policies for ending the draft did not occur in any single revelation to President Nixon or others in his Administration. Instead, policy evolved, through a succession of interim goals, events, and conflicting pressures over the size of draft calls, Army strength, and withdrawal from Vietnam.

After about six months in office, the higher circles of the Nixon Administration began quietly to discuss hopes for a moratorium on draft calls. This discussion coincided with highly tentative plans for gradual withdrawal from Vietnam, which was known to a limited number of key personnel and planners whose work required this knowledge. In September 1969, the President announced the first withdrawal and redeployment of troops from Vietnam. These events began a long series of reductions in draft calls, Vietnam withdrawals, and reductions in military strength which led to the end of the draft in 1973. Not incidentally, these events were the product of the decision to withdraw from Vietnam.

Planning for the first reduction of draft calls began in August 1969. In anticipation of further anti-war demonstrations on college campuses after the beginning of the school year, Secretary Laird asked the Army what could be done to reduce draft calls dramatically. The Army replied that the draft call for October, which would have been 27,000 (the Marine Corps had placed a call of 1,400), could be reduced to 10,000 on the basis of the withdrawals which the President planned to announce in September.

A formal request for consideration of a "draft holiday" was made in late August to Secretary Laird by Dr. Henry Kissinger, the Presidential Assistant on National Security Affairs. Assuming that there were no draft calls for one or more months, Defense was asked by Dr. Kissinger to determine how long this could be sustained and at what level draft calls would have to be resumed.

The Defense Department replied that a reduction in draft calls would be the normal procedure if reductions in military strength occurred. If draft call reductions were made pursuant to withdrawal of troops from Vietnam and concurrent strength reductions, the draft reduction could appropriately be considered to be responsive to military requirements, rather than the result of political considerations. Defense furnished the President a table which displayed the currently planned draft calls and levels of draft calls that would be planned if Army military strength were reduced by 50,000 or, alternatively, by 100,000.

The Administration made the logical decision to link the withdrawals from Vietnam, the resultant military strength reductions, and the reduction of draft calls as an integrated action. A major policy was beginning to evolve. On September 19, 1969, following the President's announcement of the first withdrawal, Mr. Laird explained:

As the President stated, we are cancelling the Defense Department's previously programmed draft calls for November and December. The programmed draft call for November was 32,000. It was 15,000 for December. These men will not be called.

....Looking ahead to January 1970, our presently programmed draft call totals 35,000 men. This programmed draft call will be reviewed during December.

As the President indicated, his announcement results from the progress in Vietnamization and other manpower actions we have taken in the Department of Defense.

We have announced in recent weeks that the planned fiscal year end strength of 3.452 million men will be reduced by more than 150,000 men. Reduction in the Navy's military manpower will total some 72,000. The Army previously reported reductions of 34,000 and I said on Wednesday that the major portion of 20,000 men to be [withdrawn] from Viet Nam will also come from the Army. ^{1/}

These were the "words and music" of the coming months -- withdrawals, Vietnamization, strength reductions, and reduction of draft calls. Although it was not yet clear in 1969 that the draft would be ended, these were actions which moved policy in that direction. The goal of ending the draft evolved further in 1970.

CALENDAR YEAR 1970: DRAFT CALLS UNDER THE LOTTERY DRAFT SYSTEM

In 1970 draft calls were reduced to 163,000 from the 1969 level of 290,000, but not without a struggle against competing requirements. Secretary Laird kept the pressure on for making reductions. Early in January he asked ASD(M&RA) for a projection of plans for the year. Based on program decisions made in connection with the President's budget for FY1971, calls were projected to be 182,500 in 1970 -- comfortably below the pre-budget plan of 225,000 which Mr. Laird had announced publicly at a press conference in December 1969.

Laird was interested in a rule of "no month-to-month rise in draft calls." In response to an inquiry from him, ASD(M&RA) advised the Secretary that it would not be necessary to increase the calls from month to month. With that, the policy of reducing draft calls became a bit stronger. The ASD(M&RA) memorandum to Laird discussed the merits of a level monthly draft call but supported the Army plan which contained monthly calls of 19,000 early in the year but lower calls toward the end of the year.

Because Selective Service could not adjust immediately to the change in the lottery system which began in January 1970, and because of the ceilings on draftable lottery numbers, Selective Service did not deliver the number of draftees requested by the Department of Defense during the first four months of 1970. In January the Army

^{1/} Secretary of Defense Statement on the Draft, News Release no. 778-69, September 19, 1969, ASD(Public Affairs) files.

requested a March draft call of 19,000 men and requested that the "shortfall" of January and February -- over 7,000 draftees -- be made up in March. AS (M&RA) recommended deferral of the decision and pointed out to Secretary Laird that it would probably be necessary to go up to lottery number 130 if the "shortfalls" were made up. The March draft call, as well as the April call, was approved at 19,000. But the press had already begun to speculate that the entire range of draft sequence numbers would be reached during the year and that the new system was a failure.

Neither "shortfalls" in the delivery of draft calls nor continuous raising of the ceilings on lottery numbers was desirable. The Administration had hoped to gain public approval -- particularly from the college age population group -- for the draft reforms which were represented by the lottery system. At least the old system had delivered the men who were needed. Sooner or later the consequences of "underdeliveries" would be felt in Army manning shortages. Vietnamization was too tenuous for the prospect of Army shortages to be comfortable. But the rapid rise in sequence numbers to fill draft calls seemed to negate the claims that the new system could provide more certainty about one's chances of being drafted.

The situation was clarified in April at a meeting between Assistant Secretary Kelley, Curtis Tarr, the Director of Selective Service, and William Brehm, then the Assistant Secretary of the Army for Manpower and Reserve Affairs. The matter was brought to a head by the accumulation of Selective Service "underdeliveries" of 12,000 for the draft calls of 50,000 for January-March 1970. The Army had requested another draft call of 19,000 for May and it appeared that the ceiling on sequence numbers would have to be raised appreciably above lottery number 130 which had been reached in April. Kelley advised Secretary Laird that the following conclusions were reached at the meeting:

1. Draft calls of 15,000 would be announced for May and June.
2. Simultaneously, Tarr would announce that shortfalls in deliveries had occurred; that deficient states and local Selective Service boards would be expected to make up the shortfall; and that Selective Service would meet Army requirements in the months ahead.
3. Monthly draft calls would decline after June and were now estimated to be about 150,000 for the year.

By the end of April the early lottery management problems had begun to sort themselves out. Physical examinations were now being given according to lottery number and the pool of examined and qualified registrants was no longer disproportionately weighted by men with higher lottery numbers. Better management of the lottery and strength cuts in the Army enabled the Administration to avoid a serious crisis.

In a meeting with the press on April 26, 1970, five days after the President accepted the recommendation of the Gates Commission to move to a volunteer force, Secretary Laird tied the reduction in draft calls to the volunteer force for the first time:

As far as the draft is concerned, we are very much interested in seeing that draft calls are reduced to zero just as soon as possible. The Presidential message to the Congress of last week levied this charge upon the Department of Defense in very clear and precise terms....

Last year we were able to substantially reduce draft calls in an effort to reduce the draft to zero and we suspended and cancelled the draft calls for November and December. These reductions were based upon the progress we had made with Vietnamization as far as Southeast Asia is concerned.

The President last weekend announced a further reduction in our force level, our troop ceiling in Southeast Asia. As you know, he established a troop ceiling in May of 284,000. This compares with the troop ceiling of 549,000 prior to the Midway Conference [in 1968]....

By this tremendous reduction in this short period of time and by reducing the troop ceiling to 284,000 we will be able to further reduce the draft calls for this calendar year. The new draft calls will be as low as 150,000; they will be in the range of 150,000 to 180,000 for calendar year 1970. This reduction from previously announced totals of 210,000 or the original program of 250,000 for calendar year 1970 is a direct result of the President's announcement on Vietnamization and the redeployments which are made possible by the increased effectiveness and manpower base which is available in Viet Nam at the present time. 1/

1/ Secretary of Defense Laird's remarks before Joint Community Orientation Conference #40, April 28, 1970, ASD(Public Affairs) files.

The "words and music" of withdrawals, Vietnamization, strength reductions, and reductions in draft calls now included "zero draft." As contemporaneous events, they had become a unified policy consistent with the President's acceptance in principle of the Gates Commission report.

Although the policy of reduced reliance on draft calls was now established, conflicting pressures concerning the rule of "no month-to-month rises in draft calls" threatened that policy for several months in late 1970 and early 1971. ASD(M&RA) was under pressure to reduce draft calls. Reductions were consistent with the President's goal of "zero draft" and they enabled Selective Service to administer the lottery system so that a 19-year-old could be more certain of his chances of being called than he had been under the old system. On the other hand, the Army was under different pressures. The Commanding General in Vietnam, General Abrams, as well as the National Security Staff, criticized Headquarters if replacements in Vietnam fell short of requirements. While Army wished to avoid underestimates of draft calls or underdeliveries by Selective Service, ASD(M&RA) sought to hold draft calls to a minimum in order to stimulate the Army to improve its recruiting effort and in order to gain public approval for the volunteer force.

In responding to these conflicting pressures, the Army abandoned its previous method for calculating draft calls, which had taken into account anticipated fluctuations in trained strength and losses of those leaving the Service. The old procedure to determine draft calls was as follows:

- Determine the authorized trained strength needed five months after the month of the draft call. (The five-month lead time was an average elapsed time between entry of individual and his distribution to a unit as a trained replacement.)
- Project the trained strength of the Army for the target month, using the estimated losses to arrive at a probably end strength for the target month.
- Subtract the estimated actual trained strength from the required trained strength to provide an estimate of gains needed.
- Estimate the number of enlistments from the required gains.
- Subtract the number of estimated enlistments from the number of gains to derive the size of the draft calls.

Because authorized trained strengths varied monthly and because monthly losses fluctuated widely, the old procedure had a disadvantage in that

it resulted in relatively wide variations in monthly draft calls. At first, the Army agreed to implement the "no month-to-month rise" rule which Laird had asked about early in the year. Then, in July 1970, because of pressure to furnish Vietnam replacements, the Army proposed that new computations include an "add on" to meet Vietnam requirements in occupational specialties that were filled primarily by draftees. The revised method resulted in Army requesting a total draft call of 42,000 for September to December 1970. This compared to the anticipated 35,000 call for this period which Secretary Laird had approved in April for planning purposes.

Kelley recommended and Laird approved a compromise figure which placed draft calls at 39,000 for the four-month period. The monthly calls were as follows:

September	12,000
October	12,000
November	8,000
December	7,000

Thus, the rule of no month-to-month rises in draft calls was maintained throughout 1970. The total draft call for the calendar year was 163,500 -- the lowest since 1964.

In his memorandum which suggested the compromise to Secretary Laird, Kelley began to stress the importance of revitalizing Army recruiting -- a subject that was to become a recurring theme, particularly with respect to combat arms skills which were largely filled by draftees.

Higher calls in September or October will not solve any current shortages in trained strength or deployable skills. It may be possible to shift Army's recruiting efforts to better meet January-June 1971 Viet Nam replacement needs. A concerted effort should be made to change the mix of Army enlistees so that a greater number are enlisted for the combat career fields, for the low skill jobs previously obtained through the draft, and for unrestricted assignment. Army recruiting has concentrated on selling enlistments with guaranteed training in technical jobs or career fields. This shift must be made at some point in time to enable us to reduce and eventually eliminate draft calls. 1/

1/ ASD(M&RA) memorandum of July 30, 1970, to Secretary of Defense, Subject: Draft Calls, FY1971, ASD(M&RA) files.

CALENDAR YEAR 1971: CONGRESSIONAL ACTION AFFECTING DRAFT CALLS

The reduction of draft calls was arrested early in 1971 but was resumed later as a result of Congressional action to reduce Army strength.

Although the "no rise" rule was maintained throughout 1970, draft calls were higher (17,000 per month) from January through March 1971. Early in the year the issues of Army capabilities, readiness, and draft calls were moved to a higher level of decision making -- the Defense Policy Review Committee of the National Security Council. The National Security Council staff not only desired a smooth flow of Army replacements during the withdrawal from Vietnam but also the maintenance of authorized strengths in Europe. Furthermore, a change in the mixture of planned Army and Marine Corps troop withdrawals had led to an upward adjustment in planned Army strength to be maintained in Vietnam. Because of these circumstances, draft calls were increased temporarily.

The pressures which led to the 17,000 per month calls for the first quarter of 1971 continued through the following quarter. The April call was 15,000 and the call for May was 14,000. After the President's announcement on April 7, 1971, of further Vietnam withdrawals, the May call was canceled and superceded by a call of 20,000 for May through June. During the first half of 1971, the pressure to maintain Army trained strength had worked so as to modify temporarily the declining trend in draft calls.

The situation was soon dominated by Congressional action to cut the Army's strength for FY1972. In May the Senate Armed Services Committee recommended a cut of as much as 50,000 in the Army's average strength. The ASD(M&RA) staff estimated that a cut of this magnitude would result in low draft calls of 4,000 a month for about half of the fiscal year. While the decision on the size of the Congressional cut in Army strength was still pending, the Defense Department placed a call of 16,000 for May-June 1971, and subsequently a call of 16,000 for July-August. For the first eight months of the calendar year, draft calls were 88,000.

The Congress had not yet acted on the Department's request for a two-year extension of the draft when the induction authority expired on July 1, 1971. Action to meet the July-August draft call of 16,000 could not be taken until induction authority was re-established. In the meantime, the recruiting build-up in the Services had already begun. Kelley evaluated the recruiting results on a weekly basis and the Project Volunteer Committee focused its attention on the situation. Despite some dip in quality, enlistments held up well in all Services. By October, when the draft authority was extended, it was known that the Army had to reduce over 300,000 from its June 1971 strength of 1,123,810 to its authorized strength of 812,000 for June 1972. The

impact of the Congressional cuts was more severe because the Army entered the fiscal year with an "overstrength," partly as a result of the high draft calls early in the year. A draft call of 10,000 was announced for October-December, bringing the calendar year total to 98,000 -- the lowest total since 1962.

The events that had occurred in 1971 were not a part of anyone's plan for moving to a volunteer force. The lapse in the draft authority in combination with the Congressional cut in Army strength brought about a nine-month period (July 1971 through March 1972) without significant draft pressure. Although the total call for calendar year 1971 was 98,000, all but 10,000 were called during the first half of the calendar year. The smooth, even "glide path" to the volunteer force which the planners had envisioned was not actually taking place.

The Congress, in making the FY1972 strength reduction, accelerated by one year the Administration plan for returning to the pre-Vietnam strength levels. The action also accelerated the reduction in draft calls. The Army was forced to release over 200,000 personnel early, before their terms of service expired. Some were separated involuntarily. There was no need to add draftees to the rolls.

CALENDAR YEAR 1972: THE END OF THE DRAFT

On December 23, 1971, the Secretary of the Army advised the Secretary of Defense that draftees were not needed for January-March, 1972. In announcing this call on March 6, Secretary Laird predicted that the total draft call for calendar year 1972 would be 50,000 or less.

Early in May the Army submitted its estimates of draftee requirements of 17,000 for the remainder of calendar year 1972 and 25,000 for calendar year 1973. Kelley took this occasion to make one of his major points, that draft calls should be zero six months before expiration of the draft authority on July 1, 1973. Kelley believed that ending draft calls six months before the expiration of the draft authority would convey to the public and to Congress that the volunteer force could be sustained. He hoped, in this way, to counter any "last ditch" moves to restore draft authority. He wrote Secretary Laird, "It is particularly important that Army leaders 'get the message' that they must manage their resources to achieve readiness, maintain quality and end reliance on the draft by June 30, 1973...our DOD objective should continue to be no draft calls after 1972." 1/

1/ Memorandum from ASD(M&RA) to Secretary of Defense, Subject: Draft Calls for FY1973, May 1972.

On May 13 Secretary Laird announced a six-month draft call for the remainder of the calendar year, bringing the total to 50,000 -- the lowest calendar year draft call request since the draft was renewed in 1948. In informing Army of the decision, Mr. Laird followed Kelley's advice.

I do not accept your recommendation for draft calls of 15,000 and 10,000 in the final two quarters of Fiscal Year 1973...I expect Army to manage its human resources in a way that corrects existing shortages, assures quality performance, and includes plans to operate without draft calls in the months of January-June, 1973. To accomplish this will require a thorough re-examination of how your manpower supply is to be utilized, including a much greater use of trained and qualified members who are candidates for reenlistment. ^{1/}

This was almost, but not quite, the end of the matter. In December the Acting Secretary of the Army, Kenneth Belieu, met with Secretary Laird to point out that there might be a need for 7,000 draftees in March 1973 if revised Army strengths authorizations for FY1973 were to be met. Mr. Belieu pointed out that this need would not exist if the Vietnam truce was signed, if further withdrawal of troops occurred, and if Army strengths were reduced accordingly. On January 25, 1973, the last Vietnam withdrawals were announced and Secretary of the Army Robert Froehlke notified Mr. Laird that additional draftees would not be needed. Two days later the Vietnam truce was signed and the draft and the involvement of American troops in the war came to an end.

It was fitting that the announcement of the end of draft calls was made on January 27, 1973 -- Mr. Laird's last day in office as Secretary of Defense. His message to the Secretaries of the Military Departments and the Chairman of the Joint Chiefs of Staff was coupled with a request for Congressional support for the volunteer force and with the signing that day of the Vietnam truce.

With the signing of the peace agreement in Paris today, and after receiving a report from Secretary of the Army that he foresees no need for further inductions, I wish to inform you

^{1/} Secretary of Defense memorandum to Secretary of Army, Subject: Draft Calls for FY1973, May 10, 1972.

that the Armed Forces henceforth will depend exclusively on volunteer soldiers, sailors, airmen and Marines. Use of the draft has ended.

This means that we have beaten President Nixon's objective of zero draft calls by six months.

I know that each of you will continue to do whatever is appropriate to support legislation to insure approval of additional incentives legislation. I am particularly concerned that without such legislation, it will be extremely difficult, if not impossible, to maintain the National Guard and Reserve at levels mandated by the Congress and as required by our Total Force Concept.

I am confident that the Congress will continue to support those programs necessary to allow us to continue the zero-draft status we assume today.

I am particularly hopeful that the Senate will promptly follow the lead of the House and enact the legislation giving added incentives for service from members of the health professions, so that the requirements for health services personnel can also be put on a volunteer basis.

I want to congratulate you and your organizations for the magnificent work which has been done during the past four years in moving us from an armed force which was drafting 300,000 men a year to my decision today that use of the draft for our soldiers, sailors, airmen and Marines is finished, and that the all volunteer era -- which our Commander-in-Chief, President Nixon, has promised the American people -- is upon us. ^{1/}

^{1/} DOD Press Release No. 48-73, January 27, 1973.

Laird had alluded to the need for the "Special Pay Incentives legislation" in order to solve the remaining manning problems (shortages in critical skills, quality, and Reserve strength). Success of the volunteer force program was not yet assured but the draft and the war which the draft had supported were over.

THE STANDBY DRAFT

One of the directives President Nixon gave to the Gates Commission when he appointed it on March 27, 1969, was to determine what standby machinery for the draft would be needed in the event of a national emergency. The commission recommended that legislation be enacted to provide, once an All Volunteer Force was in effect:

1. A register of all males who might be conscripted when essential for national security.
2. A system for selection of inductees.
3. Specific procedures for the notification, examination, and induction of those to be conscripted.
4. An organization to maintain the register and administer the procedures for induction.
5. A specification that a standby draft system can be invoked only by resolution of Congress at the request of the President. ^{1/}

These functions did not require new legislation. The Military Selective Service Act of 1967 covered the first four functions and the expiration in 1973 of the President's induction authority covered the fifth, thereby leaving activation of the draft in the hands of Congress. Beyond listing these functions, the Gates Commission added no other details to clarify what was meant by the "standby draft."

During the Congressional hearings in 1970 and 1971 little further detail was given by the Administration as to exactly what constituted a "standby draft." The question of whether or not the draft could be ended was still unsettled and the nature of the future functions of the Selective Service System, if the draft was ended, remained unclear.

^{1/} The Report of the President's Commission on an All Volunteer Armed Force, op. cit., p. 119.

It was not until after the passage of H.R. 6531 in September 1971, that much attention was given to the future of Selective Service if the volunteer force actually succeeded.

Since no new legislation was needed for Selective Service to continue to do all but induct, the issue became at what level Congress and the Administration would fund the continuation of the "standby" functions. At a Joint Recruiting Conference in October 1971, Curtis Tarr, Director of Selective Service, explained his hopes for the future of the agency:

We hope that after the authority to induct expires on July 1, 1973, that we will be able to operate as a standby organization with the authority to register all eighteen year old youth, to hold annual lotteries so that each one in the pool will have some awareness of his possible priority call, to classify people into 1-A with low random sequence numbers, and to call sufficient numbers for preinduction physical examinations so that the nation can maintain an available pool of perhaps 100,000 men. ^{1/}

Tarr went on, however, to express his uncertainty that Congress would allow Selective Service to perform these functions after the end of induction authority on July 1, 1973. He also recognized that there were many Congressmen who wanted to close Selective Service after the end of induction authority.

Tarr's hopes were not fulfilled. The Department of Defense did not favor the administration of physical examinations on the grounds that they were an unnecessary expense. As the table on the following page shows, the functions performed by Selective Service and the funding to perform them declined, though the authority to perform everything but induction remained unchanged. By FY1977 the function of Selective Service had been reduced to solely that of a planning agency.

The restructuring of Selective Service, from an agency performing inductions to one responsible only for planning, did not come suddenly. Nevertheless, that restructuring would occur became evident even before the end of the induction authority. As early as March 1973, the Administration had decided to reduce the level of Selective Service activity beyond FY1974, assuming the success of the volunteer force

^{1/} Joint Recruiting Conference Report, October 1971, pp. 4-11, 4-12.

Restructuring Selective Service 1/

<u>Fiscal Year</u>	<u>Functions</u>	<u>Cost</u>
1972	Last full year of inductions, pre-induction physicals, registration, classification, and lottery all performed.	\$97.5 million
1974-1975	Selective Service on standby, ready to commence inductions if needed. Registration, classification, and lottery performed.	\$61 million (1974) \$45 million (1975)
1976	Development and test of annual registration plan. Help in conducting clemency program for draft resisters. Termination of classification, continuous registration, lottery, and administrative support for local boards.	\$37.5 million
1977 to 1982 (Projected)	Planning only, for activation of system.	\$6 million annually

effort and passage of the Special Pay Act. 2/ At that time the Selective Service maintained a level of operational readiness sufficient to provide 100,000 men within 90 days. In order to do this, the agency had to operate the lottery and perform registration and classification.

The FY1975 budget postponed the cutback of Selective Service functions that had been planned in March 1973. Registration was performed substantially by mail, thereby reducing costs, but the general functions and operational readiness to deliver 100,000 men were maintained.

1/ House Armed Services Committee and Subcommittee on Investigations, Hearings on the Selective Service System, January-February 1976, pp. 26-27.

2/ Semiannual Report of the Director of Selective Service, July to December, 1974, p. 2.

The fact that Selective Service maintained this level of readiness during the 1974 and 1975 fiscal years can probably be attributed to several concerns which made it politically difficult to dismantle and re-orient the agency all at once. Congressional skepticism of the volunteer force and doubts in some quarters as to whether it would succeed resulted in keeping the Selective Service System intact for the first years after the end of the draft. Furthermore, Selective Service retained strong support in the Armed Services Committees, which had been at best lukewarm to the notion of a volunteer force. This rationale for maintaining Selective Service was voiced by Byron Pepitone, its Director, before the House Armed Services Committee and the Subcommittee on Investigations in January 1976:

It was ascertained that for at least two fiscal years the System would stand ready to provide inductees to the Department of Defense, should the efforts to recruit an All Volunteer Military Force prove unsuccessful. ^{1/}

The most obvious long-term rationale for the standby draft, however, had to be based on, as the Gates Commission stated, "the possible urgent need for the nation to act quickly." ^{2/} So, from the perspective of Defense manpower planners the question eventually became: How responsive must the Selective Service System be in terms of the time required after mobilization begins (M-Day) for the system to provide significant numbers of untrained personnel? ^{3/}

The FY1976 budget, which further cut back on the functions and funds for Selective Service, implied one answer to the question. Implicit in the budget decisions of that year was the realization that Selective Service, even as it had been at a high level of readiness in Fiscal Years 1974 and 1975, could not immediately supply trained forces. According to Assistant Secretary of Defense (Manpower and Reserve Affairs) William K. Brehm, a fully structured system could not supply a significant number

^{1/} HASC and Subcommittee on Investigations, op. cit., 1976, p. 26.

^{2/} Report of the President's Advisory Commission on an All Volunteer Armed Force, op. cit., p. 120.

^{3/} Assistant Secretary of Defense (Manpower and Reserve Affairs) William K. Brehm before Subcommittee on Investigations, House Armed Services Committee, Hearings, op. cit., 1976, p. 6.

of inductees and have them trained until about five months after mobilization (M + 5 months). ^{1/} Clearly, in any rapidly developing, intensive conflict, reliance would have to be placed upon previously trained forces from both Active and Reserve status.

On the basis of such reasoning, the FY1976 budget sought greater economies and called for:

- The termination of all classifications.
- The termination of continuous registration.
- The development and test of an annual registration plan.
- The termination of all administrative support to local boards, since they would no longer be classifying people.
- The test and development of a plan for accelerating induction of registrants who had claimed no deferment. ^{2/}

Under these conditions, Selective Service would cease all operational functions and remain solely as a planning agency. That became clearer in the FY1977 budget which requested only six million dollars for Selective Service. This cut in the budget of the agency aroused Congressional opposition. The House Armed Services Committee and its Subcommittee on Investigations (chaired by Hebert) held hearings early in 1976 on the new role of Selective Service. The difference between the planning role and the older standby functions of Fiscal Years 1974 and 1975 was not significant, according to Assistant Secretary Brehm, who defended the proposed reorganization:

Under the proposed reorganization of the Selective Service, the Director has advised us that he will be able to supply inductees in large numbers starting at about M + 4 months. These people would complete training about 3 months later, and thus would enable us to begin to add significantly to active duty trained strength levels sometime after M + 7 months. That is, delay of about 2 months compared to a fully structured system. In view of the fact that our essential need is for previously trained

^{1/} Ibid., p. 7.

^{2/} Byron V. Pepitone, Director of Selective Service, before HASC and Subcommittee on Investigations, Hearings, op. cit., 1976, p. 27.

and experienced personnel, should a rapid-developing, intensive conflict break out, it appears that the 2-month delay in the delivery of untrained men is not significant. 1/

Brehm explained how under the most demanding circumstances, such as a sudden attack on NATO forces, the Army would have to and could, in fact, expand its trained force levels from 660,000 at M-day to 1,780,000 at M + 4 months. This could be accomplished largely by recall of the Reserve Components, said the Assistant Secretary, without Selective Service providing new inductees.

The proposed reorganization of Selective Service was criticized by Hebert and some of his fellow committeemen. Hebert saw it as undermining the effectiveness of the agency and expressed to Brehm his displeasure at the lack of contact that Defense had maintained with the Hill on the issue:

You don't work with us. You even came in here to tell us that you were going to cut this thing to \$6 million. That's not enough to sweep the floors up. In other words, that's going to destroy Selective Service, and you know it as well as I do, and you know as well as I do the Selective Service objects to this....2/

Congressman Robin L. Beard (R-Tennessee) further criticized that the proposed reorganization of Selective Service was inconsistent with the policy stated by Deputy Secretary Clements, in a letter of September 9, 1975, to Congressman Mahon, the Chairman of the House Committee on Appropriations. In that letter Clements wrote:

The All Volunteer Force is working well in the peacetime environment. However, a standby draft, operated by the Selective Service System, is the only way we see to provide the additional manpower required in the event of mobilization. The recent study of the Guard and Reserve in the Total Force, submitted to the Congress in June,

1/ Brehm before HASC and Subcommittee on Investigations, op. cit., 1976, pp. 6-7.

2/ HASC and Subcommittee on Investigations, Hearings, 1976, op. cit., p. 8.

reaffirmed the need for a standby draft mechanism to call up Standby Reservists needed after a mobilization, and to draft new personnel needed principally as a hedge against a protracted major combat phase. The study supported retaining the presently planned capability to select Standby Reservists for immediate recall, to start delivering draftees by M + 30, and to deliver a total of 500,000 individuals by M + 180.

The Selective Service System is developing a new system which the Department of Defense believes offers promise to meet the requirements more efficiently. It is critically important, however, that the capability under the current system not be dismantled until the new system is proven out.

I trust that the Conference Committee will consider these National Defense needs during their deliberations on the Selective Service System budget. ^{1/}

Brehm explained that the policy on the standby draft had not really changed; it had always been to have the System "sufficiently responsive to meet our mobilization needs." ^{2/} In effect, he was declaring, however, that the perception within Defense of its need for Selective Service had changed, in that a further delay of two months in the delivery of trained draftees was not considered significant.

For those who had long been skeptical of a volunteer force, a strong standby draft was important. The six million dollar budget for Selective Service, its new role as solely a planning agency, and its reduction to what is now called a "deep standby" status represent, to the old friends of Selective Service, a severe gutting of the agency.

Selective Service today bears little resemblance to what it was. The agency is stripped of its money, personnel, local offices, and operating functions. Standby draft machinery no longer exists and would have to be reconstituted if it were needed in a future emergency.

^{1/} Ibid., pp. 13-14.

^{2/} Ibid., p. 14.

CHAPTER VIII

SPECIAL MANNING PROBLEMS

All progress is initiated by
challenging current conceptions.

George Bernard Shaw

The term "Special Manning Problems" was used by Assistant Secretary Kelley in his first Congressional appearance at which he discussed the All Volunteer Force. This appearance occurred in August 1970 at an "oversight" closed session of a House Armed Services subcommittee on draft operations. The subcommittee was chaired by Congressman Hebert, who was soon to be elevated to the chairmanship of the House Armed Services Committee.

Kelley viewed the hearings as a "dress rehearsal" for the presentation on the volunteer force legislation to be made to the Armed Services Committees the following year. The hearing on draft operations took place after the Presidential decisions on the Gates Commission report but before the legislative program for the volunteer force or the FY1972 budget had been developed.

Kelley had no prepared statement and he told the subcommittee that in a general way he would discuss current manpower needs, the outlook beyond FY1972, and plans and actions for "zero draft calls." ^{1/} He discussed "Special Manning Problems" of the volunteer force and included the following problems and comments:

^{1/} Review of the Administration and Operation of the Draft Law, Hearings by the Special Subcommittee on the draft, House Committee on Armed Services, July, August, November 1970, p. 12469. Earlier, in January 1970, Deputy Assistant Secretary Wollstadt had written Kelley a memorandum pointing out that doctors, the Reserve Components, and ground combat personnel were likely to be problem areas in reaching a volunteer force.

- Quality Personnel
- Ground Combat Personnel
- Physicians and Dentists
- Reserve and National Guard Components

We do not expect the road to a volunteer force to be easy. We can anticipate several problem areas.

For one, we must obtain significant numbers of high quality personnel with above average mental abilities for such programs as Navy's nuclear program. In the post-war force it is noteworthy that about a fifth of all enlisted jobs are likely to be in the electronics career field. ^{1/}

On the other hand, we need young men with a high order of leadership abilities for ground combat positions. Less than 5% of Army personnel who choose an occupational enlistment option select ground combat.

Physicians and dentists are in short supply nationwide and will, therefore, constitute a very difficult problem for us.

The incentives for the active forces must also be extended to the Reserve and National Guard components. Because of the high incidence of draft motivated volunteers in the recent past, we do not know what our recruiting capability will prove to be for the Reserve and National Guard Components. ^{2/}

Except for the problem of quality, which is covered in Chapter IX, this chapter discusses the special, difficult manning problems which Kelley mentioned. As a matter of convenience the chapter also includes sections on Officer Procurement and on Career Force Manning; however,

^{1/} In spite of high entry standards (those scoring in Mental Groups I-II) and a six-year term of enlistment, accession requirements for Navy's Nuclear Power Enlistment Option and Advanced Electronics Enlistment Option were successfully met. Annually, 8,000 to 10,000 young men were recruited for these programs during the transition. The prestige of the programs, a special incentive structure which included early promotion opportunities, and a strong recruiting emphasis contributed to the satisfactory results.

^{2/} Op. cit., p. 12706.

neither officer manning nor career force manning was expected to be particularly difficult, given the additional scholarships for officer procurement and the reenlistment bonus incentives which already existed. This assessment proved to be valid. Ground combat enlistment did not turn out to be as difficult as expected because of the outstanding recruiting effort by Army and the success of the enlistment bonus. The problems in Health and Medical manning were also solved by additional incentives. Manning in the Reserve Components turned out to be marginally adequate and the need for additional incentives reappeared as an issue during FY1976.

RESERVE COMPONENTS

"The best laid plans of mice and men often go awry," Robert Burns said. The poetic remark is a fitting introduction of a discussion of the movement to the volunteer force in the Reserve Components. The movement did not proceed according to plans.

The All Volunteer Force story for the Reserve Components varies from the story of the Active Force in that a significant program of incentives was not provided nor implemented for the Reserve Components. Studies and plans for incentive programs were developed on several occasions but requests for legislative authority were submitted piece meal, not as a Project Volunteer Program. Although legislation extending Servicemen's Group Life Insurance to reservists was enacted, a significant legislative program was not. ^{1/} There were actions taken to revitalize the Reserve Components: roles and missions were clarified; equipment was increased substantially; and the pay raise of November 1971 increased drill pay. A combination of three factors -- improved recruitment, policies that broadened the supply of personnel, and reductions in strengths of the Selected Reserve -- brought about the volunteer force in the Reserve Components.

BACKGROUND

Historically, the role of the Reserve Components was to augment the Active Forces in time of national emergency or mobilization but this role was not fulfilled during the Vietnam War. In the Korean War nearly 300,000 members of the National Guard and the Reserve Components were recalled to active duty, and in the Berlin emergency of 1961-62

^{1/} Many of the 50 states provide incentives for enlistment in the Army or Air National Guard.

172,000 Reservists were recalled. The Berlin emergency recall of Reservists was a source of some embarrassment to the Kennedy Administration. Most of the Reservists were not deployed. Separated from families and jobs, almost all of the Reservists spent several months under unfavorable conditions, living at small-town posts in World War II barracks which had not been rehabilitated. Their dissatisfaction was understandable. The lesson -- that the Reserves, if called, must be used -- may not have been lost on Lyndon Johnson, who was Vice President at the time. When he was President, Johnson did not approve the Joint Chiefs of Staff recommendation for the recall of Reservists during the early stages of the Vietnam War. This decision scrapped the post World War II planning assumptions which included mobilization of the Reserve Components for the deployment of sizable military forces of the United States.

Draftees and draft-motivated enlistees, not Reservists, became the primary source of personnel for the Vietnam operation. If Reservists had been the primary source, it is possible that public support for ending the draft would not have been as great. The decision not to recall the Reservists during the Vietnam War was unwittingly an underlying cause of the eventual end of the draft.

As a consequence of low priority, the Reserve and National Guard Components, generally, were at a low ebb, not only in equipment but also morale, after the Vietnam War. Their revitalization began with an announcement by Secretary of Defense Laird, in August 1970, known as the Total Force Concept. "Emphasis will be given to concurrent consideration of the total force, Active and Reserve. A Total Force Concept will apply to all aspects of planning, programming, manning, equipping and employing Guard and Reserve Forces. Application of the concept will be geared to recognition that in many instances the lower peacetime sustaining costs of Reserve units, compared to Active units, can result in a larger total force for a given budget..."^{1/} Simply stated, the policy signified that, henceforth, the Reserve Components would be the primary source of augmentation of the Active Forces in the event of another emergency. This restatement of their function implied that they would be given a high manning priority. Because of the heavy incidence of draft-motivation within their ranks, the Reserve Components were considered to be a special manning problem that would need priority attention in the move to a volunteer force.

In this discussion the term Reserve Components includes the Army and Air Force National Guard Components, as well as other components.

^{1/} Memorandum from the Secretary of Defense to Secretaries of the Military Departments, Subject: Support for Guard and Reserve Forces, August 1970.

The discussion focuses on the Selected Reserve -- the portion of the Ready Reserve which is mainly organized in units whose members are in paid drill status. These units may be ordered to active duty by the President in an emergency. It may be noted that there are other categories of Reservists, largely outside the scope of this discussion because only a small proportion of them attend training drills or receive pay. The most important of the other categories are: 1/

- Ready Reserve - 913,000 unpaid members who may be recalled on an individual basis by the President in an emergency. The Army portion of this group, called the Individual Ready Reserve, is expected to decline to 585,000 by 1980 (a decline of one-third). The Army considers this projected loss of individual replacements to be a serious problem.
- Standby Reserve - 415,000 unpaid members who may be recalled as individuals by an act of Congress.
- Retired Reserve - 712,000 unpaid members who may be recalled as individuals by an act of Congress.

EARLY STUDIES

The report of the President's Commission on an All Volunteer Force did not contribute significantly to clarification of the manning problems of the Reserve Components. The commission believed that the increased pay which they recommended would produce the number of enlistments needed by the Reserve Components. The commission admitted, however, that there were "no data from which to estimate the results of pay increases on reserve enlistments." 2/ They said that further steps might be necessary beyond the pay increase but that this decision could await the experience with higher levels of pay.

In the case of the Active Forces, the commission took the position that the issue of the size of the Military Services was outside its province. They departed from this position in the case of the Reserve Components. The commission offered without documentation the observation that 113,000 personnel in drill pay status could be eliminated without detriment to Reserve effectiveness.

1/ All strengths as of June 30, 1974.

2/ Report of the President's Commission on an All Volunteer Armed Force, February 1970, Washington, D.C., p. 113.

The Department of Defense considered the Reserve Component area to be one of the weakest links in the program of the President's Commission. The unpublished Project Volunteer Committee report listed the manning of the Reserve Forces in a volunteer environment as an "unresolved issue," stating "a high priority must be given to attracting first term enlistees and to the retention of experienced personnel in the Reserve Components and the National Guard in the transition to an All Volunteer Force in order to strengthen and improve the readiness and responsiveness of these forces as reduction of the Active Forces necessitates greater reliance on them." It is somewhat ironic that, although the Reserve Components were identified as a special manning problem, an adequate incentive program for the Reserves was not implemented.

The Reserve Forces Policy Board -- a statutory advisory board to the Secretary of Defense -- recommended in May 1970 that "at a minimum the following incentives should be undertaken as early as possible in order to promote retention, enlistment, and recruitment:

1. Reenlistment bonuses.
2. Individual and family benefit plans, including life insurance, survivor's benefits, and retirement options.
3. Special compensation for proficiency and superior performance at a rate equivalent to Active Force scales." ^{1/}

This report was the first of several to make these recommendations.

It appeared at first that the Reserve Components would be given enough priority in the volunteer force programming and budgeting. The planned allocation of the FY1972 Project Volunteer budget submitted to Kelley by Deputy Assistant Secretary Wollstadt contained \$40 million for Reserve and Guard incentives, although the projects to be funded were unspecified. Kelley scaled this down to \$15 million in the presentation of his package to the Project Volunteer Committee. Subsequently, in the last stages of the budget process, inter-Service competition for funds for the Active Forces made it convenient for Kelley to defer the issue of a program for the Reserve Components until later in the fiscal year when the Contingency Fund for future programs was to become available. For one thing it could not be "proved" that such proposed "equity" benefits as life insurance or early retirement -- however defensible on grounds of equal treatment of the Reserve Components with the Active Forces -- would be viable in increasing volunteer accessions. Neither the Project Volunteer Committee members nor the

^{1/} Conclusions and Recommendations of the Reserve Forces Policy Board on an All Volunteer Guard and Reserve Forces, Washington, D.C., May 1970.

Secretary of Defense objected to Kelley's plan for deferral of the incentives program for the Reserve Components.

CONGRESSIONAL APPEARANCES

A number of "promissory notes" were issued regarding incentives for the Reserve Components but few of these were actually "paid in full."

In his initial appearance on the All Volunteer Force before the Senate Armed Services Committee, Kelley pointed out that extension of the draft authority for two years was needed to maintain the strength of Guard and Reserve Components - "70% of whose new entries are draft motivated." 1/ In discussing the Administration's program for ending the draft, Kelley mentioned the Reserve Components in low key:

A final word about the Reserve Components: with extension of the induction authority beyond July 1, 1971, we should be able to meet manpower accession requirements of the Guard and Reserve in 1972.

As stated earlier, members of the Guard and Reserve with less than 2 years service would share in the proposed increase in basic pay. A portion of the additional money for recruiting will be used for Guard and Reserve recruiting in future years.

As reliance on the draft declines it may be necessary to provide additional incentives to assure adequate accessions for the Reserve Components. The Contingency Fund provides a means for doing this in Fiscal 1972.

Senator Strom Thurmand asked if a drop in Reserve strengths would be sufficient cause for reinstatement of the draft. Kelley responded that sufficient incentives could be provided to avoid a drop in strengths but that if strengths dropped too far, consideration should be given to

1/ Hearings before Committee on Armed Services, United States Senate 92nd Congress, February 1971, p. 60.

activating the draft. 1/

Secretary Kelley was quick to realize that he was vulnerable to criticism by Reserve organizations and their proponents in Congress for not supporting incentive programs for the Reserve and National Guard Components. On February 16, 1971, at the Senate committee's request, Kelley filed a more complete statement concerning the Reserve Components.^{2/} Acknowledging that the committee's interest in the strength of the Reserve Components was "substantial," he emphasized again that the extension of the draft for two years was essential for the Guard and Reserve as well as the Active Forces.

He first reviewed the equipment status of the Army Guard and Reserve as a way of assuring the committee of Defense concern over the readiness of the Guard and Reserve to assure that they would be the "initial and primary augmentation force" to the Active Forces in the event of a substantial mobilization. Virtually all equipment purchased for the Army Guard and Reserve between FY1965 and FY1969 had been diverted to support the war in Southeast Asia. Secretary Kelley pointed out that this had been changed under the Nixon Administration. About \$800 million in equipment had already been added by the Administration and \$1 billion was planned to be added from FY1972-74.

Kelley then addressed the plans for ending reliance on the draft while maintaining combat-ready Reserve Components. Pointing out that he and Dr. Theodore Marrs, Deputy Assistant Secretary for Reserve Affairs, had established communications with groups representing the Reserve community, such as the Reserve Officers and National Guard Associations, he said, "We are listening to them as a basis for developing budget recommendations to be implemented in FY1973 and beyond."

Kelley discussed the incentive programs by covering the effects of the pending legislation on members of the Reserve Components, the legislative items "under consideration" for FY1973, and administrative actions that were to be taken.

Kelley noted that the pay increase proposed for the Active Forces would benefit the Guard and Reserve Components because the amount of "drill pay" is linked to active duty pay. He also stated that the proposal regarding quarters allowances to eligible Guardsmen and Reservists during their Active Duty Training, would cure a "longstanding inequity."

1/ Ibid., p. 68.

2/ Ibid., p. 101.

He briefly described four legislative items that were under consideration and furnished general comments on them:

1. Bonus -- There has been a favorable reaction to the idea of an enlistment bonus to attract non-prior service enlistees and a reenlistment bonus to enlist prior service personnel and to retain members. With the draft there has been no need for these incentives but the bonus idea has considerable merit in a volunteer environment.
2. Medical/Dental and Death Benefits -- There is a significant gap between the absence of such benefits to Guardsmen and Reservists while in training or on active duty and the provision of such benefits to Active Force members. These discrepancies are irritants and cause low morale.
3. Reserve Retirement Age -- Under consideration is the idea of permitting early Reserve retirement with retirement pay actuarially reduced.
4. Reserve Survivor Benefits -- This provides coverage for the surviving dependents of the Guardsman or Reservist if he dies between his transfer to the Retired Reserve and his attainment of the statutory age of retirement.

Kelley promised to return to the committee with appropriate legislative recommendations. In fact, except for the new item of the bonus, different versions of the other proposals had been previously included in DOD legislative programs. The Deputy for Reserve Affairs expected, however, to prepare revisions more acceptable to the committees and to support their passage with argument that they were needed by the Reserve Components in a volunteer environment.

In discussing administrative programs, Kelley mentioned placing greater emphasis upon minority and female participation. These programs later became important sources of new accessions for the Reserve Components. He also stressed the importance of the need "to educate the employers of our nation to the role of the Guard and Reserve and the obligation employers have to provide personnel policies which encourage Guard and Reserve participation by their employees."

With this statement, Kelley put himself on record that the incentive program for the Reserve Components would lag behind the Active Forces by

a year, but he also showed his interest in the Reserve Components. By the time he appeared before the House Armed Services Committee, the "bare bones" statement which he originally used in the Senate had been amplified to include the contents of his February 16 submission to the Senate on the subject of the Reserve Components.

MORE STUDIES

The development of the incentive program continued to lag. On May 11, 1971, the establishment of a Guard and Reserve Program Evaluation Group of the Project Volunteer Committee (GARPEG), under the chairmanship of Deputy Assistant Secretary Marrs, was announced. Its purpose was to develop and refine incentives to encourage membership in the National Guard and Reserve Forces in a zero draft environment. Five key legislative areas were to be addressed by GARPEG -- the four that Kelley had mentioned at the hearing plus "Authorization for Life Insurance for Survivors of Retired Reservists." ^{1/} In response to a request from Congressman O. C. Fisher (D-Texas) of the House Armed Services Subcommittee No. 2, Kelley promised to present his recommendations by the latter part of July and the GARPEG time table was heared to this date.

The GARPEG completed their work on schedule by preparing draft legislation proposals. A number of recommendations were made:

- Cooperation between Active Army and Reserve Component Career Counselors in obtaining personnel for Reserve Components.
- Extension of Base Facility Privileges to Guardsmen and Reservists.
- Extension of United States Armed Forces Institute Off-duty Educational Opportunities to Reservists.
- Provision for Additional Retirement Points, above 60, to be earned annually for attendance at prescribed training.
- Subsidizing Federal Housing Authority Insurance premiums for Reservists with less than 12 years' service.
- Voluntary assignment to Ready Reserve of Reserve members entitled to retired pay.

^{1/} Memorandum for Assistant Secretaries of Military Departments, Subject: Establishment of the Guard and Reserve Program Evaluation Group of Project Volunteer Committee, May 1971.

- Enlistment at advance pay grades of Reservists with civilian-acquired skills.
- Proficiency Pay for Reservists.

Not much came of all this work. The Project Volunteer Committee voted against the extension of base facility privileges to Reservists on the grounds that the costs were "prohibitive." The remaining items GARPEG recommended were allowed to proceed through normal legislative channels but were not given an enthusiastic endorsement.

With the decline in draft pressure the long lists of personnel waiting to enlist in the Reserves disappeared. For example, the waiting list for Army National Guard enlistments shrank from about 100,000 in December 1969, to about 15,000 by December 1971. In FY1972 the shortfalls in all components rose to about 50,000.

Two programs instituted in FY1972 helped contain the shortages. Because of the Congressional cut in strengths and the need to reduce the number of active Army personnel, Army personnel were permitted an early discharge if they agreed to serve in an Army Reserve Component for a year. Also, Selective Service registrants for the draft who had already been ordered to report for induction were permitted instead to enlist in a Reserve unit. These two measures arrested the strength decline in the Army's Reserve Components.

A breakthrough appeared to be at hand when Enlistment Bonus and Reenlistment Bonus authorities for the Reserve Components were included in the Armed Services Special Pay Act introduced in Congress in March 1972. In this legislation Kelley sought to make good on his promise regarding incentives for the Reserve Components. The Act was intended to be a package of incentives needed to solve remaining volunteer force manning problems. With shortfalls of 50,000 in the Reserve Components, the Project Volunteer Committee thought that an incentive program could no longer be postponed.

A Special Action Group on the National Guard and Reserve All Volunteer Force chaired by Kelley and composed of the Manpower Assistant Secretaries of the Services was established in April 1973. They began by again endorsing the GARPEG list of incentives and emphasizing the importance of early enactment of the bonus authorities of the Special Pay Act.

The Special Action Group also endorsed several actions related to enlistment and recruiting:

- Authorize enlistment programs under which non-prior service personnel enlist for as little as three years, instead of six.

- Give Active Force recruiters performance credit for valid referrals of prospects to Guard and Reserve recruiters.
- Determine Service requirements for Guard and Reserve recruiting funds and fulltime recruiting personnel and obtain approval of funding.
- Simplify Guard/Reserve enlistment procedures.

The decline in draft pressure which had occurred in FY1972 had not been offset by the modest build-up in Reserve Components recruiting; the prospects for rapid restoration of the 50,000 strength shortfall appeared slim. Secretary Laird began to "flirt" with the notion of drafting into the Reserve Components, a proposition which was outside the legislative intention underlying the Selective Service Act. The Secretary of Defense mentioned this idea guardedly in an appearance before the House Armed Services Committee in January 1973. "The possible use of a draft for the Selected Reserve of the Guard and Reserve may, as noted, become a necessity but it is not considered such today. I believe that if the incentives we are developing go forward and are implemented we can attract adequate men and women volunteers for the National Guard and Reserve. I do not want to press for a draft authorization until that becomes absolutely essential and I do not think it is at this point." ^{1/} The promise of an incentive program was still the major option.

A test of the shorter enlistment period recommended by the Special Actions Group was conducted in 1973. The report on Reserve Component Recruiting which the Central All Volunteer Task Force completed in November 1972 noted that the Army Reserve was studying a plan to change the enlistment contract to three years in the Selected Reserve and three years in the Individual Ready Reserve and recommended that all Reserve Components consider reducing enlistment terms. ^{2/} The Air Force received ASD(M&RA) authority to conduct a small-scale test of the shortened enlistment options, beginning in June 1973 -- a month earlier than Army. The Air Force's careful approach of weighing the cost-effectiveness of abandoning the advantages of a longer term of enlistment influenced ASD(M&RA) to have the Army Reserve conduct an experiment rather than to go directly to a three-year enlistment option, as the Army recommended.

^{1/} Hearings of House Armed Services Committee, 92nd Congress, 2nd session, January 1973, p. 9423.

^{2/} Reserve Component Recruiting, Central All Volunteer Force Task Force, November 1972, p. 51.

For six months the Army offered an option on an experimental basis in several states of three years in the Selected Reserve plus a three-year obligation without drill pay (3 X 3 program), and an option of four years in the Selected Reserve plus two years without drill pay (4 X 2). A "control group" of states with similar demographic characteristics continued to offer the six-year option in the Selected Reserve. It was estimated that the 3 X 3 option increased Army National Guard enlistments by 20 to 40 percent and the 4 X 2 option increased enlistments by 10 to 30 percent.

The small Air Force test suggested that six-year enlistments could be sustained in the Air Force Reserve Components; only 270 enlistments were obtained from test locations and 64 percent of these were for six years. Marine Corps results from a small test were similar to those of the Air Force. 1/

As a result of the tests ASD(M&RA) concluded, as had the RAND study, that the six-year term of enlistment was not the major factor in the fall-off of Reserve and National Guard strengths. It appeared that a shorter enlistment option would not yield a sufficient number of additional recruits to offset the downstream losses in man-years of enlistment and the additional training costs associated with the shorter terms. During the year of the experiment the Army and Air Force Reserve Components had 26,000 male non-prior service enlistees of whom 20,000 enlisted for six years. The Secretary of Defense authorized the Reserves to offer shorter than six-year terms to not more than 20 percent of total non-prior service enlistees. A shorter term of enlistment did not prove to be the solution to the manning problems of the Reserve Components.

In his final appearance before the House Armed Services Committee, at the time of his departure from office, Kelley made clear that he considered that the Reserve and National Guard Components remained as "unfinished business" in the move to a volunteer force. 2/

Kelley made the best of the situation. He described the progress as "commendable," but he also said, "...it is clear that in order to be fully manned in the future the Guard and Reserve need the same kinds of financial incentives -- enlistment and reenlistment bonuses -- being requested for the Active Forces." His statement proposed \$85 million as the FY1974 budget for these programs.

1/ Gus W. Haggstrom, The Variable Tour Experiment in the Army Reserve Components, RAND Corporation, May 1975, p. 64.

2/ Statement of Assistant Secretary of Defense (Manpower and Reserve Affairs), Subcommittee No. 2 of the House Armed Services Committee, May 3, 1973.

Kelley saw some encouraging signs, both tangible and intangible, for improving the effectiveness of the Reserve Components under a volunteer organization. These were:

- Young men and women now joining direct from civilian life are motivated to service, not to avoid service.
- A substantial decline has occurred in the enlistment of draft-motivated college graduates who were overqualified and unchallenged by their assignments.
- Guard and Reserve units are improving their ethnic and racial balance, thereby becoming a more representative force.
- More women are being recruited and are being offered wide job opportunities.
- Increasing numbers of experienced personnel with prior service in the Active Force are being attracted to the Guard and Reserve because of the influx of modern equipment and improved training.

He explained the strength situation briefly:

After an initial drop in strength in the first half of FY1972, manpower levels have remained relatively steady. During the first nine months of FY1973 the manpower shortages ranged from 49,000 to 54,000 or about 5 1/2 percent of the authorized strength of 976,559. However, high losses projected for the remaining months of the fiscal year are expected to result in a shortage of about 67,000 by June 30, 1973.

Kelley elected to use the authorization figure that was described as a manning objective for mobilization. He could have elected to use the average strength of 911,000 which was the strength for which drill pay funds were provided. This latter figure more closely approximated recruiting capabilities and the realistic expectations of the Reserve Components for obtaining manpower.

With the end of the draft in July 1973, the Reserve forces, not draftees, were considered as the principal means for expanding military forces in a national emergency. An amendment to the FY1973 Authorization of Active and Reserve Strengths, referring to the Reserve Components, specifies that the authorized military end strength for the Active Force "shall not include members of such Armed Forces (Reserve

Components) ordered to active duty." 1/ In this conference report, the Armed Service Committees stated that their intention was to require the use of trained Reserves prior to the use of inductees in the event of an emergency. The Congress simply reaffirmed, by enactment into law, Secretary Laird's 1970 statement that members of the Guard and Reserve would be the initial source of augmentation in a future emergency. The question remained, however, as to how well the Reserves would be manned, if and when they were needed.

REVISED PLANS

With Secretary Kelley's departure from office and Brehm's entry, the movement toward an incentive plan for the Reserve and National Guard Components abated. In his first appearance before the Senate Armed Services Committee on December 13, 1973, testifying on the Uniformed Service Special Pay Act of FY1973, Assistant Secretary Brehm explained his decision to defer the request for Reserve Component enlistment and reenlistment bonuses authority contained in the Special Pay Act:

In the case of the Reserve Components, recruiting results have improved during recent months to the point where most Components appear to have 'bottomed out' and are starting a slow climb. We are re-examining this area to insure that all feasible steps are being taken to improve and maximize our recruiting efforts and to determine the significance in terms of readiness of the present shortfalls in authorized strengths. In this connection we are embarking on a major Defense-wide study of Reserve Components. This is a comprehensive effort and will include, among other things, a detailed analysis of the Reserve manpower situation, including recruiting. 2/

Brehm then proceeded to state that legislation, if needed, would be introduced at the appropriate time.

As events turned out, the draft terminated without the enactment of a major incentive program for the Reserve and National Guard Compo-

1/ House Report No. 92-1388, 1972, pp. 2, 21.

2/ Hearings before Senate Armed Services Committee, S. 2771, December 13, 1973, p. 9.

nents. The Enlistment Bonus and Reenlistment Bonus Authorities for the Reserve Components which were included in the Armed Services Special Pay Act introduced in March 1972 were withdrawn from the final DOD version of the bill by Secretary Brehm in 1973 on the grounds that the strength requirements of the Reserve Components were uncertain.

Secretary Brehm, shortly after he assumed office, elected to use the average drill pay budgeted strengths of the Reserve Components as the target against which the actual strengths were compared, instead of the mobilization objectives which Kelley had used. The difference made by this change was significant because the budgeted strengths, on the average, were about 50,000 lower than the mobilization strengths.

The incentive story was summarized in a very low key in the Secretary of Defense's Annual Report for FY1974.

In our continuing effort to enhance recruiting and to make the Guard and Reserve more attractive to potential members, the Department of Defense supported several proposals. Two of these received Congressional support and impacted favorably in Guard and Reserve circles. They were: extension of Serviceman's Group Life Insurance and expanded post exchange privileges.

In addition we have supported legislative proposals which would modernize the Reserve retirement system, provide equity in medical and survivor benefits and allow selective use of Active Forces enlisted retirees with over twenty years but less than thirty years of service to fill critical vacancies in the Selected Reserve. 1/

RECRUITING RESOURCES

On other fronts actions were being implemented. An increase in drill pay for the Reserve Component resulted from the increase in entry level pay implemented in November 1971, since Reserve drill pay is computed from Active Force pay tables. At the Second Joint Recruiting Conference, Dr. Theodore Marrs, Deputy Assistant Secretary of Defense (Reserve Affairs), explained the situation in these terms:

1/ Annual Report of the Secretary of Defense on Reserve Forces, Fiscal Year 1974, Office of the Secretary of Defense, p. 1.

We might need pay comparability with other 'moon-lighting' jobs but most particularly we need comparability with other hobbies which have appealed for the use of weekends and other part-time matters. This part-time job seeker has some special incentives which have been introduced recently in the form of the pay bill. We can now tell him that instead of getting \$19 for a weekend of participation we can talk in terms of his receiving about \$41...

The pay raise and the increases in recruiting resources constituted the major incentives for the Reserve Components.

The build-up in recruiting resources was, in terms of percentages, larger than the build-up in the Active Force because the Reserve build-up started from a small base. Prior to FY1972, the Reserve Components, except Navy, spent very little money for enlisted recruiting. ^{1/} Starting in FY1972, all Components began increasing their recruiting organizations. A setback occurred in FY1973 when the Congress cut \$14.4 million from the \$54.8 million requested for Reserve recruiting. The cut was in the Army National Guard and the Army Reserves, where the strength shortfalls were more severe. The budget request of \$68 million which was approved for FY1974 represented nearly a sevenfold increase from the \$9 million actually spent in FY1971. This build-up in resources helped save the Guard and Reserve Components from a more critical shortfall in strength.

In staffing their recruiting organizations, the Reserve Components used a combination of fulltime military personnel, civilian personnel, and Reservists placed on recruiting duty for a portion of the year. Unlike the Active Forces, the Guard and Reserve recruiting is primarily unit recruiting in local areas. Centralized recruiting is more difficult than unit recruiting for Guard and Reserve units because recruits must be obtained within a reasonable commuting distance of the unit. The accompanying table shows the growth in manpower for Reserve recruiting on the basis of man-year equivalents.

Reserve recruiting had evolved with a number of different approaches used by the individual Reserve Components. Reserve unit members were encouraged to enlist their friends and some units offered prizes or

^{1/} The Navy had long conducted a recruiting program for enlistment in the Reserve Components which involved two years' active duty. On the average about 15,000 recruits a year entered active duty from this source. After two years active duty those who entered the program were obligated to serve four years in the Navy Reserve.

RECRUITING MANPOWER OF THE RESERVE COMPONENTS
(Man-Year Equivalents)

<u>Reserve Components</u>	<u>FY1971</u>	<u>FY1972</u>	<u>FY1973</u>	<u>FY1974</u>
Army National Guard	3	385	948	1801
Army Reserve	7	129	368	762
Naval Reserve	707	732	732	732
Marine Corps Reserve	28	60	228	324
Air Force National Guard	0	1	105	371
Air Force Reserve	<u>22</u>	<u>39</u>	<u>53</u>	<u>150</u>
Total	767	1346	2434	4140

other rewards to encourage recruiting. Commanders of some components designated one or two members as recruiters, with time off from drill attendance given, in some instances, in exchange for performance of recruiting duties. During the FY1972 build-up four major approaches were taken:

- Reservists on Extended Active Duty -- used by Navy and Marine Corps to provide a stable recruiting force.
- Reservists on 179 Day Tour of Active Duty (six-months) -- used by Air National Guard and Marine Corps.
- Reservists on 2-4 Days Per Month Tours of Active Duty for Training -- used by Army National Guard.
- Civilian Technicians -- (civil service employees who were also members of a Reserve unit) used by the Army Reserve and Air Force Reserve as fulltime recruiters.

As the growth in recruiter numbers occurred, each Service placed the Reserve recruiting functions, in varying degrees, under the supervision or support of its Active Forces recruiting organization.

Prior to FY1972 only the Navy maintained a sizable Reserve recruiting organization. Draft motivation had produced long waiting lists for entry into the Reserve Components. In July 1971, the Navy elevated the Recruiting Division of the Bureau of Naval Personnel to the status of the Naval Recruiting Command and combined Reserve recruiting in it -- a first for any of the Services. Under "One Navy" recruiting, quotas for enlisting Reservists were eventually assigned to Active Force recruiters. The Marine Corps made a similar combination of responsibilities in 1974. The Air Force Reserve conducted a test of one year using Active Force control of recruiting but went back to unit recruiting. The Army and Air Force greatly improved the cooperation and referral of prospects among Active and Reserve recruiters but did not combine their Active Force and Reserve Force recruiting.

The Central All Volunteer Task Force completed a study of Reserve Component recruiting in November 1972, prompting Assistant Secretary Kelley to give personal attention to Reserve Component recruiting as he had given Active Force recruiting. ^{1/} The Task Force concluded that Reserve units should continue to have the primary responsibility for recruiting their own members and that Reserve recruiters should be con-

^{1/} Reserve Component Recruiting, Central All Volunteer Force Task Force, November 1972. The report was written by Irving Greenberg, Assistant Director for Procurement Policy, ASD(M&RA); later Greenberg became Acting Deputy Assistant Secretary for Plans and Requirements.

sidered as a supplement rather than a substitute for unit recruiting. The report also pointed out that stronger links were needed between Active and Reserve recruiting organizations. The Task Force stopped short of endorsing the consolidation of Active and Reserve recruiting organizations into a single recruiting command in each Service, merely pointing out that the feasibility of such a consolidation was being tested by the Navy. In the National Guard Components of Army and Air Force, particularly, recruiting remained largely a unit-level responsibility.

Kelley used the study to pressure the Reserve Components generally into a more vigorous recruiting effort. By the time of the Third Joint Recruiting Conference in December 1972, even Deputy Assistant Secretary Marrs of Reserve Affairs -- the chief DOD advocate of an incentive program for the Reserve Components -- said that every effort to improve recruiting should be made before enacting an incentive program. In spite of this concern by top management, it was 1976 before all of the Reserve Components had moved toward a dedicated full-time, stable recruiting force.

BROADENING THE SUPPLY

Reserve Components accession policy actually developed along the lines of increasing the "supply" of Reserve enlistment pools, as was recommended in the Central All Volunteer Task Force reports.^{1/} The Task Force recommended:

- (1) An increase in the proportion of prior service enlistees above the proportion of 41 percent prior service and 59 percent non-prior service which was being planned for FY1973.
- (2) Recruitment of more women, more blacks, and more Mental Category IV (Below Average) personnel among non-prior service enlistments.

Action had already been initiated along these lines and was accelerated in FY1973 and beyond under the pressure of strength shortfalls.

In the transition to the All volunteer Force the "mix" of non-prior service and prior service accessions changed appreciably. In FY1970 about 68 percent of accessions were non-prior service and 32 percent were prior service; by FY1975 the proportions were dramatically reversed, with non-prior service accessions programmed at 33 percent and

^{1/} Ibid., pp. 31-42.

prior service accessions at 67 percent. ^{1/} This change was primarily a response to the shortage of non-prior service volunteers but other considerations are relevant:

- (1) Recruitment and training costs for prior service personnel are lower than for non-prior service.
- (2) The overall experience level of Reserve Forces is improved by the larger proportion of prior service personnel.

This change in the prior service and non-prior service "mix" is the largest single factor accounting for the maintenance of Reserve Component strengths in the transition to the volunteer force.

The broadening of the "supply pool" by increased utilization of Mental Category IV (Below Average) personnel, blacks, and military women also helped to offset the decline in male non-prior service Caucasian accessions in the preferred mental groups. In all the "substitute" categories of personnel, the Reserve Components had a low base of utilization in FY1971. In FY1971 90 percent of all non-prior service accessions consisted of white males in the upper mental groups. This supply decreased rapidly with the decline in draft calls and the end of the draft. Between FY1971 and FY1974 accessions of this group dropped from 91,000 to 26,000 -- a decrease of more than 71 percent. ^{2/} As substitute categories of personnel were obtained from the broadened "supply pool," white male Mental Category I-III enlistments decreased to 56.5 percent of the 26,000 non-prior service accessions in FY1974. Mental Category IV personnel increased from 6.9 percent of non-prior service accessions in FY1971 to 26.7 percent in FY1974; as shown in the accompanying table, the accessions of blacks and women also increased significantly.

Summarizing the trends in Reserve Component accessions, the statement can be made that the volunteer force was attained by policy changes which broadened the supply pool to make use of non-prior service personnel and to utilize more Mental Group IV personnel, more blacks, and

^{1/} Fiscal Year 1975 Authorization Hearings before Senate Armed Services Committee, 93rd Congress, 2nd Session, Part 4, pp. 1723-24, February 24, 1975.

^{2/} A comprehensive summary of Reserve Forces accessions trends is given in U.S. Reserve Forces: The Dynamics of Personnel, by Robert N. Gaines, Human Resources Research Organization Special Report, March, 1975.

Blacks and Women Among Non-Prior Service Accessions
in the Selected Reserve FY1971-74

		<u>FY1971</u>	<u>FY1972</u>	<u>FY1973</u>	<u>FY1974</u>	<u>FY1975</u>	<u>FY1976</u>
Blacks	Number	1,800	4,101	7,902	11,963	18,661	21,218
	Percent	1.8	4.3	11.3	25.9	27.3	28.6
Women	Number	331	448	1,348	6,059	16,178	14,103
	Percent	0.3	0.5	1.9	13.1	23.7	19.0

more women. The Department of Defense accepted the lower quality levels of non-prior service accessions in the Reserve and National Guard Components; the quality levels of prior service personnel who were recruited remained high. Through FY1976 there was no major, sustained drive for the enactment of an enlistment bonus for these components, or other major incentives to offset this trend.

ENLISTMENT AND STRENGTH TRENDS

One of the problems in ASD(M&RA) direction of the volunteer force effort for the Reserve Components was the inadequacy of data on accessions and losses. The President's Commission had commented on the lack of data on the Reserve Components, observing that, because of the data gap, their conclusions on maintaining volunteer Reserve Components were tenuous. The observation was valid. In 1971, ASD(M&RA) obtained strength data after a lag of about 60 days and obtained information on accessions only as a result of special reports submitted by the Service experts. The data elements and definitions were not standardized among the Services. The Active Forces accession data were timely and responsive but the system for the Reserve Components was not, partly because of the heavy reliance on unit recruiting. The Deputy Assistant Secretary for Reserve Affairs started work to correct the inadequacies in the system. On July 1, 1974, the Reserve Components Common Personnel Data System became the official strength accounting system for the Reserve Components. The system provided more timely reports of the strength, accessions, and inventory of the Reserve Components.

There was, as feared, a substantial drop in actual strengths of all the Reserve Components during FY1972 as the draft pressure declined. Secretary Laird began to talk about drafting Reservists even if there was no draft for the Active Forces. As recruiting resources were expanded the decline was arrested in FY1973, except in the Army National Guard, the Marine Corps Reserve, and the Air Force Reserve. In response to an ASD(M&RA) recommendation, the Congress reduced the average strength budgeted for FY1974, the first full year of the volunteer force, from the level of 972,000 in FY1971 to 913,000. As a result, the Congressional budgeted average strength and the actual average strength were substantially the same. Some shortages existed by Components, as shown in the accompanying table.

Selected Reserve Strengths FY1974 ^{1/}

<u>Reserve Component</u>	<u>Actual Average Strength</u>	<u>Congressional Average Strength</u>	<u>Percentage of Congressional Strength</u>
Army National Guard	394.4	379.1	104.0
Army Reserve	230.0	232.6	98.9
Naval Reserve	111.9	119.2	98.9
Marine Corps Reserve	33.7	39.7	84.8
Air National Guard	92.1	92.3	99.8
Air Force Reserve	44.0	49.8	88.3
DOD Total	912.0	913.1	99.9

^{1/} Annual Report of the Secretary of Defense on Reserve Forces, Fiscal Year 1974, Office of the Secretary of Defense, p. 2.

In FY1975 the picture was substantially the same. The average actual strength was 905,000 compared to a Congressional average strength authorization of 925,000. The shortfall raised no "hue and cry" for an enlistment or reenlistment bonus despite the fact that the Selected Reserve units, in keeping with the Total Force Policy, comprised 30 percent of the forces immediately available for national emergencies. In transmitting the Annual Report of the Secretary of Defense on Reserve Forces to the President, Secretary James Schlesinger said, "Despite continued shortages in certain categories of equipment, the Guard and Reserve reached new highs in readiness in Fiscal Year 1974. The Reserve Components of the Air Force and the Marine Corps experienced difficulty in meeting programmed manning levels. However, the overall results from intensified recruiting efforts were encouraging, particularly among prior service enlistees." ^{1/}

For the end of FY1976 the Department of Defense requested an authorization of 885,100 for the Selected Reserve. This would have been a reduction of 33,900 from Fiscal Year 1973 to 1976. According to Assistant Secretary Brehm, part of the reductions in strength resulted from changes in force structure and others from difficulties in recruiting. ^{2/} The Congress increased the authorization to 904,100 but the actual strengths, as of June 30, 1976, were 822,900. The accompanying chart shows the authorization and shortfall by Components.

Selected Reserve Strengths
(End Strength in Thousands)

	<u>Actual</u> <u>FY1973</u>	<u>Actual</u> <u>FY1976</u>	<u>Authorized</u> <u>FY1976</u>
Army National Guard	386.0	362.3	400.0
Army Reserve	235.0	194.6	219.0
Naval Reserve	126.0	97.5	106.0
Marine Corps Reserve	37.0	29.6	32.5
Air National Guard	90.0	90.9	94.4
Air Force Reserve	<u>44.0</u>	<u>48.3</u>	<u>51.8</u>
Total	919.0	822.9	904.1

^{1/} Ibid., letter of transmittal, p. 1.

^{2/} Statement of Assistant Secretary of Defense (M&RA), William K. Brehm, before Senate Armed Services Committee, February 24, 1975, p. 14.

As in the Active Forces, strength reductions proved important in the sustainability of volunteer Reserve Components. Unlike the Active Forces, some of the reductions in the Reserve Components were attributable to a lack of recruiting capability.

OUTLOOK IN FY 1977

The same trends continued when Assistant Secretary Brehm presented the FY1977 budget for the Reserve Components in March 1976. The "major Defense-wide study of Reserve Components," which Brehm had mentioned during his first Congressional appearance in December 1973, was now being implemented as the "Total Force Study." The Army and Navy were reviewing their Reserve structures to determine what low priority missions could be converted to higher priority missions, what units could be eliminated, what individuals could be transferred to some other category than the Selected Reserve. Particular attention was being given to eliminating support-type units or jobs on the basis that, in the event of mobilization, Allied host nations could provide the initial support services so the need for a support position could be deferred until later in the mobilization schedule.

Partly as a factor in Brehm's emphasis on reducing manpower costs and partly as a result of the clarification of mission priorities in the Total Force Study, a number of DOD legislative proposals were initiated in 1976 to economize on expenditures for drill pay. The following proposals were made:

- An increase in the number of persons who would receive pay for 24 instead of 48 drills per year.
- Elimination of dual military and civilian pay of Reservists who are federal employees while they are on military leave status for active duty -- usually for 12 to 30 days for training as Reservists. This would save about \$10 million in the Army budget for the Reserve Components.
- Elimination of Administrative Duty Pay in addition to regular pay for Selected Reservists who are Unit Commanders.
- Discontinuance of Pay Group P -- an incentive which allowed non-prior service high school graduates to receive up to 24 drills while awaiting entry on active duty for Reserve training.
- Elimination of one day's pay for four, instead of eight, hours of training over and above the normally scheduled 48 eight-hour drills per year.

Brehm estimated the potential savings from these proposed adjustments in Reserve Components to be about \$60 million in FY1977.

Throughout the Reserve community there was dissatisfaction with the proposed pay economies. The Congress did not accept the elimination of dual compensation for Reservists who are federal employees or the elimination of administrative duty pay for unit commanders. Also, the Congress restored Pay Group P, after discontinuing it temporarily. It remains to be seen whether the actions taken will be translated by the rank and file into perceptions of decreasing benefits severe enough to have an adverse impact on the non-prior service recruiting capability, which was already weak.

Further strength reductions were recommended by the Department of Defense for FY1977 -- this time in the Navy drill pay strength. If authorized by Congress, Reserve Component strength in drill pay status would decline to an average of 850,000 for FY1977, a new low. The Navy reductions of 40,000 were based largely on two changes: First, seven Engineer Construction Battalions (Sea Bees) were dropped from the force structure. Second, Brehm decided that individuals whose war-time assignment is to augment the Navy Shore Establishment do not require 24 to 48 training drills annually but could maintain their proficiency with two weeks' annual refresher training in their mobilization assignment. Accordingly, they were dropped from the drill pay authorization for the Selected Reserve.

The proposed authorization of 850,000 was significantly below the 960,000 authorized for the end of FY1970; nevertheless, it was above the actual strength of 822,900 reached on June 30, 1976.

In testifying on their FY1977 budgets, the representatives of the Reserve Components stated the belief that they generally could meet recruiting and strength goals. The readiness of the force was considered to be high. There would still, through FY1977, be high losses of draft-motivated personnel who had entered for six-year terms in FY1970. The "mix" of non-prior service personnel was regarded as too low in the Army and Marine Corps Reserve, a situation caused, in part, by the lack of incentives for non-prior service recruiting. The accession objective of 122,000 in the Army Reserve was significantly higher than the enlistment peak of 60,000 obtained in FY1975. It was becoming increasingly clear that additional incentives and recruiting resources, long delayed, would be needed to sustain all of the Reserve Components on a volunteer basis. It was still possible in FY1977 for the Reserve Components to become the "Achilles heel" of the volunteer force.

HEALTH AND MEDICAL PERSONNEL

There was a consensus both inside and outside the Department of Defense that volunteer manning problems in the health and medical pro-

fessions would be critical. There was a general shortage and maldistribution of doctors. In addition, there was a very large gap between military pay and civilian pay for health professionals. The doctors' draft clearly was the source of the majority of professional medical personnel, including dentists, who served in the military.

The President's Commission on the All Volunteer Force pointed out that 80 percent of all male physicians in the United States had served in the Active or Reserve Forces and that "no other group in our society has had such heavy relative demands placed upon it for military service." 1/

Only about a sixth of all physicians served voluntarily. Approximately another sixth were obtained through medical scholarship programs or other subsidized training programs but some of these entrants were draft-motivated. About two-thirds of all physicians who entered were obtained through the draft or through the Berry plan, in which all entries were draft-motivated. This plan allowed a physician to defer his military obligation during specialty training and to fulfill it by serving on active duty for two years as a Reserve officer after completion of specialty training.

PRELIMINARY ASSESSMENT

In sharp contrast to its tone of confidence about the general feasibility of the All Volunteer Force, the President's Commission expressed uncertainties about solving the medical manpower problem on a voluntary basis. "The very troublesome problem of conscription of doctors has been the subject of independent inquiry by the commission. Our studies suggest that a variety of steps can be taken to reduce the need for conscription. Each of these measures will contribute something toward eliminating the doctor draft but we are not certain that they are adequate..." 2/ The commission recommended expanded use of civilian physicians to provide military medical care, scholarships and subsidies to medical students to increase the number of volunteers, and competitive pay which went up to \$39,555 total pay and allowances for a medical officer with the rank of Colonel after 22 years of service.

The Project Volunteer Committee Report in 1970 listed the Doctors' Draft as one of the issues which remained to be resolved before a volunteer force could be achieved. "We recognize that attaining a volun-

1/ Report of the President's Commission on the All Volunteer Force, February 1970.

2/ Ibid., p. 87.

teer force of physicians presents a special problem because of the national shortage. We cannot afford the risk of being unable to meet our medical service needs....We must recognize the possibility that the draft of physicians will be needed after draft calls for other active duty personnel have reached zero." 1/ The Project Volunteer Committee also recommended competitive pay for physicians and "a large scale program of fully subsidized professional education for physicians and dentists in exchange for appropriate service commitments." 2/

Making an exception to its general approach of not reducing requirements to reach a volunteer force, the Project Volunteer Committee singled out the medical area by planning to lower the number of physicians through improved utilization.

Improvements in retention of physicians, resulting from the proposed scholarship program and other measures, can significantly reduce total military physician requirements. For example, the Assistant Secretary of Defense (Health and Environment) has estimated that three experienced and mature long term career physicians have the effectiveness of four young inexperienced two-year physicians. An additional increase in physician productivity can be accomplished by providing additional physicians with adequate clerical/stenographic support. It is recommended that these and similar measures be supported and that the Assistant Secretary (Health and Environment) working with the Services, develop the necessary procedures to assure that any resulting improvements in efficiency are accompanied by appropriate reductions in total physician requirements. 3/

The outlook for accomplishing a volunteer force in the health and medical field was sufficiently bleak that the White House staff, at one time, actually decided to recommend to the President that the Doctors' Draft be continued. However, the issue never reached the President.

1/ Plans and Actions to Move Toward a Volunteer Force, unpublished document, ASD(M&RA) files, August 1970.

2/ Ibid., p. 21.

3/ Ibid., p. 22.

Assistant Secretary Kelley and Dr. Louis Rousselot, Assistant Secretary of Defense (Health and Environment), appealed to the White House staff to avoid a premature judgment on the matter; fortunately for the volunteer force, the views of the Defense representatives prevailed. ^{1/}

AVAILABILITY OF BERRY PLAN PHYSICIANS

The implementation of the health and medical program was treated as a problem with a long lead time. It was recognized that, after the end of the draft, there would be a residual supply of physicians, consisting of students who had been deferred from the Doctors' Draft under the Berry Plan until they completed specialty training. Their military liability, by law, continued after the expiration of draft authority. In fact, over 11,000 entires from this source continued to be available throughout the 1970's.

For this reason, no shortages were projected until FY1975. The shortages forecasted by the Assistant Secretary (Health and Environment) are shown below:

Projected Shortages of Physicians

	<u>FY1973</u>	<u>FY1974</u>	<u>FY1975</u>	<u>FY1976</u>
Requirements	12,800	11,300	11,300	11,300
"Shortfalls" with Berry Plan	0	0	800	1,515
"Shortfalls" without Berry Plan	0	1,400	4,150	5,900

A few doctors were expected to enter under the Berry Plan as late as 1980.

To start a flow of volunteer accessions the FY1972 Project Volunteer budget provided 1500 medical scholarship enrollments in addition to the 733 scholarships already contained in the basic budget. The proposed legislation authorized up to 5,000 scholarships at any one time.

^{1/} Interview with Vernon McKenzie, Deputy Assistant Secretary of Defense (Health and Environment), June 1976.

HEALTH AND MEDICAL SCHOLARSHIPS AND THE HEALTH ACADEMY

Public Law 92-426 which authorized the medical scholarships passed in September 1972. By this time it had become known by the somewhat grandiose title of the "Uniformed Services Health Professions Revitalization Act of 1972." The act consisted of the increase authorization of the medical scholarships and the authorization of a Uniformed Services University of Health Services. The latter authorization made a long range, relatively minor contribution to meeting the accession requirements for physicians. There were expected to be 100 graduates annually by 1980. The legislation was controversial, but it was Congressman Hebert's "baby"; therefore, it was accorded more legislative interest than the more urgent scholarship provisions of the bill.

The Health Academy proposal had threatened to hold the scholarship program up for a while. Speaking before the House Armed Services Committee in September 1971, Chairman Hebert pointed out how patient he had been. In 1947, he said, Secretary of War Patterson had mentioned a "West Point for Doctors" and Secretary of Defense Forrestal and General Dwight D. Eisenhower both had indicated the idea had merit. The Surgeons General, however, said their problem was immediate and short-term whereas the medical school was long-term. The Chairman declared these men were wrong 25 years ago and his implication was that such a view would also be wrong in 1971. 1/

Mr. Hebert, paraphrasing Assistant Secretary Kelley, argued that HR2 contemplated just such a program as Kelley said was needed. 2/

First, he told the Committee that it is the Administration's intention to go to a completely voluntary manpower procurement policy for the armed services within 2 years. Second, that this procurement policy would extend to physicians as well as other personnel. Third, to achieve this policy would require major changes for physician career incentives and management both by action within the executive branch and by concurrent actions from the legislative branch. Fourth, that solving the military doctor supply problem should contribute as well to solving the doctor national supply problem.

1/ Hearings on HR2 to Establish a Uniformed Services Health Academy, House Armed Services Committee, September 21-23, 1971, p. 6123.

2/ Ibid., p. 6124.

This inferential reasoning by the Chairman was occasioned by the circumstance that Defense had not included the Health Academy in its volunteer force program. In the Senate a move was made to delay the legislation to establish the university academy. The Senate Armed Services subcommittee report substituted a study by the Secretary of Defense of the feasibility of a Health Academy for the House bill which authorized establishment of the Academy. The Senate report cited a letter from the Secretary of Health, Education, and Welfare which opposed the Health Academy but favored medical scholarships. In the conference on the bill the Senate conferees receded. The conference report cited Secretary Laird's statement of support for the bill:

Without the force of the draft -- and I think it would be difficult to justify the drafting of health personnel only -- we will need new and imaginative programs to retain these scarce categories of professional persons. Of course, as a corollary we must have programs to insure that we get a maximum use out of individuals whom we do obtain. I support HR2 since I believe it would, if enacted, form the basis of programs dedicated to these objectives. ^{1/}

After 25 years from his initial interest in 1947, Mr. Hebert finally became the "father" of the Uniformed Services University of the Health Services. The first class was selected in 1976 and the first graduates were expected in 1980. ^{2/}

The need for the increased scholarship legislation was almost self-evident. The need was stated succinctly in the Conference Report on the legislation:

The shortage of physicians seriously impacts on the uniformed services. During the past 4 years, fully 60% of the male physicians graduating from medical school have entered service; yet the retention rate after two years of service is only about 1%.... The DOD strength projections, if there were no doctor draft and no scholarship program, are as follows:

^{1/} Ibid., p. 6180.

^{2/} As of February 1977, Congressional action on the FY1978 budget deleted funds for the university.

1971	14,075	
1973	14,051	
1974	11,470	
1975	10,299	
1976	9,586	
1977	8,686	
1979	6,736	
1980	6,386	1/

It was obvious that something had to be done to build up a flow of volunteers as accessions from the Berry Plan diminished. The scholarship proposal for the payment of tuition, fees, and a monthly stipend of \$400 was accepted by the Congress. The average scholarship was estimated to cost \$10,000 and the costs of the full program of 5,000 scholarships was estimated at \$50 million annually. This was a massive increase in the small existing programs which in FY1971 had yielded 40 Army graduates and 68 Air Force graduates.

The results of the Scholarship Program lived up to expectations. The number of graduates increased from 437 in FY1974 to 1,318 in FY1975. As of October 1975 4,924 students were enrolled in the program. The selectivity was adequate, with 4,515 selected from a total of 12,561 applications received for FY1976-79. The Berry Plan remained as the last vestige of the draft. There were still 1,751 Berry Plan entires in FY1975 and 1,434 entries were expected in FY1976; thereafter, the number was expected to decline. In the future the Armed Services Health Profession Scholarship Program would be the major source of medical and health professionals in the volunteer environment.

OTHER ACTIONS

The Uniformed Services Special Pay Act of 1972, first introduced in March 1972, was designed to solve the remaining special manning problems of the volunteer force. The Act again recognized that health care professionals were the most difficult officer group to retain beyond their obligated tour. According to the letter transmitting the Special Pay Bill to Congress, "The proposed legislation has the objective of eliminating the gap between the incomes of the civilian and military health care professions." This was, indeed, a big order. The proposal would authorize payment of bonuses up to \$17,000 for medical officers to extend their terms of service beyond their initial tour. Other

1/ Senate Bill Conference Report, Armed Services Committee, 92nd Congress, August 16, 1972, pp. 9, 10.

actions were under way, however, before this bill in a revised form was eventually passed in May 1974.

The Assistant Secretary of Defense (Health and Environment) briefed the Project Volunteer Committee in November 1972 on his plans for medical manning. The plans included, in addition to the scholarship procurement program and the retention bonus, the following actions:

- Use of physician assistants and nurse extenders to substitute for physicians.
- Use of additional clerical personnel to save the time of physicians.
- Modernization and more efficient use of facilities to utilize medical officers more effectively.
- Greater use of civilian health delivery systems through insurance programs (CHAMPUS) in lieu of use of military hospitals in the United States.
- Reduction of physician requirements as a result of these measures.

The Physician's Assistant Program was under way in all Services in 1972. The training programs, relatively small at first, furnished the most advanced specialized training offered in the enlisted health care field. The Air Force plan provided 90 graduates a year, the Army plan from 50 to 60, and the Navy plan only about 10 graduates a year. In each Service, the Physician's Assistant performed under the supervision of a physician -- duties that had formerly been performed only by a physician. The duties generally included obtaining medical histories, performing physical examinations, and making diagnosis and prescribing therapy on a limited basis under the supervision of a physician.

To provide more precise planning, particularly on the requirements-supply situation, in January 1973 Assistant Secretary Kelley appointed a Medical Task Force to prepare in six months a detailed plan for achieving an all volunteer health force. The principal tasks assigned to the Task Force were:

- Develop methods to determine the demand for health services.
- Determine the feasibility of various patterns of health care delivery as alternatives to military-provided care.
- Identify procurement and retention needs, FY1974-78, under current conditions and changed conditions.

- Evaluate utilization and conditions of operation in the Services.
- Compare lifetime income streams of military and civilian medical careers. ^{1/}

The Task Force estimated the size of the population groups requiring military health care and pointed out that the population was likely to increase between FY1972 and FY1977 because of increases in the number of retired members and their dependents. In spite of this projected growth in demand, a program to reduce requirements had been initiated by maximizing the efficiency of doctors. Paraprofessional, clerical, and other support personnel would be made available to relieve doctors of time-consuming nonprofessional details. A program to modernize outmoded medical facilities was to be accelerated to accomplish in five years what would otherwise have required 20 years. A program of regionalization of military medical facilities was inaugurated to coordinate all Service use of medical facilities and make more efficient use of health professionals.

COMPETITIVE PAY FOR PHYSICIANS

At the time of Senate hearings in December 1973, on the medical incentives contained in the Special Pay Act, the ASD(Health and Environment) projection of shortages, without additional pay or bonuses, was similar but not identical to earlier projections, as shown in the accompanying table.

Medical Officers - Estimates of Authorized, Assigned, and Shortages

	<u>FY70</u>	<u>FY71</u>	<u>FY72</u>	<u>FY73</u>	<u>FY74</u>	<u>FY75</u>	<u>FY76</u>	<u>FY77</u>	<u>FY78</u>
Authorized	15,200	13,980	13,850	13,450	13,100	12,100	12,100	12,000	12,000
Assigned	15,200	14,007	13,870	12,640	11,640	11,300	10,300	9,400	8,500
Shortage	0	0	0	762	1,047	815	1,500	2,500	3,400

^{1/} Health Personnel All Volunteer Task Force, Phase II Report,
Office of the Assistant Secretary of Defense (Health and Environment),
October 1973, p. 1.

In the earlier projections, requirements from FY1974 and beyond were expected to be 11,300 as a result of efficiencies in utilization. The actual reduction was smaller and occurred a year later. Shortages were not as large as had been expected because there were fewer losses than had been projected earlier.

The proposed special pays and bonuses were substantial. Dr. Richard Wilbur, testifying for ASD(H&E), stated that the additional pay and bonus did not completely close the gap with private practice. The remaining gap in favor of the private sector, he said, was \$20,000 annually after the fifth year of practice and \$4,000 after the 20th year. The objective of this schedule was to retain one out of three medical officers.

Within the Defense Department there was some grumbling that "doctors would make more money than the Chief of Staff." Despite this point of view, the practical need for a major upward adjustment in the pay level of medical officers was generally recognized. Under the proposed schedule, the existing special pay of \$150 a month for each month of active duty after two years would be increased to \$350 a month. After four years of active duty and completion of initial residency a medical officer would become eligible for bonus pay up to \$13,500 a year for each year of continuous active duty after execution of an active duty agreement. ASD(H&E) estimated that the costs resulting from the legislation would be \$53 million annually.

The legislation was finally enacted in May 1974 as Public Law 93-274, and was implemented in the Department of Defense in early 1975 as the Variable Incentive Pay Program for physicians. Under this legislation a typical military doctor who had completed four years of service, his military residency training, and who had reached the rank of major could earn as much as \$39,000 a year, as of 1976. This maximum would consist of \$21,500 in regular military compensation, special physician's pay of \$4,200 under legislation enacted in 1958, and variable incentive pay of \$13,000 under the new legislation.

Appearing before the House Armed Services Committee in May 1975, Deputy Assistant Secretary (H&E) Vernon McKenzie described himself as "guardedly optimistic." ^{1/} He was guarded because military physicians were about 500 short of the end of the fiscal year authorization of 11,823. Also, the inventory still included 4,000 physicians, mostly draft-motivated, who had entered under the Berry Plan and, importantly, 3,500 more would enter in the next five years. Those entering under the Berry Plan were not eligible for the bonus but, to avoid shortages, it would be necessary for about 20-25 percent of them to extend beyond

^{1/} House Armed Services Committee Hearings, Department of Defense, Military Strength Authorization, May 5, 1975, p. 2015.

their obligated service. McKenzie was optimistic because 3,476 physicians (73 percent) of the 4,784 eligible for the new bonus had signed bonus contracts -- about 40 percent of them for three or four years.

In recommending extension of the special medical pay legislation beyond June 30, 1976, the Department of Defense viewed the outlook positively. The number of volunteer physician accessions in FY1975 was more than 3.4 times that in FY1974. Since the passage of the incentive pay act, physician losses for FY1975 had been 28.4 percent of the inventory compared to 37.4 percent in FY1974. During the first quarter of FY1976, the loss rates were down to 16.0 percent. The Department said, "There is no doubt the VIP is working and that it is cost effective." The Department recommended a change in the legislation so that 3,000 physicians who had obtained a draft deferment under the Berry Plan and who were obligated to enter Service between 1976 and 1980 would be eligible for the bonus.

With the implementation of the physician's bonus it appeared that the last remaining manning problem of the volunteer force was virtually solved.

THE ENLISTMENT BONUS

Neither the report of the President's Commission nor the report by the Project Volunteer Committee made reference to special manning problems associated with ground combat enlistments. Both reports recognized, however, that supplementary pay would be needed for some persons with special skills or for service in some occupations. The President's Commission endorsed the use of proficiency pay in such circumstances.^{1/} The Project Volunteer Committee specifically referenced the use of an enlistment bonus but stopped short of endorsing its use:

The major advantage advanced for a lump sum bonus is its apparently greater appeal to potential enlistees than an equivalent increase in pay rates because the bonus provides larger amounts of 'cash in hand.'

The bonus also had the advantage of flexibility; its amount could be adjusted from year to year in relation to changing market conditions.

^{1/} Report of the President's Commission on an All Volunteer Armed Force, Superintendent of Documents, Washington, D.C., February 1970, p. 60.

However, it posed the difficulty of "pay back" problems for individuals discharged before completing their enlistment contract. Also, the offer of large sums of money to younger personnel might pose potentially controversial issues and might not, in fact, attract a desirable quality of enlistees. The committee went no further than to say, "It is recommended that these and other considerations be thoroughly reviewed in the course of the forthcoming year." 1/

GROUND COMBAT MANNING PROBLEMS

The earliest public reference to ground combat personnel as a "special manning problem" is contained in Assistant Secretary Kelley's briefing to the House Armed Service subcommittee in August 1970. The briefing states that, "We need young men with a high order of leadership abilities for ground combat positions. Less than 5% of Army personnel who choose an occupational enlistment option select ground combat."

The Army began to emphasize the ground combat recruiting problem in connection with the formulation of the FY1972 Project Volunteer budget. The Secretary of the Army described the task of eliminating draftees as "monumental." 2/ He used ground combat as an example:

In the difficult area of combat skills we will need to increase volunteers more than 500%, or about 4,000 additional enlistments per month in FY1972. The table illustrates some recent Army experience in these skills.

In view of the large number of draftees assigned to the combat arms, it is no wonder that the task of obtaining volunteers appeared "monumental."

Initially, the Army favored ground combat proficiency pay of \$150 a month as the method for meeting the manning problems in ground combat. The Deputy Assistant Secretary of Defense (Systems Analysis), supported by the Air Force, endorsed use of the enlistment bonus -- a solution

1/ Plans and Actions to Move Toward an All Volunteer Force, a report to the Secretary of Defense by the Project Volunteer Committee, August 1970.

2/ Memorandum from Secretary of the Army to the Secretary of Defense, Subject: Volunteer Army Action, November 6, 1970.

In his first presentation of the Administration's volunteer force program to the Senate Armed Services Committee, Kelley used the ground combat enlistment problem as an argument for the two-year extension of the draft, saying:

So far I have discussed the need to extend the induction authority in terms of total manpower requirements. There are, of course, specific manning problems within these total numbers which reinforce the need for a 2-year extension. Let me mention two areas.

First, combat soldiers -- those men who are assigned to Army infantry, armor, and artillery units. Currently, only four percent of Army enlistees specifically request such assignment. The remainder are draftees or men who entered without designating an occupational preference. Proposed solutions to this supply problem will be described in my later testimony but it is imperative that we rely partially on the draft for combat soldiers in the 1971-73 time frame. ^{1/}

Later in the same statement Kelley spoke of the solution.

Along with the proposed increase in the basic pay and quarters allowance, we are recommending legislation to provide the Secretary of Defense with a flexible enlistment bonus authority. A few comments about special pay incentives might be helpful....

Special pay incentives are not unique to the military. The function of pay is to attract and retain the people needed by an organization. The regular pay system establishes internal pay relationships -- that is how the pay of one member relates to the pay of others. It also provides a general relationship to the labor market from which people are drawn -- sometimes called the

^{1/} Selective Service and Military Compensation, Hearings before the Senate Committee on Armed Services, February 2, 1971, p. 60.

competitiveness of pay. Regular pay, however, may not be responsive to special needs, or, for example, when critical skills are in short supply, or when a job is unpopular or has particularly disagreeable features. It is in these instances that special pay incentives have been used.

On a test basis we would propose to pay a bonus of \$3,000 for those who enlist in the Army combat skills....

USE OF THE GROUND COMBAT ENLISTMENT BONUS

Chapter IV discusses the dramatic rise in ground combat enlistments which occurred in the Army as a result of recruiting priority, the use of unit-of-choice and other enlistment options, and the pay raise. The implementation of the bonus in June 1972 at \$1,500 in return for a four-year enlistment and its subsequent increase in May 1973 to \$2,500 for a four-year enlistment of high school graduates are also covered in the earlier chapters. The results of these two stages in bonus administration are discussed further in the following paragraphs.

From June 1, 1972 to May 1, 1973, the combat arms enlistment bonus in Army and Marine Corps was \$1,500 in return for a four-year enlistment. During this period there were 35,110 Army combat arms enlistees. Of this total, 23,172 enlisted for the bonus and a four-year term of service; 11,998 enlisted without the bonus for a two- or three-year term of service. There were 9,118 (39 percent) high school graduates among the bonus enlistees, showing that the \$1,500 bonus attracted mainly non-graduates. In the Marine Corps during this time period about 95 percent of the combat arms enlistees were bonus enlistees.

The bonus was more successful at channeling enlistees into ground combat than in adding to the total supply. It was estimated by General Research Corporation that about 83 percent of the bonus enlistees would have entered the Army without the bonus; most of the others would have entered one of the other Services. ^{1/} About 40 percent of the bonus enlistees said they would not have entered the combat arms without the bonus incentive. About 5 percent of the bonus enlistees who received \$1,500 said that they would not have entered Service at all without the bonus; about 12 percent who received the \$2,500 bonus said they would not have entered Service without it. The bonus did not persuade large numbers of young men to enter Service but it did persuade many who had already made their decision to enlist to sign up for the combat arms.

^{1/} Statistics from Combat Arms Bonus Report, General Research Corporation, McLean, Virginia, April 10, 1973.

As a result of the four-year term of enlistments obtained from the bonus, it was estimated that the total man-years of volunteer enlistments added to the combat arms was 36 percent. Translated into reductions in future accession requirements, an ASD(M&RA) staff study computed that accessions requirements for FY1976 would have been over 28,000 larger in the combat arms if the four-year enlistment had not been offered in exchange for the bonus. ^{1/} The cost-effectiveness of the longer term of service obtained from the bonus was one of its major advantages.

On May 1, 1973, ASD(M&RA) approved the Army proposal to raise the bonus amount to \$2,500 but to offer it, in return for a four-year enlistment, only to high school graduates who scored in Mental Groups I-III (Average and Above Average). The objective was to improve the quality of personnel in the ground combat arms. As shown in the table, gradual improvement occurred under the \$2,500 bonus so that the "quality" mix in ground combat skills was comparable to the Army as a whole.

Enlisted Personnel in Combat Arms

	<u>Percent in Mental Groups</u>		<u>High School Graduates or Equivalent</u>
	Average & Above	Below Average	
1972	74.1	25.9	63.1
1973	77.5	22.5	64.4
1974	79.8	21.2	67.9

Experience with the bonus indicated that it could be used not only to channel manpower into skills and lengthen terms of service, but also to improve the quality of personnel entering a skill. By May 1973, ASD(M&RA) staff, as well as the Army staff, had come to regard the bonus as a safety factor which would assure that accession requirements could be met. ^{2/}

^{1/} One Year With the Combat Arms Enlistment Bonus, August 1973, ASD(M&RA) files.

^{2/} Clay Gompf, Army Deputy Assistant Secretary (Military Personnel Policy), in 1976 said, "The bonus is the solution of the volunteer force. Everybody in the Army is on board for it now except a few." Interview, April 1976.

This enthusiasm for the bonus led to ASD(M&RA) approval in May 1973 of the Army proposal of a 60-day test period of \$2,500 bonus to 20 additional skills found in the "combat elements." The test was authorized under the legislative language which permitted payment of the enlistment bonus to skills in the "combat elements." In these skills only high school graduates who tested in Mental Groups I-III were eligible, and a four-year term of enlistment was required.

Because of strong protests by Senator Harry Byrd, the enlistment option for a bonus in the selected skills in Army "combat elements" was terminated at the end of June. Senator Byrd felt the Department of Defense had gone beyond Congressional intent in extending the bonus beyond infantry, armor, and artillery skills and including the broader skills in the "combat elements." The Congress extended bonus authority in July 1973 but the phrase which authorized skills in the "combat elements" was replaced by language which limited the bonus to infantry, artillery, and armor. This language was broadened by the Enlistment Bonus Revision Act (originally a portion of the Special Military Pay Act of 1972) in 1974 to authorize an enlistment bonus for any shortage skill.

During the abbreviated test period, bonus enlistments in the "combat elements" skills numbered 653, indicating that a skill bonus of \$2,500 to high school graduates only would have a significant effect in the Army toward increasing high school graduate enlistments. The Army pointed out that a significantly larger percentage of enlistments was obtained for each of the specialties, as shown in the table:

Percent of Accession Requirements
Enlisted for Speciality

	<u>May-June 1972 (No Bonus)</u>	<u>May-June 1973 (Bonus)</u>
Radio Teletype Operator	30%	60%
Pershing Missile Crewman	7	56
Air Defense Artillery Operator	7	107
Defense Acquisition Radar Repairman	10	59
Pershing Electronics Material Specialist	25	87
Hawk Missile Launcher Repairman	3	105

The Enlistment Bonus Revision Act (Public Law 93-277), initially a part of the Special Pay Act of 1972, was enacted in May 1974. It contains the broad bonus authority which the Administration had initially sought in 1971 but which the Congress had restricted to bonus authority for the "combat elements." The Enlistment Bonus Revision Act simply stipulates that an enlistment bonus, not to exceed \$3,000, can be authorized by the Secretary of Defense in event of skill shortages.

The plans for the enlistment bonus which ASD(M&RA) submitted to the Armed Services Committees were labeled as tentative. They reflected a heavy predisposition to use the bonus in situations where it paid for itself through longer terms of enlistment. The plans included Navy and Air Force, where the estimated shortages were in four-year enlistments and six-year enlistments, as adequate numbers of three-year enlistments were available. The planned numbers of enlistment bonus contracts in all Services and the budget estimates furnished the Congress were as follows:

Enlistment Bonus Plans-All Services

	<u>FY1974</u>	<u>FY1975</u>	<u>FY1976</u>	<u>FY1977</u>	<u>FY1978</u>	<u>FY1979</u>
Number of Bonus Contracts	18,300	47,500	35,700	31,300	17,300	15,600
Amount in Millions of Dollars	9.0	75.1	83.2	67.0	48.6	52.9

The Special Pay Act became law on May 4, 1974. By this time, ironically, the Department's enlistment problems were mostly history. Because of the improved enlistment climate beginning in FY1975, the enlistment bonus did not have to be implemented on this large a scale.

Under the new law, bonuses were offered by the Army in 25 non-combat skills at the start of FY1975. Fifteen skills were given a \$1,500 bonus and two were given a \$2,500 bonus -- offered only to high school graduates in Mental Groups I-III. Because of the favorable supply situation, 17 of the 25 non-combat skills were eliminated from the bonus program in March 1975 and the remaining eight were limited to a \$1,500 bonus. As of September 1976, the climate had changed again and the Army had pending before the Appropriation Committees a reprogramming action to add to its bonus funds for FY1977. The Navy had also been authorized under the new law to make bonus payments in six ratings. The Secretary of Defense withdrew approval of these payments in 1975 and the Navy terminated the program.

The Army experience with the bonus demonstrated that a bonus of \$1,500-\$2,500 was sufficient to channel enlistees into shortage skills. Marine Corps studies suggest that the bonus had only a small impact on the quantity and quality of enlistees in the Marine Corps. Had the bonus been offered only by the Army, enlistments in the Marine Corps probably would have been lower. 1/

Most bonus recipients had already made a decision to enlist before they decided to accept a bonus option. The bonus proved to be an adequate incentive for persuading enlistees to accept a particular option. A significant number were paid for what they would have done anyway, so it is necessary to obtain an extra year, or more, of service in return for the bonus in order to make it more cost effective. Since the major return from the bonus comes from channeling enlistees into particular skills, its use needs to be confined to a relatively small number of skills. Properly used, the enlistment bonus can be regarded as an insurance program for meeting accession shortages in a volunteer environment.

OFFICER PROCUREMENT

Correctly, as borne out by experience during the transition to the volunteer force, the President's Commission on the All Volunteer Force stated that "recruiting for officers will be somewhat easier than recruiting the enlisted force." 2/ Two factors accounted for the commission's optimism. First, about 70 percent of officer personnel were serving beyond their obligated period of service and the commission considered them to be "career" officers. Second, the growth in the number of college graduates indicated that, by the mid 1970's, the annual officer requirement could be met by recruiting about 7 percent of the graduating classes.

BACKGROUND

The President's Commission pointed out that the volunteer supply of officers could be increased by pay comparability at the entry levels

1/ James T. Bennet and Sheldon Haber, An Assessment of Marine Corps Combat Arms Enlistment Bonus, George Washington University Graduate School, December 1973.

2/ Report of the President's Commission on an All Volunteer Armed Force, Superintendent of Documents, Washington, D.C., February 1970, p. 70.

and by greatly expanding the programs for scholarships for the ROTC and other college level programs. Despite the fact that previous surveys showed that 40 percent of officer accessions were draft motivated in 1964, and 60 percent were draft motivated in 1968, the Defense Department generally shared the commission's view that officer procurement needs could be met if the scholarship programs were expanded. A program of over 15,000 scholarships already existed in FY1970. The Navy's program dated back to 1948 and had held up well during the years of low draft pressure.

The Project Volunteer Committee Report particularly pointed out the importance of a four-year college scholarship program in exchange for a four-year active duty commitment. This incentive far outranked other recruitment incentives. In a survey of high school seniors conducted in 1969 by the Survey Research Center of the University of Michigan, 51 percent of college-bound youth selected a four-year scholarship as the most important incentive and 25 percent of those not planning to go right on to college selected it as the most important incentive. ^{1/}

The Project Volunteer Committee proposed a major expansion of the scholarship program:

Since World War II, volunteer Reserve Officer Training Corps and Officer Candidate School/ Officer Training School programs have provided the bulk of new officer accessions but all have been heavily draft motivated and may be expected to decline in a no draft environment, particularly in view of recent difficulties experienced by the Reserve Officer Training Corps at a number of institutions. Reserve Officer Training Corps scholarship programs, however, have proved highly effective, even in years of low draft pressure. Foreseeable officer procurement needs indicate the desirability of an expansion of the authorized quotas, including an extension to two-year Reserve Officer Training Corps students. In addition, it will be desirable to provide comparable scholarship opportunities to college students at non-Reserve Officer Training Corps institutions in exchange for a Reserve Officer Training commitment.

^{1/} Plans and Actions to Move Toward a Volunteer Force, unpublished report, Project Volunteer Committee, August 1970, ASD(M&RA) files, p. 6.

^{2/} Ibid., p. 7.

According to estimates made in 1970, the accession requirements for officers, including about 7,500 medical specialists, were expected to drop from about 63,000 in FY1970 to 43,000 in FY1972 and to average about 36,000 a year during the FY1973-76 time period. This drop was commensurate with the strength reductions then in use for planning purposes. On the assumption that the draft would remain in effect through FY1973, the Services, except the Marine Corps, were agreed that during this time there would not be significant shortfalls in meeting officer accession requirements. A sufficient number of young men and women in college could be expected to select one of the Services' officer programs as an alternative to being drafted. The Marine Corps, which relied more heavily upon on-campus recruiting for its Platoon Leaders Course, was encountering anti-Vietnam War sentiments which impeded its officer procurement on campus. Even with draft motivation the Marine Corps had failed to meet officer procurement requirements from FY1968 through FY1970.

Because strength reductions were more rapid than expected, officer procurement requirements actually fell to significantly lower levels than were estimated in 1970. Instead of the 43,000 estimated for FY1972, the requirements were actually about 36,000. Instead of the 36,000 estimated for FY1973-76, requirements actually averaged about 27,000. One of Assistant Secretary Brehm's initiatives was to reduce officer strengths during the three-year period from FY1974-76. The percentage reduction of officer strengths was nearly twice the enlisted reduction during this time period. The higher proportion of officer reductions resulted from a review by Command Headquarters and other management actions.

In the volunteer environment ROTC programs and other college programs, such as the Marine Corps Platoon Leaders Program, remained important sources of officers. In FY1975 ROTC commissions were divided about equally between scholarship and nonscholarship programs. The Officer Candidate programs and the in-Service courses which expand during wartime, were significantly curtailed after the Vietnam War.

The accompanying table shows commissioned officer accessions for a pre-Vietnam year, for a Vietnam year, and for FY1975, by source:

Commissioned Officer Accessions

	<u>FY1964</u>	<u>FY1967</u>	<u>FY1975</u>
Service Academies	2,000	2,000	2,500
ROTC and Off Campus	17,300	18,100	9,000
Officer Candidate	10,800	35,300	5,700
Direct Appointment	7,100	13,600	8,800
TOTAL	41,300	72,200	26,400

COLLEGE-LEVEL SCHOLARSHIPS
AND SUBSISTENCE PROGRAMS

Assistant Secretary Kelley appeared before the House Armed Services subcommittee in June 1971 as the principal Department of Defense witness on the legislation to increase ROTC scholarships and to increase the amount of subsistence for ROTC enrollees. Against the background of the cancellation of ROTC programs by a number of colleges during the Vietnam War, his approach was more one of advocacy of a strong ROTC program than of advocacy of the volunteer force. He described the legislation "as vital to continuing strength of ROTC" and he declared that "a strong ROTC is considered essential to obtain the calibre and number of officers needed in a zero draft environment." ^{1/} In justification of the increase in scholarships, Kelley cited the decline in ROTC enrollments between 1969 and 1971. The declines were:

Army	51 percent
Air Force	45 percent
Navy	37 percent

The smaller decline in Navy was attributed to Navy's larger number of scholarships. In defense of the increase of subsistence from \$50 to \$100 monthly, Kelley cited the doubling that had occurred in the consumer price index. The Congressional subcommittee was sympathetic to the proposal for an increase in scholarships.

^{1/} Hearings, Subcommittee No. 2, House Armed Services Committee, Washington, D.C., June 15, 1971, p. 5404.

The manner in which the bill was written gave the subcommittee some trouble and Kelley quickly agreed to changes. The initial version of the bill authorized increases in the scholarship program up to 10 percent of officer strengths. Kelley testified that the number would increase from 16,500 to 33,400. Congressman O. C. Fisher (D-Texas), the subcommittee chairman, pointed out that, since planned military strengths were classified for the years beyond the year in which the budget plan was presented, the number of scholarships which the committee was being asked to authorize would, in some degree, be unknown. Kelley suggested a numerical limitation which, as the bill was revised, provided an increment of 2,500 scholarships divided among the Services as follows:

Army	1,000
Air Force	1,000
Navy	500

The total authorization for all Services was increased from 16,500 to 19,000. In the same legislation, subsistence payments for ROTC enrollees were increased from \$40 to \$100 per month.

A companion bill increased subsistence for one college-level non-ROTC program. This was the Marine Corps Platoon Leaders Class which offered summer training, but the school-year curriculum associated with ROTC. Unlike recruitment for ROTC, the Marine Corps recruiters actually went on campus in a search for officer candidates and, as has been mentioned, encountered difficulty in meeting officer procurement needs. The percentage of officer requirements which had been met had declined:

1968	78 percent
1969	77 percent
1970	72 percent

The Marine Corps was considered an exception because 85 percent of the officer needs were met through the Platoon Leaders class. The Navy, which had small college-level officer programs as well as ROTC programs similar to the Platoon Leaders class, was not included in this legislation.

EXPERIENCE IN OFFICER PROCUREMENT DURING THE TRANSITION

The optimistic assessments of the officer situation were validated by events. The college-level scholarship programs continued to be successful after the end of the draft. Nonscholarship enrollments

dropped significantly but, aided by the increase in subsistence from \$50 to \$100 a month, continued to be an important source of commissionings, particularly for Army and Air Force.

ROTC course enrollments, inflated by the Vietnam War, were 160,000 for all Services in FY1970; enrollments had fallen to 63,000 in FY1974 and increased slightly to 68,000 in FY1975. Most of the decline occurred in Army. By FY1974, 19,000 (about 30 percent) of the enrollments were in scholarship programs. In terms of the number of graduates from college ROTC, by FY1974 there were 3,692 from the scholarship program. Although this was the smallest production since the period immediately following World War II, ROTC continued to provide more line officers than any other commissioning program.

In spite of the generally favorable assessment of nonmedical officer procurement, Kelley was persuaded to include Officer Variable Incentive Pay (earlier called Officer Continuation Pay) as one of the provisions of the Special Pay Act of 1972, designed to meet manning problems which still remained after the end of draft calls. The legislation would have authorized payments up to \$4,000 per year to officers in critically short specialties who agreed to extend their service obligation one to six years. The example Kelley gave of such a skill in testifying on the legislation was military lawyers -- a popular example for most Congressmen:

In the All Volunteer Force, the officer specialties with manning problems will vary from year to year in number and intensity. There is need for an incentive which can be employed selectively to prevent serious shortages....

The Services would benefit in several ways: retaining the services of an experienced officer; avoiding the cost of training his replacement; and increasing the pool of candidates for the career force. ^{1/}

The amount of funds proposed for FY1974 was \$20 million.

In December 1973, Assistant Secretary Brehm made the decision not to support this provision of the Special Pay Act, as a part of a strategy of going forward only with those elements of the bill considered immediately urgent and necessary. Subsequent experience with

^{1/} Statement of Assistant Secretary of Defense (M&RA) before Subcommittee No. 2 of the House Armed Services Committee, May 3, 1973.

officer procurement and retention showed the decision to be correct.

The outlook for nonmedical accessions continued to appear favorable in FY1975. Nonmedical officer accessions for FY1975 were 22,000, of whom 2,800 were female and 19,800 male. The male accessions were only 3.8 percent of 525,000 college graduates who received Bachelor's degrees.

In his appearance before the Senate Armed Services Committee in February 1975, Assistant Secretary Brehm projected a further reduction in officer strengths from the FY1976 level. ROTC and officer candidate programs continue to be the largest numerical source of line officers. The Service academies have had a slowly rising output and will level off at about 2,500 annually. The scholarship program, constituting about 30 percent of ROTC enrollments, had proved to be an effective volunteer force incentive. ^{1/} This program also reduced turnover among junior officers, since it carries a four-year term of service obligation. Clearly, manning of the officer force on a volunteer basis had been successfully achieved.

CAREER FORCE MANNING AND REENLISTMENT

The President's Commission concluded that reenlistment would not be a problem in a volunteer force. Consequently, only a passing reference was given to the subject in the commission's report. The commission pointed out that the career force (enlisted members with over four years of service) was already a volunteer force. Department of Defense surveys showed that "true volunteers" reenlisted at higher rates than "draft-motivated" volunteers. Since true volunteers were to replace draftees and draft-motivated entrants, reenlistment rates would increase in three or four years when these true volunteers became eligible for reenlistment. The commission's recommended pay increase would increase the pay of men in the second term of service by 7 percent and this also was expected to yield at least a 14 percent increase in the number of reenlistments. ^{2/} The commission counted on

^{1/} In 1974, the Army requested that the ROTC scholarship program authorization be increased from 6,500 to 10,000. ASD(M&RA) at first disapproved the request, asking Army to investigate other procurement sources as an alternative. ASD(M&RA) approved the request in 1976, but, as of December 1976, it had not received Officer of Management and Budget approval for inclusion in the DOD legislative program.

^{2/} The Report of the President's Commission on an All Volunteer Force, February 1970, p. 183.

on the pay increase and the input of "true volunteers" instead of "draft-motivated" volunteers to produce significant increases in reenlistment rates as the transition to the volunteer force was completed. The problem of career manning thus would take care of itself.

At first the Department of Defense did not share the commission's hopeful outlook on career manning. The Project Volunteer Committee, aware of the decline in reenlistments during the Vietnam War, included its reaction to the commission's view in the Project Volunteer Report, almost by reflex. The Project Volunteer report said:

A key element in sustaining an all volunteer force is a career force base of officers and non-commissioned officers of high quality and demonstrated competence. Retention will, in the long run, be fully as important as initial enlistments. Aggressive actions will be necessary to assure that career service is not deterred by inadequate promotion opportunity, precipitous involuntary release of personnel, or deterioration of conditions of career service.

While moving toward a volunteer force we must enhance the status of the volunteers who are with us now or who enter the career force.^{1/}

But the program developed by the committee, as we have seen, was largely designed to attract accessions.

The 1971 review of military compensation gave some direction to the future course of career manning. It concentrated on "compensation measures of the highest priority in achieving zero draft calls." ^{2/} The review concluded that Public Law 92-129, which became law in October 1971, was reasonably competitive with wages in the civilian economy but that this might not be enough to retain Service members in critically short skills and that special pay would also be needed. Out of the list of 30 categories of special pay, four were selected for further study:

^{1/} Plans and Actions To Move Toward A Volunteer Force, report by the Project Volunteer Committee to the Secretary of Defense, August 1970, p. 2.

^{2/} Report of the 1971 Quadrennial Review of Military Compensation, Office of the Assistant Secretary of Defense (Manpower and Reserve Affairs), December 1971, p. 1. Section 1008 (b) of Title 37, U.S. Code requires a complete review of the principles and concepts of military compensation not less than every four years.

Enlisted Attraction and Retention Incentive Pay

Special Compensation for Physicians, Dentists
and Veterinarians

Flight Pay

Hostile Fire Pay

The study concluded that a bonus system is the most effective incentive to solve the attraction and retention problems in a zero draft environment. Such a system would be composed of an "enlistment bonus to attract individuals into the Service and a selective reenlistment bonus to retain them." 1/ The recommendation for a study on Enlisted Attractiveness and Retention Incentive Pay later provided the basis for Department of Defense recommendations on the reenlistment bonus which was included in the Special Pay Act of 1972.

EFFORTS TO IMPROVE CAREER MANNING AND REENLISTMENT

By 1970 the low differential reenlistment rates that had been pervasive in the technical skills during the late 1950's and early 1960's had been greatly improved but pockets of skill imbalances still persisted. Proficiency Pay had been designed in 1950 to improve the low reenlistment rates in the technical skills; in 1965, the Variable Reenlistment Bonus by Skills was designed for the same purpose. For FY1972 the Office of the Deputy Assistant Secretary (Military Personnel Policy) estimated that the cost of enlisted retention incentives was \$478 million annually, including the regular reenlistment bonus, the variable reenlistment bonus, and Proficiency Pay. These existing incentives had enabled the career force to be adequately maintained on a volunteer basis since the mid 1950's.

Under the proposals in the Special Pay Act of 1972 the regular reenlistment bonus was to be discontinued, the name of the Variable reenlistment Bonus was changed to Selective Reenlistment Bonus, and plans were developed to phase out the use of Proficiency Pay. The legislation was not enacted, however, until May 1974.

Although the overall level of reenlistments was satisfactory, there has been a persistent problem of skill imbalances in military manning

1/ Ibid., p. iv.

since the end of World War II. An unbalanced situation existed at the end of FY1972 when overall career enlisted manning for each of the Services was near the desired level but many skills were overstaffed and many understaffed. The manning was particularly out of balance because of the frequent changes in personnel actions caused by the post-Vietnam strength adjustments. The table shows the situation:

Imbalances in Manning By Skills ^{1/}
June 30, 1972

Service	Number of Skills	Number of Skills Manned at Less than 80%	Number of Skills Manned Over 120%
Army	463	121	126
Navy	103	6	8
Marine Corps	340	125	62
Air Force	241	8	53

In November 1973 the Office of the Deputy Assistant Secretary (MPP) reported overmanned skills as follows:

Army	144
Navy	15
Marine Corps	62
Air Force	153

There are many causes for skill imbalances, including such factors as the dynamic rate of change in skill authorizations and the long lead times necessary to adjust the skill inventory by training and retraining. By the time the training output catches up with the program, the programmed authorizations have again changed. A "photograph" of skill authorizations and inventory at any one point in time normally shows skill imbalances. Such acute skill imbalances must be distinguished from chronic problem skills where steady growth in manning authorization and outside competition for skilled personnel or undesirable working conditions have made it difficult for the Services to meet career manning.

^{1/} Source: ASD(M&RA), Office of Deputy Assistant Secretary, Military Personnel Policy.

Independently of the volunteer force program, ASD(M&RA) and the Services had worked since 1967 on a program to improve career manning by skills. Department of Defense directives required each Service to submit systematic plans to accomplish this objective. As these plans were developed, the Services established first-term retention objectives by skills and, as their overall reenlistment situation improved, established controls to limit reenlistments in surplus skills. Particularly in the Army, volunteer force planners, as a long range approach, explored the feasibility of increasing the size of the career force as a means of reducing accession requirements.

The Project Volunteer Committee regularly covered the reenlistment results and outlooks in its monthly reviews of progress toward the volunteer force. Generally speaking, each Service met its overall reenlistment objectives but missed some objectives for specific skills. Because of the differences between the Services in the skills involved, the Project Volunteer Committee did not consider the subject to be particularly suited for joint action. Each Service attempted to improve its own situation.

CHANGES IN THE REENLISTMENT BONUS

The proposed reenlistment bonus legislation in the Special Pay Act of 1972 eliminated the across-the-board reenlistment bonus and relied entirely on a reenlistment bonus for shortage skills. This was a constructive action first sponsored by Lieutenant General Leo Benade, Deputy Assistant Secretary for Military Personnel Policy ASD(M&RA). In a letter to Chairman Stennis of the Senate Armed Services Committee, Deputy Secretary of Defense William Clements presented the proposal as a chance to save money while improving bonus operations. ^{1/} Clements explained:

The Selective Reenlistment Bonus of the Special Pay Act also represents a high priority because it represents a chance to save money while simultaneously improving our management of reenlistment incentives. Under current authority a bonus of \$2,000 is required to be paid all enlisted personnel who are accepted for reenlistment regardless of the criticality of the skill possessed.

^{1/} Letter from Deputy Secretary of Defense William Clements to Senator John C. Stennis, November 27, 1973.

In FY1973 we spent \$43 million in skills where required manning could have been achieved without a bonus. When conversion is completed by FY1979, aggregate savings in excess of \$80 million are estimated.

Unusually effective results were obtained from the Navy Nuclear Special Pay Act, which was accounted for in the funds set aside for the volunteer force. The program was authorized by Congress in October 1972. Under the program an experienced nuclear-qualified petty officer with 6 to 8 years' service who reenlists for four years can receive a total bonus of 24 months' basic pay (\$10,700 to \$13,000) paid in four annual installments. The replacement training costs of this critical naval specialty were about \$30,000 -- far more than the bonus cost for an additional reenlistment. The Navy's reenlistment rate in the nuclear trained skill group was 14 percent during 1972, before the nuclear bonus, and 46 percent during the last quarter of FY1973 after implementation of the program. This was further evidence that a shortage of reenlistees could be solved effectively in selected skills by proper management of the bonus tools.

After the new bonus law was passed in May 1974, Deputy Assistant Secretary Donald Srull ASD(M&RA), endeavored to develop a set of criteria for use by ASD(M&RA) in the review of both enlistment and reenlistment bonus programs of the Services. The criteria were:

- (1) Consider the bonus as a last resort to turn to when nothing else would work.
- (2) Apply bonuses to chronic shortages, not temporary manning problems caused by imperfect estimates of requirements or other correctible problems.
- (3) Apply bonuses only to critical skills which, if they had shortages, would have significant impact on capabilities to perform primary missions.

This approach represented a considerable tightening of the "ground rules" from the earlier view that the bonus was a cost-effective incentive for solving shortages if a longer term of service could be obtained in exchange for the bonus.

In February 1975 Brehm discussed the improved recruiting environment with the Senate Armed Services Committee. Beginning in June 1975, two-year enlistments in the Army, Navy, and Marine Corps and three-year enlistments in the Navy were terminated. "In addition," Brehm said, "a review is underway to determine what adjustments in the FY1976 enlistment and reenlistment bonus programs might be called for by the

improved recruiting environment. Reductions will be made." 1/ About a year later he reported that, by use of the new legislative authority of the Selective Reenlistment Bonus, actual costs of the reenlistment bonus in FY1973 before the legislation were \$339 million compared to estimated costs of \$274 million in the FY1977 plan. The enlistment bonus, which had cost \$72 million in FY1976 (Navy used the enlistment bonus in 1975 in addition to Army and Marine Corps), would be reduced to \$29 million in the FY1977 plan. 2/ About a year later, however, in April 1976, Army requested and the Secretary of Defense approved the restoration of the enlistment bonus funds by reprogramming.

IMPROVEMENTS IN CAREER MANNING AND REENLISTMENT

The success of the Services in meeting reenlistment objectives facilitated the ASD(M&RA) efforts to tighten up on the number and amount of reenlistment bonuses. The Army, for example, had established a goal of 45 percent career personnel. The actual career content of the Army was 39.5 percent in February and was forecast to rise to about 42 percent in June 1976 and 44 percent in June 1977. Overall reenlistment objectives were exceeded in both FY1974 and FY1975, as shown:

Number of Army Reenlistments and Prior Service Enlistments

	<u>Reenlistment Objectives</u>	<u>Actual Reenlistments</u> FY1974	<u>FY1975</u>
Reenlistments	61,200	60,673	66,200
Prior Service Enlistments 3/	<u>14,000</u>	<u>17,300</u>	<u>24,100</u>
Total	75,200	77,973	90,000

1/ Statement of Assistant Secretary of Defense (Manpower and Reserve Affairs) William K. Brehm before the Senate Armed Services Committee, February 24, 1975, p. 43.

2/ Hearings, Committee on Armed Services, U.S. Senate, March 19, 1976, p. 4515.

3/ A prior service enlistment is a member who, after separation, has had a break in service of over 120 days.

The "model force" visualized for 1980 in the Army's Enlisted Management Plan contemplated 25,000 first-term reenlistments annually. In FY1975 38,000 first-term reenlistments were obtained and forecasts for the following years indicated that both first-term and career reenlistment rates needed for the objective force would be exceeded. Responding to this favorable outlook, the Army also tightened its reenlistment controls in FY1976 and, partly as a consequence of this action, the number of reenlistments declined on a year-to-year basis between FY1975 and FY1976.

The Navy reported to the Congress in February 1976 that the number of ratings with skill shortages had been reduced by one-half since FY1972 -- from 65 to 33. The projection was for a further reduction to 17 shortage ratings by the end of FY1977. 1/

The Air Force by the end of FY1975 had a "waiting list" of 5,000 first-term airmen who wanted to reenlist. They were waiting for vacancies under the Air Force "Careers" reenlistment program which aimed to shift enlisted personnel from overmanned to shortage career fields at the time of their first reenlistment. There were more than enough reenlistments generally, but there were still shortages in some 55 skills.

The table appearing on the following page shows the dramatic gains in first-term reenlistments which occurred between FY1970 and FY1975.

The Project Volunteer program had followed the conclusion of the President's Commission that reenlistments would increase in a volunteer environment so long as military pay was competitive. By FY1975 the significant gains in reenlistments that were expected in a volunteer force had begun to show up. 2/ The separating group eligible for reenlistment in FY1975 was composed mostly of personnel who had entered in FY1971 and FY1972, when draft calls had already declined and the proportion of "true volunteers" had risen. The separatees eligible for reenlistment were mostly personnel who were true volunteers when they entered Service. First-term reenlistment rates reached an all-time high of nearly 40 percent -- a higher level than the President's Commission

1/ Hearings, Senate Armed Services Committee on S. 2965, 94th Congress, 2nd Session, p. 3937.

2/ The number of reenlistments, first-term and career, declined from 201,000 in FY1975 to 170,000 in FY1976, largely in Army. The decrease was primarily attributable to quality controls and to policies to limit reenlistments to required skills, which decreased the number eligible for reenlistment. Reenlistment rates remained high.

Number Eligible, Number of Reenlistments, and
 Reenlistment Rates -- First-Term Personnel
 FY1970 - FY1975
 (In Thousands)

	<u>Army</u>	<u>Navy</u>	<u>Marine Corps</u>	<u>Air Force</u>
FY1970				
Eligibles	155.0	124.0	68.5	103.6
Reenlistments	28.5	12.8	3.2	16.4
Rate	18.3%	10.3%	4.7%	15.8%
FY1971				
Eligibles	143.5	78.0	49.0	96.6
Reenlistments	26.7	13.3	3.9	19.6
Rate	18.6	17.0%	7.9%	20.3%
FY1972				
Eligibles	141.0	73.4	36.4	76.5
Reenlistments	14.5	17.1	4.5	25.0
Rate	10.2%	23.2%	12.3%	32.6%
FY1973				
Eligibles	52.3	77.8	34.6	74.6
Reenlistments	19.8	17.9	4.5	15.2
Rate	37.8%	23.0%	13.0%	20.4%
FY1974				
Eligibles	72.4	55.4	34.1	61.9
Reenlistments	24.0	18.2	5.7	19.3
Rate	32.2%	29.2%	16.6%	31.1%
FY1975				
Eligibles	82.7	51.6	26.9	43.1
Reenlistments	31.9	20.6	5.5	17.3
Rate	38.6%	39.9%	20.4%	40.1%

had estimated for the "steady state" volunteer force. High eligibility standards for reenlistment had been established and the pool of personnel eligible for reenlistment consisted of high quality personnel. Although there were still shortages in specific skills, both the number and the rate of reenlistments were adequate to sustain the career force.

CONCLUSIONS

The Special Manning Problems responded to the same course of treatment as other manning problems. The ground combat arms problem was met by a high priority in recruiting and by use of the enlistment bonus. Health and medical manning problems became manageable when pay became reasonably competitive. Although in FY1977 the Reserve Components were back down to their FY1972 shortfall level of about 50,000, they were not necessarily an exception. The Reserve Components were not really a case where a reasonable incentive program and an effective recruiting program had been tried and had failed, but rather they were an instance where the necessary incentives and recruiting resources had not been fully tried. In August 1976, steps were taken to build a more effective recruiting program for the U.S. Army Reserve and National Guard, as well as the Reserve Components of the other Services. It is likely that the results from these actions in the Reserve Components will be comparable to the results in the Active Forces. If so, the manning of the Reserve Components should be significantly improved by the end of FY1978.

CHAPTER IX

THE ISSUES OF PERSONNEL QUALITY AND REPRESENTATION

In the past quantity and quotas have been major Defense goals. In 1956 it is time to shift the emphasis to quality. Quality, not quotas, is our goal.

Carter Burgess

Over a century ago, Alexis de Toquville, observing American life, culture, and institutions, commented that in time of peace the Army is always inferior to the country itself. The fear of inferior Military Services seemed to perpetuate itself in the issues of quality and representation.

The transition period from draft to volunteer force was a period of groping for the appropriate qualitative policies, marked by trial and error on the part of the Services, Assistant Secretary Kelley, and the Congress. Kelley's goal was to find the best match of the requirements of the jobs and the qualifications of incoming personnel -- but no one knew exactly how to do this. Understandably, the Services raised standards a number of times, hoping each time that the market would yield the required number of enlistments. On more than one occasion, the market failed to produce the number of accessions under the higher standards and military strength fell below authorizations.

The Congress, suspicious that quality would be lowered in the move to a volunteer force, meddled with the quality standards on several occasions. Not until the beginning of FY1975, when the Services began to meet their qualitative as well as their numerical recruiting goals, did the controversies over qualitative issues subside.

The qualitative policies that were being followed in 1970 were geared to the draft. Historically, under the draft public opinion pressed the Secretary of Defense and the Services to keep entry standards lower than the Services wished in order to qualify a broad cross-section of the population in the manpower pool which was eligible for the draft.

As military strength declined after the Korean War, policies had been altered to permit the Services to raise entry standards by lowering the percentage of Mental Group IV (Below Average) personnel. ^{1/} As military strengths expanded during the Vietnam War, entry standards were lowered under "Project 100,000," under which the Secretary of Defense required each Service to accept not only a specified percentage of Mental Group IV (Below Average) personnel but also a percentage of the least well qualified personnel among those in Mental Group IV. Each of the Services, because of the motivation to enlist provided by the draft, could have recruited better qualified personnel than some of those they were required to accept under Project 100,000. The Services were, therefore, dissatisfied with the existing qualitative policies when the transition to the volunteer force began.

There was, however, no immediate stampede by the Services to junk the existing policies that required them to enlist a specified percentage of Below Average Personnel. The Project Volunteer Committee report deferred the issue of qualitative policies by recommending a study of the experience under Project 100,000. The report gives arguments both for and against the use of Mental Group IV personnel:

Project 100,000 has significantly broadened the recruitment scope of all Services since its initiation in 1966....Experience to date indicates that there are many duties which can be satisfactorily performed by personnel in the low mental group, that attrition of these personnel has been kept at acceptable levels, and that only a limited proportion of these entrants have required additional remedial training or educational assistance. At the same time it is recognized that the potential for assignment of these personnel to more technical skills is limited and that smaller proportions of such personnel may qualify for advanced training....Also, under the assumed lower force levels following Vietnam, accession requirements in occupational areas in which such personnel may be utilized will be substantially reduced. In view of the above experience it is recommended that a detailed analysis of Project 100,000 be initiated to provide a basis for establishment of post-Vietnam qualitative standards.

^{1/} Mental Category V, the lowest 10 percentile on the basis of mental test scores, was not eligible to enlist.

The analysis should include whether or not quotas will be needed in a 'no draft' environment in consideration of post Vietnam qualitative requirements and the probability of successful performance of men with lower mental abilities. 1/

As will be discussed later, the recommended study was conducted in 1972 by the Central All Volunteer Force Task Force but was not successful in providing a solution to the issue of qualitative standards.

The qualitative policies for the volunteer force evolved without a consensus within Defense on what the policies should be. A majority of military planners argued that the Services -- like any other employer -- should seek to recruit the best personnel available. This view may be termed the "market approach." If this approach were followed, the Services would be expected to raise standards as the recruiting market improved and, conversely, to lower standards as they fell short of personnel. Since the magnitude of the Services' numerical accession requirements differed widely and since their recruiting capabilities varied, entry standards could be expected to vary considerably among the four Services.

Many volunteer force advocates thought that the qualitative standards could safely be revised downward to ease the recruiting burden and lower the costs of the volunteer force. They feared that the Services would "price themselves out of the market" by raising mental standards and causing larger expenditures for incentives than were actually needed. Many adherents of this view believed that analysis of the mental and physical demands of specific jobs would reveal the appropriate proportion of personnel needed in each of the four mental groups. According to this view, the policy goals should be to accomplish an optimum match of men and jobs. This view may be termed the "requirements approach."

The differences in opinion between the followers of the "market approach" and of the "requirements approach" frequently generated strong emotional reactions among the participants. Many military personnel felt an underlying fear that standards would have to be lowered appreciably in order to reach volunteer force objectives. Many pro-draft Congressional members also suspected quality standards would be lowered, and they were prepared to push for continuance of the draft author-

1/ Plans and Actions To Move Toward an All Volunteer Force, a report to the Secretary of Defense by the Project Volunteer Committee August 1970.

ity beyond July 1, 1973, if lowered quality of entry personnel threatened to affect military readiness adversely. In fact, Senator Stennis, Chairman of the Senate Armed Services Committee, in September 1971 required the Department of Defense to submit a monthly report on qualitative trends in enlistments by mental group and by high school graduates and nongraduates, so that the committee staff could monitor qualitative trends. Consequently, there were fears among some volunteer force advocates that Congress would not tolerate standards lower than those that had existed during the draft. With so many divergent views it is not surprising that the qualitative issues produced strong feelings among the many individuals and groups involved in the transition to the volunteer force.

The policy evolution was slowly but steadily in the direction of the free "market approach" with each Service setting its own standards so as to recruit the best qualified among the manpower supply available to meet its own accession requirements. Not until FY1975, however, was the free market approach proved to be successful. By this time the supply of personnel who were preferred by the Services -- high school graduates who score in the Average or Above Average mental groups -- was generally adequate for all Services. Until this time the Army, Navy and Marine Corps had, from time to time, paid the price of failing to meet accession requirements as they tried to maximize the enlistment of the better qualified personnel. This chapter describes the emergence of a reasonably successful policy of allowing the demand and supply of the recruiting market to govern the qualitative standards for entry into Service.

HISTORICAL BACKGROUND OF QUALITATIVE POLICIES

During World War II, in the Battle of the Bulge the United States forces suffered heavy initial losses and there was an urgent request for reinforcements. The Commander in Chief in Europe, General Dwight D. Eisenhower, was highly dissatisfied with the quality of the replacements hastily sent from the training bases in the United States. The reason given by the War Department -- that priority was being accorded to the Army Air Force in anticipation of the air war which was to precede the invasion of Japan -- was not entirely satisfactory.

Differences of opinions among the Services over the allocation and distribution of the supply of personnel of average and above average mental abilities continued throughout the postwar period. The Army, coincident with the establishment of the Air Force as a separate military department in 1948, succeeded in obtaining Joint Chiefs of Staff support and Secretary of Defense approval of a policy that the manpower would be "equitably" distributed among the Military Services on a qualitative basis. During the Korean War the policy was implemented by

establishment of a Department of Defense procedure for qualitative distribution of manpower. Initially, each of the Military Services was required to accept an equal proportion of entry personnel among each of the four Mental Groups.

The early system was a simplistic solution that was modified in the last half of the 1950's in the direction of improving the quality of entry personnel. The single measure of quality was the enlistee's percentile score on the Armed Forces Qualification Test (AFQT). For purposes of administering the system the percentile scores were aggregated into five Mental Groups, Mental Group I being the "fastest learners." Those who scored in the lowest 10th percentile -- Mental Group V, the "slowest learners" -- were ineligible for military service. The boundaries of the various Mental Groups were judgmental and from time to time were slightly changed. Mental Group IV, for example, was bounded by a score of 31st percentile as the upper limit and a score of 10th percentile as the lower limit. A third of all young men, therefore, scored in Mental Group IV, or lower. At first the equal quotas by Mental Groups for each Service corresponded to the normal distribution of the male population, adjusted for the fact that Mental Group V was ineligible for Service. The initial percentage of accessions by Mental Group was:

Mental Group I	7 percent
Mental Group II	21
Mental Group III	43
Mental Group IV	28

The system was designed to protect the Army -- the only user of the draft for the most part. The Universal Military Training and Service Act of 1951 established the 10th percentile on the Armed Forces Qualification Test as the passing score so all inductees who scored above this level were accepted. In wartime, particularly if ground combat operations were intensive, a majority of better qualified individuals who faced the prospect of being drafted would enlist in the Air Force, Navy, or Marine Corps, leaving a disproportionate share of Mental Group IV personnel in the "pool" to be drafted into the Army. In 1955 -- against Army opposition -- the Air Force led a successful move to relax the system. Mental Group IV quota requirement was reduced to 18 percent of accessions for all Services and the Mental Group III quota increased correspondingly. Since the flow of draftees could not legally be controlled by mental quotas, the Army was permitted to enlist as few Mental Group IV's as necessary to bring its total input of enlistees and inductees to the 18 percent quota. Even more important, the previous rule which required each Service to "accept applicants in the

order in which they applied" was abandoned in favor of a rule which permitted the Services to select within quota limits among the applicants whom they considered to be "best qualified."

A significant change in the system was made in 1958. Again, the Air Force pressed for relief from the restrictive quotas which caused them to turn away better qualified personnel because the quotas forced them to accept lesser qualified personnel. The Army also had found that a significant number of men in Mental Group IV were slow to assimilate training in even the most basic military skills. Many had to be discharged early as "inept" or "unsuitable."

ASD(M&RA) recognized that the key to the inter-Service differences on the issue was to raise the minimum score for induction so that the Army, as well as the other Services, could improve the quality of incoming personnel. Accordingly, Public Law 85-564, passed in July 1958, permitted the Secretary of Defense to establish supplementary tests in order to screen out, prior to induction, those whose trainability was so limited that they could not qualify for a particular Army job. Both the Air Force and the Army began to use the aptitude tests of their classification and assignment batteries as the instrument for selecting incoming personnel -- a major improvement in military personnel selection procedures. Department of Defense directives continued to require administration of the AFQT so that a common test score for all entrants would be available.

During the 1960's the quota system was temporarily suspended. In 1961 each Service agreed that it would take at least 6 or 7 percent Mental Group IV's. Such token enlistment of Mental Group IV personnel by the Air Force, or other Services not using the draft, was supposed to answer possible criticism that the Department of Defense was too selective with enlistments while the draft was still in use.

During the Vietnam War the quota system was restored under Project 100,000. The build-up in military strength in 1966, accompanied by higher draft calls, made it difficult to justify the high peacetime standards from the standpoint of draft equity. The high standards narrowed the size of the manpower pool eligible for the draft and concentrated the burden of the draft on a more limited population group. In August 1966 Project 100,000 was given national media coverage through an address by Secretary of Defense Robert McNamara.^{1/} The Secretary announced that 100,000 men who had not previously qualified for military service would be accepted each year. Although stressing the ability

^{1/} Address by Robert S. McNamara, Secretary of Defense, before the Veterans of Foreign Wars, August 13, 1966, Department of Defense news release No. 703-66.

of the Services to train and utilize this group effectively, Secretary McNamara directly linked this change in standards to President Lyndon Johnson's War on Poverty:

The poor of America have not had the opportunity to earn their fair share of this nation's abundance but they can be given an opportunity to serve in their nation's defense and they can be given an opportunity to return to civilian life with skills and aptitudes which for them and their families will reverse the downward spiral of human decay.

Enlistment standards were lowered under this policy. High school graduates who scored a minimum of 10 percentile on the entry test and nongraduates who scored a minimum of 21 were accepted without further supplementary testing. Only those nongraduates who scored between 10 and 20 on the AFQT were still subject to supplementary screening by Service aptitude tests. Before Project 100,000 the mental standards had reached their post-World War II high point; ^{1/} after the change the standards were the lowest in nearly a decade. While the standards varied during Project 100,000, they remained relatively low.

Entrants under Project 100,000 entered regular military training programs and, after training, were assigned to a variety of less technical specialties. Special remedial training procedures, including literacy training, were used to assist those who had difficulties in completing basic military training. Although attrition rates of the Project 100,000 group were twice those of the rest of the force, a large majority of the Project 100,000 entrants successfully completed their initial term of enlistment. The Services cooperated with the program. They were, however, dissatisfied with a policy which required them to accept personnel less qualified than those that they otherwise would have recruited.

CHANGES IN QUOTAS AND THE QUOTA SYSTEM

Early in 1971, as a separate issue unrelated to the volunteer force, the Navy requested relief from the Project 100,000 quotas on Mental

^{1/} In anticipation of the Vietnam build-up, standards were lowered slightly during 1966 shortly before the initiation of Project 100,000.

Group IV personnel. In response to the Navy request the quotas were liberalized, except those for Army. The changes in quotas, compared to the pre-Vietnam inputs, are shown in the accompanying table.

Mental Group IV as Percentage of Non-Prior Service Accessions

	<u>Current, as of Feb.1971</u>	<u>Revised, Feb.1971</u>	<u>FY1964</u>
Army	24	24	19
Navy	18	15	11
Marine Corps	24	20	9
Air Force	18	15	4

The memorandum which Kelley sent the Services, notifying them of this change, was the first indication that ASD(M&RA) favored a "free market policy" under the volunteer force.

Our long range objective is to terminate or reduce quota controls as draft calls reach or approach zero. We anticipate after draft calls are eliminated the normal flow of Group IV enlistments will still enable the Department of Defense to use people with lower mental capacities in jobs that are suited to their talents. 1/

The memorandum reflected the conclusion that a free market would yield an intake of Mental Group IV personnel that would approximate the pre-Vietnam inputs shown in the above table. To their surprise, by FY1975 the Services generally had reached the lowest levels of Mental Group IV inputs that they had ever attained.

The sharp decrease in Mental Group IV inputs that later occurred was not anticipated. Mental Group IV inputs decreased to 10 percent of

1/ ASD(M&RA) memorandum to Assistant Secretaries of Military Departments, Subject: Project 100,000 Quotas, February 1971.

accessions in FY1974, to 6 percent of accessions in FY1975, and to 5 percent in FY1976. This remarkable improvement was not foreseen in February 1971 when the Army and Marine Corps enlisted 24 percent Mental Group IV's and the Navy and Air Force accepted 18 percent.

Later in 1971 a further liberalization of the quota controls was in the planning stage at the ASD(M&RA) staff level when the Congress pre-empted the decision by eliminating the quotas entirely. Section 744 of the DOD Appropriation Act for FY1972 contained the following provision: "None of the funds in this Act shall be available for the induction or enlistment of any individual into the Military Services under a mandatory quota based on mental categories." The Department of Defense submitted a reclama arguing that the quotas enabled a balance to be maintained between the abilities of incoming personnel and the mental and physical qualifications needed in the jobs they were expected to fill. The reclama was not favorably considered by the Congress and the quota system which had been established by the Secretary of Defense in 1951 was abolished.

The Congressional intention was to repeal the last remnants of Project 100,000. The Congress effectively prevented the Secretary of Defense from establishing quotas which required a specified intake of enlistees with Below Average mental abilities. The individual Services, however, continued to issue directives or guidance to their Recruiting Commands which had the force and effect of quotas. The objective of the Service policies was to maximize the proportion of Average and Above Average personnel and to minimize the inputs of Below Average personnel. The legislation not only shifted the control over entry standards from the Secretary of Defense to the Services but it also began the trend toward improving the quality of entry personnel in the volunteer force.

This was the first but not the last Congressional attempt to legislate qualitative policies for the volunteer force. Showing some inconsistency, the Congress, in the FY1974 Appropriations Act, enacted a mental quota of its own, limiting the input of Mental Group IV personnel to 18 percent of accessions. This again was an effort to raise the qualitative level of the volunteer force. It was, however, a token effort because by this time no Service expected to exceed an 18 percent input of Below Average personnel.

As will be discussed later, a Congressional limitation of 45 percent nongraduates from high school, enacted concurrently, did cause some damage by creating strength shortfalls in the Marine Corps. The limitation also caused Army to miss recruiting goals and resulted in unfavorable publicity about the "failure" of the volunteer force.

FURTHER DECENTRALIZATION OF RESPONSIBILITY FOR ENTRY QUALIFICATIONS

After the enactment of the Congressional prohibition on mental quotas, Assistant Secretary Kelley went a step further in allowing each Service to determine its own qualitative standards by allowing each to prescribe its own test procedures for selection. During the first six months of 1972 there was discussion and debate on the issue between Kelley and the Service members of the Project Volunteer Committee. For years each Service had been required by Department of Defense directives to administer the Armed Forces Qualification Test to all entrants. Three of the four Services used supplementary aptitude tests as their primary selection instrument; administration of the AFQT was required in order to provide a common measure of the mental quality of new entries. Most comparisons of the quality of personnel entering the different Services were simply a summary of the scores made on the AFQT.

Why did Kelley give up the requirement to administer a common test? In spite of staff objections, on the grounds that there should be some common measure of quality, Kelley believed that the move would be a constructive change in the accession system. He also questioned the need for the joint Armed Forces Examining and Entrance Stations, which administered the examinations for entry into Service, but he stopped short of abolishing them. During field visits, some recruiters had reported to him that many qualified applicants were lost because they "flunked" the AFQT. Kelley's line of reasoning is given in the extracts from the memorandum which he sent the Project Volunteer Committee in May 1972:

Each Service is to provide this office with the means intended for use in expressing test results, if other than the AFQT, in terms of mental categories. Upon providing satisfactory evidence of your ability to do this, you will be relieved of the requirement to follow test procedures prescribed by this office.

It continues to be a function of OSD to monitor Service practices to be sure that the quality mix of new entries is appropriate and that you are neither screening out qualified candidates nor admitting unqualified ones. It will be the responsibility of each Service to employ a combination of tools, including but not limited to written tests, which achieves that result most effectively.

I look to the Services to cooperate in using the Armed Services Vocational Aptitude Battery on a broader basis than at present. It appears to be a valid test and it has good credibility with the high schools.

For the record, this action does not reflect an anti-test bias. It does reflect the conclusion that you know, or ought to know more about how to select people for your respective Service than we in OSD do. Given the opportunity to employ your own selection tools, you will not be surprised to be held strictly accountable for your results in recruiting.

The ASD(M&RA) staff continued to monitor Service actions on entry standards and Kelley continued to review Service changes to entry standards. However, the Services had usually put the actions into effect before anyone in ASD(M&RA) knew about them. With the establishment of entry standards decentralized to the Services, their policy changes were not readily amenable to ASD(M&RA) influence or control. The Services continued to administer entry standards in an attempt to maximize their inputs of preferred personnel.

After June 1972, the Services were no longer required to use the AFQT. In lieu of its use each Service built conversion tables that restated the scores on the test which it used into a percentile score on the old AFQT. Some reliability in the measurement of quality was lost in the process.

The Congressional action to eliminate mental test quotas and the extended discussion that culminated in the action to discontinue administration of a common test for entry into Military Service caused a rethinking of the qualitative standards issue in ASD(M&RA). Kelley asked the staff to prepare a written statement that would constitute a current set of guidelines. The statement summarized the existing knowledge of the subject, as well as Kelley's point of view. ^{1/} The summary was not issued as a directive but copies were furnished members of the Project Volunteer Committee for their guidance:

^{1/} Qualitative Standards in Moving to a Volunteer Force, April 1972, ASD(M&RA) files. The memorandum was prepared by Irving Greenberg, Deputy Director of Procurement Policy, ASD(M&RA), later Acting Deputy Assistant Secretary of Defense (Plans and Requirements), ASD(M&RA).

The Department of Defense objective is to set qualitative standards for entry into Service which achieve balance between the abilities of incoming personnel and the mental and physical qualifications needed in the jobs they are to fill.

In addition to these policies the Department of Defense recognizes that the quality mix of incoming personnel should provide enough new personnel who have the ability to progress to higher grades in the career force where the job demands call for more technical and leadership ability.

In supporting volunteer force objections, the Department of Defense has stated a policy of not lowering standard of performance, force effectiveness or quality of entering personnel in order to solve manpower supply problems.

The key questions to be considered in setting Service quality standards are:

- What are the best predictors of success in the Services, including performance on the job, potential for advancement and behavior on the job?
- What are the quality requirements of the Service as measured by such predictors as tests and education?
- What entry standards should be set, using the best predictors available in view of Service quality requirements and the supply of men available to meet them?

The statement's discussion of the use of both mental tests and the educational level in the selection systems of the Services is paraphrased below. Both the Armed Services Vocational Aptitude Test Battery and Armed Forces Qualifying Test -- the two standardized tests used in screening in all Services -- are valid selectors between men who would do well on various criteria of performance and those who would not do well. The odds for successful performance favor the enlistees with the higher scores. Service aptitude tests, which are used to assign men to entry training, either in a Service school or "on the job," are an important element in the selection system and these also correlate positively with

success in school training and subsequent performance.

For example, enlistees who score in the 10th -30th percentile of the population (Mental Group IV) on such tests as the AFQT or the ASVAB on the average do less well than those with higher scores whether the criteria of success is better training record, better promotion rate, or better disciplinary record. Such tests are, however, imperfect predictors of performance in training and on the job. The tests do not measure an individual's motivation, work habits and adaptability to the stresses of military life. This general limitation of all tests is compensated for in Service selection systems by use of such biographical information as police records checks and participation in community activities.

The statement points out that the predictive power of tests is also sensitive to the assignments that men receive.

There are relative small differences in training allocation rates by mental category in soft skill courses such as cook, field linemen, or artillery crewmen. The attrition rates for personnel in Mental Group IV become dramatically higher than those in Mental Group I-III when they are assigned to more complex skills. This shows the importance of keeping Mental Group IV input in balance with the jobs they are capable of filling.

The Services try to enlist a high proportion of high school graduates because numerous studies have shown that educational level is the best predictor of behavior in Military Service.

For example, high school graduates in Mental Group IV have a lower disciplinary infraction rate than non-graduates in the higher Mental Groups. The personality characteristics which enable a young man to stay in high school until he graduates (even though his academic ability may be low) also help him accept the discipline and stresses of military life. The high school drop out, whatever his mental test score, has a greater tendency to become a disciplinary problem than the high school

graduate. The Mental Group IV (Below Average) nongraduate from high school is the greatest risk from a disciplinary standard. Nevertheless, the majority of individuals in this highest risk group can and do succeed in Service....

It is estimated that for DOD as a whole at least 25% of all enlistments in a volunteer environment will be nongraduates. During the transition to a volunteer force, the Services, as a matter of policy, are emphasizing high school graduate enlistments pursuant to ASD(M&RA) policy. If necessary in meeting shortfalls, the number of nongraduates entering can be expanded and the higher disciplinary rates and loss in effectiveness can be accepted. The preferred policy, however, is to increase the capability to recruit and attract the high school graduate market by providing additional incentives if these are needed.

CENTRAL ALL VOLUNTEER TASK FORCE STUDY OF QUALITATIVE REQUIREMENTS

It was expected by Kelley and by the staff of ASD(M&RA) that the study on "Qualitative Accessions Requirements," started by the Central All Volunteer Force Task Force in February 1972, would provide the basis for a better solution of the problem of setting entry standards. ^{1/} If the qualitative requirements of each Service were determined, it seemed reasonable to suppose that appropriate entry standards, a set of incentives, and other policies could be developed for meeting these requirements and matching the mental abilities of incoming personnel to them, as Kelley hopefully expected. The Task Force report, in discussing the study, states:

In a zero draft environment there may be a decrease in the quality of manpower available to the Military Service or increased costs associated with obtaining higher than the required quality of manpower. Therefore, it is desirable to identify and quantify the

^{1/} Qualitative Accession Requirements, prepared by Central All Volunteer Force Task Force, Office of the Assistant Secretary of Defense (M&RA), November 1972.

quality actually needed by the Military Services to fill occupational fields and to determine whether or not manpower supply is sufficient to meet these quality requirements.

Although informative in its discussion of quality issues, the study did not result in an officially approved set of qualitative requirements and the setting of entry standards continued to be largely decentralized to the Services.

The extracts from the Task Order for the study describe its purposes more fully:

Task Assigned

Study the qualitative accession needs of the Services in terms of mental ability as measured by scores on aptitude tests and the Armed Services Qualifying test for FY1973 and FY1974 and beyond to the extent practical. Evaluate the feasibility of using supplementary measures of quality such as educational level, mental stability, civilian record and motivation.

Coverage of the Study

1. Quantify the accession needs of each Military Service expressed in AFQT Mental Categories: I and II, Upper III, Lower III and IV. This task will involve determining the Mental Categories by job categories based on aptitude scores for entering training.
2. Estimate the supply of personnel for each Service by mental ability.
3. Compare quality requirements and supply estimates for new accessions:
 - a. Estimate the cost of reducing any predicted shortage by use of a high aptitude enlistment bonus.
 - b. Estimate the alternate cost of accepted shortfalls.

4. Evaluate the feasibility of using supplementary measures of quality as a means of improving the predictive power of aptitude tests and the AFQT. 1/

The Services provided the Task Force with voluminous and detailed information, including the following:

- Planned occupational assignment, FY73-74 accessions, using Service job codes.
- Aptitude score minimums for each occupation using Service aptitude tests.
- Increased aptitude score minimums to provide talent for progression to the career force.
- Experience data which related scores on Service aptitude tests with scores on the AFQT.

The Task Force manipulated these data so as to compute three sets of quality requirements:

- The first set was based on minimum aptitude scores which each Service stated were needed for entry and career progression in each occupational field.
- The second set was computed by averaging the mental requirements desired by the Services where two or more Services had similar jobs and occupational fields.
- The third set established the mental qualification for each occupational field at the lowest quality level expressed by any Service for the same occupational field.

There was considerable variation among the Services with respect to minimum aptitude scores for similar occupations. The adjustments to the average and to the "lowest" quality requirements had the effect of deflating quality requirements. For most occupational fields, Army had the lowest aptitude score requirements; therefore, the adjustments lowered the quality requirements of Air Force, Navy, and Marine Corps but not Army. Naturally enough, the Services, except Army, took strong exceptions to the methodology.

1/ Ibid., p. A-1

The Service quality requirements for FY1974 were stated by the Services and by the Task Force as shown in the accompanying table:

Service and Task Force Quality Requirements - FY74 Accessions ^{1/}
(Percent)

Mental Group	<u>Army</u>		<u>Navy</u>		<u>Marine Corps</u>		<u>Air Force</u>	
	<u>Service Stated</u>	<u>Task Force</u>						
I & II	19	23-22	43.3	34-25	26.7	31-23	46.0	36-26
III	63	57-58	42.2	59-56	29.0	54-57	49.0	58-54
IV	18	20-20	14.5	16-10	14.3	15-20	5.0	16-10

The Task Force believed that the Navy and Air Force stated requirements for Mental Groups I and II were too rich, and that these Services had been influenced by the circumstance that the draft had made available an adequate supply of personnel in the higher Mental Groups. The Task Force also pointed out that Marine Corps aptitude scores for entry into skill training were high compared to the same jobs in the Army. Finally, the Task Force stated that the Marine Corps, in practice, varied its standards to fit the supply situation.

The Task Force itself did not consider that it had arrived at a "hard" set of quality requirements. The Task Force merely recommended that its statement of requirements be used as a criterion for judging whether the Services were facing a quality problem. More importantly, they recommended that "the Services should be permitted to exceed the minimum quality requirements computed by the Task Force if they have the recruiting capability to attract better personnel; however, the ASD(M&RA) should take cognizance of these minimum requirements when making

^{1/} Ibid., p. 41.

decisions on using enlistment bonuses, increasing recruiting and advertising resources, and allocating other resources aimed at improving quality for individual Services."

The Task Force thus struck a rough balance between allowing supply considerations to govern the quality issue and establishing absolute minimum intakes of Below Average personnel beyond which the Services should not go. Because the methodology of the study rested in part on the unproven assumption that Army quality requirements, being the lowest, could be used as an appropriate "bench mark" for the other Services, the results of the study were not used operationally. The Task Force report served to reconfirm the "free market" policy that had been emphasized increasingly since the abolition of the quota system by the Congress a year earlier.

At the time of the Task Force report the trend in mental quality of incoming personnel in the absence of the draft was clear. As shown in the accompanying table, a decline had occurred in Mental Groups I and II (Above Average) and Mental Group IV (Below Average), offset by an increase in Mental Group III (Average).

DOD Accessions by Mental Group

	<u>Mental Groups I & II</u>	<u>Mental Group III</u>	<u>Mental Group IV</u>
FY1970	36%	41%	22%
FY1971	35	43	22
FY1973	34	45	18
First Half 1973	33	49	18

All Services were below their stated requirements for Mental Groups I and II (Above Average) but well within the ranges stated by the Task Force.

SERVICE EFFORTS TO MANAGE QUALITY

With the abolition of quotas the Services had begun to shift their entry standards frequently in an effort to find the best quality mix that their market would support. Many of the changes were designed to preclude entry of personnel in the lower half of Mental Group IV. The

Army, for example, in December 1971 stopped accepting applicants who scored below 21 percentile on the Armed Forces Qualifying Test (AFQT); the Marines accepted applicants with scores below the 20 percentile but only if they were high school graduates who scored well on supplementary tests. Some of the changes were intended to maximize the input of the upper half of the Average Mental Group -- Mental Group III. For example, the Navy in 1972 developed a new approach to raising mental quality by establishing a quota of 70 percent "school eligibles." (A sufficiently high score on the Navy's Short Basic Test Battery classified an enlistee as eligible for entry to a Navy technical school.) The score was set so that about one-half of the military age population could qualify as "school eligible." In FY1973 the school eligible quotas were set at 75 percent and in FY1974 at 80 percent of accessions.

The Services also began to pay more attention to educational level as a selector. In October 1971 the Army began the policy of not giving recruiters any credit at all for enlistment of nongraduates from high school who tested in Mental Groups III and IV. Subsequently, in March 1972 the policy was modified slightly so that no credit was given for a Mental Group III nongraduate unless a Mental Group III high school graduate was also obtained. The Navy established a goal of 85 percent high school graduates in July 1972. Since the late 1950's the Air Force had trained its recruiters to emphasize the enlistment of high school graduates and they continued this emphasis during the transition to the All Volunteer Force. The Marine Corps placed less emphasis on the enlistment of high school graduates than did the other Services.

The Service efforts to manage and improve quality during the period of declining draft pressure and the build-up of the volunteer force incentive programs were marked by frequent changes in entrance standards, except in Air Force. Each change modified the supply of eligible personnel. The Services tried to "fine tune" their markets at a time when the market was changing, so on several occasions the efforts to maximize the quality of personnel resulted in recruiting shortfalls.

As an illustration of the frequency of change, the Navy's changes in enlistment standards over a two-year period are given below; the frequency of changes was about the same in the Army and the Marine Corps.

SUMMARY OF CHANGES IN NAVY ENLISTMENT STANDARDS

Prior to February 1972

Project 100,000 standards were in effect. Men with AFQT scores as low as 10 were acceptable if they passed supplementary screens.

25 Feb. 1972 - 13 Apr. 1972

Mental Group IV men who scored an AFQT score of 20 or below were not acceptable. Mental Group IV men with AFQT scores of 21-30 were acceptable with no additional screening. Seventeen-year-olds must be high school graduates; a GED was not acceptable for enlistment. Eighteen-year olds must be high school graduates or have a GED equivalency plus a score of 69 on the Odds for Effectiveness table.

14 Apr. 1972 - 23 Jul. 1972

Mental Group IV's in the 10-20 range of the AFQT were acceptable if they scored a minimum of 37 on the GCT portion of the Short Basic Test Battery (SBTB). Seventeen-year old non-high school graduates were acceptable (as well as high school graduates). The Odds for Effectiveness tables were cancelled.

24 Jul. 1972 - 15 Oct. 1972

Enlistment standards were not changed. A quota of 70% school eligibles was established. (School eligibles were defined as personnel scoring 49 or above on the AFQT and a GCT + ARI = 100 on the SBTB.) A quota of 75% of NPS accessions as high school graduates was established. The quota for minority school eligibles was set at 67%.

16 Oct. 1972 - 30 Nov. 1972

The school eligible quota for FY1973 was set at 75%, but the monthly school eligible quota was set at 81% in order to reach the yearly quota. Mental Group IV's scoring AFQT 10-20 were not acceptable. Mental Group IV's scoring AFQT 21-30 must be high school graduates - a GED equivalency was not acceptable. The overall high school graduate quota remained at 75%. The minority school eligible quota remained at 67%.

1 Dec. 1972 - 31 Dec. 1972

The minority school eligible goals were established at the level of the overall school eligible quota. Guidelines were established that quality was to take precedence over quantity.

1 Jan. 1973 - 31 Jan. 1973

New Odds for Effectiveness tables using SBTB scores were published. The use of the AFQT for selection was discontinued and the SBTB became the selection test.

1 Feb. 1973 - 30 Jun. 1973

Effective 1 February 1973, all Odds for Effectiveness scores must be recorded and written waivers at the District Recruiting level were required for anyone scoring below 68 on the Odds for Effectiveness tables. It was also required that all police record checks be in writing.

1 Jul. 1973 - 11 Dec. 1973

90% of NPS accessions must be school eligible (GCT + ARI = 100) for FY1974. Goal of 80% high school graduates for FY1974.

12 Dec. 1973 - 31 Jan. 1974

The cumulative percentage of school eligibles for FY1974 was set at 85%. Goal of 80% high school graduates for FY1974, and a long range goal of 90%.

In contrast to the other Services, the Air Force -- which enjoyed the most favorable image, the most adequate supply of personnel, lower accession requirements than Army and Navy, and an effective recruiting service -- did not need to change standards as frequently. The Air Force was able to reach high standards at an earlier date than the other Services and to maintain them throughout the transition period without incurring recruitment shortfalls. In December 1971 the Air Force required all 17-year-olds to be high school graduates or to be in Mental Group I or II. In May 1972 the Air Force stopped enlisting Mental Group IV personnel who were not high school graduates. All nongraduates had to have a score of 40 percentile on the General Technical subtest of the Airman Qualifying Examination and a score of 40 on one other subtest. ^{1/} After the start of FY1974 non-high school graduates in Mental Group III or IV were not enlisted. Ninety percent of all accessions were high school graduates and the nongraduates were in Mental Group I or II. Air Force quality, already favorable, improved significantly under the free market approach and the absence of quotas that had previously required them to accept below average personnel.

One of the most serious problems during the transition arose from the desire of the Army to increase its high school graduate enlistments. In an effort to do so, the Army, in February 1973, placed too stringent limits on the enlistment of nongraduates, causing shortfalls

^{1/} A score of 50 percentile is the average score.

in meeting monthly recruiting goals. The Army directed the Recruiting Command to obtain 70 percent of accessions among high school graduates and to limit nongraduates to 30 percent of accessions. The control was established after Army had enjoyed several months of recruiting successes. January enlistments were 17,700 -- the largest monthly total in four years -- and the annualized rate of combat arms enlistments in January was sufficient to meet FY1974 requirements, although the increases had largely occurred in nongraduates, not in high school graduates. The Army considered the time to be opportune for emphasizing high school graduate enlistments. ^{1/} The events which followed showed a weakness in the policy of decentralization of the establishment of entry standards without some check or balance by ASD(M&RA).

The favorable outlook for Army was quickly reversed because of the reduction of nongraduate enlistments. In March there was a 2,900 shortfall from Army's recruiting objective of 10,000; in April the Army missed its objective by 4,400, or 51 percent; in May it was 2,900 short of its objective of 8,000. The ASD(M&RA) monthly report on the status of the All Volunteer Force in June 1973 contained the following statement of the situation in its summary of trends:

Because of the Army decision to limit the number of nongraduates from high school to 30% in any month, the Army has failed for four months to meet its numerical recruiting objectives. Army's total of 3,195 high school graduate Mental Group I-III enlistees in May was 666, or 26% above the total for May last year and 546, or 21% above the April total, indicating the effects of its program to emphasize high school graduate enlistments. Despite Army's recruiting shortfalls in recent months, projection of the trained strength position indicate Army will be essentially on plan by the end of the calendar year. ^{2/}

As indicated in the monthly report on the status of the volunteer force, the number of trained men in the Army was estimated to be sufficient to meet the authorization despite recruiting shortfalls or

^{1/} See Chapter V, pp. 204-208.

^{2/} All Volunteer Force Information, June 1973, ASD(M&RA), p. 1.

shortfalls in authorized strengths. Acting Secretary Paul D. Phillips argued for ASD(M&RA) support of the Army efforts to improve quality. At the same time, news stories began to feature the theme that Army recruiting shortfalls meant the All Volunteer Force was a failure. Kelley, seeking to make the judgment that was right for the Army and right for the volunteer force, met with Phillips and urged modification of the policy to the extent needed to meet recruiting goals. Phillips urged support of the policy at least through June or July -- the best seasonal recruiting months for high school graduates -- to see whether the goal of 70 percent high school graduates could be met during these months. Kelley reluctantly "went along" with the Army but, as the unfavorable newspaper stories continued, he reversed himself in a memorandum to the Deputy Secretary of Defense on his last day in office. He said, "I believe the Army can meet its requirements without the enlistment bonus but to do so will require continuing improvements in recruiting and adjustments in quality standards that are now unrealistically high." 1/

Lt. General Robert Taber succeeded Kelley as Chairman of the Project Volunteer Committee. He was a career Army officer who had served as Kelley's principal Deputy. General Taber faced the controversy with the Army objectively and kept himself, the ASD(M&RA) staff, and the Army staff busy informing Deputy Secretary of Defense Clements on the problem. The pressure on General Taber was heavy, particularly because Army Secretary Howard Callaway, who took office in April 1973, reiterated his support of the 30 percent limitation on nongraduates. Secretary Callaway wrote:

While I do not believe there is anything sacrosanct about the 70 percent high school graduate controls we have now, I am reluctant to abandon or adjust the only measure of quality we have any confidence in until we have determined what replaces this standard. The Army is clearly on record with the public and the Congress at the present time that we will maintain quality standards. To move from 70 percent high school graduates and 30 percent nongraduates to something lower will not only be interpreted as lowering of our standards but it will almost surely be true.

1/ Memorandum from ASD(M&RA) to Deputy Secretary of Defense,
Subject: The All Volunteer Force, May 31, 1973.

We must have other measures to assure quality controls if we are to lower or remove the high school graduate percentages. 1/

The Directorate of Procurement Policy, ASD(M&RA) produced three staff analyses which General Taber sent to Deputy Secretary Clements, as well as to the Assistant Secretary of the Army (M&RA), to see whether agreement could be reached. The subjects of the three studies were:

- Qualitative Trends in Moving to a Volunteer Force
- Army Quality Standards and Strength Trends
- Predictors of Unsuitability Discharges - Army

The three memoranda provided an analysis of this particular quality issue. The memorandum on qualitative trends summarized the trends in educational level of men entering Service in the six months since the end of the draft calls:

During calendar year 1973 the Navy and Air Force trends by years of education have been favorable but the Army and Marine Corps trends have been lower than in past periods when the draft existed.

Both Navy and Air Force are at or above historically high proportions of high school graduates entering Service.

Both Army and Marine Corps accessions have a smaller proportion of high school graduates (including those with some college) than in past years when inductees and draft-motivated enlistees were a significant proportion of total accessions. The decline, as shown in the table, is largely the result of the loss of enlisted college men who entered Service during the Viet Nam period. 2/

1/ Memorandum from Secretary of the Army for the Chief of Staff, U.S. Army, Subject: Quality Standards for Recruiting, June 1973.

2/ Staff paper on Army Qualitative Trends, from Director of Procurement Policy to Principal Deputy (M&RA), June 1973.

High School Graduate Proportions in Army
and Marine Corps for Recent Time Periods

	<u>Army</u>	<u>Marine Corps</u>
FY1973 (1st 6 months)	60%	49%
(2nd 6 months)	*64%	42%
FY1972	71%	48%
FY1970	70%	56%
FY1968	69%	56%

* No draft calls; 30% limit on nongraduates in effect.

The memorandum on Army Quality Standards and Strength Objectives, in particular, pointed up the relationship between the quality standards and the capability to maintain Army strengths. ^{1/} The major findings of the memorandum were:

- 30 percent limit on enlistment of nongraduates from high school instituted by Army on February 1, 1973, has raised the high school graduate quality mix but has resulted in recruiting shortfalls for four successive months.
- Cumulative shortfall, February-May, is 12,000.
- It is estimated that actual Army strength will be 805,000 as of 30 June 1973 instead of 815,000 authorized.
- This understrength may stimulate the Congress to make further cuts and may generate further press reports that the AVF is unsuccessful.
- We expect Army to meet its June enlistments objective of 16,500 while maintaining the 30 percent limitation.
- This would require a 20 percent improvement in true volunteer high school graduates over June last year; Army has achieved a 15 percent to 20 percent year-to-year improvement during February-May.

^{1/} Staff paper on Army Quality Standards and Strength Objectives from Gus C. Lee, Director Procurement Policy, to Principal Deputy (M&RA), June 1973.

- We do not expect Army to meet its goals from July-September under the 30 percent limitation. Army would have to improve its high school graduate results during these months about 60 percent over last year in order to meet its goals.
- The estimates of strength maintainable in FY1974 at different mixes of high school graduates are shown below:

Percentage of		Estimated End Strength Attain- able - FY1974
<u>High School Graduates</u>	<u>Non- Graduates</u>	
70	30	752,000
65	35	773,000
60	40	790,000

- A 60-40 mix for the year would be necessary to meet end strength levels of 792,000 now planned.

The memorandum on Predictors of Unsuitability Discharges - Army influenced the position finally taken on the issue by both ASD(M&RA) and the Army. ^{1/} The analysis not only verified the desirability of recruiting high school graduates but also pointed out how to select the "best risks" among nongraduates so as to minimize the relatively high attrition rates among nongraduates. The analysis showed the unsuitability loss rates, by characteristics, of all men who had entered the Army during FY1971 and been separated by December 1972. The average length of service of the group was two years and the overall unsuitability discharge rate was 11.9 percent of the accessions.

According to the study, "The best predictors of unsuitability discharge are educational level at entry into Service, age at entry into Service, and AFQT mental group." Race was not a significant predictor. A summary of the findings indicates:

- High school graduates are much better risks than nongraduates -- a 4.8 percent unsuitability loss rate for high school graduates as contrasted with a 20 percent unsuitability loss rate for nongraduates.

^{1/} Memorandum from Gus C. Lee, Director of Procurement Policy, to Principal Deputy (M&RA), June 1973. Ms. Jeanne Fites, Manpower Analysis and Research Data Center, performed the analysis.

- Men who are 17 and 18 years old at entry are much more likely to be discharged for unsuitability during their first two years than older enlistees. (17-year-olds, 22.3% rate; 18-year-olds, 12.8%; 19- to 23-year-olds, 5.1 to 8.2%.)
- Men with lower AFQT scores are more likely to be discharged for unsuitability than men of higher mental ability. Mental Group IV's have a discharge rate of 15.4%; Mental Groups I and II have a discharge rate of only 5.9% (the difference among Mental Groups is largely explained by the difference in the composition of the groups in terms of the high school graduate/nongraduate mix).

The information on the "worst risk" subgroups among the high school graduates and the "best risk" subgroups among the nongraduates was made available to the Army for possible use for determining entry standards and for guiding recruiters on who should be enlisted. As an example, extracts of the information are as follows:

"Worst Risk" Groups Among High School Graduates

<u>Group Characteristics</u>	<u>Unsuitability Discharge Rate</u>
17-year-olds - Mental Group IV	16.9%
22-year-olds - Mental Group IV	12.3%
17-year-olds - Mental Group III	10.1%
18-year-olds - Mental Group IV	9.2%

"Best Risks" Among Nongraduates

<u>Group Characteristics</u>	<u>Unsuitability Discharge Rate</u>
19-year-olds - Mental Groups I and II	12.0%
18-year-olds - 11-12 years of education Mental Groups I and II	13.9%
19-year-olds - 11-12 years of education Mental Group III	12.0%

Although the data clearly showed good reasons for preferring high school graduates, it also suggested that the Army need not insist on an absolute, inflexible ratio of graduates to nongraduates.

Early in July 1973 the Secretary of the Army decided to go to a 50-50 ratio of high school graduates for FY1974, if necessary, to maintain strengths. At a subsequent meeting between Deputy Secretary of Defense Clements and General Abrams, Army Chief of Staff, the Deputy Secretary approved the Army decision. Part of the policy change was a plan to maintain the quality of men assigned to units by identifying the poorer performers early in basic training and accelerating their attrition. The Army briefing to Secretary Clements recognized that "this would require a complete change in Army thinking, a major change in Army separation procedures, and the understanding of Congress, the Government Accounting Office, and OSD. The Training Center Commander could be charged with responsibility for screening out disciplinary problems and misfits early, fully realizing that the basic training loss rates will increase significantly. In either case his performance would be judged not only on how well he trains individuals but equally on the number of problems/disciplinary cases that he sends to units and are subsequently eliminated during the 5th to 12th months of service." 1/ The new procedure, similar to those in use in the other Services, had helped the Army staff to persuade the Secretary of the Army that the non-high school graduate restriction could be relaxed without appreciably lowering the quality of men sent to Army Units.

Underlying the decision was the belief expressed by General Bernard Rogers, then Army Deputy Chief of Staff for Personnel, that continued Army shortfalls would be interpreted by the Congress as a "signal" to cut Army strength. 2/ In a period of tight budgets, it would not be sensible to authorize and provide funds for more personnel than could be recruited. Basically, the decision was to set entry standards at a level that was reasonably in balance with the recruiting capability to maintain strengths. Under the plan for accelerated attrition of poor performers during basic training, standards of performance in Army units would, in theory, be maintained. The chief disadvantage of the plan was a one-time addition of 10,000 to the accession plan because of the accelerated attrition. The consensus in OSD was that the Army had made the right judgment; it was, in effect, a recognition that market conditions would determine the quality of personnel.

1/ "Quantity and Quality - How Much of Each?" Army briefing prepared June 1973.

2/ Statement made in conversation with the author, General Rogers became Army Chief of Staff in October 1976. G.C.L.

In retrospect, the 70 percent high school graduate policy was an overoptimistic expectation on the part of the Army. Looking back, the estimated effect of the policy from February-June 1973 was to increase high school graduate enlistments an average of 400 per month and to decrease Category I-III nongraduate enlistments an average of 4,500 per month. In the light of market conditions it would have been more realistic for the Army to emphasize high school graduate recruiting by establishing a limitation of 40 percent on non-high school graduates, rather than 30 percent. The shortfalls would have been smaller and the seriousness of their effects less exaggerated by the press. As the Army gained experience, its efforts to manage the complex relationships between quantity, quality and the skill potential of incoming recruits were kept in better balance with market conditions.

CONGRESSIONAL INTEREST IN QUALITY STANDARDS

The July decision was not, however, the end of the story of the Army non-high school graduate limitation. Once again, the Congress took upon itself the responsibility to legislate quality standards for the volunteer forces -- this time as a result of apprehension that Army had been required by OSD to lower standards in order to meet recruiting and strength goals. The legislation was formulated as a result of off-the-record discussions between staff of the House Appropriations Committee and Army representatives. The Congressional staff asked the Army to advise them what a reasonable set of standards for Army would be. Section 718 of the Department of Defense Appropriations Act of FY1974 was based on these discussions.

Section 718 stated that "None of the funds in this act shall be available for the enlistment or pay of non prior service personnel during FY1974 when the enlistment will cause the percentage of non-high school graduate enlistments of the Service concerned to exceed 45% or the Mental Category IV enlistments to exceed 18% of the total non prior service enlistments for the entire fiscal year." The Congress thereby enacted into legislation governing all Services the view held by the Army concerning its own standards for FY1974.

Although the Navy and Air Force were not adversely affected by the limitation because they could recruit more than 55 percent high school graduates and more than 82 percent in Mental Groups I-III, the Department of Defense objected to Section 718 and requested its removal, without success. In the argument for removal, the Department pointed out that the Services' minimum qualifications for specific enlisted

jobs did not require high school graduates. While completion of high school was a good predictor of success in Service, the legislation could result in the denial of enlistment to nongraduates, many of whom would be successful performers. The Department's memorandum to the Appropriations Committee said, "The legislation would not contribute to the effectiveness or the efficient management of the Military Services. All new personnel accepted are qualified for a number of jobs and are considered to have the potential to become good servicemen. Those who do not meet Service standards of performance are separated as early in Service as their lack of potential is identified." 1/

The Marine Corps was the Service which was hurt most by the Congressional restriction on nongraduates from high school. The Army, after running in excess of the nongraduates allowance through May, ended the fiscal year with 56 percent high school graduates because of good recruiting results in June 1974. As expected, the restriction did no harm to the Navy because they recruited 70 percent high school graduates and the Air Force did even better in recruiting 92 percent high school graduates. The Marine Corps, however, was about 7,000 short of its authorized strength of 193,000. In the press release on the subject, Assistant Secretary Brehm said, "The Marine Corps shortfall of about 7,000 was attributed primarily to the law passed in mid-year which required that at least 55% of all new enlistees in FY1974 be high school graduates." 2/

Through the support of Mr. Hebert, Chairman of the House Armed Services Committee, the Department of Defense was successful in precluding continuance of the restriction in FY1975. The episode had turned out to be a one time nonconstructive effort by the House Appropriations Committee to legislate quality standards for the volunteer force.

The Senate Armed Services Committee attempted to take a more thoughtful approach to the quality issue by requiring the Department of Defense to submit a thorough study on the subject. Stating its reason for requiring the report, the Committee said:

While recognizing that the All Volunteer Service has been in existence only a short time, the Senate Armed Services Committee is concerned about

1/ ASD(M&RA) reclama on Section 718, FY1974 Appropriations Act.

2/ News Release No. 321-74, Office of Assistant Secretary of Defense, Public Affairs, July 1974.

the evident difficulties the Defense Department is having in achieving a quality All Volunteer Force at a cost the country can afford. At this time, Defense is cutting its quality standards at the same time it is asking for additional bonuses and experiencing monthly shortfalls in the number of recruits it can obtain. If these trends continue, it could result in a small, very expensive military force made up of people who may not perform the tasks needed for a modern Defense establishment. 1/

The committee directed the Department to submit a report that

- Specifically defines the range of quality standards that are acceptable.
- Relates those ranges to the performance needed by the various forces and to the manpower requirements.
- Describes the quality of the current manpower force.
- Forecasts the quality of the manpower force for each of the next five years in the same terms.
- Describes the current full annual cost of trying to achieve a volunteer force in terms of total budget and cost per man.
- Defines the maximum acceptable level of annual cost to achieve a volunteer force in terms of total costs, percentages of Defense budget and average cost per man.
- Forecasts the full annual cost of achieving a volunteer force for the next five years in the same terms as the two preceding items.
- Shows the overall manpower levels, by Services, which would require the draft under (a) peacetime conditions and current strategy, (b) peacetime conditions and revised strategies, and (c) wartime conditions.

^{1/} Senate Armed Services Committee Report, 93-385, September 1973, p. 148.

- Estimates the force levels, maximum and minimum, that may be needed for national security over the next five years. 1/

The Senate Armed Services Committee request, sponsored by Senator Sam Nunn, was an attempt to pin the Department of Defense down to a hard statement of quality requirements, related to costs and force size and, thereby, to settle the arguments over quality. 2/ The Department's report carefully developed an explanation of the judgmental nature of decisions about the qualitative needs of the Services and, in a volunteer environment, the relationship of this judgment to the supply of manpower. Although the report did not give the Senate Armed Service Committee the certainty about quality issues which it was reaching for, the report was accepted by the committee without criticism.

The first chapter of the report, concurred in by all Services, constituted a statement of the Department's position on the quality issue as it had evolved under a volunteer force. 3/ Substantial portions of the statement, which emphasizes the "market" approach, are quoted below:

In the draft era, qualitative standards for entry were generally prescribed by the Department of Defense, so that the Army -- the chief user of conscription -- did not enlist a disproportionate share of low quality personnel. In the volunteer environment, current policy permits each Service to establish the entry standards needed to meet its job requirements. This policy is under continual review, however, since we must assure an internally consistent distribution of quality among the Services.

The quality of people already in service can be measured by their performance in training and on the job. However, the prediction of performance of potential enlistees is more difficult. The Services attempt to

1/ Ibid., p.148.

2/ Frank J. Sullivan, staff member of Senate Armed Services Committee, designed the study requirements. Sullivan was a former staff member of ASD(Systems Analysis).

3/ Defense Manpower Quality Requirements, report to the Senate Armed Services Committee. The report was written by Ms. Jeanne Fites, Manpower Analysis and Research Data Center.

measure several characteristics and set minimum standards for them: physical condition, moral background, trainability, and motivation/discipline. About 31% of the young men of military age do not meet the minimum medical and mental standards and are not accepted for service. Most of the individuals who do meet the standards are likely to do well in service. However, some who are selected do not measure up to expectations and therefore are separated from the Service prior to completion of their terms of service.

The setting of standards is ideally a judgment aimed at admitting only qualified people while screening out only unqualified people. If the supply of qualified candidates is virtually unlimited, one can set the standards high; if the supply is limited, one must allow a few marginally qualified people to enter initial training on the theory that some may be successful by virtue of the fact that the predictors of performance are not perfect. The others will be released. The table below summarizes the basic elements of quality measurement:

Measurement of Quality Enlistment

<u>Characteristics</u>	<u>Determined by:</u>
Physical Condition	Medical Examination
Moral Background	Enlistee Statement and/or Checks on Misdemeanors, Felonies, etc.
Trainability	Aptitude Tests
Motivation/Discipline	Interviews, High School Diploma, Training Attrition

The Department of Defense has recently come to describe quality in the shorthand terms of mental group categories and high school graduation status. However, while these are easy to measure and use, they are only two of the many indicators of quality used in the actual evaluation procedures, and thus hardly present a complete picture.

Mental group categories historically have been based on score groupings derived from the Armed Forces Qualification Test (AFQT), a 50-minute test given at the AFEES to measure military trainability. The AFQT was the primary test for acceptance into the military during the draft era, though supplementary tests were administered to men scoring poorly on the AFQT. Each Military Service then administered its own aptitude test battery to assign men to occupations.

Today, in an all volunteer environment, the Military Services are no longer required to administer the AFQT. Consequently, the Services have moved toward the use of more comprehensive aptitude test batteries for determining eligibility for military service, enlistment guarantees, and assignment to occupations....

Each person entering the military must qualify on at least one aptitude test, which will then qualify him for a number of specific jobs within that one aptitude area. Thus, all persons who enter the military under the newer testing system have a high probability of being successfully trained for a class of military tasks. Furthermore, the aptitude batteries assess a larger number of aptitudes than could be assessed by the short AFQT, and thus are a more reliable and refined measure of the individual's potential for the entire spectrum of military training.

Individuals who score low on the aptitude tests or who pass only one or two aptitude tests are more limited in their assignability than high scorers who pass several tests. The low scorers must be assigned to simpler entry jobs which match their aptitudes -- jobs such as vehicle driver, warehouseman, or cook. The low scorers are generally not suited to assignment in the more technical skill fields, such as electronics. In general, the number of low-scoring personnel who seek to enlist is greater than the number of jobs which are best filled by them. For this reason, each Service emphasizes the recruitment of a sufficient number of personnel whose scores are average or above average to fill the training requirements of the more complex job assignments.

High school graduation, while frequently used as a shorthand measure of quality, is not used to screen entry into a skill, but rather to help predict the probability of a disciplinary problem. Non-high school graduates characteristically experience higher disciplinary and retraining rates, resulting in a larger number of administrative actions including early discharge.

Table 3 shows that of the FY1971 DOD high school accessions, 8.7% were discharged during FY1971-1973 for unsuitability, while 24.7% of the non-high school graduates were discharged. Mental Group IV's (the below average group) are slightly more likely to be discharged for unsuitability than higher mental groups. Thus, as the table shows, an enlistee's educational level is a stronger indicator of his potential disciplinary record than is his mental group.

Table 3

Percentage of DOD July-December 1970 (Male Non-Prior Service)
Accessions Discharged for Unsuitability During FY 1971-1973

<u>Mental Category</u>	<u>High School Graduate</u>	<u>Non-High School Graduate</u>	<u>Total</u>
Above Average I & II	6.5	19.5	8.4
Average III	9.7	24.2	15.7
Below Average IV	14.3	26.5	21.1
Total	8.7	24.1	13.9

In summary, the measures of quality discussed -- aptitude tests, mental group categories, and high school graduation -- can be related generally but not precisely to performance in service. Since all pre-enlistment screens are probabilistic, the performance for any given individual cannot be predicted exactly. While the screening systems currently used by the Services are as sophisticated and effective as any in the civilian world, the Department of Defense is constantly striving to improve these systems both to improve manpower utilization and to reduce costs.

CONCLUSION

Fiscal Year 1974, the year of the Congressional limitation on non-graduates from high school and the year of the Nunn report, represented the high water mark of criticism and controversy about the quality of the All Volunteer Force. During FY1975 the Services met their recruiting goals, both as to mental ability and as to high school graduation

at or near the quality standards which they desired. The quality was higher, generally, than the Services had experienced under the draft. Once the Services were reasonably well satisfied with the quality of new accessions, the Congressional criticism subsided. Although there were several painful episodes and events during the transition as the Services sought to manage quality, it appeared in the end that the "free market" policy was the appropriate policy for the all volunteer environment.

Experience with the free market policy shows that the policy is not without its limitations. One "spill over" effect of the Services' efforts to maximize the quality of their inputs is that they often find themselves in a marginal market situation. Each increase in quality standard cuts out some share of potential available personnel. Once a Service is successful in eliminating inputs of Mental Category IV (Below Average) personnel, it is tempting to try to reduce inputs of the lower half of Mental Category III (Average). By going too far in raising quality standards the Services would unnecessarily raise the cost of incentives or recruiting resources. The Department of Defense still needs a rational method for dealing with this problem.

Quality objectives are likely to be the first casualty of severe cuts in incentives or in recruiting resources. The Army was not satisfied with high school graduate recruiting results in FY1976. About 1,700 fewer high school graduates were obtained than in FY1975, a decrease from 66 percent in FY1975 to 64 percent in FY1976. The Secretary of Defense, in July 1976, approved the Army's request for \$78 million in supplemental funds for recruiting and for the enlistment bonus to offset the negative impact of the Congressional cuts in recruiting resources (mostly advertising funds) of about 15 percent and the impact of reductions that had been made in enlistment bonuses.^{1/} The Army emphasized that a larger proportion of high school graduates would more than offset the extra costs of recruiting them by reducing the outyear training costs of replacing heavy losses of nongraduates. Losses of 35 percent over a three-year enlistment cycle had prevented the Army from keeping its annual male accession requirements below 160,000. This was a logical argument for a high quality standard.

Both the high school graduate inputs and the Mental Group I-III (Average and Above Average) inputs were considered satisfactory by all Services during FY1975. For all Services high school graduates were 72 percent of accessions in FY1975, compared to 64 percent in FY1976 of accessions during the pre-Vietnam year of FY1964. All Services, except Army, increased their high school graduate intakes in FY1976. Mental Groups I-III were 94 percent of accessions in FY1975 and 95

^{1/} As of December 1976, the request had not been approved.

percent of accessions in FY1976, compared to 85 percent in FY1974. Under the level of pay and other incentives which existed, the market supply was adequate to maintain a high quality force of 2.1 million personnel. Although moderate dips in quality during the early months of FY1977 seemed to revive the Service skepticism of 1970-1974, the apprehensions and fears that the All Volunteer Force would be one of low quality had proved to be unwarranted.

THE ISSUE OF REPRESENTATION

The President's Commission on the All Volunteer Force recognized that opponents of the All Volunteer Force argued that it would have a number of undesirable social, political, and economic effects. The most explicit of these arguments was that a volunteer force would not be composed of a cross-section of the population but would predominantly consist of blacks, the poor, and the disadvantaged. ^{1/} The issue of black participation was raised in discussions about the volunteer force because higher pay was expected to appeal most to the low income groups where the proportion of blacks was high. Also, considerable media attention had been directed to the relatively high proportion of blacks who were assigned to ground combat units during the Vietnam War.

The President's Commission concluded that the proportion of blacks would be about the same under a volunteer force as it would be under the draft.

The elimination of conscription is a major social change but it will not produce a major change in the personnel of our Armed Services.... Contrary to much dramatic argument, the reality is that an All Volunteer Force will be manned largely by the same kind of individuals as today's Armed Forces. ^{2/}

The commission estimated that, by 1980, if the draft were continued about 14 percent of the force would be black and under an All Volunteer Force about 15 percent would be black. The proportion of blacks would

^{1/} For discussion of the literature on the issue of representation, see Evaluation of Army Representation, Mark J. Eitelberg, Human Resources Research Organization, Alexandria, Virginia, October 1976.

^{2/} Report of the President's Commission on the All Volunteer Force, p. 12, Superintendent of Documents, Wash., D.C., February 1970.

increase from 10.6 percent in 1969 under either draft or volunteer policies, largely because black males aged 17 to 20 were expected to increase from 12 percent of the population to 15.8 percent of the 17- to 20-year-old population in 1985. As will be discussed, the commission underestimated the sharp increase in blacks that occurred in the transition to the volunteer force.

The commission did not foresee any problems with the relatively modest increase of blacks which they forecast. They pointed out that mental, physical, and moral standards for entry into Service would insure that unqualified blacks would not be recruited. Even if there were a higher proportion of blacks than estimated, the commission saw no reason to cut back on their numbers. "Citizens who are concerned with racial imbalance in this or that sector must work to open opportunities for blacks in all occupations." 1/ The commission also pointed out that equal opportunity for blacks and other minorities was an established policy of the federal government.

During the Congressional debate in 1971 over the extension of the draft and the enactment of the volunteer force legislative package, the anti-volunteer force Congressmen did not directly raise the argument that there would be too many blacks. They more often used the argument that the "poor" would be overrepresented. For example, Senator Edward Kennedy began his pro-conscription arguments by saying, "It is grossly inequitable to permit the risks of battle to fall only on those less affluent Americans who are induced to join the Army by the attraction of higher military pay." 2/

This was not an argument made by blacks; Dr. Ralph Abernathy, President of the Southern Christian Leadership Conference, pointed out that this argument was used mostly by whites:

I know of no black organization, I know of no organization of the poor or leadership of such an organization which supports the proposition that a draft should be maintained in order to keep from getting a volunteer Army made up of all black or all poor whites. 3/

1/ Ibid., p. 150.

2/ Hearings, Committee on Armed Services, U.S. Senate, Selective Service and Military Compensation, February 1971, p. 108. In advocating extension of the draft in 1971, Senator Kennedy said that he would favor a volunteer force in peacetime.

3/ Congressional Record, Senate, S-8025, June 2, 1971.

Dr. Abernathy emphasized that it was unreasonable to continue to impose an involuntary draft upon blacks because higher military pay would be a strong incentive for blacks to enlist. He expressed the appeal of a volunteer force to blacks by saying, "We might find a few crumbs attractive and might, grabbing at such, eat up a whole piece of bread." 1/ As will be seen, the volunteer force proved attractive to blacks to a greater degree than the President's Commission or the Department of Defense had anticipated.

The Department of Defense position relied on the forecasts of the President's Commission that there would not be a significant difference between the racial composition of the volunteer force and the racial composition of the population. In August 1972, Secretary Laird's report to the President on the All Volunteer Force pointed out that the participation rate of blacks, although increasing, did not support the conclusion that an All Volunteer Force would be all black, predominantly black, or predominantly composed of low income groups:

The proportion of blacks and other racial minorities in the Armed Forces is expected to grow in the next decade.... For several years this proportion may exceed the percentage of minorities in the nation's population, reflecting the apparent fact that minority members may find better treatment in the military than in civilian life. 2/

The Laird report further remarked that, insofar as Defense was concerned, the subject was not an issue.

The charge that a volunteer force will be dominated by low income youth is not relevant. Young people applying for military service are considered on the basis of their physical, mental, and moral qualifications. To the extent that large numbers of low income youth apply, so much the better for them, the Armed Forces, and the nation.... We are determined that the All Volunteer Force shall have broad

1/ Ibid.

2/ Progress in Ending the Draft and Achieving the All Volunteer Force, Department of Defense report to the President and the Chairman of the Armed Services Committees of the Senate and the House of Representatives, August 1972, p. 24.

appeal to young men and women of all racial, ethnic, and economic backgrounds. 1/

It might have been added that, by law, the Department of Defense could not discriminate against the enlistment of blacks.

TRENDS IN BLACK ENLISTMENTS AND MILITARY STRENGTH

As shown in the accompanying table, the percentage of black participation has increased significantly during the transition to the volunteer force. By the end of FY1975 black participation appeared to have reached a stable level in the Active Armed Forces at about 16 percent of strength, compared to 13 percent of blacks among the 17- to 22-year-old population. In the Army, however, the black content had reached about 22 percent by the end of FY1975 and was expected to rise to 23 percent by the end of FY1976. 2/

Percentage of Blacks - Accession and Strength Enlisted and Officers

	<u>FY1970</u>	<u>FY1972</u>	<u>FY1973</u>	<u>FY1974</u>	<u>FY1975</u>
Active Forces					
Enlisted Accessions	13.0%	14.0%	16.0%	21.0%	18.0%
Enlisted Strength	11.0	15.0	16.0	16.0	16.1
Officer Accessions	1.6	3.1	4.7	7.1	6.9
Officer Strength	2.3	2.5	2.8	3.0	3.1
Reserve Components					
Enlisted Accessions (Non prior Service)	1.8	5.0	15.0	26.0	28.0
Enlisted Strength	1.7	2.6	4.2	5.6	7.8

1/ Ibid., p. 26.

2/ Army Information Paper on Representation Statistics, Office of the Assistant Secretary of the Army (M&RA), May 1976.

Relative increases of blacks have occurred both in the Active Forces and, to an even greater degree, in the Reserve Components. The upward trend began before the end of the draft but increased more rapidly and reached a peak in FY1974 -- the first full year after the end of the draft. The percentage of blacks among Active Force enlisted accessions fell off during FY1975 to 18 percent and during FY1976 to 17 percent as the total supply of applicants became adequate, rather than marginal. The percentage of blacks in the enlisted strengths of the Active Forces has remained nearly level at about 16 percent for three years, partly because of the increased reenlistment of whites.

The participation of blacks in the Reserve Components was extremely low at the beginning of the transition to the volunteer force. The increased participation has been significant but, because of the low starting point, the percentage of blacks in the Reserve Components is still far below their percentage in the population.

The proportion of black officers, although it has increased during the transition to the volunteer force, is also extremely low compared to the population proportions. The college entry standard for officers places the Services in keen competition with the private sector for the supply of black college graduates. Compared to the 3.5 percent proportion of black males classified in professional occupations in the 1970 census, the officer strength of 3.1 percent is not so far out of line. 1/ All Services have officer procurement plans which, if successful, would increase the proportion of blacks in the officer ranks.

In both enlisted accessions and strengths, the proportion of blacks varies widely by Services. On both counts the Army and Marine Corps have been consistently above the DOD averages and the Navy and Air Force below the DOD averages, reflecting the supply situation of the several Services. The trends in enlisted accessions are shown by Services in the table which appears on the following page.

The abnormal Army increase between FY1973 and FY1974 is partly attributable to the Congressional limitation in the FY1974 appropriations of 45 percent non-high school graduate accessions. Through May of FY1974 the proportion of nongraduates in the Army was 46 percent and the Army was 5,000 short of its authorized end strength of 782,000 for June 30, 1974, the end of the fiscal year. The Army was determined to make up the shortfall in high school graduates and the shortfall in strength in June, a favorable recruiting month. The Army succeeded

1/ Richard Eisenmann, et al., U.S. Armed Forces Minority Officer Procurement, Human Resources Research Organization, Alexandria, Virginia, October 1975.

Percentage of Black Enlisted Accessions,
Active Forces, By Services ^{1/}

	<u>FY1970</u>	<u>FY1972</u>	<u>FY1973</u>	<u>FY1974</u>	<u>FY1975</u>	<u>FY1976</u>
Army	14%	15%	19%	28%	23%	24%
Navy	8	13	11	11	10	9
Marine Corps	15	18	19	22	19	16
Air Force	12	13	14	17	15	10
DOD Total	13	14	16	21	18	17

in making up both of the shortfalls by obtaining 27,900 enlistments in June -- 123 percent of their programmed objective. Sixty-seven percent of the June enlistments were high school graduates, bringing the total for the year to 56 percent and meeting the Congressional restriction which limited nongraduates from high school to 45 percent of accessions. To meet the strength and high school graduate objectives, the Army enlisted 31 percent blacks in June, making this the peak month and FY1974 as a whole the peak year of black enlistments.

The emphasis on high school graduation as an entry standard contributed to the FY1974 increase in blacks because a relatively large supply of unemployed or underemployed black high school graduates who met minimum mental standards applied, qualified, and were accepted for enlistment. Among applicants the percentage of blacks who were high school graduates was 53 percent -- nearly the same as the 56 percent of the white applicants who were high school graduates. The Army enlistments of black high school graduates in FY1974 were relatively heavy in the southern states.

^{1/} Army Information Paper on Representation Statistics, Office of Assistant Secretary of the Army (M&RA), August 24, 1976, projects a black accession rate as high as 29 percent in FY1977, assuming the FY1976 reduction of recruiting resources is not restored. Army accessions during July-September 1976 were actually 29.4 percent.

More favorable market conditions in FY1975 enabled the Army, as well as the other Services, to meet recruiting objectives in geographic areas of the country where the proportion of black high school graduates was not as large as it is in the southern states. During FY1975 the Army redistributed its recruiting force with the objective of achieving better geographical representation among recruits. Black first-term reenlistment rates continued to exceed those of whites, reaching about 1.5 times the reenlistment rates of whites in FY1976.

Concern over the number of blacks concentrated in combat skills led the Marine Corps to a policy of limiting white enlistments in Mental Group IV to the proportion of white enlistments obtained in the higher mental groups and the proportion of black enlistments in Mental Group IV to the proportion of black enlistments in the higher mental groups. (The proportion of black applicants in Mental Group IV was over twice the proportion of white applicants in Mental Group IV.) As a result of these actions, as well as the improved supply situation, the percentage of black enlistments declined from the peak reached in FY1974.

CONGRESSIONAL AND PUBLIC INTEREST

Starting as an argument against the volunteer force, the notion that it would be racially imbalanced and disproportionately composed of members of low income groups was turned into a goal to build a representative force, at least insofar as the Army was concerned. ^{1/} In his monthly briefings for the press, Assistant Secretary Brehm first used "representation" as one measure of the success of the volunteer force in November 1973. In establishing the Defense Manpower Commission, also in November 1973, the Congress directed the commission to give special consideration to "...the implications of the ability of the Armed Forces to fulfill their mission as a result of the change in the socio-economic composition of military enlistees..." ^{2/} In May 1974 the Senate Armed Service Committee asked the Secretary of Defense to submit annually a comprehensive report on population representation in the volunteer force. ^{3/}

^{1/} The Army 1974 Year End Report, p. II-4.

^{2/} Public Law 93-155, November, 1973.

^{3/} Senate Armed Services Committee Report, No. 94-884, May 29, 1974.

Responding to such expressions of Congressional concern, Secretary of the Army Callaway in his annual report stated, "...Our objective remains to provide a representative Army." 1/ In an appearance before the House Armed Services Committee in 1975 Secretary Callaway went about as far as one could go.

But quality is not our only aim. We also want a representative Army. What we seek and need are quality soldiers -- men and women -- who are representative of the overall population. Ideally we would like to have at least one person from every block in every city, one from every rural delivery route, and one from every small town. Our obligation to the American people is to field an Army which is both representative of them and acceptable to them. 2/

It appeared that "representation" had become an explicit policy goal for the Army.

In 1975 Assistant Secretary of the Army (M&RA) Donald Brotzman said, "Equally as important is having an Army which is representative of the American people. I mean representative in the racial, geographic, and socio-economic sense." 3/

It could, of course, be pointed out that the Services had not been completely representative under the draft. During the 1950's and 1960's blacks in service were below their proportion in the population. The proportion of women in the military was only 1.1 percent of total active strength in 1964. Selective Service policies on occupational deferments and college deferments favored the middle income groups throughout most of the post-World War II draft era. High mental standards during the early 1960's kept a disproportionate share of young men from low income groups from entering Service.

Some of the concern over representativeness was given an aura of intellectual respectability by the writings of Morris Janowitz, a Univer-

1/ The Army 1974 Year End Report, p. II-4.

2/ Hearings before Committee on Armed Services, House of Representatives, February 26, 1975, p. 522.

3/ Appearance before the Defense Manpower Commission, July 17, 1974.

sity of Chicago sociologist who specialized in the military aspects of sociology. Janowitz' thesis was that the officer and enlisted composition of the volunteer force was becoming less socially representative and that this could lead to political cleavage between the military and the larger society. 1/ According to Janowitz, the enlisted personnel of the volunteer force would be made up of the submerged groups of society, especially blacks, and among officers there would be a stronger emphasis on academy graduates which, combined with the effects of the promotion system that "selected out" those with divergent orientation, "would lead to a right wing politico-military orientation."

Janowitz seemed to be writing mostly about his own fears rather than verifiable changes in the attitudes of Army personnel that were actually occurring. However, given the fact of increased black enlistments, Janowitz' speculations helped manufacture the representation issue and make it seem frightening.

REPORTS ON REPRESENTATION

The Defense Department report to the Senate Armed Services Committee on population representation responded to their request for a comprehensive study. 2/ The report concluded that the volunteer force as a whole closely represented the general population except with respect to blacks. Compared to the general population, black enlistees comprised a larger proportion of the force and black officers comprised a smaller proportion.

Following are some of the major findings of the report:

- Recruits for the most part come from middle income families. Few come from families with high (4% over \$25,000) or very low (7% under \$6,000) incomes. 3/ The distribution of

1/ Morris Janowitz, "The All Volunteer Military As a Socio-Political Problem," Social Problems, February 1975.

2/ Letter to John C. Stennis, Chairman, Senate Armed Services Committee, from William C. Brehm, Assistant Secretary (M&RA), December 1974, and attachments.

3/ The measure used in the report was median annual family income of zip code area from which enlistee came. The enlistee's own family might be above or below the average.

parents' income of Air Force recruits in 1973, after the end of draft calls, was about the same as under the draft in 1970.

- States with the largest youth population accounted for the largest number of enlistments.. There has been little shift in regional representation since FY1971, the last significant draft year. Southern states have 31% of the male population and 37% of enlistments; Northern and North-eastern states have 51% of the population and 43% of the enlistments. There is an approximate urban-non-urban balance: the 57 largest metropolitan areas have about 50% of the population and about 46% of enlistments.
- High school graduates accounted for 66% of accessions compared with 64% within the civilian labor force ages 16 - 24. The proportion of high school graduates in the Active Force (officer and enlisted) remains high -- about 85%.

The Defense Manpower Commission also examined the representational aspects of the All Volunteer Force and obtained findings similar to those reported by Defense to the Senate Armed Services Committee. ^{1/} The commission interviewed 154 military commanders concerning the increase of blacks. Of the 87 who said that the number of blacks in their units had increased, 93 percent said that the increase improved the performance of their unit or had no impact on it; only 7 percent thought the unit's performance was affected adversely.

The conclusions of the commission included their assessment of the effect of the changes on the Services' ability to perform their missions. The conclusions were:

- Under the volunteer force there has been a general improvement in the average education and Mental Group levels in the Active Forces. This is perceived as having a positive impact on mission capability.
- The number and percentage of blacks in the Armed Forces has increased during the All Volunteer Force years, but this has not affected the ability of units to carry out their missions.

^{1/} Defense Manpower: The Keystone of National Security, report of the Defense Manpower Commission to the President and the Congress, April 1976, pp. 156-172.

- There has been a slight increase in the number of women in the Armed Forces.
- The Active Forces, in general, have experienced nonsignificant changes in geographic origin of new accessions.
- The Armed Forces now, as always, draw their strength principally from the middle class. There is no evidence to suggest that the Armed Forces are now, or are in danger of becoming, a "poor man's Army."

CONCLUSIONS

As the Defense Manpower Commission suggests in its report, the concept of equal opportunity without regard to race, sex, ethnic background, or socioeconomic status may be more valuable than the notion of representation. The commission recommended that the Department, except for women where unique considerations exist, recruit and assign personnel without regard to representational factors. In addition, the commission stated that there are practical questions concerning representation. How far should representation be carried in terms of all the racial and ethnic groups of the country? What proportions of black officers would be considered appropriate? The argument could be made that black officers should represent the proportion of blacks in the youth population, or should represent the proportion who have college degrees. A serious attempt at proportional representation of the diverse groups of the country would be difficult to administer.

Aside from the practicality of designing and administering a policy of representation, the issue is one of balancing the goal of representation and the goal of equal opportunity in recruiting for the Military Services. The values of a policy of equal opportunity appear to be more significant.

CHAPTER X
COSTS OF THE VOLUNTEER FORCE

The cost of a thing is the amount of what I will call life which is required to be exchanged for it immediately or in the long run.

Henry David Thoreau

The cost of the volunteer force was one of the most controversial issues both before and during the transition. The "high" cost estimate for the incremental annual budgetary costs of a volunteer force was \$17 billion; the "low" cost estimate was \$2.15 billion. The high estimate was made by the Department of Defense in 1966 for a force in the early 1970's; the low estimate was made by the President's Commission in 1970 for a force in the late 1970's. It is no wonder that the cost -- projected and actual -- of the volunteer force was a major issue throughout the transition period.

An important body of economic criticism of the draft was published during the mid-1960's, emphasizing the hidden economic costs of the draft.^{1/} This series of studies explained the economic aspects of the inequities of the draft and provided a theoretical framework for the movement to the All Volunteer Force. A key concept in these studies was that, since the average draftee was paid far less than he could have earned in civilian life, he was in effect being assessed an implicit tax on his income through his military service. The studies also criticized the inefficient use of human resources caused by the draft.

Between the Korean and Vietnam Wars the economic burden of the implicit tax was borne by an increasingly smaller percentage of young men. From 1955 to 1964 military accession requirements gradually declined from 695,000 to 491,000 new men annually. During the same

^{1/} The studies stemmed from Dr. Milton Friedman, University of Chicago economist, or from his students. As an example of the studies, see Walter Oi, The Economic Cost of the Draft, *American Economic Review*, May 1966.

period the eligible male population group increased from 1,150,000 males reaching 18 in 1955 to 1,700,000 in 1966. The decision as to who would bear the implied tax imposed by the draft became an increasingly important issue of equity because of the decreasing proportion of the male population who served.

The alternative offered by the economists was a military force consisting entirely of volunteers. A volunteer force meant that the military would compete with other employers in the labor market. Potential enlistees would enter the military if the compensation and benefits were sufficient to induce them to do so. To obtain a volunteer force military compensation would have to be raised. The economic studies primarily analyzed the technical question of the magnitude of the compensation increases that would be needed to reach a volunteer force of a given size. The economic literature, which culminated in the work of the President's Commission on the All Volunteer Force, not only focused attention on the budgetary costs of a volunteer force, but also emphasized the full economic and social costs of the draft.

Adherents of the draft also focused attention on the budgetary costs of a volunteer force. They were prone to use a sequence of arguments against the volunteer force: first, a volunteer force could not supply the number of personnel needed by the Military Services; second, it could not furnish the quality of personnel needed; third, even if it did furnish the number and quality of personnel needed, it would cost too much. Estimates prepared by the Department of Defense in 1966 reinforced the belief that a volunteer force would cost too much. In 1971, Secretary Laird gave the Congress his estimate that the costs would be as high as \$5 billion annually. Anyone holding the view that the costs would be unreasonable had plenty of company.

This chapter discusses the different ways of looking at the question of costs and the wide range of estimates that were made of the costs of the volunteer force.

DEPARTMENT OF DEFENSE STUDY OF THE DRAFT, 1964-1966

The Department of Defense, as a result of a study of the draft which President Johnson initiated in 1964, was the source of the first estimate of the costs of a volunteer force. According to the Defense estimates developed during that study, the costs would range someplace between \$4 - \$17 billion annually. A range of \$5 - \$8 billion was described as the "best estimate."

That early study, which concluded that a volunteer force of 2.2 million men was feasible in the 1970's, was not published. When the

study was completed in 1965, the manpower expansion in Vietnam had already begun. Secretary of Defense Robert McNamara did not think publication of the study was timely in view of the Vietnam buildup. After Secretary McNamara's departure from office, a back-up record of statistical and other background materials was compiled for Burke Marshall, who was chairman of an advisory commission which President Johnson had appointed to study the draft and Selective Service operations. 1/ In its report in January 1967, the Marshall Commission cited the Defense estimates to support its conclusion that an All Volunteer Force was too costly. The estimates were more widely publicized as a result of their use by Assistant Secretary of Defense (M&RA) Tom D. Morris before the House Armed Services Committee. 2/

Two tables follow: The first shows the estimated percentage increases in first-term pay which, according to the DOD study, would be needed to reach a volunteer force; the second table, using the percentage increases in the first table, shows the increases in payroll costs needed to obtain a volunteer force. The lowest estimate of payroll cost increases was \$3.67 billion at 5.5 percent unemployment (the 10-year average for FY1956-65) and the highest estimate was \$16.66 billion at 4 percent unemployment (the unemployment rate in early 1966). These estimates were "rounded off" by Assistant Secretary Morris to a range of \$4 - \$7 billion. The costs in the so-called "best estimates" are steep enough, but the "high" estimate cost of \$16.66 billion was a frightening argument when used against those arguing for the adoption of a volunteer force. The wide range accompanying each estimate suggests that there was a lack of confidence in the estimating procedures.

The models and detailed data used in the study are not provided in the published reference material 3/ but the computational steps used, which give some notion of the approach, were as follows:

1. The annual accession requirements for a 2.65 million force from 1970-1975, assuming continuation of the draft, were estimated to range between 450,000-549,000.

1/ Reference materials from the Department of Defense study of the draft, Office of the Assistant Secretary of Defense (Manpower), July 1966.

2/ Hearings before the House Armed Services Committee, Review of the Administration of the Selective Service System, June 1966, pp. 9999-10174.

3/ Reference materials from the Department of Defense study of the draft, Office of the Assistant Secretary of Defense (Manpower), pp. 18.1-18.18.

Estimated Increases * in First-Term Pay Required to Obtain
a 2.7 Million All Volunteer Force ^{1/}
(Percent)

<u>Estimate</u>	<u>Unemployment Level</u>		<u>Officers</u>
	<u>5.5 percent</u>	<u>4.0 percent</u>	
	<u>Enlisted</u>	<u>Enlisted</u>	
Low	80	114	18
Best	111	163	26
High	181	282	50

*Average increase in total tax equivalent income for all enlisted men during the first 3 to 4 years of service. Tax equivalent income includes all pay and allowances plus the tax advantage resulting from the fact that quarters and subsistence allowances are not subject to income tax.

2. Based on a questionnaire survey, the true volunteer rates of the existing force were used to estimate enlistment capabilities without the draft.
3. Recruiting deficits without a draft were estimated.
4. The differentials in Army enlistment rates in 1963, by geographic area, were adjusted for unemployment and were used to establish the statistical relationship between the civilian income of military age males and enlistment rates.
5. A decreasing elasticity in supply was assumed: For example, an initial increase of 10 percent in enlistments would require a 14 percent increase in first term pay; an additional 10 percent increase in enlistments would call for an additional 15 percent increase in first term pay.

^{1/} Ibid.

**Estimated Increase in Payroll Costs Necessary
to Obtain an All Volunteer Force of 2.7 Million¹**
(Millions of Dollars)

	5.5% Unemployment			4.0% Unemployment		
	Low	Best	High	Low	Best	High
ENLISTED						
Increase in Active Duty Pay	\$3,570	\$5,020	\$ 8,960	\$5,210	\$7,640	\$14,610
Increase in Future Retirement Benefits	160	390	1,030	420	790	1,940
Savings due to Reduced Turnover	<u>-350</u>	<u>-410</u>	<u>-540</u>	<u>-410</u>	<u>-510</u>	<u>-720</u>
TOTAL	\$3,380	\$5,000	\$ 9,450	\$5,220	\$7,920	\$15,830
OFFICERS						
Increase in Active Duty Pay	\$ 270	\$ 390	\$ 760	\$ 270	\$ 390	\$ 760
Increase in Future Retirement Benefits	40	50	100	40	50	100
Savings due to Reduced Turnover	<u>-20</u>	<u>-20</u>	<u>-30</u>	<u>-20</u>	<u>-20</u>	<u>-30</u>
TOTAL	<u>\$ 290</u>	<u>\$ 420</u>	<u>\$ 830</u>	<u>\$ 290</u>	<u>\$ 420</u>	<u>\$ 830</u>
TOTAL OFFICERS AND ENLISTED	\$3,670	\$5,420	\$10,280	\$5,510	\$8,340	\$16,660

¹ The high and low estimates are one standard deviation from the best estimate. This means that the interval would be correct approximately two thirds of the time. A confidence interval of 95%, which bounds the best estimate by approximately two standard deviations on either side, would result in an obviously ridiculous high cost estimate.

6. Based on the cross-section data on Army enlistment rates by geographic regions, the computations were adjusted to provide estimates of the percentage pay increases needed to meet accession requirements at a 4 percent unemployment rate and at a 5.5 percent unemployment rate.
7. Pay increases for career enlisted personnel were developed in such a way as to maintain a consistent relationship between grades. These pay increases ranged between 15 percent and 40 percent, depending on the grade level.

The study was the first of its kind and subject to the shortcomings of many initial studies of a complex subject.

COMPARISON OF THE DOD AND PRESIDENT'S COMMISSION ESTIMATES

The President's Commission on the All Volunteer Force estimate of \$2.15 billion a year to sustain a volunteer force may be compared with the earlier DOD "best estimate" of \$5 to \$8 billion. This comparison excludes the obviously wide range in the "high" and "low" estimates of the DOD study. ^{1/}

Why was the variance in the two sets of estimates so large? The enlistment rates forecast in the absence of the draft were about the same in both studies, since both used the 1964 survey of enlisted personnel to derive true volunteer enlistment rates. The variance in the estimates is largely accounted for by the following factors:

- Different assumptions about the size of military strength.
- Different data bases on the size of the military age population.
- Elements of costs and savings included in the estimating procedure.
- Lower supply estimates in the DOD study.
- Higher turnover rates and higher accession requirements projected in the DOD study.

^{1/} Report of the President's Commission on an All Volunteer Force, Superintendent of Public Documents, Washington, D.C., February 1970, pp. 203-211.

Examination of the specific differences in the two studies suggests that the DOD set of estimates used assumptions and factors which emphasized additional costs and that the Commission's estimates leaned in the other direction. Here are specific comparisons:

- A military force of 2.65 million was assumed by Defense and a 2.5 million force was assumed by the Commission. Hence, the accession requirements are higher in the DOD study.
- The period covered by the commission forecast is FY1977-79, when the military age population is expected to be 14 percent larger than the same population group was in FY1970-71, the time period covered by the DOD study. As a result of this difference, the estimates of recruitment deficits are lower in the commission's study.
- The commission included savings which the DOD did not take into account. The commission included as a saving an estimated \$420 million which would be paid in taxes as a result of the higher pay rates; the DOD estimates did not include this offset to the costs. The DOD study computed the increased retirement costs resulting from the pay raise (up to \$1.9 billion in the "high" estimate) but the commission did not include this element in its cost estimates.
- The commission assumed, reasonably, that turnover would be reduced under a volunteer force and estimated that it would be approximately 18 percent of the entry group; the DOD estimates assumed a turnover rate of 25 percent, which was representative of the Army experience in a mixed force of volunteers and draftees. This difference contributed to higher estimates of accession requirements in the DOD study.
- The range of supply elasticities implied by the DOD pay rates was .7 to 1.25; thus the highest elasticity estimated by DOD (used in the "low" cost estimates) was the same elasticity, 1.25, used in the commission's studies.

It is no wonder that these widely varying sets of cost estimates created confusion over the forecasts of the costs of a volunteer force.

ECONOMETRIC ANALYSIS, 1967-1971

A substantial body of economic literature developed in response to publicity about the DOD estimates of the cost of a volunteer force. The study effort received a further impetus from the Vietnam buildup and the increasing inequities of the draft. These studies, which began appearing in economic journals as early as 1966 and continued into the 1970's, treated the issue of volunteer force costs as a problem in the demand and supply of military manpower. The econometric problem was one of estimating the pay levels at which supply would equal demand, so as to estimate the costs of a volunteer force.

The demand side of the computation received less attention than the supply side. The main contribution of the studies in the area of demand was to lower the estimates of accession requirements because of the higher retention rates that were expected under a volunteer force. If a separating group eligible for reenlistment were composed entirely of volunteers, it is a plausible hypothesis that a greater percentage would reenlist than if the separating group were composed entirely of draftees. For instance, Walter Oi, on the basis of data from 1957-64 estimated that the first-term reenlistment rate (the percentage of reenlistments among the separating group who are eligible for reenlistment) for enlisted men in a volunteer Army would be 33.0 percent in contrast to 22.1 percent for the Army when it was a mixed force of draftees and volunteers. ^{1/} A later study projected that the first-term reenlistment rate would increase to 36 percent under a volunteer force. ^{2/}

The increased retention due to volunteerism is a gradual change that occurs as more true volunteers reach the expiration of their term of service and face a decision to reenlist. There were no draft calls after 1972 but the effects of the end of the draft on retention were just beginning to show up in FY1975.

The econometric studies largely concentrated on the supply considerations which affected the feasibility and the costs of a volunteer force. The main task of the analysis was to discern the relationship between increases in the relative level of military pay and the number of voluntary enlistments.

There were numerous studies which estimated the military pay elasticity -- the percentage increase in enlistments that would result

^{1/} Walter Oi, The Economic Costs of the Draft, *American Economic Review*, May 1966.

^{2/} S.L. Canby and B. P. Klotz, The Budget Cost of a Volunteer Military, Rand Corporation, Santa Monica, California, August 1970.

from a given percentage increase in relative military pay. ^{1/} A summary of the range of estimates of pay elasticities in seven such studies is shown:

<u>Service</u>	<u>Range of Pay Elasticity Estimation</u>
Army	-.79 to 1.77
Navy	.30 to .82
Marine Corp	-.51 to -.12
Air Force	.19 to 2.23
DOD	.22 to .80

The use of one or another of the pay elasticities would result in different cost estimates. Some of the studies even resulted in a minus elasticity, indicating the implausible conclusion that increased pay would have a negative effect. Most of the econometric studies made in the 1960's estimated the annual costs to fall in the range of \$4-\$5 billion for a 2.5-2.6 million man force.

The budgetary estimates of \$2.15 billion a year as the added cost of a "steady state" volunteer force of 2.5 million men used by the President's Commission on the Volunteer Force were based on a military pay elasticity of 1.25 for all Services combined. ^{2/} The 1.25 elasticity was derived by Walter Oi and represented the average of the various econometric analyses prepared for the commission. This pay elasticity estimate meant that a 10 percent increase in relative military pay was expected to result in a 12.5 percent increase in enlistments. It was by far the most optimistic estimate that had been made as of 1970; the commission said that a volunteer force of 3 million men could be main-

^{1/} See Chapter XI, pp.442-445 for a more detailed discussion of the methodology used to calculate pay elasticity.

^{2/} Walter Oi and Brian Forst, Manpower and Budgetary Implications of Ending Conscription, Volume I of the Appendix to the Report of the President's Commission on the All Volunteer Force, pp. I-I-63, May 1970.

tained for \$4.6 billion. The commission recognized that the transition costs would be higher than the "steady state" costs and used an estimate of \$3.24 billion as the first-year cost for a 2.5 million man force.

The staff of ASD(M&RA) used the commission's military pay elasticity estimate of 1.25 as a working assumption for the development of volunteer force plans and in testimony before Congress. The Administration's plan was to phase the military pay increases over two years while the commission assumed that the pay increase would be concentrated in one year. The cost of the Administration's program was expected to be \$1.5 billion in the first year and \$3.5 billion in the second year of the transition. The transition cost estimates of the President's Commission and the Administration were about the same.

BUDGETARY COSTS OF THE VOLUNTEER FORCE

The Administration's strategy during the transition was to set an upper limit of \$3.5 billion as the incremental budget costs of the volunteer force in FY1973, the year in which draft authority would end. What if the All Volunteer Force had not proved to be feasible within this level of costs? The answers would be entirely speculative, but some discussion of the subject occurred. The staff of ASD(M&RA) viewed the enlistment bonus as a relatively low cost incentive that could be used to make up shortfalls in enlistment on the order of 50,000 personnel. Non-Defense studies offered a number of suggestions, generally including a reduction in qualitative standards in order to increase the supply of males. ^{1/} No doubt some would have argued for a return to the draft. Since, in practice, the Administration's budget constraints proved to be a workable limit, it was not necessary to face the question.

At the outset there were some signals that Secretary Laird thought the budgetary costs might eventually be higher than \$3.5 billion. In the Senate Armed Services Committee during the first day of hearings on the volunteer force, Laird was asked by Senator Strom Thurmond for a "rough estimate of the eventual cost of pay increases, housing, bonuses,

^{1/} For example, see Martin Binkin and John D. Johnston, All Volunteer Armed Forces: Progress, Problems and Prospects, The Brookings Institution, Washington, D.C., June 1973, pp. 2-4, for a discussion of reduction of quality standards, physical standards, first-term career strength ratios, and other actions to increase supply in preference to an increase in financial incentives.

etc., to support the proposed All Volunteer Force of all Services." 1/ Laird explained that the budgetary request for FY1972 would be \$1.5 billion and that, three years hence, the All Volunteer Force would cost \$4 billion additional. Laird repeated this estimate of about \$5 billion in later hearings before the House Armed Services Committee. It was his own estimate, not one that had been provided for his consideration by the staff.

In actuality, the volunteer force budget for FY1974 -- the peak annual cost for the transition period -- was \$3.3 billion; \$2.3 billion of this total cost was for military pay and allowances. The estimate is confined to accounting for the separate Project Volunteer budget "set aside" by the President for the volunteer force.

A break-out of the estimates shows that the legislative items -- consisting of pay and allowances, the combat enlistment bonus, ROTC scholarships, medical scholarships, the enlistment bonus for critical skills, and the medical retention bonus -- were estimated at \$2.72 billion or 81% of the total. A pay-related nonlegislative item -- the Extension of Travel Entitlements to Personnel in Grades E-4, Over Two Years Service -- was estimated at \$60 million. Recruiting and Advertising, including \$20 million for Reserve Recruiting, was estimated at \$220 million. The remainder of about \$300 million was estimated for the so-called Service Initiatives, including Barracks Improvement, Educational Programs, and other actions intended to improve conditions of Service life.

Later, the ASD(M&RA) staff also developed a "Maximum Attributable Cost" which was above the Project Volunteer budget. 2/ This cost estimate was \$3.7 billion and had the advantage of taking into account the increases in the Army's "soldier-oriented" budget which was discussed in Chapter IV. The estimate simply adds to the Project Volunteer budget a variety of programs that could be attributed to the All Volunteer Force; 75 percent of this increment over the Project Volunteer budget consisted of programs in the Army's soldier-oriented budget. This approximates a realistic "maximum" annual budgetary cost of the volunteer force.

Another example of the complexity of estimating the costs of the volunteer force is provided by the pay changes that have occurred since

1/ Selective Service and Military Compensation Hearings before the Senate Armed Services Committee, February 1971, p. 32.

2/ Defense Manpower Quality Requirements, an ASD(M&RA) report to the Senate Armed Services Committee as required by Senate Report 93-385, pp. 32-33, January 1974.

the program began. All of the changes affect the military-civilian pay ratio but some changes were made independent of the volunteer force program. The pay changes that were related, directly or indirectly, to the volunteer force are usually taken into account in the cost estimates; the changes that were independent of the volunteer force are not taken into account. In the following list the pay changes that were supported as an element of the volunteer force program are marked with an asterisk:

Revisions in Pay and Allowances, 1971-1974

*Entry Level First Term Pay Increase	1971
*Combat Army Enlistment Bonus	1971
*Quarters Allowance Increase	1971
Survivors Benefit Revision	1972
*Nuclear Trained Reenlistment Bonus	1972
Dependents Assistance Act Revised	1973
Aviation Career Incentive Pay	1974
*Enlistment Bonus Authority Expanded	1974
*Reenlistment Bonus Restructured	1974
*Physicians Bonus Restructured	1974
Computation of Military Pay Increase Revised	1974

In the final analysis, the \$3.5 billion budget level established by the Administration in 1970 had proved adequate. The budget mainly followed the recommendations of the President's Commission with pay, bonuses, and scholarships for medical and nonmedical officers as major elements of the program. The Project Volunteer Committee, very wisely it turned out, had departed from the view of the President's Commission that a small increase -- \$8 million -- in recruiting would be enough. Recruiting and advertising received a high priority in budget allocations throughout the transition, amounting to an increment of about \$224 million in FY1974. The combination of financial incentives and the expansion of the recruiting effort in the Project Volunteer budgets led the way to the volunteer force.

It is possible that the volunteer force could have been attained with budgetary costs which were 5-10 percent lower. One economic analyst has written:

The conversion to a volunteer force has been
a rather bumpy road marked by mistakes in

judgment, changing objectives, excessive expenditures....study groups and task forces mushroomed within DOD and other entities as well. This kind of redundancy and errant behavior is symptomatic of an unbalanced growth theory of public policy. 1/

Few would argue that there were no inefficiencies in the move to a volunteer force. In reaching the goal rapidly, more resources were applied than would have been absolutely necessary under a less stringent timetable. It is likely that the goal could not have been reached at all, however, if the commitment of resources had been significantly less.

THE VOLUNTEER FORCE AND DEFENSE MANPOWER COSTS

The substantial entry pay raise enacted in October 1971 as part of the volunteer force legislative program, combined with other increases such as the cost-of-living pay adjustments, significantly increased Defense manpower costs. Secretary Laird often stated that the greatest cost growth in the Defense budget was not in weapons systems but in the costs of personnel. He pointed out to the House Armed Services Committee in 1971 that personnel costs had gone up from 49 percent of the Defense budget to 53 percent in a short period of time. He summarized the effects of inflation in military personnel costs by saying, "Personnel costs in 1964 were running about \$14.4 billion. For the same level of manpower at the end of this particular fiscal year we would need \$28 billion." 2/

Critics of the All Volunteer Force frequently attributed all of the increases in Defense manpower costs to the volunteer force, overlooking the other factors that contributed more significantly to the rise in Defense manpower costs. For example, Joseph Califano, formerly Special Assistant to President Lyndon Johnson, alleged in 1973 that

1/ Daniel F. Huck, The Elimination of the Military Draft: A Case Study in the Application of the Unbalanced Growth Model to Public Policy Formulation, unpublished paper, December 1975. Huck was a staff member of the Directorate of Procurement Policy, ASD(M&RA), 1973-75. He is now engaged in Defense manpower studies at the General Research Corporation.

2/ Extension of the Draft and Bills Related to the Volunteer Force Concept, Hearings before House Armed Services Committee, February-March 1971, p. 12.

the volunteer force had added \$12 billion to the Defense budget. ^{1/} Mr. Califano, although he was pro-draft, should have known better; he erroneously attributed all of the increases in Defense personnel costs to the volunteer force.

The increase in the Department of Defense manpower costs stems, in fact, from 1967 when the Congress passed legislation to place the pay of federal civilian personnel and career military personnel on a compensation scale that was comparable to pay levels in the private sector. This legislation, enacted earlier than the volunteer force legislation without regard to the draft, largely accounts for the increased manpower share of Defense budgets. Entry level military personnel were largely excluded from those pay adjustments until 1971, when the catch-up pay raise for entry personnel was enacted -- not only as part of the program to end the draft but also for reasons of equity.

Since 1973 larger increases have occurred in hardware and other nonpersonnel costs so the percentage of manpower costs in the Defense budget has declined in more recent years. The table below shows that since FY1973 the total Defense budget has increased faster than the manpower portion of the budget. ^{2/}

Department of Defense Military and Civilian
Manpower Costs and Total Defense Budget
(Billions of Dollars)

	<u>FY64</u>	<u>FY73</u>	<u>FY74</u>	<u>FY75(Est.)</u>	<u>FY76(Est.)</u>
DOD Budget	51	74	78	85	93
*Manpower Costs	22	41	43	47	49
Percent of DOD Budget	43%	56%	55%	55%	53%

*Includes retirement costs.

^{1/} Washington Post, March 22, 1973. Mr. Califano became Secretary of Health, Education, and Welfare in 1977.

^{2/} Statement of Assistant Secretary William K. Brehm before Senate Armed Services Committee, February 24, 1975, pp. 20-30.

As Assistant Secretary Brehm explained to the Armed Services Committees, there are three major cost categories under the heading of Manpower Costs and any increase will be driven primarily by the 1967 laws which adjust military and federal civilian pay to pay changes in the private sector. Two of the categories -- civil service personnel and retired military pay -- are not related to the program to end the draft. The percentage increases in these two categories account for half of the absolute increase in Defense manpower costs and most of the relative increase in the percentage of manpower cost in the Defense budget.

Department of Defense Manpower Costs by Major Categories
(Billions of Dollars)

	FY64	FY76	Increase Amount	%	Percent of Budget Increase
Military Personnel Costs*	13.5	27.0	13.5	100	2.5
Civil Service Payroll	7.3	15.4	8.1	111	2.2
Military Retired Pay	1.2	6.9	5.7	475	5.0
Total Manpower Costs	22.0	49.2	27.2	124	9.7

*Includes family housing

While military manpower costs have doubled in 12 years, and civilian payroll costs have more than doubled, their share of the budget has increased a little over 2 percentage points. In FY1976 retirement pay was almost 5 times what it was 12 years before; its share of the budget had nearly doubled. These are the major elements of the increase in Defense manpower costs and are not primarily attributable to the end of the draft. 1/

THE OPPORTUNITY COST OF RETURNING TO THE DRAFT

Once the All Volunteer Force actually came into being a new way of viewing its budgetary cost was featured by Assistant Secretary Brehm and his staff. The relevant question was shifted from, "How much would a

1/ The Congressional Budget Office estimates Defense manpower costs of \$75.9 billion by 1981. See Defense Manpower Compensation Issues for Fiscal 1977, Congressional Budget Office, Washington, D.C., April 1976, p. 37.

volunteer force cost?" to "How much could be saved by reinstating the draft?" The analyses of this opportunity cost showed that the potential savings from a return to the draft were on the order of \$300 million. This was not a major savings in terms of the total federal budget, or even of the total DOD budget.

The line of reasoning followed was first stated publicly in Secretary Richardson's report in 1973. ^{1/} The report says:

Some early estimates that a volunteer force would be prohibitively costly have proved incorrect. Many of the costs associated with the All Volunteer Force program should not be charged to the program since they are expenditures it would have been prudent to make under any conditions prior to enactment of Public Law 92-129. In October 1971 first term men did not enjoy competitive pay scales with their civilian peers....If the costs of pay increase are subtracted from the total costs of the volunteer force, the additional annual costs do not exceed \$1 billion.

The small estimate of savings that would result from a return to the draft hinged on crucial assumptions concerning pay levels. It was assumed that it would be politically unfeasible to return to the low and inequitable wage scales of the draft system and that military pay would remain comparable to civilian pay even if the draft were reinstated. Since the largest components of the increased costs that had accompanied institution of a volunteer force -- the higher pay and allowances -- were irreversible, the savings that would result from a return to the draft would be relatively modest.

In 1974 and 1975 Assistant Secretary Brehm repeatedly emphasized, in statements to the Congress, this theme that the opportunities for budgetary savings by a return to the draft were not great. Brehm noted, however, that a return to the Federal minimum wage would reduce manpower

^{1/} The All Volunteer Force and the End of the Draft, Special Report of Secretary of Defense Elliot L. Richardson, March 1973.

costs for the FY1975 force by about \$1.3 billion. 1/

The calculations of the "savings" for returning to the draft were based on "best guesses" as to what would probably happen if the draft were reinstated. A return to the draft would permit recruiting costs to be lowered. A major recruiting program would still be necessary, however, because there would be benefits from minimizing draft calls. Assuming a two-year term of service, a return to the draft would result in increased turnover, particularly in the Army. This, in turn, would increase training costs that were avoided under the longer terms of service experienced under the volunteer force. The Selective Service budget would have to be increased, since draft boards were disestablished in 1976 and the agency was limited to planning functions.

The accompanying table shows the budgetary changes that Brehm thought would be most likely to occur upon a return to the draft.

Budgetary Changes Likely Under a Return to the Draft 2/
(In Millions of Dollars)

<u>Increases in Program Costs</u>		<u>Decreases in Program Costs</u>	
Training Costs	110	Recruiting/Advertising	305
Selective Service Budget	75	Bonuses, Special Pay	100
	<u>185</u>	Special AVF Initiatives, such as civilianization of K.P.	<u>105</u>
			510
Annual Budget Savings from Return to the Draft			325

1/ Statement of Assistant Secretary of Defense (M&RA), William K. Brehm, before the Senate Armed Services Committee, February 1975. By FY1977 additional costs of military pay raises to maintain comparability with civilian pay had increased the estimate of savings from a return to the federal minimum wage for military personnel to \$1.7 billion.

2/ Statement of Assistant Secretary of Defense (Manpower and Reserve Affairs), William K. Brehm, before the Senate Armed Services Committee, February 25, 1975.

The use of this line of argument served the purpose of softening Congressional criticism of the costs of the volunteer force. ^{1/} Expressed in this way, the budgetary costs of the volunteer force did not seem excessive. Most of the costs, clearly, consisted of the "price" of substituting competitive pay in a free labor market for the "cheap" labor obtained through the compulsion of the draft.

ECONOMIC AND SOCIAL COSTS OF THE DRAFT

The cost figures so far have been presented in terms of budgetary costs to the government. There are other economic costs, however, which do not show up as actual dollar transactions. One such cost is the "implied tax" on income which, prior to the All Volunteer Force, was borne by draftees and draft-motivated entries into Military Service.

The loss of income that was suffered by draftees at the low wage scales under conscription was a real cost to them. To estimate this economic cost the military-civilian income differential of draftees was calculated by comparing military compensation under the draft to the income of civilians with age and background similar to the age and background of draftees. This income differential divided by the civilian income tax was considered as the "implied tax" on draftees. The size of this tax was large. Using 1959 data one study found that draftees incurred an average implied tax rate of 38 percent of income. ^{2/} The President's Commission calculated the implied tax as 48 percent. ^{3/} The average draftee was paying over three times as much in the "implied tax" as he would have paid in civilian life.

There were also social costs of the draft associated with the disruption of individual's lives. This social cost cannot be estimated precisely or in tangible terms. The possibility of being drafted caused some men to avoid making career decisions which stood the chance of

^{1/} Senator Stennis was skeptical when Brehm first discussed the "opportunity cost" concept. Off-the-record, the Senator told a story of a duck hunting friend who always said he shot several ducks but never brought any home with him. Stennis inferred that his friend's credibility with his associates would have been greater if he had actually brought home some ducks.

^{2/} W. Lee Hanson and Burton A. Weisbad, Economics of the Military Draft, *Quarterly Journal of Economics*, August 1967.

^{3/} Report of the President's Commission on the All Volunteer Force, February 1970, p. 26.

being interrupted. Many potential draftees took steps to avoid the draft. A potential draftee might, solely to obtain a deferment and avoid the draft, choose to go to college or get married and become a father or leave the country. The President's Commission labeled such costs as "the costs of collecting the implicit tax on draftees," and considered such disruptive costs as resulting in a reduction in economic output in real terms. ^{1/}

EFFECT OF UNEMPLOYMENT ON ENLISTMENTS

It was difficult for the military community, as well as the Congress, to accept the success of the volunteer force and its attainment at reasonable levels of costs. Grudgingly, some admitted success but, as we have discussed, erroneously blamed increases in Defense manpower costs on the volunteer force. Others admitted success but attributed it to rising unemployment. The increased unemployment that occurred in late 1974 and beyond apparently did not greatly alter either the success or the costs of the volunteer force.

The effect of higher youth unemployment rates makes the job of the individual recruiter a great deal easier, particularly in recruiting the preferred quality of personnel. The total numerical effect of the changes in unemployment, however, has been modest. In the first place it is well to remember that the enlistment of the least preferred applicants -- those who are non-high school graduates in Mental Group IV (Below Average) -- is demand limited. The supply of this group historically has been greater than demand even in periods of low unemployment. In the second place, in the four months of July - October 1974, before the rapid rise in unemployment, the Services were already achieving more than 98 percent of their recruiting objectives. Finally, the pool of unemployed male high school graduates at general unemployment rates of 8 percent (the peak rate reached in 1975) is about 300,000 at ages 16-21.

The Office of the Assistant Secretary of Defense (M&RA) furnished estimates based on studies of the General Research Corporation of the potential increases in high school graduate enlistments associated with varying unemployment rates.

^{1/} For discussion of concepts, see Richard Cooper, The Social Cost of Maintaining a Labor Force, RAND Corporation, August 1975.

High School Graduate Enlistments
Induced by Unemployment^{1/}

<u>CY1974</u>	<u>CY1975 & Beyond</u>		
Unemployment Rate 4.5% to 8 %	Average Unemployment Rates		
Number of Additional High School Graduate Enlist- ments 6-7,000	7% 12-13,000	8% 20-21,000	9% 27-28,000

Although the effects of unemployment were not great, there was enough of an effect to induce some changes in incentives. In presenting the FY1976 budget Brehm offered a 6 percent reduction in recruiting resources. Recognizing, however, that recruiting resources could not be rapidly increased, he advised the Congress that "changes in the recruiting force structure should only be based on the longer term assessment of recruiting requirements and not on the shorter term market outlook." ^{2/} The Congress was not listening; they made a reduction of over 15 percent, most of which was in advertising funds. The Army requested, and the Secretary of Defense approved, a request of \$78 million in supplemental funds in July 1976, for recruiting, advertising, and the enlistment bonus. ^{3/} The Army had obtained 1,700 fewer high school graduates in FY1976 than in the previous year. The more favorable supply situation because of unemployment apparently was not enough to assure the desired number and proportion of high school graduates in the face of a cut in recruiting resources and cutbacks in other incentives.

^{1/} Statement of Assistant Secretary of Defense (Manpower and Reserve Affairs), Senate Armed Services Committee, February 24, 1975, p. 42. The GRC model, as refined subsequently, implied that a 1 percent change in the general unemployment rate would result in a change of 21,000 in the number of qualified and available males of military age.

^{2/} Statement of Assistant Secretary of Defense (M&RA) William K. Brehm, Hearings before the Subcommittee on Manpower and Personnel, Senate Armed Services Committee, February 6, 1976, p. 45.

^{3/} As of December 1976, the request for restoration of funds had not been approved.

CONCLUSION

The incremental budgetary costs of the volunteer force -- a maximum estimate of \$3.7 billion annually at present strength levels -- are reasonable in comparison to the economic and social costs of the draft. (The \$3.7 billion figure includes as a cost of the volunteer force program the Army soldier-oriented programs which were not included in the Project Volunteer budget.)

Are the costs of a volunteer military manpower policy of more benefit to the nation than a comparable amount of funds allocated to education, housing, mass transportation, or some other social purpose or left for private use in the form of lower taxes? These questions call for a value judgment. Apparently, the American public, considering the costs to be reasonable, has made the judgment in favor of allocating the resources for a volunteer military force.

It is not likely that a volunteer force of 2 million men can be maintained at significantly lower budgetary levels than \$3.5 billion. Some lowering of costs may occur as a result of reductions or planned reductions in such incentives as the educational benefits of the G.I. Bill, the number and amount of enlistments and reenlistment bonuses, and commissary privileges. The precise point at which cutbacks in incentives would change the favorable perception now held by young men and women toward the Services is likely to remain debatable. Some substitutions of less preferred personnel for those now enlisting may be acceptable. However, to go much further in reducing the incentive structure is likely, in the long run, to prove counterproductive to the volunteer force.

It has been said that the All Volunteer Force is a peacetime force, the premise being that the costs of obtaining enough volunteers during a "shooting war" would be prohibitive. One study estimated that \$34 billion would be required to recruit a Vietnam size force by voluntary enlistments.^{1/} This estimate is on the high side. To mobilize a Vietnam size force of 3.1 million by recall of the Reserve Components would cost an additional \$12 billion in military pay the first year. This would be, indeed, a lot of money. It might be comforting to believe that the volunteer force has made active warfare too expensive. Realistically, however, it must be recognized that budget increases of the magnitude which would be involved in a mobilization of the Reserve Components have been absorbed in times of national emergency in the past. Given a period of economic growth, it is not likely that the costs of a volunteer force would force a return to the draft.

^{1/} Andrew Usher and Dan Huck, Is the AVF a Peacetime Concept?, General Research Corporation, Washington, D.C., 1975. In this estimate \$28 billion was for additional pay.

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CHAPTER XI

RESEARCH AND ANALYSIS

If pushed far enough all scientific questions become questions of philosophy.

Will Durant

Prior to the move to the All Volunteer Force there was a foundation of knowledge about military manpower and personnel that had been derived from studies and research since World War II. At the beginning of the volunteer effort, it was recognized that military manpower supply was governed only in part by the economic forces and labor market processes that governed the private sector. Since World War II the military manpower supply was largely assured by the legal obligation of military service; the draft was the major stimulus to enlisted recruiting as well as officer procurement, particularly in the Reserve and National Guard Components. Peacetime experience without the draft had demonstrated, nevertheless, that there was a "hard core" of voluntary entrants who would have enlisted under free labor market conditions.

BACKGROUND EXPERIENCE AND RESEARCH

The actual post-World War II experience without the draft was brief -- from March 1947 to July 1948. During this period, as was again the case in the transition to the volunteer force, the Navy and Air Force were generally able to meet their strength goals but the Army was not. It was clear from the Korean War, the Berlin build-up in 1962, and Vietnam that so-called "voluntary" enlistments rose precipitously when the military situation and military requirements resulted in higher draft calls. During 1951 in the Korean War and again in 1966 in the Vietnam War, enlistments spurted to over 600,000 a year. The prospect of being drafted into the Army, as well as wartime patriotic motives, contributed to the large volume of enlistments, not only in the Army but also in the other Services.

The evidence of accession experience was confirmed by attitude surveys. Nearly four out of ten first-term enlisted men on active duty in October 1964 said that the existence of the draft obligation had been a major factor in their enlistment decision. 1/

Without the draft and other incentives to replace it, it appeared that some 200,000-250,000 enlistments annually would have been obtainable on a voluntary basis. Under these circumstances the enlistments would largely consist of average and below average personnel. On the basis of their post-World War II experience, there was reason enough for the Services to be concerned about the prospect of the end of the draft.

MENTAL APTITUDE AND MILITARY PERFORMANCE

The existence of the draft had also enabled the Services to adjust qualitative standards upward when accession requirements declined, and to lower their standards when accession requirements increased. The Services were able to make such adjustments without regard to supply-demand considerations which in the private sector would normally result in higher wages when standards were adjusted upward.

During the Korean War the minimum mental standard for entry was at the 10th percentile level -- about a fifth or sixth grade reading level. The combination of the Korean War expansion and a low manpower supply of military age had resulted in the low standard. After the Korean War total manpower requirements were reduced, the manpower supply pool gradually increased in size, and the proportion of Service jobs in electronics, technical, and advanced clerical occupations increased. These occupations required a richer mix of high quality personnel than did the service, crafts, and combat occupations which were declining with the post-Korean cutback. Beginning in 1955 the Department of Defense reduced the Mental Group IV (Below Average) quota from 27 percent to 15 percent and later to 12 percent. By 1960, the Services were permitted to take only 6 percent in Group IV, and the quota system governing qualitative distribution was suspended. 2/ After the start

1/ U.S. Department of Defense Survey of Active Duty Military Personnel, October 1964.

2/ Under the qualitative distribution system each Service was required to accept a specific percentage of personnel who were in Mental Group IV (Below Average) on the basis of mental test scores. The purpose was to protect the Army, the only user of the draft for the most part, from receiving a disproportionate share of this group of personnel through the draft.

of the Vietnam War the quota system was reinstated under Project 100,000 -- a program to enlist and to provide assistance to 100,000 men annually who could not meet the mental and physical entry standards that had existed at the time of initiation of the project.

Analyzing their experience with various mental standards, the Military Services conducted numerous studies which indicated a positive correlation between mental abilities, as measured by the entry test scores, and performance in Military Service. Various criteria of performance -- training attrition rates, unsuitability discharge rates, rates of promotion, or eligibility for reenlistment -- were used as proxies for performance.

The Army completed a comprehensive review of their experience with "marginal performers" in 1965. The conclusions of this study were summarized in the following statement:

The manpower resources represented by Mental Group IV men can be utilized to some advantage by the Army during emergencies. Substantial percentages of Mental Group IV men assigned to lower skill and combat and technical jobs (50% and 40% respectively) achieved acceptable levels of performance. This finding suggests that in assigning these men, consideration should be limited almost exclusively to jobs requiring relatively low skill levels. 1/

The accompanying table shows the percentages of acceptable performers in various Army occupational groups who scored in the 21-30 percentile range compared with those who scored in the 31-50 percentile range.

The odds are in favor of finding an "acceptable performer" among the higher scoring group. This seemed reason enough for military commanders to prefer the better qualified personnel when sufficient numbers of them were available. 2/

1/ Marginal Man and Military Service, Department of Army, Washington, D.C., 1965.

2/ For a comprehensive record of mental standards see Karpinos, Bernard D., Male Chargeable Accessions: Evaluation by Mental Categories (1953-1973), Defense Manpower Data Center, Alexandria, Virginia, January 1977.

Percentage of Men, by Percentile Mental
Test Score, Considered "Acceptable Performer"

MOS Group	Percent Considered to be Acceptable on Job Performance	
	<u>Percentile Score 21-30</u>	<u>Percentile Score 31-50</u>
Infantry, Airborne	50	52
Medical Care, Military Police	49	62
Administration, Supply	48	68
Technical	45	56
Automotive Maintenance, Transport	44	51

EDUCATIONAL LEVEL AND MILITARY PERFORMANCE

The Air Force, acting upon research performed by Dr. Eli Flyer, had a significant effect upon recruiting policies in the 1960's. ^{1/} Flyer found that high school graduation was a significantly more valid predictor of successful adjustment to military life than mental test scores. As shown in the table appearing on the following page, the percentage of airmen discharged for unsuitability was higher in the lower Mental Groups -- from 3.3 percent in Mental Group I (Above Average) to 16.4 percent in Mental Group IV (Below Average) -- but this was largely accounted for by larger proportions of high school dropouts in the Mental Group IV. The discharge rate of 5.6 percent for high school graduates in the lowest Mental Group was less than half the rate of 12.4 percent for non-graduates in Mental Group I.

In the late 1960's the Air Force, which was generally in a favorable recruiting position, attempted to concentrate its enlistments among

^{1/} Eli Flyer, Factors Relating to Discharge for Unsuitability
Among 1956 Accessions to the Air Force, RADC TN 59-201, December 1969.

Relationship Between Mental Group, Educational Level, and Unsuitability Discharge - Air Force

<u>Mental Group and Educational Level</u>	<u>Percent Discharged for Unsuitability</u>
 Total by Mental Group	
Mental Group I	3.3
Mental Group II	5.6
Mental Group III	10.0
Mental Group IV	16.4
Total	9.5
 High School Graduates	
Mental Group I	1.7
Mental Group II	3.5
Mental Group III	3.4
Mental Group IV	3.1
Total	3.1
 Non High School Graduates	
Mental Group I	12.4
Mental Group II	14.2
Mental Group III	16.9
Mental Group IV	22.0
Total	17.3

high school graduates, when market conditions permitted. The Army and Navy subsequently limited the enlistment of Mental Group IV's to those who had graduated from high school. Educational level became a supplementary "screen," in addition to the mental test, for entry into Service.

EARLY ATTITUDE SURVEYS

There was plenty of evidence in surveys throughout the 1950's that a positive attitude toward military service and the probability of enlistment was inversely related to educational level. A 1975 survey of 1,000 civilian males, age 16-20, showed this inverse relationship:

<u>Education Goal</u>	<u>Percent of Youth with Positive Attitude to Military Service Career</u> 1/
College	18
High School Graduate	33
Non High School Graduate	48

A negative correlation between the desire for military service and academic aptitude was found among high school seniors. Only 8 percent in the top ten percentile in terms of academic attainment were favorably inclined toward military service compared to 28 percent in the lowest aptitude decile. 2/ A military personnel survey of 80,000 enlisted men and 22,000 officer personnel in 1964 showed results consistent with other surveys. Respondents were asked, "If there had been no draft, and you had not had any military obligation at the time you first entered active military service, do you think you would have entered the Service?" Draft motivation was highest among those with highest educational attainment and mental test scores, as shown in the table below:

Percent of Draft-Motivated Enlistees
by Education and Mental Group 3/

<u>Education Level</u>	<u>Percent Draft Motivated</u>
Some College	58
High School Graduate	40
Non High School Graduate	23
<u>Mental Group</u>	
Mental Group I & II (Above Average)	44
Mental Group III (Average)	33
Mental Group IV (Below Average)	29

1/ Attitudes of 16 to 20 Year Old Males Toward Military Service as a Career, Public Opinion Survey, Inc., Princeton, N.J., 1955.

2/ Clinton Neymon, Jr. and John T. Dailey, Analysis of Military Information From Project Talent, convention of American Psychological Association, Philadelphia, Pa., 1963.

3/ Department of Defense Survey of Active Duty Military Personnel, October 1964.

It is not surprising that the conventional view was that the quality of enlisted personnel would decline significantly with the end of the draft.

RESEARCH ON REENLISTMENT

During most of the post-World War II period until the 1964 draft study, military personnel retention problems received a higher research priority than did accession policies and practices. The existence of the draft assured the Services of an adequate supply of entry manpower, but a labor market competitive with the private sector existed for personnel who had completed their first term of service. The retention problem emerged in the early 1950's. Post-Korean strength cuts in Army accompanied by an expansion of strategic forces in Air Force (later in the 1950's in Navy) caused an increase in the number and proportion of more technical jobs in such fields as electronics and aircraft maintenance. With the large post-Korean losses of strength -- over one million a year in 1953-1955 -- the career force was faced with widespread shortages of experienced personnel at journeyman and expert levels of skills. The reenlistment rate of the heavily draft-motivated separating group of first-term personnel who had entered during the Korean War had dropped to 16 percent in FY1955. Admiral Arthur Radford, Chairman of the Joint Chiefs of Staff, stated that a force that consisted of 50 percent career personnel was desired, compared to the existing force of 25 percent career personnel and 75 percent first-term personnel. ^{1/} The Department of Defense initiated an extensive legislative and administrative program to increase reenlistments. As a result, recruiting emphasis shifted to enlistment for a "career," rather than for a single term of service.

The legislative measures enacted to improve retention included substantial military pay raises in 1955 and 1958 for career personnel and those with more than two years of service; increases in fringe benefits such as medical care for dependents and survivor's benefits; a new system of differential premium pay -- called "Proficiency Pay" -- in 1958 for skills that were critically "short," and the variable reenlistment bonus in 1964 which significantly increased the amount of the bonus for those with critical skills. Administrative actions taken to increase reenlistments included choice of base or duty assignment upon reenlistment; early discharges for purposes of reenlistment; and a general effort to improve conditions of Service life for career personnel. The first-term reenlistment rates rose steadily from 16 percent

^{1/} Hearings before Subcommittee No. 2, House Armed Services Committee on Career Incentive Act of 1955, 88th Congress, 1st session. p. 397.

in FY1955 to over 30 percent by FY1959, leveling off at about 25 percent until the Vietnam War. Military personnel planners learned that reenlistment trends were responsive to changes in military pay, improvements in conditions of Service life, and command emphasis on the promotion of reenlistments.

It was a common sense assumption that those whose enlistment was draft-motivated would be less likely to reenlist than those who were "career minded" upon enlistment. Air Force surveys during the 1950's substantiated this assumption. As shown in the accompanying table, the proportion planning to reenlist is highest among those with an initial career orientation and lowest among those who stated that they had reenlisted to avoid being drafted.

Reenlistment Intention of First-Term
Airmen, By Reason for Original Enlistment ^{1/}

Reason For Entry	Percent Intending to Reenlist	
	<u>1952 Entries</u>	<u>1957 Entries</u>
Interest in Air Force Career	29.4	38.5
Desire for travel and adventure	21.2	19.0
Needed a job, friends recommended	15.2	13.5
Education, training, self improvement	13.0	10.6
To avoid being drafted	15.2	13.5
Total intending to reenlist	14.9	18.8

It was reasonable to hypothesize that -- in contrast to accession requirements -- retention requirements would be easier to meet in a "no draft" environment, when the separating group was entirely composed of those who had entered as true volunteers.

^{1/} Military Attitudes Toward Air Force Life, U.S. Department of Air Force, January 10, 1958.

SUMMARY OF BACKGROUND RESEARCH

In summary, a substantial body of useful knowledge for planning purposes existed prior to the start of the volunteer effort. Among the "knowns" were the following:

1. A substantial "hard core" of volunteers existed even at the existing level of incentives.
2. The recruiting difficulties were likely to be incurred in enlisting the preferred personnel -- those with higher mental abilities and a high school diploma.
3. The existing selection techniques could be used so as to select reasonably well among available prospects.
4. The market supply would probably be responsive to a higher level of incentives and improvements in the conditions of Service life.

At force levels of 2.2 to 2.3 million, or below -- given a reasonable level of incentives and good management of the undertaking -- it was not necessary on the basis of past research and study to believe that the volunteer force objective was hopeless. There were, however, many "unknowns." For example:

- How elastic was the supply of enlisted volunteers? How much would the supply stretch in response to pay and other incentives?
- What was the effect of the Vietnam War on the attitudes of American youth? Would the "hard core" of "true volunteers" which had existed in the past be smaller in the future?
- Would it be necessary to reform and restructure the entire military personnel system, using a month-to-month period of enlistment instead of an obligated term of service, allowing all enlisted men who preferred to live off-base to do so, and so on? Would improvements in the existing system, combined with better management and administration be sufficient?
- What was the appropriate size and organization of the recruiting force? How much "job shopping" did recruits do among the Services? How many recruits would move from Air Force "waiting lines" outside a recruiting office to an Army recruiting office in response to an enlistment bonus?

There was no lack of requirements for further research.

SCOPE OF THE VOLUNTEER FORCE
RESEARCH EFFORT

The scope of the research undertaken in the early years of the volunteer force effort is suggested by a bibliography compiled in April 1972. ^{1/} The bibliography, requested by Deputy Assistant Secretary George Daoust of ASD(M&RA), was compiled by the Central All Volunteer Force Task Force and covered manpower studies made since 1968. The studies listed of most relevance to the volunteer effort were classified under the headings of Manpower Supply and Manpower Procurement and Selection. Some notion of the subject matter coverage and the volume may be obtained from the following tabulation:

Volunteer Force Studies, 1968-1972

<u>Subject</u>	<u>Number of Studies</u>
Manpower Supply	
Attitudes Toward Military Service	16
Impact of Pay, Bonus, Benefits	14
Demographic Supply Studies	12
Impact of Draft Pressure	22
Zero Draft Studies - Other Countries	6
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^{1/} Bibliography of Manpower Research, Central All Volunteer Force Task Force, ASD(M&RA), April 1972.

The definition of All Volunteer Force research is not precise. For example, the Office of Naval Research published a bibliography of the "All Volunteer Force Research Program" which it sponsored. This bibliography lists 94 studies performed by 24 research agencies. ^{1/} In this list all Navy research studies of manpower and personnel management and operations are included on the basis that all manpower and personnel studies contributed to the volunteer force; however, at least half of the studies would have been made in any event even if the draft had continued. ^{2/}

The research and analysis effort assisted decision makers and planners in four major areas:

1. Forecasting the supply of true volunteers, both quantitatively and qualitatively.
2. Increasing the effectiveness of recruiting, through market research, including attitudes surveys.
3. Determining appropriate entry standards.
4. Evaluating the cost-effectiveness of the incentives used to increase the number of volunteers.

The discussion which follows emphasizes these four areas but also touches upon other major research programs in order to describe a broader sample of the sizable amount of research generated by the volunteer force objective. The discussion covers typical examples of the research effort, rather than a comprehensive description.

ECONOMETRIC STUDIES OF THE FEASIBILITY OF THE VOLUNTEER FORCE

Dozens of studies of the feasibility of a volunteer force were made during the 10-year period beginning with the mid-1960's. They were sparked by such circumstances as the issuance of a summary from the DOD draft study initiated in 1964, criticism of the draft system, increasing reaction against the high draft calls associated with the Vietnam War, and a growing interest in the desirability of a volunteer force. These

^{1/} Bibliography, Office of Naval Research Manpower R&D Program, published by National Technical Information Service, Department of Commerce, November 1976.

^{2/} Precise estimates of the costs of the All Volunteer Force research program are not readily available because of this definitional problem. The Office of General Research, ASD(M&RA) was discontinued in 1974 but former members of the office estimate that approximately \$3 million annually was spent on volunteer force research under a rigorous definition of AVF research.

econometric studies first appeared in economic journals and several of them were published as back-up studies to the report of the President's Commission on the All Volunteer Force. This section discusses the econometric concepts, the methodology used, and the results of the econometric models. 1/

The econometric studies estimate a supply curve for military labor which reflects the relationship between different military pay rates and the number of enlistees who would volunteer at each pay rate. If a potential enlistee was indifferent between military and civilian life, he would choose the military job or its civilian counterpart on the basis of which offered the higher pay. If it is assumed that individuals can translate their preferences into monetary terms, it would become possible to overcome dislike for military service by offering higher pay. In theory, the higher the military pay relative to civilian pay, the greater the number of potential applicants who will decide that the pay offered is enough to compensate for a dislike of military service.

METHODOLOGY OF THE ECONOMETRIC STUDIES

The econometric studies used a statistical technique known as regression analysis to fit a line that best represents a scatter of points, each point being an observation of previous relationships between the number of military enlistments and relative military-civilian pay.

1/ The discussion is based upon the following econometric studies:

Anthony C. Fisher, The Cost of the Draft and the Cost of Ending the Draft, American Economic Review, June 1969.

Stuart H. Altman, Earnings, Unemployment and the Supply of Enlisted Personnel, Journal of Human Resources, 1969.

Alan E. Fechter, Impact of Pay and Draft Policies on Army Enlisted Behavior, Report of the President's Commission on an All Volunteer Force, Volume II, November 1970.

Army Enlistments in the Absence of the Draft, Institute for Defense Analyses, February 1972.

Alan A. Cook, Jr., and J. P. White, Estimating the Quality of Air Force Volunteers, Rand Corporation, September 1970.

Burton Gray, Supply of First Term Military Enlistees, Report of the President's Commission on an All Volunteer Force, Volume II, November 1970.

Gary Nelson, A Profile of True Volunteer Enlistments in Army in 1970 and 1971, Institute for Defense Analyses, March 1973.

The best finding of the relationships between enlistments and relative pay in the past was used to project what the increase in enlistments would be at relative pay rates higher than those in the past.

There were a number of analytical problems which were treated in different ways. The different techniques led to widely varying estimates of the relationships between relative military pay and the number of enlistments.

Since the enlistment and pay data were available for a period when the draft existed, each study had to deal with the problem of determining the number of past enlistees who were "true volunteers" and who would have entered Service in the absence of the draft.

Some studies used the results of the 1964 DOD survey which divided enlistees into true volunteers and draft-motivated volunteers on the basis of their answer to the question, "If there had been no draft and you had no military obligation, do you think you would have volunteered for active military service/" Those who replied "yes" or "probably yes" were considered "true volunteers." Excluding draftees, 61.9 percent of enlistees were considered as "true volunteers."

Other studies attempted to estimate the relationship between size of the draft call and enlistments to calculate the expected number of enlistments when draft pressure was held to zero. Using this method, Fisher estimated enlistments in a volunteer force to be 24 percent lower than enlistments while the draft existed. The advent of the lottery draft in 1970 provided a timely method of estimating true volunteer enlistment rates. Under the lottery system a large proportion of the male population was free of the threat of being drafted. The lottery numbers were randomly distributed among the birthdays of the years. It may be assumed that true volunteer enlistments were randomly distributed by lottery numbers. The third of the 19-year-old population with the highest lottery numbers -- those with lottery number 242 and above -- could feel relatively free of draft pressure. If they enlisted they were considered to be true volunteers.

All or most young men who were below age 19 and did not have lottery numbers were assumed to be true volunteers. Using the lottery method,

Martin A. Binkin and John D. Johnston, All Volunteer Armed Forces: Progress, Problems and Prospects, The Brookings Institution (printed as Report of Senate Armed Services Committee), June 1973.

D.W. Grissmer et al, An Econometric Analysis of Volunteer Enlistment by Services and Cost Effectiveness Comparison of Incentive Programs, General Research Corporation, October 1974.

in 1971 the true volunteer enlistments were estimated to be 58 percent of total enlistments. Some analysts counted all 17- 18-year-old enlistees to be true volunteers and some analysts estimated 75 percent of this younger age group were true volunteers. This variation became more important in 1972 and beyond because the Services began to emphasize recruitment of younger men in order to obtain more true volunteers.

In order to control for population changes the dependent variable in the supply regression analysis usually expressed true volunteer enlistments as a rate of the qualified male military available population between the ages of 17 and 21. Most studies included only Mental Group I-III enlistments on the grounds that Mental Group IV (Below Average) enlistments were "demand-limited." There were more Mental Group IV's available even at the "conscription wages" than the Services wished to accept.

Also, a computation had to be made to determine the value of relative military and civilian pay to be used in the supply equation. The studies usually used comparative pay over a four-year time period -- the normal length of an initial enlistment in Navy and Air Force -- and used a "discount rate" to convert this stream of earnings into a single number. For civilian pay the studies usually used an average of the civilian income of those with approximately the same age and educational level of those who enlisted.

Since the studies used different variables and computed their values in different ways, there was a wide difference in the results of the studies. ^{1/}

THE RESULTS OF THE STUDIES - PAY ELASTICITY

The primary purpose of the econometric studies was to develop estimates of the pay elasticity of the supply of military enlistments -- the percentage increase in enlistments that could be expected to result from a given percentage increase in military pay relative to civilian pay.

Dr. Walter Oi, a Research Director on the staff of the President's Commission on the All Volunteer Force selected 1.25 as the military pay elasticity because this provided a reasonable approximation of the middle value of all of the studies. This estimate worked out fairly well when applied to basic pay only, rather than military pay and allow-

^{1/} See Chapter X, p. 416 for a discussion of the pay elasticity estimates.

ances, including the military tax advantage. Entry level pay was increased from \$3,165 to \$4,872 in the October 1971 pay raise -- an increase of about 54 percent. According to the 1.25 elasticity estimate, enlistments would rise by about 67.5 percent. From FY1971 to FY1972 true volunteer enlistments actually increased from 215,000 to 356,000 -- an increase of about 66 percent.

Within limits, some of the model makers produced reasonable forecasts. Writing in 1972 about male enlistments, Alan Fechter concluded:

The pay increase contained in the November 1971 military pay bill combined with population growth and an assumed 2.5 percent trend growth in real military and civilian pay, is likely to produce 125,000 to 140,000 Army enlistments by calendar year 1974, although it could produce as many as 170,000. 1/

Actually, the total was 163,000 male enlistments.

Pay elasticity continued to be studied throughout the transition to the volunteer force. One such study was made by General Research Corporation under ASD(M&RA) sponsorship. In this study, which was based on data for 1973, the average pay elasticity for DOD was 2.032. 2/ The study was based on a cross-sectional analysis of enlistments by states.

Five variables were used to explain the increase in true volunteers -- the ratio of military pay to civilian pay, recruiters, unemployment, the ratio of male high school graduates to college population, and the ratio of military population to civilian population. The General Research Corporation included a variable for the number of recruiters, which proved to be the most consistent explanatory variable.

The early econometric studies were not precise forecasting tools; the wide variation in results was confusing to planners. Beginning with studies by the President's Commission, however, the analyses were useful in suggesting that a volunteer force was probably feasible at competitive pay levels. They were also useful in indicating the approximate level of budgetary costs.

1/ Alan E. Fechter, Army Enlistments and the All Volunteer Force, Institute of Defense Analysis, February 1972, p. 1.

2/ An Econometric Analysis of Volunteer Enlistments by Services and Cost Effectiveness Comparison of Service Incentive Programs, D. W. Grissmer et al, General Research Corporation, October 1974, p. 88.

FORECASTS OF THE QUALITY OF PERSONNEL

Many of the supply studies also used econometric techniques to predict the quality of enlistments. The President's Commission on an All Volunteer Force based its computations on a "mix" of enlistments consisting of 80 percent of recruits in Mental Groups I-III (Above Average and Average) and 20 percent in Mental Group IV (Below Average). This standard was closer to those used during the Korean and Vietnam Wars than it was to the higher standards followed in peacetime.

Cook's study, in 1970, of the quality of Air Force enlistments in a volunteer environment concluded that "the Air Force will not have much trouble recruiting an airman force of quality comparable to the existing force." 1/ The study used the average score of Air Force entrants on the Armed Forces Qualification Test as the measure of quality. The variables considered were accession requirements, military pay, population trends, unemployment rates, and draft pressure.

The study estimated that the average mental test score would fall 1 percent if military pay were held constant but would increase 2.17 percent if military pay were increased 6.1 percent. An alternative estimate allowed for possible worsening of unfavorable attitudes toward military service and calculated that, in this case, a 9 percent increase in the ratio of military to civilian pay would be needed to maintain a constant average quality.

The conclusion of Cook's study proved to be correct but this was partly because the Air Force accession requirements between FY1972-75 averaged 65,000 males a year instead of the 82,000 a year average used by Cook. If the accession requirement had been 82,000, the Air Force would probably have had more difficulty than the study anticipated. The models and equations used for such econometric analyses were not readily verifiable by empirical data but were useful in providing a range of estimates.

The uncertainty was increased, however, because one could find a study which would justify optimism or one which justified pessimism. One in-house study, for example, found that in the absence of the draft, the percentage decrease in Mental Group I and II applicants (Above Average) would be twice the decrease in Mental Group IV (Below Average) applicants. 2/ This study used the lottery numbers of 1970

1/ A.A. Cook, Jr. and J. P. White, Estimating the Quality of Air Force Volunteers, Rand Corporation, September 1970, p. 29.

2/ Captain Ralph B. Fritsch, The Quality and Quantity of Air Force Volunteers in the Absence of the Draft, Personnel Analysis and Research Division, Air Force, December 1971.

applicants to obtain the number and Mental Group of those who would apply in the absence of the draft.

An Air Force study of 1970 enlistees supported the view that more of the preferred characteristics of enlistees were found among "draft-motivated" enlistees than among true volunteers. 1/ It was generally found that, compared with draft-motivated enlistees, the true volunteers tended to be less well educated, avoided advanced courses in high school, and dropped out of college at an earlier age.

The average score on the Airman's Qualifying Examination of the draft-motivated group ranged from 10 percentile points higher in mechanical aptitude to 18 percentile points higher in administrative aptitude. The authors stated that "one of the most obvious implications is that under the conditions of an all volunteer force there may be difficulty filling jobs with high aptitude requirements unless standards and training conditions can be revised." 2/

A second study a year later by the same authors predicted that the quality of manpower at the higher aptitude levels would be more limited in the absence of the draft. 3/ A sample of 1970 accessions was divided into four groups on the basis of their lottery draft numbers: a group who had entered under high draft pressure (25 percent), a moderate draft pressure group (18 percent), a low draft pressure group (7 percent), and a group which consisted of true volunteers (50 percent). Educational level varied directly with draft pressure: the higher the draft pressure the higher the educational level of the enlistee group. Thirty-six percent of the high draft pressure group were high school graduates, compared to 26 percent in the low draft pressure group. The true volunteer group contained 13 percent non graduates from high school compared to 4 percent in the high draft pressure group. Compared to the high draft pressure group about half as many of the true volunteers made high enough scores on the Airman's Qualifying Examination to be placed in Mental Group I and II (Above Average). The study concluded that "under reduced draft or zero draft conditions manpower resources at the higher levels will be more limited than presently is the case...The implications of these findings include the need for more dynamic recruit-

1/ Lonnie D. Valentine, Jr. and Bart M. Vitole, Comparison of Self-Motivated Air Force Enlistees With Draft-Motivated Enlistees, Personnel Research Division, Lackland Air Force Base, 1970.

2/ Ibid., p. 5.

3/ Bart M. Vitole and Lonnie D. Valentine, Jr., Characteristics of Air Force Enlistees Related to Draft Vulnerability, Personnel Research Division, Lackland Air Force Base, June 1971.

ing methods, possible modification of minimum aptitude requirements for some technical courses, and revision of some training curricula to accommodate lower aptitude personnel."

The quality of Army true volunteers in 1970 and 1971 was examined by Nelson. ^{1/} Confirming the results of earlier studies, the mental test scores of draft-motivated enlistees tended to be slightly higher than those of true volunteers. Nelson did not consider the implications of a decline in quality to be severe. In calendar years 1970 and 1971 when draft pressure was still high, 36.5 percent of Army enlistees were in Mental Groups I-II (Above Average) compared to 32.6 percent of the true volunteers. Using educational level as a measure, high school graduates were about 40 percent of total enlistees in 1970 and 1971 but were about 35 percent of true volunteers. Advocates of the volunteer force used this more recent data, based on actual recruiting results, to proclaim that the impact on quality at the end of the draft would not be major and this statement, in the long run, turned out to be the case.

PERSONNEL SURVEYS AND OTHER MARKET RESEARCH

Throughout the Defense Department there was genuine concern that the anti-Vietnam, anti-draft, and anti-military attitudes prevalent among youth during the Vietnam War would persist throughout the 1970's. If so, anti-military attitudes might negate the chances of reaching a volunteer force anticipated as a result of the planned entry pay raise and other incentives. The Project Volunteer planners, particularly Deputy Assistant Secretary Paul Wollstadt, considered it important to design a system of personnel surveys that would track changes in youth attitudes.

PERSONNEL ATTITUDE SURVEYS

Dr. Ralph Canter, Director of Research, ASD(M&RA) took the lead in the development of such a system. The surveys were planned to be made periodically during the transition to the volunteer force. One survey was planned to measure the changing attitudes over time of youth in the 16- to 21-year-old group; a second survey was designed to ascertain the attitudes and characteristics of youth who actually enlisted; a third

^{1/} Gary R. Nelson, A Profile of True Volunteer Enlistments in 1970 and 1971, Institute for Defense Analysis, March 1973.

was intended to follow a particular age group cohort through time to see how their attitudes toward enlistment and their enlistment behavior might vary. The survey data were intended to be useful not only to the Project Volunteer Committee for program planning purposes but also to the Recruiting Commands for market research.

ASD(M&RA) staff regularly summarized the survey results for Assistant Secretary Kelley. Among the topics followed closely were the changing propensities to enlist among the 16-to 21-year-old population, the relative attractiveness of the Services, and the impressions which recruiters made upon young men and women.

The proportion of youth who said they would enlist or would probably enlist in the absence of the draft varied by a few percentage points over time. The first youth survey in September 1971 yielded 11 percent in this group. About a year later the percentage had risen to 15 percent. ^{1/} The inference was easily made that the volunteer force program, together with return of troops from Vietnam, had brought about this change. By the time of the November 1974 survey the percentage who said they probably or certainly would enlist had fallen back to 13 percent. ^{2/} There had been changes in the population subgroups in the survey sample, making it difficult to interpret the small changes reliably. Interpretation of the survey was also hampered by the limited knowledge of the extent to which enlistment behavior actually adhered to the attitudes expressed in the surveys.

In the surveys the respondents were asked to compare the Services on various characteristics of military life. The Air Force invariably received the largest percentage of responses as "the best overall Service" -- about 33 percent of the respondents -- and the Navy was ranked second. But the Navy usually received a relatively higher percentage -- about 32 percent -- among those with a positive intention to enlist. The Army and Marine Corps scored about the same on overall image, each of them being ranked as the best Service by about 10 percent of the respondents. Among those with a "positive intention" to enlist, the Army scored about 22 percent. ^{3/} These proportions did not shift in a

^{1/} Allan A. Fisher, Jr., et al, Attitudes of Youth Toward Military Service, Human Resources Research Office, Alexandria, Virginia, August 1972.

^{2/} John Goral, Heather Seuss, Frank Harding, Attitudes of Male Civilian Youth Toward Military Service, Manpower Research and Data Analysis Center, April 1975, Alexandria, Virginia.

^{3/} Fisher, et al., op. cit., pp. 44-45.

major way between 1971 and 1975. Looking at the relatively poor Army image in relation to the magnitude of its share of the recruiting requirements, it became a truism to say that if the Army could meet its accession requirements on a voluntary basis the other Services could very likely also meet their accession requirements.

It was possible to obtain feedback on recruiting operations from the surveys. Both contact with recruiters and favorable opinion toward recruiters by the survey respondents were positively related to enlistment intentions. The rank order of the number of recruiter contacts, by Service, was the same in all surveys: Army, Navy, Air Force, Marine Corps. But the percentage of respondents who said they had a favorable opinion of the recruiter contacts was somewhat a different order:

Air Force	48%
Navy	47
Army	40
Marine Corps	38

The most frequent type of contact was from school-related activity. ^{1/}

In the fall of 1975, under the direction of Dr. A. J. Martin, Special Assistant for Accessions Policy, ASD(M&RA), the surveys were redesigned to be more useful to the Services in recruiting market research. The ninth survey of youth attitudes was conducted at this time under the redesigned format. The surveys were tabulated and analyzed by 13 Tracking Areas which corresponded closely with boundaries of the recruiting organizations. The data were analyzed regionally by statistical exceptions to facilitate use by the Services' recruiting organizations. ^{2/}

With respect to Service image, general findings of this 1975 survey are consistent with earlier findings. ^{3/} The Air Force gets the highest endorsement on 7 of the 11 image attributes included in the study. The Navy receives the highest endorsement for opportunity to travel abroad and ranks near the average on most other attributes. The Marine Corps stands out significantly, as it did in the earliest surveys, for its leadership training qualities. In a change from the earlier surveys, the Army is cited most often in helping to get a college education but otherwise is not perceived as particularly different from the average on other attributes.

^{1/} Goral et al., op. cit., p. 48.

^{2/} Youth Attitude Tracking Study, Fall 1975, Market Facts, Inc., Chicago, Illinois, February 1976.

^{3/} Ibid., pp. 56-57.

The analysis of attitudes of the 16- to 21-year-olds in the general population was supplemented by the analysis of attitudes of new enlistees from a series of similar surveys conducted at the Armed Forces Entrance and Examining Stations. In the country as a whole, according to the youth population survey, about 25 percent of 16- to 21-year-olds said they had contact with recruiters in the past 5 to 6 months. The survey of enlistees showed that they had a favorable image of recruiters. They felt that recruiters explained all options to them, answered their questions, and let them make up their own minds about whether they wanted to enter service. About 16 percent, however, felt that recruiters tended to use high pressure or "hard sell" tactics. 1/

The AFEES survey also contains useful information for the Recruiting Commands about the enlistment decision-making process. Most enlistees enter the first Service in which they try to enlist but a significant number accept a second choice. The percentages, by Service, who enlisted in accordance with their first choice were: Air Force, 92 percent of enlistees; Navy, 87 percent; Army, 83 percent; and Marine Corps, 76 percent. Fifty-three percent of Air Force enlistees claim they would not have enlisted if they could not have entered the Air Force. Similarly, 47 percent of Navy enlistees, 42 percent of Army enlistees, and 41 percent of Marine Corps enlistees declared they would not have enlisted in any Service if they had not been accepted in the Service they were entering. 2/

Enlistees were asked to recall the media sources through which they had seen or heard advertising about their particular branch of Service. The most frequently cited sources were billboards (78 percent), magazines (75 percent), television (66 percent), radio (39 percent), and newspaper ads (29 percent). About 12 percent of the enlistees said they believed "all" of the advertising; 39 percent said they believed "most," and 35 percent believed "some"; only 14 percent said they believed "not very much" or "none." 3/

In summary, personnel attitude surveys were used as a tool for both program planning and recruiting management. One limitation in their use was the lack of a valid method for adjusting the results of the attitude surveys for variances in subsequent behavior. The attitude surveys, however, were useful in indicating, in a general way, the propensity to enlist and in furnishing information on the perceptions of young men and

1/ Preliminary Results - May 1975 AFEES Survey, Manpower Research and Data Analysis Center, Section IV.

2/ Ibid., Section V.

3/ Ibid., Section III.

women towards recruiters and advertising operations.

The foregoing describes some of the general uses made of personnel attitude surveys. The following sections describe the use of such survey methods in the evaluation of specific programs.

OFFICE OF NAVAL RESEARCH STUDIES OF INCENTIVES

The Office of Naval Research sponsored a series of research studies designed to focus on Navy supply problems. In 1971 ONR held a research planning conference of policy makers and researchers to identify possible problem areas and potential research subjects. The Navy program, covering six topics of general interest, consisted of a selection from the problems discussed at the planning conference. The topics and research agencies selected were:

<u>Topic</u>	<u>Research Agency</u>
Career Motivations and Incentives	American Institutes for Research
Career Information	Operations Research Institute
Advertising	Mathematica, Inc.
Attitudes	University of Michigan Survey Center
Labor Force Availability	George Washington University
Medical Standards	University of Denver

The studies of incentives are a prototype of work in this field using survey methodology. 1/ Through interviews with potential recruits,

1/ The research program is reported in six studies by A. S. Glickman and others, published by American Institutes for Research: Navy Career Motivation Programs in All Volunteer Conditions, March 1973; Relationships Between Organizational Beliefs, Affective Disposition and Reenlistment Intentions: Theoretical and Administrative Implications, June 1974; An Exploratory Study of Enlistment Incentives Among Junior

Navy recruiters, and Navy enlisted personnel, a model of career motivation was constructed. Questionnaire studies of the power of various factors to affect both enlistment and reenlistment intentions were carried out. The studies also served as a check for the validation of the career motivation model. The reports furnish a number of recommendations for strengthening Navy recruiting and reenlistment programs.

As was customary in such studies, the American Institutes for Research study of enlistment incentives asked the respondent to indicate what changes in incentives would influence his thinking and behavior toward Navy enlistment. There were 17 incentive changes covered singly and a number were covered in "pairs" with other incentives or in "triples." In addition to the usual set of financial incentives, there was a set of organizational changes or personnel policies which, if introduced, would provide the Navy enlisted member more choice in his job assignment or terms of service. The responses included five alternatives ranging from "I would think less favorably of the Navy" to "I would think more favorably of the Navy and would seriously consider enlisting." The study of reenlistment incentives was conducted in a similar mode.

The major conclusions of this "what-if" experiment with incentives were:

- More incentives (either the number of incentives or their absolute value) are not necessarily better; the drawing power of double incentive packages or triple incentive packages was not significantly greater than the best single incentive; and the effects of increasing the magnitude of a \$1,000 bonus to a \$3,000 bonus was to lessen the attractiveness.
- The traditional financial incentives are still significant to today's youth but the most attractive changes are those which would give the individual more personal choice over his job, career, or conditions of service.
- Enlistment incentives have different appeals for different segments of the population and incentives need to be evaluated by subpopulations to determine their effectiveness.

College Students, June 1973; A Study of Experimental Incentives as an Influence on Reenlistment Intentions, December 1973; A Study of Enlistment Incentives as an Influence on Enlistment Intention, June 1974; Reenlistment Incentives: More is Not Better in the Fleet Either, June 1974.

The rank order of changes which, according to the respondents, would lead them to seriously consider enlistment is as follows:

Percentage of Respondents Who Would Seriously Consider
Enlistment if Policy Were Adopted ^{1/}

<u>Item</u>	<u>Percent</u>
The Navy would give a person a \$1,000 bonus for enlisting	22.7
A person who was not satisfied could get out of the Navy after 3 months	22.5
A person could receive a yearly bonus up to 25% of base pay for exceptionally good performance	20.0
After two years of duty Navy would guarantee choice of home port for 1 year	15.0
Special job training after active duty to get started in civilian life	14.0
Reduce educational requirements for officer training from 4 to 2 years	14.0
Four years of college, expenses paid, after four years of active duty	14.0
After 20 years' service, retirement at 3/4 pay instead of 1/2 pay	13.0
Two years of college expenses paid, after 4 years' active duty	13.0
Sea Duty pay substantially higher than shore duty	12.0

^{1/} A.S. Glickman et al., A Study of Experimental Incentives as an Influence on Enlistment Intention, American Institutes for Research, Washington, D.C., June 1974, p. 31.

As with other questionnaire surveys of incentives, the decision-maker received "signals" and "indicators" rather than a precise course of action. There were significant differences in outcomes on the second administration of the questionnaire to a different group of 16- to 21-year-olds. The general conclusions of the first administration were confirmed but the percentages who said they would seriously consider enlistment, if the change in incentive were adapted, dropped significantly on the following items:

- Navy would give \$1,000 bonus for enlisting
- A person who was not satisfied could get out after 3 months.
- Yearly bonus of 25% of base pay for exceptional performance.
- Two years' college, all expenses paid, after 2 years of duty.

The differences in responses in the first and second surveys were not significant for other items. ^{1/}

A number of recommendations for both recruiting and reenlistment programs were made as a result of the research. The following recommendations were adopted by the Navy:

...a career behavior information system should be developed to increase the amount of information available to potential recruits in order to reduce ambiguities associated with selecting an occupation in the Navy and to increase the appeal of the Navy for those persons who are not currently interested in reenlisting...

...improved post-enlistment career counseling is needed. Greater attention needs to be provided in terms of assisting enlisted personnel as they make occupational choices and decisions. Career counseling needs to be carried out in a more systematic basis and counselors should have more resources at their disposal...

...too little attention has been given to the careers and families of enlisted personnel. We recommend that the Navy develop more enlightened social, educational, vocational and child support programs for families of Navy men... such programs could increase the interest in reenlisting in the Navy...

^{1/} A. S. Glickman et al., Navy Career Motivation Programs in an All Volunteer Condition, Final Report Summary, American Institutes for Research, Washington, D.C., pp. 4-5.

...our data indicate that many enlisted personnel would be more interested in reenlisting were some additional benefits introduced. Most favored areas for increased benefits include educational and training opportunities...^{1/}

EVALUATION OF ARMY'S PROJECT VOLAR

As discussed in Chapter IV, Project Volar was conceived as an experiment to determine what changes at Army posts would make Army life more attractive. The actions introduced at Volar posts were intended to make the Army a more satisfactory place to work by increasing professionalism and job satisfaction, to make the Army a more satisfactory place to live by increasing the quality of Army life and removing sources of dissatisfaction. Attitudes of individuals toward specific Volar actions, their attitudes toward the Army, and the relation of these attitudes toward their reenlistment intentions and their actual reenlistment were all to be measured. Changes in these attitudes over time at the Project Volar posts and comparisons with non-Volar posts and with the Army as a whole were expected to make possible an evaluation of Project Volar. The findings and conclusions were to be used in planning the extension of Project Volar from the initial posts to additional posts.

The general plan of analysis was promising, except for the omission of data on costs. Reenlistment was used as the criterion of the effectiveness of the Project Volar program. ^{2/} Actual data on reenlistments were not available in time for the evaluation so data on the reenlistment intention of respondents were used as a substitute. The questionnaires designed for the evaluation included the following: demographic information and other background information on the individual; attitudes

^{1/} Ibid., Executive Summary.

^{2/} The following research reports contain analyses of Project Volar: R. W. Bae, W. A. Dends, H. C. Olson, Cost Effectiveness Evaluation of the Modern Volunteer Army Field Experiment, General Research Corporation, December 1971.

Robert Vineberg and Elaine N. Taylor, Summary and Review of Studies of the Volar Experiment, Human Resources Research Organization, May 1972.

James Goffard, James S. DeGracie, and Robert Vineberg, Attitudinal Studies of the Volar Experiment, Permanent Party Personnel, Human Resources Research Organization, August 1972.

Attitudinal Studies of the Volar Experiment, Men in Training, Human Resources Research Organization, October 1972.

of the respondent toward the Army and attitudes toward specific aspects of his Army experience -- training, job assignment, and supervision; and reactions to a variety of Volar program improvements, such as short-order food lines, privacy in barracks, and working conditions. The information on attitudes toward the Army, analyzed in the context of the background information, and the information on the reaction to Volar actions were expected to permit not only an assessment of the general impact of Army life upon men of different background but also an evaluation of the Project Volar innovations.

Four check lists were designed to cover Project Volar actions or potential actions.

- (1) Check list 1 described the personal importance of the item. Respondents ranked each of 57 items by grading them: 1, if "very important" to him; 2, if "fairly important;" and 3 if "not at all important." A sample of the various items follows:

- Having some privacy
- Having good food
- Having a chance to play sports
- Having a variety of entertainment
- Being allowed to use my own car and cycle
- Having freedom from Mickey Mouse stuff
- Having opportunity for personal advancement or promotion
- Having some personal freedom
- Being able to get good medical and dental service
- Having respect for superiors

- (2) Check list 2 gave an estimate of the perceived chance of finding the item in the Army. The respondent was asked to judge each of the 57 items on whether he had a "good chance," a "fair chance," or a "poor chance" of finding the item in the Army.
- (3) Check list 3 gave information on awareness of any efforts or actions being taken by the Army. The respondent was asked to judge whether the Army was "doing a lot," "doing something," or "doing nothing" about 82 items, including the 57 items in check lists 1 and 2. The added items were mostly specific actions which were being taken.
- (4) Check list 4 gave information on the influence each of the 82 items would have on his reenlistment intentions. The respondent was asked to indicate the effect of the items on his reenlistment intentions: "strong influence to stay," "some influence to stay," "no influence," "some influence to leave," "strong influence to leave."

The check lists, supplemented by questionnaires on reenlistment intentions, were administered from January to June 1971 to successive samples of over 19,000 enlisted men and over 2,000 officers at four posts which participated in the Volar experiment. Questionnaires were also administered at a control post that did not participate in Project Volar. Other data sources included evaluations of Volar made by each of the posts and responses to the check lists and questionnaire form on a one-time Army-wide sample of enlisted men.

The research plan was a rather comprehensive one, carefully designed. In the end, however, the results illustrated the difficulties of establishing a rigorous controlled experiment in a dynamic, ongoing organization.

The ranking of the importance of actions or potential actions was intended to be of use in shaping Volar programs and expenditures. The rankings of 57 actions were relatively stable, showing little variation between posts over time. Six of the ten items ranked most important involved job satisfaction or the kind of personal treatment received in the Army and the other four involved some aspect of pay benefits or living conditions. In order of their rank, the ten items ranked most important by enlisted personnel were:

1. Being able to get good medical and dental service.
2. Being sure I'll be able to earn a living.
3. Being treated with respect.
4. Being treated like a responsible person.
5. Having good food.
6. Having a chance to plan my own future.
7. Getting fair treatment on the job.
8. Having a good family life.
9. Doing interesting and satisfying work.
10. Having some privacy.

The ten items ranked overall as being the least important (the least important being listed first) were:

1. Having good bus service.
2. Having a chance to meet and date girls.
3. Having free personal services (haircuts, laundry).
4. Having a chance to play sports.
5. Having a chance for travel and new experiences.
6. Having a variety of entertainment available.
7. Having counseling and aid about money problems.
8. Freedom from physical danger.
9. Getting time off for overtime work.
10. Having a place to get together with friends.

The initial programs at the four Volar experimental posts -- Forts Benning, Bragg, Carson, and Ord -- were provided substantial funds for actions listed among the ten most important actions but some of the funds were expended on actions that turned out to be among the ten least important. The importance of privacy was recognized in the program to convert open bay barracks into private rooms for 2 or 3 men, furnishing the rooms with a desk, chair, lamp, and rug. Short order food lines were established in an effort to meet the tastes of younger soldiers. Effort was made to shorten the waiting time for medical and dental service. All three of these actions were among the ten ranked highest in importance. But money was also spent to improve bus service and, at Fort Carson, money was spent to open additional enlisted clubs. Both of these fell into classes of actions which turned out to be considered of least importance. It was a fault in check list design that the removal of K.P. -- one of the more popular actions -- was not included in the check list; its popularity appeared to be very high in the studies performed by the individual Volar posts.

The rankings made of chances of an action being found in the Army showed much greater variation over time than the rankings of the importance of actions. Among the ten items with the best chance of being found in the Army, eight were fringe benefits and conveniences while the other two were "Having a chance to be of service to my country" and "Having respect for superiors." Among the 10 with the least chance of being found in the Army was "having a choice of job location." Although this condition is often inherent in military life, the Army, making use of the survey insight, attempted to modify the condition by offering an enlistment option which guaranteed assignment to a specific geographic location during a portion of an individual's first tour of duty.

The impact of the Volar program was measured by the perceived increase over time in the number of things the Army was doing something about. The trends over time were clearly more favorable at the Volar posts, particularly among younger men with less than two years of service. The accompanying table covering two Volar posts, shows examples of the improvement in rankings which occurred between the January and June surveys on the question of what the Army was doing to improve Service life.

In retrospect, it does not seem likely that a significant change in reenlistment intentions would have occurred at the Volar posts in the six months between January and June. By June, the reenlistment intention of men at some Volar posts was above the Army-wide average but so was the reenlistment intention of men at some non-Volar posts. The analyses of the questionnaires on reenlistment intentions showed wide variations between posts based on differences in the characteristics and compositions of the population of the post. Reenlistment intention was significantly influenced by the background characteristics of the

Rank of Actions About Which the Army Was Doing a Lot

<u>Post</u>	<u>Action</u>	<u>Rank in January Survey</u>	<u>Rank in June Survey</u>
Fort Benning	Privacy	7	2
	Bus Service	41	13
	Free Job Training	42	33
	Travel/New Experience	39	30
Fort Carson	Privacy	24	8
	Food	34	34
	Bus Service	19	18
	Recognition for Good Work	65	12
	Place for Family, Visitors to Stay	59	35

population in the order listed:

- Time in the Army
- Draft Motivation
- Marital Status and Number of Dependents
- Enlisted Grade Level Held
- Educational Level
- Race

The particular post at which the respondent was located -- whether Volar or non-Volar posts -- did not appear to be a significant variable influencing reenlistment intention. The differences in reenlistment intention among the Volar posts or between the Volar and non-Volar posts disappeared when the analyses adjusted for the difference in the background characteristics found among men on the posts. From this analysis it was not possible to attribute a change in reenlistment intentions or reenlistment behavior to Project Volar.

AIR FORCE STUDY OF THE RECRUITING MARKET

The Air Force contributed a comprehensive statistical analysis of 1970-71 male accessions, aggregating data by true volunteer rates, educational level, mental quality, age, race, and geographic source of

entry as a market research tool. ^{1/} The nine-volume Air Force study, called Saber Volunteer, was the most comprehensive collection of the data in a single study. Among the findings of the Saber Volunteer study were the following:

- 69.9 percent of the males examined for acceptance by the Services were found to be qualified and 29.4 percent were found to be unqualified -- medically, mentally, or morally (usually a police record).
- Approximately 4 percent of the males 17-22 years of age entered military service during the two years.
- The number of men entering the Service from a given state was roughly proportional to the number of young men in the state.
- The increase in incidence of true volunteers was primarily among younger enlistees; fewer than 57 percent of all accessions were 19 or younger while 65 percent of the true volunteers were 19 or younger.
- The mental quality of Air Force accessions (as measured by Airman Qualifying Examination scores) declined in 1971 as compared with 1970. Typically, the decline was from 2-4 percentile in the average scores in an aptitude area. However, when compared with Air Force entry criteria for career fields, the scores exceeded the Air Force minimum requirements by substantial margins of 5-10 percentile in an aptitude area.

The report was particularly useful in pointing out that, in contrast to the apprehension throughout the Air Force, the decline in quality had been slight between 1970 and 1971. The quality of incoming personnel met or exceeded aptitude requirements.

INITIATIVES IN MARKET RESEARCH, 1974

Assistant Secretary Brehm considered that a marketing concept of

^{1/} Male Accessions to the Armed Forces (1970-1971): Steps Toward Volunteerism (Saber Volunteer - Bravo), U.S. Air Force Assistant Chief of Staff Studies and Analysis, September 1971, Washington, D.C.

recruiting would be useful. ^{1/} Dr. A. J. Martin was appointed Special Assistant for Accessions Policy, ASD(M&RA) in September 1974 to develop this concept. Martin focused on three aspects of marketing: research, sales promotion directed at the educational community, and advertising. The emphasis was placed on joint inter-Service approaches, rather than a unilateral Service approach to these functions.

The announced objective of market research was to generate information upon which to base decisions about advertising and the recruiter sales force, decisions on changes in the attributes of military service, and accession system management decisions. Traditionally, changes in manpower and personnel policy had largely been evaluated by analyzing their management implication and budgeting impacts; now, an effort was to be made to include systematic estimates of market reactions to changes in manpower policy.

In 1974, the Joint Advertising Directors of Recruiting (JADOR) was established with objectives such as the following:

- To encourage free exchange of management and advertising information in order to help achieve recruiting goals.
- To identify courses of action in advertising, marketing and research which will be helpful to all Services in recruiting.
- To encourage cooperation in media and marketing studies for the benefit of all Services.
- To develop procedures for coordination of inter-Service advertising efforts.
- To advise the Office of the Assistant Secretary of Defense (M&RA) on advertising and related matters.

Also, in 1974, ASD(M&RA) launched a series of education liaison projects on a joint basis in order to improve the delivery to the high schools of information about Service jobs, education and careers. These projects include:

- The Department of Defense Military-Civilian Occupational Source Book which describes the jobs of all Services in terms of similar civilian jobs.

^{1/} On his first day in office Brehm asked the author if there was a "marketing expert" on the staff. He soon brought in a marketing expert from private industry to consult on marketing and, later on, employed Martin, whose background was in marketing. GCL.

- Armed Services VIEW (Vital Information for Education and Work) which displays information about military jobs and skills on microfilm.
- Career films which describe the world of civilian work and related military occupations.
- A textbook and instructor's guide for a college level course for counselors, teachers, and school administrators on military service as a career.

The sales promotion effort aimed at the educational community presents the Military Services as a working environment in which young people can receive training, enroll in educational programs for credit, pursue jobs, and move up a military or civilian career ladder. The effort is called the DOD High School Marketing Program.

In March 1974 representatives from all Services established the Joint Educational Liaison Directors of Recruiting (JELDOR) which cooperated, in behalf of the Recruiting Commanders, in implementation of the program.

In April 1976, ASD(M&RA) established a Joint Market Analysis and Research Committee (JMARC) to identify joint market information needs and market research and analysis priorities. A joint market research program had been started in 1975. Four projects illustrate the nature of the joint market research program:

- The "tracking study," previously discussed, designed to follow awareness, attitudes, influencers, and motivation on the general enlistment market.
- A study to develop marketing strategies for the recruitment of medical professionals.
- A survey of the officer and enlisted market for personnel in minority groups.
- An experiment designed to test the effectiveness of paid radio advertising for Armed Service recruiting.

Funds for joint market research, joint education liaison, and the joint advertising were included in Service budgets but controlled by ASD(M&RA), beginning in FY1974. In the FY1977 budget the funds were removed from Service budgets and were appropriated to the Office of the Secretary of Defense. The FY1977 budget includes \$5 million for Joint Advertising and Market Research. The budget plan developed by ASD(M&RA) plans for the allocation of 60 percent to test joint advertising, 20 percent for joint educational liaison marketing, and 20 percent for joint market research.

RESEARCH ON ENTRY STANDARDS

The research and analysis of entry standards was useful in making policy decisions on setting standards. As the Services obtained recruiting experience in a volunteer environment, sufficient data were accumulated to study the trade-offs between changes in a given set of entrance standards and the number of enlistments likely to be obtained.

Analysis of loss experience with various categories of personnel also assisted decision makers in setting entry standards. The loss analysis research was useful in determining the selection criteria to be used to improve quality and minimize costs due to personnel losses. Traditionally, the Services, with the exception of the Air Force, relied on the mental test score as the primary selection screen. In the late 1950's the Air Force began using graduation from high school along with the applicant's aptitude test score as selection criterion. As a result of the findings from the loss analysis research on the Air Force experience, all Services began to recognize the value of educational level as an indicator and to use it in their selection process during the transition to the volunteer force.

The methodology of this analysis is simply to relate all losses that include disciplinary or motivational problems to such characteristics as educational level, mental test score, age, and race so as to establish differential loss rates on the basis of characteristics. Consistently, in all Services, the studies showed that years of education was the most valid predictor of disciplinary or motivational losses and that age was second; the higher the educational level or age (up to age 21) of the applicant, the lower the likelihood of early separation from the Service for disciplinary or motivational reasons. There was, of course, a linear correlation between years of education and age. Mental test scores, on the other hand, had relatively little power for predicting disciplinary or motivational losses, although they were useful for predicting success or non-success in Service school training. There were no significant differences in loss rates between personnel in the four Mental Categories when the data were controlled for educational level.

The accompanying table shows variations in loss rates for reasons of discipline or unsuitability, by education and age, for three-year volunteers who entered the Army between July-September 1971. The hypothesis to explain the data is a simple one: The behavioral characteristics that lead to dropping out of high school also lead to behavioral difficulties in military service. As these research findings became known, the Services increasingly emphasized the enlistment of high school graduates. While the differential loss rates when

Army Loss Rates for Unsuitability
July-September, 1971 ^{1/}

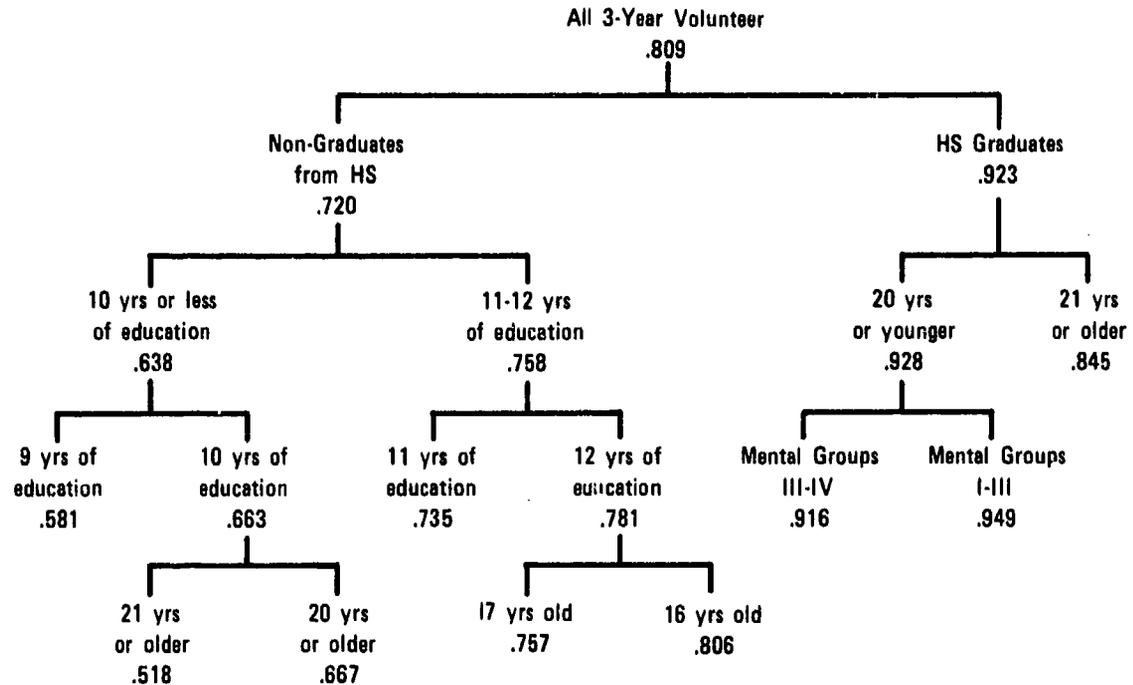
<u>Years of Education</u>	<u>Loss Rates</u>	<u>Age</u>	<u>Loss Rates</u>
9	.42	17	.35
10	.34	18	.30
11	.26	19	.27
12	.22	20+	.40
High School Graduate	.08		
Non Graduate	.28		

aggregated by high school graduates or nongraduates is significant, it nevertheless should be pointed out that about 7 out of 10 nongraduates do complete their first term of service without an adverse discharge for disciplinary or motivational reasons.

The analysis may be displayed as a retention rate, as well as a loss rate, as shown in the diagram which appears on the following page. The planner can estimate trade-offs, for example, between the number of enlistments he might lose as he restricts the enlistment of 17-year-olds with less than 12 years of education and the gains in retention if enlistment objectives can be met with 18- or 19-year-olds who are at a higher educational level.

^{1/} D.W. Grissmer, An Evaluation of Army Manpower Accession Programs, General Research Corporation, April 1974, p. 95, McLean, Virginia.

**Retention Rates of 3 Year Army Volunteers,
July-September, 1971 Cohort¹**



**AIR FORCE STUDIES OF THE QUALITY
PROBLEM AND ENTRY STANDARDS**

In March 1971 the Secretary of the Air Force, Robert Seaman, asked the Air staff whether studies were available which indicated whether or not Air Force could attract the number and quality of personnel needed. Dr. Seaman also asked if the staff had looked into "restructuring" the Air Force in order to enhance the feasibility of attaining a volunteer Air Force.

The reply to Dr. Seaman sounded a note of cautious optimism about the number of personnel attainable but concern about the quality of personnel. ^{2/} The RAND corporation supply studies and the Human Resources

^{1/} Ibid., p. 94.

^{2/} Volunteer Air Force Studies, Personnel Analysis Brief 71-002, Directorate of Personnel Planning, U.S. Air Force, March 1971.

Laboratory studies of the quality of the volunteers were cited. Forecasts which showed shortages at the higher mental levels and surpluses at the average and below average levels were furnished to the Secretary:

FORECASTS OF DEMAND - SUPPLY BY PERCENTILE SCORE
ON AIRMAN QUALIFYING EXAMINATION
(4th Quarter - FY1971)

AQE Percentile Score	Demand	Supply
95	3,200	2,500
80 - 90	7,800	5,100
65 - 80	6,200	6,700
40 - 65	8,400	13,300

The briefing pointed out that both the pay raise and bonuses would be needed to obtain the quality of personnel needed by the Air Force. "Restructuring" of the Air Force was not considered to be necessary to obtain a volunteer force. The U.S. Air Force Personnel Plan, it was pointed out, was monitored by Personnel Objective Management Officers who "tracked" progress in attaining the objectives of the Personnel Plan. Problems in reaching a volunteer Air Force could be identified and managed through the existing system.

The findings of the Air Force studies -- that numbers of personnel would be adequate but quality of personnel would not be adequate -- became a widely held view in the Air Force during the early years of Project Volunteer. The Air Force anticipated that significant shortages of personnel at the higher levels of mental quality were possible. This view led the Air Force to the conclusion that a system of bonus payments or other differential pay systems were needed, as shown in the chart which appears on the following page. Similar estimates were provided for accessions into the Reserve Component and for bonuses for officer retention.

Subsequently, the Air Force made its bonus proposal more attractive by linking it as an offer in return for a six-year enlistment. At the time the results which might be accomplished from the build-up of recruiting were unknown so ASD(M&RA) did not approve the plan. Events subsequently demonstrated that the Air Force would obtain the needed accessions for six-year terms without a bonus.

Bonus Required to Remove Shortage 1/

Shortage (Airmen Qualifying Examination Levels 80 - 95)	\$3,400
Percent Increase in Supply Required	45%
Amount of Bonus Required per Man	\$1,025
Total Number of Bonuses	11,000
Total Cost	\$11,275,000
Cost Per Man Short	\$3,316

The apprehensions about meeting quality goals led the Air Force to establish a study group in the Personnel Research and Analysis Division, Director of Personnel Plans, to analyze qualitative requirements, accessions standards, and reenlistment standards. The Project was called Palace Quality. 2/ An initial study further refined the linkage between entry standards and performance after enlistment. The analysis combined the educational level criteria and the grouping on mental test scores into 8 cells, consisting of high school graduates in each of the four mental groups and nongraduates in each of the four mental groups. Attrition in basic military training of enlistees between January 1970 - April 1971 was used as the criterion of performance. The groupings and basic military training attrition rates are shown below:

<u>Grouping</u>	<u>BMT Attrition Rate</u>
H.S. Grad - Mental Grp. I - III	3.4 %
H.S. Grad - Mental Grp. IV	6.7%
Non-Grad - Mental Grp. I - III	9.4%
Non-Grad - Mental Grp. IV	21.5%

The report explained the significance of the analysis, "Previous analyses based on single measures of input quality have consistently shown Mental

1/ Air Force Volunteer Incentive Plan, Personnel Analysis Brief 71-005, Directorate of Personnel Planning, U.S. Air Force, April 1971.

2/ Palace Quality, Personnel Research and Analysis Division, U.S. Air Force.

Group IV accessions to be poor risks. The significance of combining educational level and mental test score is contained in the above data which reveals a substantial difference in Mental Group IV airmen depending on educational level." 1/ Educational level, represented by high school graduation, was again found to be the most powerful predictor of satisfactory or unsatisfactory performance from a behavioral standpoint.

The Basic Training attrition rate of 21.5% for nongraduates of high school in Mental Group IV was considered too high. Based on this information the Air Force terminated the enlistment of this category of personnel in January 1972. The Air Force tightened its standards for nongraduates by requiring those in Mental Groups I-III to possess a general aptitude score of at least 40 (a score of 50 is the average score on the Air Force tests) and to qualify in at least one other aptitude area -- Administrative, Electronic, or Mechanical.

PHYSICAL AND MEDICAL ENTRY STANDARDS

The option of reducing physical and medical standards for entry into Service as a means of broadening the supply pool did not receive the emphasis given to the mental standard issue; however, the issue was not neglected. ASD(Systems Analysis), and later its successor organization, the Office of Program Analysis and Evaluation, sponsored a research study by the RAND Corporation on the costs and effects of lowering physical standards. 2/ The Office of Naval Research asked the Denver Research Institute to examine the feasibility of enlarging the enlistment supply "by removing certain physically disqualifying restrictions to enlistment." 3/ These research studies focused attention on the issue.

The RAND analysis reviewed standards in the military service of other countries and in private industry to suggest modifications in current entry standards. FY1972 disqualification rates for diagnostic causes were examined to estimate the effect of changing standards and the supply of volunteers. The report concluded that "present physical standards appear more stringent than necessary" and that relaxation of the standards would be a promising option. According to the RAND esti-

1/ Ibid., p. 16.

2/ David Chu et al., Physical Standards in an All Volunteer Force, RAND Corporation, Santa Monica, California, April 1974.

3/ Anita West et al., Reducing Physical Standards for Navy Recruiting, Denver Research Institute, University of Denver, July 1973.

mates, from 14 percent to 17 percent of potential true volunteers, who were otherwise qualified, failed to meet current standards. The RAND study suggests that disqualifications could be reduced as much as 40 percent by adjusting standards for the gastrointestinal system, blood pressure, height and weight, vision, hearing, the urinary system, skin diseases, and respiratory diseases. The study does not, however, suggest specific alternative standards in place of those in current use. For computational purposes, the study simply assumes that only half of those now disqualified would be disqualified under the revised standard.

The Denver Research Institute study was more specific in its recommendations of revised standards for the Navy. The recommendations were job oriented, including a list of jobs to which the revised standard would not apply and a list that would involve "high risks" if the revision in standards were applied. Revisions were recommended in the standards for overweight, hypertension, conditions of the mouth, throat, and larynx that impede speech, visual acuity, and conditions related to appearance. The study estimates that the changes would result in from 3,000 to 6,000 additional Navy enlistments annually in Mental Groups I-III.

Further work by ASD(M&RA) staff narrowed the review of medical standards to five diagnostic causes which accounted for over half of the rejections for medical reasons. The standards selected for further inter-Service review were those regarding weight, hypertension, defective hearing, defects of the joints and skin, and lymphatic conditions. The Army, in coordination with the other Services, was requested to submit a report dealing with possible modification of these standards, covering "medical considerations, recruiting supply considerations, costs, and a program for differential medical qualifications based on skill categories." 1/

The Army, submitting its report on November 29, 1973, did not recommend any changes in standards but did recommend continuing the studies on blood pressure and weight. The Defense Manpower Policy Council, whose membership consisted of the Assistant Secretaries of Manpower and the Deputy Chiefs of Staff for Military Personnel, on June 13, 1974 reviewed but did not approve modifications of specific changes recommended by the ASD(M&RA) and the ASD(Health and Environment) staff. The specific changes reviewed were:

1/ Memorandum from Lt. General Robert C. Taber, Principal Deputy, ASD(M&RA) to Assistant Secretaries of the Military Departments (Manpower and Reserve Affairs), Subject: Medical Standards in the Volunteer Environment, June 1973.

- Relax minimum weight standard by 5% and maximum weight standard by 10%, for a potential annual gain in enlistments of 3,000.
- Accept individuals with minor defects of bones and organs of movement and limit their assignment to positions which do not require prolonged periods of crawling, stooping, jumping, marching, or standing, for a potential annual gain in enlistments of 6,250 offset by estimated increases of 1,250 in early discharges.
- Modify current blood pressure reading of 140/90 MM as cause of rejection to 150/100, for a potential annual increase in enlistments of 1,350.

The total potential annual net gain in enlistments was estimated at 9,650.

In this case the policy makers decided that the possible loss in effectiveness might outweigh the possible gain in enlistments. Except for minor lowering of the standard for blood pressure in 1975, changes were not made in the medical and physical standards. The research that had been performed was nevertheless useful in bringing the issue to a decision.

COST-EFFECTIVENESS ANALYSIS OF INCENTIVE PROGRAMS ^{1/}

The incentive structure for the volunteer force was constructed from what was known about enlistment and reenlistment behavior, but rigorous quantitative analyses of past experience were not available. For example, the increases in reenlistment rates which occurred after the significant pay increase for career personnel in 1958 were well known. But the separate effects of the pay increase and other policy actions taken at the time were not available. Neither the report of the President's Commission nor the report of the Project Volunteer Committee contained cost-effectiveness analyses of separate incentives. Reliable estimates of the yield in enlistments which was likely to result separately from implementation of a given incentive at a given cost would have been invaluable.

A serious effort was made to close this gap in research and analysis. To evaluate the programs after implementation, the techniques of

^{1/} See Chapter VI, Evaluation of Progress, for further discussion.

regression analysis were exploited to provide decision makers information on the costs and benefits of various incentives. Both time series data and cross-sectional data on enlistments were analyzed. The regression analysis of the data provided estimates of the supply elasticities of various incentives or policies. Knowing the elasticity would have permitted the analyst or planner to estimate the change in enlistments that would result from changes in the amount of money spent on a given incentive. The evaluations of the enlistment yields attributable to each of the volunteer force programs and the relative cost-effectiveness of the separate programs were only partially successful. Broad measures of the effectiveness of major programs were obtained but the uncertainties were great.

Given the short lead times available, evaluations of the effects of separate programs did not become available early enough to permit "fine tuning" of the programs during the transition period. Despite their limitations, the evaluations of the separate programs were useful to the decision makers as the All Volunteer Force reached a more stable state in FY1975.

A variety of problems clouded the evaluations of the contributions of separate programs. One difficulty was that the programs were not designed for experimental and measurement purposes to begin with. Other difficulties were:

- There were strong seasonal trends in recruiting and allowances had to be made for these trends in the enlistment data before program effects could be identified; furthermore, the seasonal trends were different for high school graduates than for other enlistees.
- During FY1971-73, while draft pressure remained, the counts of true volunteers were estimates, and the variations in such counts as a result of different methods of estimating were statistically significant.
- The programs were implemented separately beginning in January 1971, with implementation concentrated in the period July 1972 - June 1973, but the effects of some programs were not known until later. For example, the expanded enlistment bonus authority was not implemented until November 1974.
- The effects of the programs were interdependent and some correlated highly with each other; the enlistment yield from the pay increase was greater, for example, after the increase was widely advertised.

- The numerous policy changes made in entry standards as the Services tried to manage accession quality changed the number of potential enlistees in the supply pool who might enlist as a result of a given program or set of programs.

Use of techniques of multiple regression analysis and other statistical techniques in the analyses minimized some of the difficulties, but could not overcome them completely.

There was strong advocacy by ASD(Systems Analysis) and by members of the research community generally for a program approach of controlled experimentation. The point was not raised by the Systems Analysis staff at the time of the FY1972 budget, when the program was initially funded, but was a major argument made against the incremental program increases recommended by the Project Volunteer Committee during the FY1973 budget cycle.

The advocates of the experimental approach sometimes ignored the real world. The ideal situation is described by a RAND study of December 1973 which discussed the advantages of "controlled experimentation" in personnel management. ^{1/}

Military policymakers will soon be faced with some hard decisions in adjusting to the realities of an All Volunteer Force. Recruiting shortfalls, changes in the educational level and attitudes of recruits, and low retention in some critical occupational specialties will force some major changes. With more and more Congressional pressure on the military budget as an after-effect of rapidly rising personnel costs over the past five years and changes in public attitudes toward the military establishment, the military can no longer afford the luxury of implementing costly unproved recruitment and retention strategies... This report recommends that the military make greater use of controlled experimentation in personnel management as an information gathering technique for evaluating some of the proposed changes in personnel policies and for requiring reliable data as a basis for decision making and model building.

^{1/} Gus W. Haggerton, The Role of Experimentation in Manpower Planning, RAND Corporation, December 1973, Santa Monica, California.

It is true that experimental designs could have been adopted. It is also true the recruiting build-up might have been implemented in one geographic area and increased advertising in another so that intereffects of programs would be minimized. New programs could have been put into effect on a small scale on a pilot basis. The exact data needed for measurement could have been specified and provided in advance. Generally speaking, these things were not done because of the time constraints under which programs had to be planned and implemented. Some programs were considered experimental, rather than permanent. For example, Project Volar, the initial use of paid radio/TV broadcasting, and the trial of the ground combat enlistment bonus were considered experimental by ASD(M&RA) staff and, to some extent, by the Army. However, controlled conditions were not established to insure precise evaluations of these experiments; the emphasis was placed on getting results.

From the viewpoint of the Project Volunteer Committee, there was not enough time for a deliberately experimental approach. The managers of the program had two years between the time the first new funds became available and the end of the draft. Such programs as the recruiting build-up, barracks improvement, and advertising required lead times of six months to more than a year between the decision to start and the accomplishment of results. The notion that a year or more could be devoted to experimentation, analysis, and research did not seem practical to the Project Volunteer Committee. Their job was to build up the volume of enlistments and reenlistments to meet military manpower authorizations without the draft -- and to do this within the "fixed costs" of \$3.5 billion allocated by the President for the Project Volunteer program. The committee wished to use these funds as efficiently as possible but they were not persuaded that efficiency meant waiting for the research and analytical community to give them answers on the basis of experimentation. Over a year of study and analysis had preceded the formulation of the programs. The committee decided to go ahead and try the programs, and then modify or drop them if they were not effective. The approach was oriented to action rather than to experiment in the research sense.

Within the limitations discussed, an effort was made to assess the results of separate programs in terms of enlistment yield and cost-effectiveness. The work of the General Research Corporation for Army from 1971-73 and subsequently for OASD(M&RA) provides an example of this effort. In addition, the special cases of the Army's paid radio/TV campaign and the ground combat enlistment bonus are discussed as examples of what could and could not be done in evaluating cost effectiveness, considering the limitations of the situation. Similar studies were made in the other Services. The following subsections cover some of the more important cost-effectiveness evaluations in Army, which had the most difficult recruiting problems and the largest share of the funds during the transition.

ENLISTMENT YIELDS FROM ARMY PROGRAMS

The General Research Corporation used multiple regression analysis techniques on the enlistment data from January 1970 - August 1971 to estimate the increase in Army enlistments attributable to different programs. ^{1/} The analysis was made for different groups of volunteers and with a number of dependent variables. The groups of enlistees were:

Mental Group I and II (Above Average)

Mental Group I, II and those of Mental Group III who were high school graduates.

Mental Groups I - III (Above Average)

Combat Arms Volunteers.

Mental Group IV (Below Average) personnel were not included because the demand for them was limited; the supply greatly exceeded the requirement for men in this category. The program variables analyzed in the regression were:

Military pay	Paid radio/TV advertising
Enlistment options	Army entry standards
Combat arms bonus	Unemployment
Advertising	Vietnam deployments
Print media advertising	Combat arms option

These analyses explored the impact of various incentive programs among the different groups of enlistees. The resulting estimates, although they are approximations rather than precise measurements, provide an order of magnitude for assessing the enlistment yields, as well as the cost-effectiveness of programs. In most cases the measurement employed in the analysis uses an average of the upper and lower limits of the pay effects. The upper limit assumes that all increases in enlistment are attributable to pay and arrives at a pay elasticity of 1.38 (a one percent increase in pay results in a 1.38 percent increase in enlistments) as the pay elasticity; the lower limit on pay effects is obtained by assuming all increases in other programs are independent of the pay raise and arrives at an elasticity of .57 (a 1 percent increase in pay results in 0.57 percent increase in enlistments).

^{1/} Evaluation of the Modern Volunteer Army (MVA) Program, General Research Corporation, Washington, D.C., March 1973.

Taking the average pay elasticity of .97 (a 1 percent increase in pay results in a 0.97 percent increase in enlistments), the measurements used in this summary of the General Research Corporation's work attribute the effects of the various programs in accordance with the best interpretation of the regression data.

The analysis attributed the increases in Mental Groups I-III true volunteers to the following programs: ^{1/}

- The increase in entry level pay and the increase in recruiters together accounted for 70 percent of the increased enlistments. The pay raise and the recruiting increase showed a correlation of .9 and estimating separate effects is difficult. Using an average of the upper and lower limits of pay elasticity to separate the effects of recruiting, the estimate was that the marginal productivity of each recruiter (the additional number of recruits which results from the addition of one recruiter) was eight enlistments annually.
- The combat arms enlistment bonus accounts for 12 percent of the enlistment increase.
- The introduction of additional enlistment options, a relatively low-cost incentive, accounts for 12 percent of the increase.
- Advertising accounts for 7 percent of the increase.

The entry military pay raise and the combat arms enlistment bonus were the programs that yielded the largest increase of Army enlistments among Mental Groups I-II (about 27 percent of Army enlistments). The programs of increased options, recruiting, and advertising had a disproportionately smaller effect in increasing the enlistments in higher quality groups. The effects of these non-pay programs were larger on the average Mental Group.

The analysis resulted in quite a different attribution for combat arms volunteers -- about 25 percent of total Army accessions during this period:

- The analysis shows the increase in combat arms enlistment options to be the major single factor in increasing combat arms volunteers in Mental Groups I-III, accounting for

^{1/} The effects of the incentive programs, as derived from regression analyses, differed for different time periods.

about 52 percent of the increase.

- Advertising programs showed a stronger effect on the combat arms volunteer, accounting for 16 percent of the increase; the Army's paid radio/TV campaign occurred during this period and about half of the advertising expenditures of the campaign emphasized ground combat arms.
- The combat arms enlistment bonus accounts for about 12 percent of the increase.
- The military pay raise accounts for 4 percent of the increase.

In the case of the combat arms, both the options and the bonus worked to shift applicants who would have entered other Army programs to enlist in the combat arms. Survey data were used to sort out those who said they would have enlisted in some other Army program or some other Service from those who said they would not have entered the Army at all.

COST-EFFECTIVENESS OF PROGRAMS

The previous section discussed the enlistment yield which resulted from various incentive programs. This section discusses a different evaluation -- the relationship between the costs and the increase in enlistments which resulted from the various incentives.

The cost-effectiveness of the programs is measured by dividing the total budget of the program by the increase in enlistments attributed to the program separately. As a matter of convenience, the measure is expressed as the number of additional volunteers obtained for each \$1 million spent annually.

The table on the following page shows the number of Army additional volunteers, Mental Groups I-III, obtained annually for \$1 million spent on the program. The direct identifiable cost of the enlistment options was considered small but the increase in enlistments attributed separately was 1600. Because of the small costs, the enlistment options would rank highest in the cost-effectiveness of the programs.

The rank order of the cost-effectiveness of the incentives for combat arms differs because of the lower ranking for recruiters. The ranking of the programs in order of the effectiveness in increasing combat arms volunteers was:

Cost-Effectiveness of Programs ^{1/}
Additional Army Enlistments (Mental Gp.I-III) per \$1 Million Annually

<u>Program</u>	<u>Increase in Enlistments</u>	<u>Range of b/ Estimates</u>
Enlistment Options	a/	
Production recruiters	510	+ 430
Combat Arms Bonus	200	+ 120
Paid Radio/TV Advertising	170	+ 120
Advertising Budgets	145	+ 50
Increase in Entry Pay	25	+ 10

a/ See explanation in text on previous page.

b/ This column measures the range of uncertainty in the estimates. Various statistical techniques were used by GRC for this measurement. One limitation of the analysis is that the uncertainties are relatively large.

-
- Combat arms options
 - Combat arms bonus
 - Paid radio/TV campaign
 - Increase in recruiters
 - Increase in entry pay

The cost-effectiveness of the pay raise was lower than the cost-effectiveness of other incentives. Although the yield of Mental Group I-III enlistments (over 22,000 enlistments) was higher for the entry pay raise than for any other incentive, the cost per additional enlistment was significantly higher than for any other incentives. The Army's entry pay raise cost during the period of the analysis was approximately \$800 million annually while the incremental costs of all other incentives covered by the analysis was about \$180 million.

This type of analyses by the General Research Corporation was continued in the Army throughout the transition period and was extended

^{1/} Ibid., pp. 5-6.

to the other Services by the staff of ASD(M&RA) during 1974. The cost-effectiveness analysis in Army made with an additional year of enlistment and program data extending through December 1973 covered additional programs; however, the results were similar to those obtained in the earlier analysis. 1/

Print media advertisements and recruiter assistants and canvassers were the most cost-effective programs. Print media advertisements attracted 1,200 additional enlistments of Mental Group I-III volunteers for \$1 million annually and recruiter assistants and canvassers attracted 1,100. The recruiter assistants and canvassers measurement was a way of associating a cost with some of the enlistment options, such as the unit of choice option. The relative cost-effectiveness of the various incentive programs in this phase of the analysis is shown in the table which appears on the following page. The analysis noted an important point:

Since the most cost-effective programs -- recruiting and advertising -- have marginally diminishing returns, the cost per volunteer increases as additional money is spent in each program. Using a model that takes into account this effect, the average budget cost of increasing high school volunteers by 14,000 annually would be around \$2,000 per additional volunteer so that an overall incremental budget of \$28 million would be required. Uncertainty in productivity estimates would make the estimated budget about \$28 million \pm 12 million. 2/

This observation suggests one limit of the cost-effectiveness analysis. It was possible to quantify the enlistment yield expected from incremental increases in resources and to approximate the costs of the increase within a wide range -- a range of \$16-\$40 million in the case of an additional 14,000 high school graduate enlistments in the Army. The analysis assisted the decision makers but it did not provide an automatic answer. The decision still remained as a judgment based on the empirical evidence known to the decision maker.

1/ D. W. Grissmer et al, An Evaluation of Army Manpower Accession Programs, General Research Corporation, Washington, D.C., April 1974, pp. xv, xvi.

2/ Ibid., p. xvii.

The cost-effectiveness analyses showed that recruiting and advertising were generally the best choice for obtaining additional enlistments. Beyond a point, however, increased recruiting and advertising budgets yield diminishing returns. The diminishing returns for Army advertising budgets at different program levels were as follows:

Martinal Cost-Effectiveness of Army Print Media Budgets at
Different Budget Levels

<u>Millions of Dollars</u>	<u>Additional Mental Group I-III Enlistments</u>
11	1200
12	854
13	608
14	433
15	308
16	219

The analysis assisted the planners by suggesting that, in event of shortfalls, an addition of \$1 to \$2 million to Army's existing print media budget of \$14 million would be a good choice, while an addition of \$4 to \$5 million would probably be wasteful and additional bonus money might be more productive.

Other findings from the second phase of the cost-effectiveness analysis assisted in evaluation of the quantitative and qualitative effects of programs. ^{1/} Examples of these were:

- Of the enlistees who accepted the initial \$1,500 combat arms enlistment bonus, about 18 percent would not have entered the Army without the bonus, while 82 percent would have entered some other program or the same program for a shorter term of service. The initial \$1,500 bonus appeared to have enlarged only the Mental Group III non-high school graduate group.
- Of the enlistees who accepted the \$2,500 bonus for skills in short supply, 37 percent (high school graduates) were additional enlistees who would not have entered the Army without the bonus.

^{1/} Ibid., p. xviii.

- Print advertising media was the program that was more effective in attracting high school graduates than non-graduates. (One explanation for this finding is that high school graduates could understand the ads more readily than nongraduates.)

The findings about the bonus helped the Army to formulate its recommendation to replace the initial combat arms enlistment bonus, open to high school graduates and nongraduates, with the \$2,500 bonus for high school graduates only.

Similar cost-effectiveness analyses were performed for the other Services on a more limited scale.

EVALUATION OF THE ARMY'S PAID RADIO/TV CAMPAIGN

The evaluation of the paid radio/TV campaign was especially important because the issue of paid radio/TV was so controversial. The Army strongly favored paid advertising in the electronic media but the Navy and Air Force opposed it.

The Army conducted the campaign for 13 weeks, March 1 to May 30, 1971, at a cost of \$10.6 million. The campaign was nation-wide, with about two-thirds of the expenditures for radio advertising and about one-third for television. In addition, eight selected metropolitan test markets were given double weight for television advertising; the advertising in these eight markets continued until June.

The measurement problem was difficult. There was no simple way to separate enlistments that would have occurred in the absence of the advertising campaign because a "control group" had not been established. Since the campaign was nation-wide there were no "unexposed" geographic areas. The measurements, although not definitive on the cost-effectiveness of the campaign, were useful in the evaluation of paid radio/TV advertising.

Three studies were conducted to evaluate the effectiveness of the campaign. ^{1/} The studies were:

^{1/} Evaluating the Effectiveness of the Army's Advertising Campaign, Audits and Surveys, Inc., New York, Phase I Study, September 1971, Phase II Study, February 1972; Effectiveness of the Modern Volunteer Army Advertising Program, Stanford Research Institute, December 1971; U.S. Army Recruiting Advertising Test, Rome Arnold and Co., September 1971.

- Audits and Surveys Study. Prepared under contract with ASD(M&RA), the study measured the impact of the campaign on awareness, attitudes, and behavior of young men of military age. The study included estimates of the number of enlistments attributable to the campaign. A follow-on Phase II study assessed the residual impact of the campaign four months after the end of the advertising campaign program.
- Stanford Research Institute Study. Prepared under contract with the Army, the study analyzed the effect of the advertising campaign on Army enlistments and on enlistments of the other Services. The study also reviewed the role of advertising in Army recruiting and the management of the paid radio/TV advertising campaign.
- Rome Arnold Study. Prepared for the Army through N.W. Ayer, the Army's advertising agency, the study measures awareness and recall of the advertising messages and attitude changes brought about by the advertising campaign. The method used was to administer questionnaires to young men 17-21 years old and to their fathers before and after the campaign.

The studies used the traditional criteria of the advertising business to evaluate the campaign. The subjects covered were:

- Awareness of the advertising campaign
- Result of advertising messages
- Changes in attitude toward Army service
- Requests for additional information
- Increased enlistments

Because the other Services had argued that their free public service advertising coverage and their enlistments might be adversely affected by the Army campaign, the effect of the campaign on the other Services was also evaluated.

All of the studies agreed that the campaign resulted in a high level of awareness among the total population. Thirty-eight percent of those surveyed before the campaign said they were aware of Army advertising; this proportion increased to a post-campaign level of 84 percent. About twice as many of the target population were aware of the Army's advertising as were aware of the advertising of the other Services.

The recall rate of the new advertising changes compared favorably with results in commercial campaigns. The Army's advertising theme, "Today's Army Wants to Join You" was recalled by about one-third of the target population. Although both awareness of the advertising and recall of the advertising slogans were considered good, none of the studies found conclusive evidence of a change in attitudes toward the Army as a result of the advertising campaign.

The Rome Arnold survey included the question, "As a result of seeing or hearing the advertising did you try to get any information about the U.S. Army?" The question was asked of a group of young men before the paid radio/TV campaign and to another group after the campaign. Less than one percent reported an attempt to obtain information in response to previous Army ads before the radio/TV campaign and nearly three percent sought information during the campaign. The Stanford Research Institute points out that the percentage change amounts to a significant increase in inquiries -- 76,000 inquiries before the campaign and 245,000 inquiries after the campaign. ^{1/} Some of the difference may be due to seasonal trends in the enlistment market. In this instance the lack of a base-line for comparing the trends with previous years hindered the clear interpretation of results.

Several attempts were made to estimate the increase in enlistments attributable to the campaign. The range of the estimated increase in enlistments varied from 1,536 (General Research Corporation estimates) to 9,000 (Army estimate). The Army estimate is based partly on recruiter interviews of a sample of enlistees and partly on a higher coupon return rate experience from print media advertising while the campaign was in progress.

Stanford Research Institute estimated that the advertising campaign increased enlistments by 10 percent, the equivalent of 5,408 enlistments.

Using time-series analysis forecast methods based on 8 years of statistical data made available by the Recruiting Command, SRI was able to develop an estimate of the probably level of enlistments that would have occurred if no broadcast-media advertising had been aired. ^{2/}

^{1/} Dasherman et al, Effectiveness of the Modern Volunteer Army Advertising Program, Stanford Research Institute, Menlo Park, California, December 1971, p. 5.

^{2/} Ibid., pp. 107-108.

SRI estimated that, in the absence of advertising, a 2 to 4 percent enlistment increase would have been expected during the time of the paid radio/TV test in March-July 1971, in comparison to the same period of 1970. The actual increase in enlistments during March-July 1971 was 12.7 percent; therefore, SRI estimated that 10 percent was attributable to the paid advertising campaign.

The Audits and Surveys research did not include a measurement of the number of enlistments caused by the campaign. Their report does state that about 4,000 enlistees were influenced or affected by the paid advertising campaign in their enlistment decision during the five months of the campaign.

The GRC regression analysis technique gave lower estimates of the enlistment yield.

Elasticities developed from the regression data on the use of paid TV and radio advertising in 1971 allows us to estimate 1,536 additional volunteers at a total cost of 10.4 million. 1/

The lack of a control group not exposed to the paid broadcast advertising, coupled with the other difficulties of ascertaining the separate effects of programs, thus made it impractical to determine the number of enlistments which resulted solely because of the advertising campaign. On the basis of the Army estimate of 9,000 enlistments and the Stanford Research Institute and Audits and Surveys estimates of about 5,000, the cost per enlistment yielded by the campaign would range from \$1,200 to \$2,000. The costs per enlistment would be even higher if the results of the General Research Corporation regression analysis were used.

While they did not yield definitive results, the evaluation studies were nevertheless useful in contributing toward the formulation of future policy on paid broadcast advertising. Prime time broadcast advertising did reach the target audience. The Army's campaign did not adversely affect recruiting in the other Military Services and apparently contributed to more traffic to the other Services in co-located recruiting stations. The paid advertising caused a negligible loss in the free public service advertising time made available. Lessons were learned which would enable a future campaign to be designed with greater cost-effectiveness.

1/ D. W. Grissmer, Evaluation of Army Manpower Accession Programs, General Research Corporation, April 1974, p. 64.

Although pressure from Congressman Hebert after the Army campaign in 1971 resulted in Secretary of Defense prohibitions on the further use of paid radio/TV advertising, Defense went on record before the Congress in 1972 as favoring a "balanced media approach which included the use of paid electronic media." ^{1/} Not until 1975, however, when the Army again used paid radio broadcasting, was paid electronic advertising used by any Service.

EVALUATION OF THE GROUND COMBAT ENLISTMENT BONUS

The initial use of the ground combat enlistment bonus was viewed as a test or experiment. Since the legislative authority for the bonus would expire June 30, 1973, it was necessary to find out what the bonus incentive could accomplish and what its side effects were. The Army believed OASD(M&RA) had unduly restricted the "pulling power" of the bonus by limiting its amount to \$1,500 in return for a four-year combat arms enlistment. There was some apprehension by the Navy and Air Force that their recruiting capability would be adversely affected by an Army and Marine Corps bonus. The evaluation of the bonus was, therefore, a subject of much interest.

In approving initiation of the bonus, the Secretary of Defense had limited bonus enlistments to 2,500 a month from June 1 through August 31, 1972. The program had an inauspicious beginning when the United States Army Recruiting Command announcement of the bonus option on May 25, 1972, stated:

Recruiters must be aware that this program will continue only on a month to month basis and could be terminated at any time. Advise potential applicants that this program is highly volatile.

There was a sharp reaction from ASD(M&RA) that the Army was not really trying to obtain bonus enlistments. USAREC shifted their emphasis in a letter to recruiters on July 12:

Positive action must be taken immediately to increase combat arms accessions. Despite the fact that the bonus option was the most salable option available, our record during June was

^{1/} See Chapter IV, Implementation: Early Actions, section on Paid Radio/TV Advertising.

dismal indeed. It is absolutely imperative that the recruiting effort focus on this option.

The Command continued its pressure on recruiters throughout July and August. In early August the bonus test was extended through September and October, and in October it was extended to June 30, 1973. This hesitation in the initial stages of implementation reflected the ambivalence with which Kelley, as well as the Army, regarded the bonus at that time.

The monthly data for 1972 on bonus recipients is shown in the table below:

Monthly Data on Bonus Recipients and Combat Arms Enlistees, June - December 1972

<u>Month</u>	<u>Number of Bonus Recipients (4-year enlistment)</u>	<u>Total Combat Arms Enlistments (Includes 2,3,4-year enlistments without bonus)</u>	<u>Bonus Recipients as Percentage of Combat Arms</u>
June	2,435	5,294	40.0
July	2,370	4,059	58.4
August	2,490	3,883	64.1
September	2,420	3,870	62.5
October	2,237	3,230	69.3
November	1,914	2,787	65.7
December	2,045	2,814	72.5
TOTAL	15,914	25,937	61.4

Several questions in the DOD survey of enlistees at the Armed Forces Entrance and Examining Stations were used in the evaluation of the bonus. These included:

Question: Would you have enlisted if \$1,500 combat arms enlistment bonus had not been offered?

Answer: A. Yes. B. No.

Question: If the enlistment bonus had not been offered what would you have done?

Answer: I would have enlisted in A. Army B. Navy
C. Marine Corps D. Air Force E. I would not
have enlisted at all.

Question: What is the single most important reason for entering the Service?

Answer: A. I was drafted
B. I could get training I wanted
C. I could get job assignment I wanted
D. I could get a \$1,500 bonus
E. My Service is the best
F. I could get a shorter enlistment term

From regression analysis and analysis of the surveys, the effects of the bonus for June-December 1972, were estimated as follows: ^{1/}

- Among the bonus enlistees 17 percent (an average of 390 a month) would not have entered the Army without the bonus while 83 percent (1,880 per month) would have entered without the bonus.
- The bonus channeled into combat arms a number of enlistees who would have entered Army without the bonus but who would not have entered combat arms or would have entered the combat arms for three, instead of four years. The presence of the combat arms bonus lessened the decline in combat arms enlistments that would have occurred as a result in making unit of choice and geographic choice option available to other skills; lacking the bonus, the decline would have been 50 percent, instead of 20 percent.
- The bonus increased the total man years committed to Army by about 15 percent and committed to combat arms by about 36 percent; by FY1976, accession requirements for the combat arms are estimated to be 9,000 lower than they would have been without the four-year enlistment contract obtained in return for the bonus.

^{1/} Grissmer, et al, Combat Arms Bonus Report, General Research Corporation, April 1973, McLean, Virginia, pp. i-ii.

- The high school graduate percentages were lower among bonus enlistees than among other combat arms enlistees or the Army as a whole as shown below:

<u>Type of Enlistment</u>	<u>% High School Grads Among Total</u>
Bonus recipients	36%
Combat Arms enlistees	43%
Army true volunteers	48%

In order to improve the quality of combat arms enlistees, the Army recommended and the Secretary of Defense approved, in May 1973, an increase of the bonus amount to \$2,500 and establishment of high school graduation and test scores in Mental Group I-III as a condition of a four-year bonus enlistment. There was a precedent for this recommendation because the Marine Corps had required Mental Group I-III scores as a condition for award of an enlistment bonus.

Also, in May, a \$2,500 bonus was offered to high school graduate applicants in Mental Groups I-III for a four-year enlistment in 20 skills which were selected as critical skills in the "combat elements." This extension to 20 additional skills was terminated on June 30 because of Congressional reaction against it. A total of only 653 bonus enlistments were accepted during the two months of the test, but the indications were that a four-year enlistment could also be obtained in the more technical skills by use of a bonus.

The \$2,500 amount for the combat arms enlistment bonus was scheduled for review on October 1, after its evaluation by Army subsequent to the end of the good summer months for recruitment of high school graduates. The Army assessment recommended continuance of the \$2,500 amount, stating:

The conclusion reached is that a \$1,500 bonus for combat arms, open to all, has produced inadequate numbers (and, as will be shown, a poorer ratio of high school to non-high school graduates than among all male NPS accessions) and that a \$2,500 bonus for combat arms for Mental Groups I-III high school graduates produced insufficient numbers and a slightly richer proportion of high school/non-high

school graduates in the combat arms than for overall enlistments. ^{1/}

Although their estimates approximated those of the Army, the ASD(M&RA) staff leaned toward the \$1,500 bonus. The ASD(M&RA) study stated the conclusions as follows:

- A bonus is necessary to meet the FY1974 combat arms accession requirement of 45,000. With the \$1,500 bonus about 77% of the requirement would be met by direct enlistments for ground combat; with the \$2,500 bonus for high school graduates only, about 71% of the requirement would be met by direct enlistments for ground combat.
- The bonus at \$2,500 for high school graduates only would result in 56% of high school graduates compared to 45% high school graduates, with the \$1,500 bonus; this difference in the high school graduate proportion would be expected to result in fewer unsuitability discharges from the entry group -- about 4,800 discharges for unsuitability if the bonuses were confined to high school graduates compared to 5,500 discharges if nongraduates were also eligible.
- The \$1,500 bonus would be expected to result in 61% four-year enlistments among combat arms accessions compared to 38% for the \$2,500 bonus; budget outlays would be \$39 million compared to \$49 million; avoidance of training replacement costs, downstream would be \$75 million compared to \$49 million.

The analysis covered the major differences in the effects of the two bonus levels. Deputy Secretary Clements, who was the decision maker, agreed with the Army that the additional high school graduates were worth the extra costs of the \$2,500 bonus.

^{1/} Memorandum from Assistant Secretary of the Army (M&RA) to ASD(M&RA), Subject: Assessment of Combat Arms Bonus, August 1973.

COMMENTS ON THE RESEARCH EFFORT

An interesting effort to steer the course of research on the volunteer force was sponsored by ASD(M&RA) staff. ^{1/} The idea was to bring together key members of the community of analysts and researchers to discuss research programs with the planning and policy staffs who were potential users of the research. It was hoped that both groups would benefit; researchers and analysts would hear about policy problems on a first hand basis, and the policy staffs would hear first hand about the possible contributions of the analytical effort.

The unstructured discussion at the Analysts Workshop on "Sustaining the Volunteer Force" afforded an opportunity to listen to a group of Defense researchers and analysts talking among themselves in relation to their work on the volunteer force. Some of the observations, taken from the transcript, reveal a candid look at their work and its environment. The discussion constitutes an evaluation of the research effort by some of those who participated in it. Extracts from the discussion are furnished below:

- I would characterize our efforts to date in the volunteer area as a very enlightened stampede. The scientific work is a relatively small part of what its contribution could be. Too often, 'more is better.'
- Decisions sometimes were made in haste, sometimes without analysis. With the tools we now have we can finally begin to ask 'what if' questions and our managers will have something other than gut feeling to use.
- To sum up I would shoot for the short run product and for increment change as opposed to change all at once. Our system has a low potentiality for change; you can have the best idea in the world but it doesn't mean anything if the guy you showed it to says, 'I don't like it.'
- A lot of questions are asked where you are asked to

^{1/} Lt. Col. Richard Eisenman, U.S.A.F. (Retired), who served ASD(M&RA) in a consulting capacity, developed the idea of the workshops. He also planned and carried out the four workshops that were conducted. Eisenman later joined the staff of the Human Resources Research Organization.

extrapolate beyond the range of any data you may have. It is wonderful to think people can ask questions and push a button and then it says 'yes,' or 'no,' or 'tilt.' But you may have to sacrifice speed of response to quality of response.

- It seems to me that the people who are doing the research and analysis often have tremendously valuable ideas but we don't have a system for giving those insights to the people who make decisions. I know that you are last in the machinery that is the Defense Department.
- I think we haven't been creative enough in anticipating what the issues are going to be and that we have a data base to manipulate the problem. For instance, we should be looking at a tracking procedure that allows us to assess what is happening when we go to all these new bonus systems.

The proceedings of the conference summarized the discussion as follows:

The frank conclusion which was reached is that manpower analysts have been traveling in a circle -- never quite reaching the decision makers up ahead, never fully closing out a problem behind, regressing each new problem upon issues which must be studied first. We are doing a poor job of accepting our responsibilities to provide open and objective evidence on hard manpower issues which decision makers can digest. The difficulty is not in shortages of data or shortages of penetrating academic methods, or even shortage of talented analysts. The difficulty is in full communication with each other. 1/

1 / Sustaining the Volunteer Force, Proceedings of Analysts' Workshop, April 1973.

CHAPTER XII

THE PRESS AND PUBLIC OPINION

The press - the fourth branch of government.

Douglass Cater

Between 1965 and 1975, public opinion, press attitudes, and government policy changed dramatically on issues related to the draft and the volunteer force. The changes were accompanied by substantial media coverage of draft-related issues. There are about 1,700 daily newspapers in the United States, as well as many hundreds of periodicals and television and radio stations. The press is not a single entity, and it does not report news or editorialize on public issues in a uniform manner. Nonetheless, one characteristic is very common -- that of often operating as an informal branch of government in an adversary relationship toward the official branches of government. As American involvement in Vietnam deepened, public and press criticism of the draft rose. In its role of critic as well as reporter, the press had an effect on public opinion and political leadership.

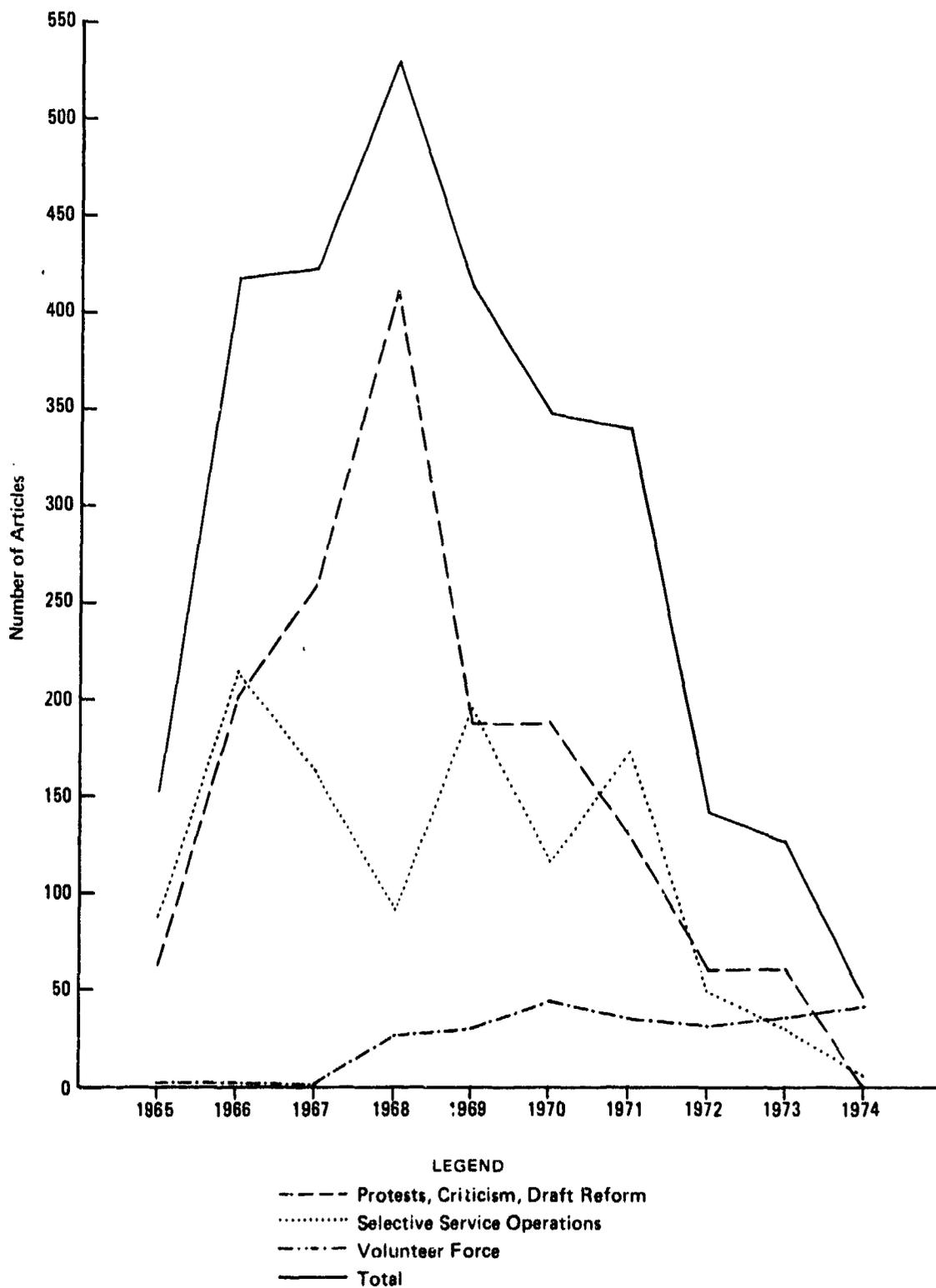
PRESS COVERAGE

Thousands of news items related to the draft and the volunteer force were reported between 1965 and 1975. The accompanying graph represents an analysis of the approximately 3,000 draft-related news items that appeared in the New York Times during that decade. The news stories and editorials are divided into three topical groups:

- (1) Anti-draft protests and criticism of the draft
- (2) Selective Service operations and implementation of the reforms
- (3) The volunteer force

Data for the annual total for each category and for all news items related to the draft are shown.

New York Times Coverage of Draft Related Topics



The increase in the reporting during the period 1965 to 1968 resulted from the American build-up in Vietnam, heavy draft calls, rising public protests, and the inability of government to achieve major draft reforms. The period during which the volume declined, 1969 to 1974, includes the gradual withdrawal from Vietnam, declining draft calls and protests, and the implementation of the lottery and other major reforms, and concluded with the end of the draft and the advent of the volunteer force.

The most frequently reported news items concerned the categories of (1) anti-draft protests and criticism of the draft, and (2) Selective Service operations and implementations of the reforms. News items related to the volunteer force were less frequent because the draft was an ongoing program with tangible effects while, during most of the decade, the volunteer force was off in the future, and speculative at best. People got emotional about the draft. They burned their draft cards, sacked Selective Service offices, went to jail, and otherwise showed their disapproval of government policies. Stories related to draft reform were widely reported, too, because changes in Selective Service procedures would affect men liable to the draft. When political leaders such as Senator Kennedy or President Nixon, advocated a lottery, the end of student deferments, and other reforms that might affect men subject to the draft, these were newsworthy items. Similarly, operations of Selective Service, such as the size of draft calls and the ceiling on lottery numbers, were widely reported.

By contrast, the attention given the volunteer force was relatively constant and less voluminous than that given to protests, criticism, draft reform, and Selective Service operations. People protested *against* the draft and Selective Service procedures; they did not demonstrate *for* a volunteer force. Consequently, attention from the media was not as great.

The years 1968 and 1969 also encompassed major news events that affected press coverage of the draft issue. These included the presidential election campaigns, the change of administrations, the adoption of the lottery, and the beginnings of a decline in draft calls and of withdrawals from Vietnam. The volunteer force emerged as a measurable news element during this time.

Because of the commitment of the Nixon Administration to the volunteer force, it received significant attention from the press. Initially, the press examined the notion of ending the draft, and later, the program for doing so. With the success of the volunteer force in 1974, the press still pays occasional attention to the problems of maintaining an All Volunteer Force. The last two sections of this chapter will examine more specifically the nature of press coverage of both draft reform and the volunteer force.

PUBLIC OPINION AND POLITICAL LEADERSHIP

Public opinion favored the draft in principle at the beginning of the 1965-74 decade, and change came slowly. In spite of the rising anti-war and anti-draft sentiment, a majority of the public supported the draft during the ten years it was a major issue. There was, however, an increase of public dissatisfaction with the way the draft operated and, after reforms were eventually made, there was strong public approval. As the volunteer force became governmental policy, public support for it increased significantly.

The inequities of the Selective Service System were becoming apparent before 1965. In late 1963 and early 1964, pressure from Congress and the press stimulated what was later to become the 1964 draft study. Draft reform and the possibility of a volunteer force were to be considered, but inequity was not yet the critical issue it became during the Vietnam War, so the public was not very concerned. In October 1964, the public favored continued peacetime reliance on the draft rather than on a professional All Volunteer Force. The margin was comfortable: 63 to 23 percent.

President Johnson relied on the draft to fuel the Vietnam build-up. Although this was a period of increasing public dissatisfaction with the war, public support for the principle of the draft remained stable. In protests and in the press, opposition to the draft and the war were frequently linked. Draft card burnings, the subsequent trials of the protestors, and anti-war demonstrations received much media attention. But, as the protests mounted during the build-up years, what is remarkable is that so long as the government and the President supported the draft as a permanent institution, the vast majority of the public did so, too. As late as January 1969, in the twilight of the Johnson Administration, a two to one majority of the people, 62 percent to 31 percent, still favored dependence on the draft even after the Vietnam War. ^{1/}

Though the principle of the draft remained accepted during the Johnson Administration even as a future peacetime reliance, the operation of Selective Service came under question. Equity was a major concern and public opinion was consistently split over the fairness of the draft laws. Half of the people believed undergraduate deferments were unfair, yet public opinion remained opposed to a lottery, a method to eliminate most of the inequities. Opposition to the idea of

^{1/} Dr. George H. Gallup, The Gallup Poll, Random House, New York, New York, 1972, Vol. III, p. 2180.

a volunteer force also continued. These facts are demonstrated by the following survey data from Louis Harris Associates and the Gallup Poll, both prominent polling firms.

Operation of the Draft

".... In general, do you favor or oppose the draft as it now works?"

	<u>Favor</u>	<u>Oppose</u>	<u>Not Sure</u> ^{1/}
August 1966	79%	15%	6%
February 1967	58	31	11
May 1968	53	36	11
March 1969	57	35	8

It is evident that public dissatisfaction with the operation of the draft increased between August 1966 and May 1968. This was a period of heavy draft calls and increasing anti-draft protests, criticism, and media attention. It was also a period of characterized by the consistent failure of efforts to reform the draft.

Fairness of the Draft

"Do you feel the present draft laws and the way it works is fair or unfair?" ^{2/}

	<u>Fair</u>	<u>Unfair</u>	<u>Not Sure</u> ^{3/}
August 1966	48%	36%	16%
June 1967	40	43	17
May 1968	48	40	12
March 1969	50	42	8

^{1/} Louis Harris and Associates, Inc., 1270 Avenue of the Americas, New York, New York.

^{2/} Ibid.

^{3/} Ibid.

".... Do you think this system (undergraduate deferments) of deciding whether college students should be drafted is fair or not fair?"

	<u>Fair</u>	<u>Unfair</u>	<u>Not Sure</u> ^{1/}
August 1966	45%	45%	8%
February 1967	44	46	10

It is apparent from these surveys that the people were usually about evenly divided on the fairness of the draft. Though opposition to how the draft worked grew between 1966 and 1969, it is surprising that the perception of its unfairness remained relatively constant at about 40 percent of the public. These three polls -- on the operation of the draft, on its fairness, and on college deferments -- show that more specific questions aroused greater expression of disapproval.

Although specific complaints against the draft were supported, the following survey data shows that proposals for a lottery or a volunteer force did not gather much public support.

".... If you had to choose, would you favor the present system or the lottery system for drafting 19-year olds?"

	<u>Lottery</u>	<u>Draft</u>	<u>No Opinion</u> ^{2/}
August 1966	25%	61%	14%
February 1967	25	58	17
June 1967	39	48	13
May 1968	31	54	15
March 1969	27	60	13

1/ Ibid.

2/ Ibid.

[During peacetime should the United States] "do away with the draft and depend upon a professional military force made up of volunteers, or do you think the draft should be continued?"

	<u>Volunteers</u>	<u>Draft</u>	<u>No Opinion</u> ^{1/}
October 1964	23%	63%	14%
January 1969	31	62	7

In summary, public opinion during the Johnson Administration appears to have provided continued support for the principle of the draft. This was accompanied, however, by (1) declining support for the way the draft worked, (2) a high level of perception of its unfairness, and (3) sharper perceptions of college deferments being unfair. In spite of these objections, the public was reluctant to change broad policies. They did not embrace the proposals for a lottery, nor did they swing over to the notion of an All Volunteer Force.

After a few months in office, President Nixon responded to the draft critics with several reform-minded actions which began a shift not only of governmental policy but also of public opinion. The President's Commission on the Volunteer Force was appointed in March 1969. A few weeks later the President proposed a lottery and a "youngest first" order of call, and reiterated his campaign goal of an All Volunteer Force. In December, he instituted the lottery, the draft of 19-year-olds, and the limit of vulnerability to one year. The following four polls show that as government policies changed, a reversal of public opinion on the lottery and the volunteer force occurred.

The Lottery and the Volunteer Force, March 1969

"During the election campaign, President Nixon favored abolishing the present draft and substituting a system of a volunteer armed force. Would you favor keeping the present draft system or substituting a volunteer system?" ^{2/}

^{1/} Gallup, op. cit., pp. 1911, 2180.

^{2/} Louis Harris and Associates, Inc., op. cit.

	Total Public %
Keep present draft	51
Substitute volunteer system	38
Not sure	11

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"It has been suggested that the draft be changed so that 19-year-old boys would be subject to a draft by lottery -- that is, any 19-year-old can be drafted, and if qualified, would serve in the armed forces. For those chosen, it might mean no deferment for college or any other reason. For the rest not drafted, they would know they would not be drafted and could make plans for a normal life. Would you prefer this new system of drafting 19-year-olds or the present system?" 1/

	Total Public %
Keep present system	60
Substitute lottery system	27
Not sure	13

Lottery, December 1969

"Under the new draft plan, young men of 19 will have their birthdays drawn out of a fish bowl and will be drafted by which birthdates are drawn out first. This will let young men know whether they are likely to be drafted or not. Do you tend to approve of this new draft plan?" 2/

NEW LOTTERY DRAFT TOTAL PUBLIC PERCENT	
Approve of new draft plan	73
Disapprove	16
Not sure	11

1/ Ibid.

2/ Ibid.

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Volunteer Force, January 1970

"Would you favor a volunteer army as a substitute for the present draft lottery system or would you favor keeping the present draft system?" 1/

VOLUNTEER ARMY

	Favor	Oppose	Unsure
Nationwide	52%	38%	10%

The sudden reversal of public opinion on the issues of a lottery and a volunteer force is startling, considering that public opinion had not previously supported either. Between March 1969 and the end of that year, the polls show a complete turnabout. As long as government policy had opposed both the lottery and the volunteer force, public opinion did so, too. When President Nixon reversed government policy on both, a reversal of public opinion soon followed. This is a clear case of the power of the President to lead and change public opinion.

THE PRESS AND POLITICAL LEADERSHIP

The press supported draft reform and the volunteer force somewhat sooner than the public. While most of the public supported changes in policy after the fact, the press was more inclined to support reforms before they occurred as well as afterward. This was consistent with the role often assumed by the press as a critic of government policy.

The first consideration of major draft reforms came late in the Johnson Administration. In March 1967, the Air Force analyzed press reaction to the various draft reform proposals. The analysis was timely because the positions of the Marshall Commission on Selective Service, the Clark Panel of the House Armed Service Committee, and the President had all been recently stated, and Congress was about to consider re-extension of the Selective Service Act. Though the analysis covered only a short period, it did include most of the country's

1/ Ibid.

major papers and networks. In the following data from the Air Force analysis, what appears most significant is the dominance of editorial comment on two issues: the lottery and the abolition of student deferments. On both issues media opinion split fairly evenly. Also noteworthy was strong support for the draft of 19-year-olds and a marked lack of attention to the notion of an All Volunteer Force.

Press Reaction to Draft Proposals ^{1/}

	<u>Favorable</u>	<u>Critical</u>	<u>Neutral</u>	<u>Total</u>
1. The Reform Proposals				
a. Random Selection (Lottery)	26	27	5	58
b. Abolish Student Deferments	15	18	7	40
c. Youngest Age Group First (19-year-olds)	16	0	2	18
d. Reorganize Draft Boards	5	3	1	9
e. Other Service (Peace Corps, etc.)	1	3	0	4
f. All Volunteer Force	1	1	0	2
2. The Present Draft System	4	10	2	16
3. The President's Message	8	5	5	18
4. The Marshall Commission Report	11	3	4	18
5. The Clark Committee Report	5	2	1	8

The analysis also shows that of the Marshall Commission Report, the Clark Report, and the President's message, the press was most favorable to the strongest endorsements of draft reform. Typical comments follow. The Washington Post wrote that both the President and his Commission had "moved a long way, and in the right direction, toward a better answer," and the Washington Star noted that the President's proposals "promise to correct a number of inequities" and were "tailored to improve a system never well designed for brush fire wars." By contrast, the

^{1/} "News Analysis, Press Reaction to the Draft Proposals," Research and Analysis Division, SAF-AAR files, March 15, 1967.

Clark Report, which was weaker on draft reform, received only mildly favorable comment. The New York News concluded that the report "might just conceivably work some improvement."

Comments on the draft system were critical. The press agreed that the system was "riddled with inequities" (Philadelphia Inquirer), but as the Hartford Curant noted, "hardly anybody agrees on what the changes should be." That realization led to some pessimism about the future of draft reform. The New York Times questioned the President's "puzzling absence of insistence on swift action to get rid of the unfairness." With a "shooting war" going on, the Times asked, why wait nearly two years to institute these reforms? And, the Washington Post perceived the eventual outcome. There was a danger, warned the Post, that the reforms could be "talked to death" and that it would take "strong Administration leadership" to "make certain that Congress does not cripple the President's freedom to improve the system without being able to agree on sensible improvements of its own."

During the 1968 presidential campaign, the media gave only passing notice to Richard Nixon's October radio address in which he proposed an All Volunteer Force after the end of the war. At that time, abolition of the draft was secondary to the war issue and less immediate than draft reform. Nevertheless, the issue did rise in media attention, mostly as a topic during the campaign. By 1969, the press was solidly behind draft reform.

Overwhelming press approval greeted President Nixon's plan to select inductees by a lottery. ^{1/} Most writers saw it as a step toward equity and the draft of 19-year-olds and limited vulnerability as measures that would facilitate career, family, and educational planning. "The Nixon lottery seems to meet" the requirement of spreading the "burden of compulsory military service more equitably among the young," said the Chicago Tribune, and the New York Times praised the plan as a "forward step toward fair play." Critical comment came mostly from those who felt the reforms did not go far enough to reduce the inequities of the draft. Many papers regretted that the President had endorsed the continuation of undergraduate deferments.

Although the implementation of the lottery was praised, its inadequacies during the first years of operation were quickly spotted by the press. There was a brief flap over whether the dates for the drawing had been adequately mixed because the numbers appeared skewed

^{1/} News Analysis, Press Commentary on the President's Draft Reform Proposals, Research and Analysis Division, Secretary of the Air Force, May 28, 1969.

toward particular months. More important criticism arose when the lottery failed -- because of the uneven distribution of lottery numbers and the continued reliance on the quota system -- to give registrants reliable knowledge as to whether or not they would be drafted. This led to support for the uniform national call. Typical comment came from the Kansas City Star:

The idea of a lottery is for every draft registrant to take his chances in a random drawing at a specific time in his life...but if this is not done on a nationwide basis, the lottery cannot function properly. 1/

In April 1970, the press approved overwhelmingly of the President's plan to end remaining educational and occupational deferments and to implement a direct national call.

While the lottery was going through its initial difficulties, the President's Commission was preparing to issue its report. When the report was released, the press response was again overwhelmingly favorable. 2/ The Richmond News Leader proclaimed, "Liberty has found a friend in the Gates Commission. Great Day!" "Compulsory military service violates American tradition," declared the Boston Globe, and the Chicago Daily News concluded:

While the newly functioning lottery is an improvement over the previous selection methods, the draft still has many inequities. Nothing short of terminating it altogether can remedy all its imperfections or bring an end to the unrest and divisions it creates among Americans.

Some papers supported the principles of the commission's report but questioned whether the draft could be ended by July 1971. "We, like the members of the Gates Commission," pondered the Des Moines

1/ The Kansas City Star, January 16, 1970, reprinted in Editorials on File, Inc., New York, New York.

2/ Based on the periodical, Editorials on File, which covers 130 newspapers which comprise one-third of the total national circulation. Among those 130 newspapers, 21 editorials on the volunteer force appeared between February 23 and 27, 1970. Sixteen supported the volunteer force; only five opposed it.

Tribune, "have found the evidence in behalf of a volunteer military force, with the draft on a standby basis, convincing. Differences over the date [of ending the draft] should not obscure the issue of ending the draft." Other than a few comments like that from the Des Moines Tribune, the favorable response to the Gates Report generally emphasized the philosophical arguments in support of a volunteer force. These included personal liberty, national traditions, and recognition that the draft had been unfairly distributed and personally disruptive. Increased pay as recommended by the Gates Commission and the argument that the draft was a tax in kind -- though not philosophical arguments -- were frequently cited in relationship to achieving equity. In addition, the news stories often noted that the recommendations of the commission had been unanimously agreed to, thereby increasing the impact of the report.

Not all major papers, however, agreed with the majority. The Los Angeles Times questioned the feasibility of the AVF, resurrected the \$17 billion cost estimate of the 1964 study, and then pleaded that a professional military would be a threat to civilian control. "Inevitably, and without conscious design," the Times warned, "the threat of a military caste with all that implies would arise."

The fear of a professional military became a common philosophical criticism of a volunteer force. Many newspapers and columnists took the position that a volunteer force would be elitist and distant from the restraints of civilian control, which were supposedly derived from the citizen-soldier notion of draftees. John D. Rockefeller IV was one such critic. On Meet the Press (NBC TV, March 29, 1970), Rockefeller described the draft as "one of the truly leavening, equalizing, democratic experiences our country has." 1/ Few of those who espoused the draft as a democratic institution, however, considered the absence of personal liberty involved in that "democratic experience."

Other papers did not reject the notion of a volunteer force but cited the Vietnam War and world tensions as reasons for continued reliance on the draft. The St. Louis Globe-Democrat wrote:

With world conditions as they are and likely to be for the next several years, an all volunteer army would be dangerously impractical. Until world tensions ease considerably, it is out of the question to eliminate the draft. 2/

1/ Meet the Press, NBC TV, March 29, 1970.

2/ Editorials on File, op. cit.

And the Philadelphia Enquirer cautioned:

It seems almost out of the question to introduce the volunteer system as quickly as the commission has suggested....

If the United States can safely eliminate compulsory military service, it should by all means do so....

Experimenting with the draft system during an unofficial war would seem to be as inadvisable as one that was accorded a name. 1/

Finally, some feared that anti-war and anti-draft protests were stampeding the nation into creating an All Volunteer Force. The long-range benefits of the draft, these critics maintained, would be sacrificed for a small temporary gain. "For millions of young Americans," printed the Twin City Sentinel (Winston-Salem, N.C.), "being drafted is the first long step toward becoming men." 2/

Throughout 1970, the editorial discussion continued, though at a much lower level since legislation for the transition to the AVF was not immediately forthcoming. In April, the President accepted the general thrust of his Commission on the Volunteer Force at the same time that he implemented and made additional recommendations for draft reform. For the volunteer force, he produced an outline of his intentions. But, his proposals to extend the draft, to phase out draft calls over an unspecified period, and to provide for an undefined standby draft were not specific enough to provoke extensive press commentary. The speculative nature of the coverage did not change until January 1971, when the Administration sent to Congress the enabling legislation for increased compensation and for a two-year extension of the draft.

Press reaction to the Administration's bills was favorable. Papers favoring the President's planned two-year extension of induction authority outnumbered by approximately three to one those favoring a faster transition to a volunteer force and by two to one those opposed to the volunteer force. 3/ Furthermore, as the Administration's

1/ Ibid.

2/ Ibid.

3/ News Analysis, "Press Reactions to the Administration's Plan for an All-Volunteer Force by July 1, 1973." Research and Analysis Division, Secretary of the Air Force, August 27, 1971, and Editorials on File, 1971, op. cit., pp. 189-193.

position became clear in January, some papers eased away from their earlier endorsements of the recommendation of the Gates Commission that the draft be allowed to expire in 1971. The Denver Post wrote:

This newspaper, agreeing with the President's own commission on an all volunteer armed force, has supported efforts to repeal the draft law on its expiration date this year [1971]. Yet we understand Nixon's [budgetary] dilemma over the matter....

Thus, realistically, some sort of extension of the draft beyond the July 1 cutoff this year may be necessary.

Other papers that had suggested the recommendations of the President's Commission needed further study now shifted their support to the Administration plan which involved a much slower transition. Thus, in the media as in Congress, the Administration position became an acceptable compromise position.

Because of the protracted exposure of all AVF and draft-related views during the Congressional hearings and debates of 1971, nearly all positions were presented well in the press. Consequently, the statements of each paper largely reflected those of similar-minded prominent Administration and elected officials. Those supporting the program of the Administration cited its declarations of the budgetary squeeze and the continued need of the draft. Those skeptical of or opposed to the Administration's program easily found their sustenance in the statements of Congressional leaders like Kennedy, Schweiker, Hughes, Stennis, and Hebert.

In the final months of the legislative debates in 1971, the press continued to be generally favorable to the program. When the induction authority expired on June 30, 1971, there were few warnings of any adverse consequences. It was not until September that the papers became vocal again when the Administration began to lobby for final passage of H.R. 6531, which incorporated most of the President's program. Papers which had supported the draft and the Administration plans for a gradual transition to a volunteer force started to clamor for Senate passage of the bill. "Maneuvers by a minority in the Senate to delay passage of the draft extension bill threatens a manpower crisis of the first order for our Armed Forces," wrote the San Diego Union. 1/ "Vietnam

1/ The San Diego Union, September 18, 1971, reprinted in Editorials on File, op. cit., 1971.

War or no Vietnam War, further extension of the draft was compulsory," wrote the St. Louis Globe-Democrat in an apparently unintentional pun after Senate passage of the bill. On September 25, The Blade (Toledo, Ohio) concluded:

There is, indeed, a sound argument for phasing out rather than summarily ending conscription. The proof of genuineness of the Administration's motives, however, will lie in achieving the volunteer goal during the breathing spell it has gained.

THE DEPARTMENT OF DEFENSE AND THE PRESS DURING IMPLEMENTATION

Passage of the 1971 legislative program to extend the draft for two years and to provide competitive entry pay and other incentives to move to a volunteer force signaled another shift in the press coverage related to the volunteer force. Philosophical considerations and arguments over general policy characterized press coverage through 1970. In 1971 attention shifted to legislative events. After passage of the legislation, the press focused on the implementation of the program and began to question whether it would be successful.

On their editorial pages, newspapers began to read the future. Generally, they foresaw a great deal of difficulty and high costs. The New York Times, for example, wrote:

The attempt to do away with the draft by paying the equivalent of civilian wages to recruits is likely to be an expensive failure and in the event of mobilization -- in the words of an Administration authority -- it would bankrupt the country.

The San Jose Mercury questioned whether the decision was good for the country and declared that it was "fortunate" that the decision was not irrevocable, saying:

The draft mostly provides infantry foot-soldiers because few young men can, for obvious reasons, be induced to volunteer for this kind of work. No more draft means no more massive infantry for-

mations. No more (or at least a lot less) infantry means the end of the so-called 'brushfire wars.' The alternative in this case is either the avoidance of war, if that is possible, or almost immediate nuclear confrontation.

The Christian Science Monitor was less pessimistic and even saw advantages if the size of the force could not be met on a voluntary basis and a reduction in military strength occurred:

It remains, of course, to find out whether the terms of service will attract enough volunteers. Mr. Nixon is aiming at a total armed force of 2.3 million men. That is a lot to raise without compulsion. But a leaner force could be more efficient.

Department of Defense officials were well aware of the need for public understanding of the Armed Forces in the move to a volunteer force. The Project Volunteer Committee, in their report, emphasized this point:

As Secretary Laird has said, we must 'restore the sense of duty, honor, and country which should symbolize the uniform and the man in it.' Along with this sense of high pride in the military profession, there is also a need for greater public understanding of the role of the military in American society. The military profession must be accepted by the American public as necessary, honorable, and rewarding in the context of dedicated service to the nation, if a volunteer force is to be achieved. 1/

Considering the negative image which the military had acquired during the Vietnam War and the widely publicized problems of drug use and

1/ "Plans and Actions to Move Toward an All Volunteer Force," report of the Project Volunteer Committee, August 14, 1970.

racial tensions, this emphasis on public understanding was not mere rhetoric.

General William Westmoreland, the Army Chief of Staff, and Admiral Elmo Zumwalt, the Chief of Naval Operations, began to receive favorable publicity for their personnel-oriented activities. Westmoreland continued a program he had begun in 1970 to visit bases worldwide and to stress three objectives of the volunteer Army -- professionalism, service attractiveness, and better recruiting. The trips publicized the fact that major reforms were under way. Westmoreland, writing in the New York Times in March 1972, recognized that the Army had problems but that the elimination of "make work jobs," the civilianization of K.P. and other nonmilitary functions, the end of reveille and other unnecessary formations, and more progressive educational programs signified a change. Westmoreland concluded:

I think it should be apparent that we hope to make service in the Army today a meaningful period in the soldier's growth as a person and as a citizen. Our focus is on people and their professional and personal development because, in the final analysis, our Army's strength in battle will be determined by the will and ability of the individual soldier, the competence and compassion of his leaders, and the esteem in which the American public holds its fighting forces. ^{1/}

Along with the serious reporting of the efforts by Westmoreland and Zumwalt to improve personnel management in the Services, the press covered the more frivolous aspects of the changes. There were numerous stories about the changes which allowed beer in the barracks and "go-go" dancers in enlisted mens' clubs. Arguments over the latest regulations governing hair styles and beards were as widely reported as news concerning the latest weapons systems. Such stories also increased public awareness of the volunteer force.

In order to encourage public and press support for the program, Secretary Laird and other Defense officials stressed the achievements of the volunteer force. The press usually treated announcements of reductions in draft calls as front page news. At his press conferences

^{1/} New York Times, March 10, 1972, p. 35.

Laird frequently recapitulated the progress. His press conference of August 28, 1972, is illustrative:

When President Nixon took office the draft calls were running at approximately 300,000. Those particular draft calls were reduced progressively over the last three years from 300,000 to 200,000, then 100,000 and this year we will have less than 50,000 inductees through the Selective Service System for filling the manpower requirements in the Department of Defense. We will reach the zero figure by June 30, 1973. 1/

The President released a statement on the same day, saying:

Four years ago I pledged that if elected I would work toward ending the military draft and establishing in its place an all volunteer armed force.... I take deep and special satisfaction in the progress that has been made. The experience of the past three years seems to show that sufficient numbers of volunteers can be attracted to the armed forces to meet peacetime manpower needs and that ending all dependence on the draft will be consistent with maintaining the force level and degree of readiness necessary to meet our vital, long term national security needs. 2/

Assistant Secretary Kelley was also a leading spokesman for the volunteer force. The following questions, asked at his press conference of August 28, 1972, are typical of the wide range of press interest in the progress and status of the program:

- What is the percentage of blacks among volunteers?

1/ Transcript, news conference by Melvin R. Laird, San Clemente, California, August 28, 1972.

2/ Statement of the President, Office of the White House Press Secretary, August 28, 1972.

- How do you propose to get 5,000 enlistments a month in the combat arms?
- Do you have any plans for using paid radio/TV advertising in the future?
- Why have you made this elaborate assessment of the zero draft effort at the start of a Presidential campaign?
- Could you explain the concept of sea duty pay?
- Does the Pentagon regard the concern of Navy wives at Norfolk about Admiral Zumwalt's lifting the ban against women sailors going to sea on warships so serious that they might back away from the Admiral's directive?
- What would make it possible to avoid draft calls entirely between January and July 1973?

The responses to most of these topics would come out in news stories.

As 1972 progressed the volunteer force was brought into the political campaign by some papers. The New York Times attributed political motivation to President Nixon's statement on August 28 that, if Congress enacted the pending Uniformed Special Pay Act of 1972, the draft could be ended, as planned, by July 1973. The Times, a frequent critic of the AVF program, accused Nixon of trying to run twice on the same campaign promise. In an editorial on September 3, the Times wrote:

President Nixon's pledge to eliminate the draft, if reelected, may go down in history as the twentieth century's most ingenious contribution to the art of electioneering: the 'two campaign promise.' Mr. Nixon ran successfully on that platform in 1968. Now, with the target date for a draft-free Army set for July 1973, he is campaigning on the same promise again. The irony of this admitted bid for the youth vote is that abolition of the draft is clearly a rubber promise.

The Times was wrong, however, for both the draft and the war soon ended. After December 1972 there were no additional draft calls, and the following month the agreements reached at the Paris peace talks paved the way for the final withdrawal of American troops from Vietnam.

News about the draft and the volunteer force "broke" fast in the next few months. Secretary Laird's announcement on January 27, 1973, that the goal of "zero draft" had been reached made news but was crowded off the front pages by the Paris peace agreement. The majority of editorial comment following this announcement was now pro-volunteer, but cautiously so. The Buffalo Evening News typically observed:

The Nixon Administration's ending of the military draft -- simultaneously with the Viet Nam cease fire but five months ahead of the time table previously set -- is a most welcome earnest of good faith on one of the most difficult of the President's first term promises. Even now it is conjectural as to just how well the shift to an all volunteer force will work out, and how much it will cost in the long run.... 1/

The Detroit News, as if writing an obituary, praised the draft:

The draft is dead but it can't be buried because no one can be sure that without it a volunteer force in sufficient numbers can be raised.... The draft brought together a citizen Army. It served a vital purpose for 30 years. During the Vietnam War, the draft itself persuaded thousands to volunteer to select the service of their choice. The incentive now has been lost. Will there be enough volunteerism to compensate for the loss of that spur? 2/

Several editorials during this period expressed skepticism about the reasonableness of the costs of the volunteer force, the sustainment of the Reserve Components, and the proportion of blacks.

On March 21, 1973, Secretary of Defense Richardson, who succeeded Laird, announced that the Department of Defense had informed the Chairman of the Armed Services Committees that:

1/ Buffalo Evening News, Buffalo, New York, January 30, 1973.

2/ The Detroit News, February 3, 1973.

...it will not be necessary to extend the draft induction authority beyond its expiration date of July 1, 1973. Not only have we not had to use the draft since January 1 but our recruiting and retention progress toward an all volunteer force now convinces us that there is no reason to ask the Congress to extend the induction authority, even on a standby basis. 1/

Ironically, some of the darkest days of press coverage of the volunteer force were just ahead. The Army began to miss its recruiting goals in February 1973, the first month after Laird's announcement of the end of draft calls. In March, when Richardson announced that an extension of the draft would not be necessary, the Army again missed its recruiting goals and continued to miss them until the following November. Coming immediately after the announcements, this failure to make recruiting goals was widely featured as failure of the volunteer force. As has been discussed, the missed recruiting goals did not really reflect an inadequate supply of volunteers; instead, the shortfalls largely resulted from the Army's efforts to improve quality by limiting the proportion of high school "drop outs" among new accessions. 2/

After Kelley left office in May, he was widely reported in the press as saying that the All Volunteer Force was being "sabotaged" within the Pentagon. The statement had the effect of focusing even more press attention on the success or failure of the volunteer force. General Westmoreland, having retired as Army Chief of Staff, described the obstacles confronting the volunteer force in an article which appeared in the New York Times in August. Although he reiterated the Army's commitment to the program, he explained that he was not confident that the problems which he cited could be overcome:

Less than one-third of the high schools across the nation have permitted access by Army recruiters to students.

A nationwide survey revealed that less than one half of the fathers of young men looked favorably on having their sons serve in the armed services.

1/ News release, Office of Assistant Secretary of Defense (Public Affairs), No. 48-73, January 27, 1973.

2/ See Chapter IX, pp. 322-389.

A number of similar nationwide surveys show that less than a quarter of young men are favorably inclined toward entering military service.

Market surveys show that awareness of Army opportunities is low, among the 17-21-year-old target group from which most volunteers are drawn.

Westmoreland concluded, "As a nation we have moved too fast in eliminating the draft. There are uncertainties as to the wisdom of the program." ^{1/}

As the Army continued to fall short of its recruiting goals, a number of articles appeared which criticized and defended the volunteer force. Among the critics, C.L. Sulzberger wrote in the New York Times:

The United States' reliance upon a volunteer military does not seem to be working and if an improvement in the rate of enlistment does not materialize, the nation will either be forced to reduce overseas commitments more than its policymakers desire or find a new defense budgeting approach. ^{2/}

Sulzberger and others suggested that some form of national service might be an alternative to the volunteer force policy.

In the meantime, Deputy Secretary William Clements inaugurated an effort to improve information furnished the press on the volunteer force. In June 1973, he attended the Project Volunteer meeting and heard the regular monthly briefing on progress and the outlook for recruiting, retention, and meeting military strength goals. His response was to observe that the facts showed that the volunteer force was working and that it was incumbent on the Department of Defense to make the facts clear to the news media -- both progress and problems. He directed that monthly press conferences be held and suggested that the same briefing material given to the Project Volunteer Committee be given each month to the press.

^{1/} New York Times, August 17, 1973, p. 31.

^{2/} New York Times, September 26, 1973, p. 4.

Clements, together with Lt. General Robert Taber, the Principal Deputy Assistant Secretary (M&RA), held the first of these briefings on July 18, 1973. Fifty representatives of the media were present. Clements explained his intentions:

I have taken a close personal interest in the progress of our All Volunteer Force program. It is my view that you gentlemen as representatives of the public must also be kept apprised of what we are doing. Therefore, this is the first of what I hope will be a series of monthly briefings for you on this particular subject. In this way you will know what we are doing -- the accomplishments, problems, challenges month by month. I don't think we should attempt to draw conclusions from any single month's statistics, but I do believe that over a period of months we'll all be able to assess this program in a straightforward manner. 1/

General Taber endeavored to put the recruiting shortfalls in perspective. He pointed out that the shortfall from authorized military strength was only 1.7 percent and that the Services, overall, had recruited 97 percent of their recruiting objective. He assessed the performance of the Services in positive terms, and candidly told the press that the Army would need to improve about 20 percent to meet their goals in FY1974. 2/

The press representatives responded, in time, as the briefings continued on a monthly basis. Assistant Secretary Brehm, who came into office in September 1973, personally conducted the briefings for the next six months and afterwards on a periodic basis. Brehm made the format as factual and objective as possible -- simply a standardized series of about 20 simple statistical tables which were handed out to the press representatives each month. The tables covered quantity, quality, and representation. After a few months the press representatives were able to interpret the data for themselves without a lot of comment from Defense officials.

1/ Transcript of news briefing with Mr. William D. Clements, Jr., Deputy Secretary of Defense, ASD(Public Affairs), July 18, 1973, p. 1.

2/ Ibid., p. 2.

The flow of news stories about the "failures" of the volunteer force gradually subsided. For the most part, news coverage went from page 1 to the back pages. Editorial comment also receded. After the end of FY1974, when the Services began to meet strength and recruiting goals consistently, press coverage generally reflected the success of the volunteer force. In June 1975, the New York Times Magazine ran a typically favorable cover story by James P. Sterber on the volunteer force. After describing the initial difficulties, the article concluded:

1974 was the turnaround year. High school graduates enlisting jumped from 56 percent to 61 percent. Enlistees in the Army's Mental Category I-III -- meaning average and above -- rose from 82 to 86 percent. The percentage of black enlistees dropped from 26 to 20 percent and kept dropping, easing fears that the Army was becoming a bastion of minority mercenaries but raising among a few people the novel concern that the Army was slowly becoming elitist. 1/

Looking back on the changes in policy, the difficulties involved, and the strong signs of success, Sterber wrote that the volunteer force had come a long way from the "dog days of Viet Nam and the draft." Press coverage, often supportive but more often skeptical, clearly had come a long way, too.

The pattern of 1974 seemed to be repeating itself at the end of 1976. The Army and Marine Corps missed recruiting objectives in the last quarter of the year and again the headlines suggested disaster. One news wire story described the volunteer force as a "sinking ship." The news of the moment is not always the best measure of trends. The Services are likely to meet their Active Force recruiting goals for FY1977 as a whole. This, too, when it occurs, will be reported by the press and other media.

1/ James P. Sterber, "In the (Volunteer) Army Now," New York Times Magazine, June 15, 1975.

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PART IV

FUTURE MILITARY MANPOWER POLICY

CHAPTER XIII

IMPLICATIONS FOR MILITARY MANPOWER POLICY

Those who do not read history are condemned to relive it.

George Santayana

The end of the war and the end of the draft closed an unhappy chapter in this country's history. Disillusionment with the federal government had increased and became widespread in the late 1960's and early 1970's. The war had divided the country and had catalyzed opposition to the draft. There were protests and riots both on campus and off; many young people had "dropped out." A feeling of malaise, not just about government but about the governmental process itself, had settled upon the country. The trauma of the Kennedy assassinations, the unfulfilled promises of the "War on Poverty," and, later on, Watergate contributed to the disillusionment.

For many, the end of the war and the end of the draft were a welcome demonstration of the vitality of democratic processes. The strong opposition to the Vietnam War by large segments of the public helped to bring about the withdrawal of United States forces from Vietnam. As shown in the preceding chapter, public opinion favored the draft policy by a small margin throughout most of the war but shifted in favor of a volunteer force policy as Laird, Kelley, and other spokesmen helped explain the Administration's volunteer force goals and programs. Other important effects and implications of the volunteer force are discussed below.

SOCIAL AND POLITICAL CHANGES FROM ENDING THE DRAFT

Important social and political changes have resulted from the end

of the draft and the advent of the volunteer force. A significant number of people have been affected. The men and women in uniform and their families receive better pay, housing, and education and enjoy a better working environment. Young men and women who choose not to go into Service are free of draft pressure. Their job, career, education, and family planning are no longer subject to disruption by the draft. Even with the lottery and the final draft reforms of 1971, the draft still had the basic inequity of taking only a few of the many available. The intangible benefits to a generation of young men of military age from the termination of the disruptions and inequities of the draft are incalculable.

The volunteer force has successfully changed an important relationship between individual young men and the government. Positive incentives to induce young men and women into military service have replaced the compulsion of the draft. The volunteer force is in the mainstream of this country's tradition of individual liberty. The idea of free, voluntary, individual choice is not alien to this tradition. If the general welfare can be served as well by voluntary choice rather than by governmental sanctions, most Americans prefer the option that offers the greatest personal freedom. It is now clear that the governmental function of raising and maintaining military forces to meet the peacetime national security needs of the United States can be met on a voluntary basis if the country is willing to support competitive pay and benefits for military personnel.

The notion of a citizen's obligation to serve his country still has considerable appeal to many. In the event of an all-out general mobilization, this obligation to defend the national security of the United States might have to be reasserted. In the meantime, we have to ask ourselves whether the alternatives to a volunteer force constitute a more viable military manpower policy. If a peacetime draft were reinstated and recruiting resources reduced but competitive entry pay levels retained, draft calls would be low -- perhaps on the order of 30,000 a year. This policy option would not do much to fulfill the belief that all citizens should serve their country.

Both universal military training and national service, although based on compulsion, are options that could fulfill the concept of a citizen's duty to serve his country. The concept appears to appeal more to middle-aged citizens than it does to young men and women whose choices might be constrained by the plans. Also, the size of the youth populations involved -- about four million young men and women turn 18 each year -- raises practical questions of cost, of whether four million useful jobs could be found, and of whether equitable policies could be developed to decide who would enter military service

and who would perform some other service. ^{1/} Therefore, a volunteer force policy appears to be, in concept and in practice, the most viable military manpower policy for the foreseeable future.

In the short time of its existence, the volunteer military manpower policy has helped to improve civilian-military relations in the country. Much of the friction which has existed in the recent past has disappeared. The prestige of the military is again relatively high. This is not only good for the Military Services, but it is good for the country as well. A major segment of the society -- the military -- has found greater acceptance.

Another benefit of the elimination of the draft is the spur it provides to improved utilization of people in the Services. As long as the draft and draft-induced enlistments furnished people at unrealistically low wages and costs, there was not as much incentive to give high priority to effective utilization of manpower.

The fact that the authority to reinstate the draft rests with Congress has significant implications for the conduct of foreign policy. The easy access to the draft made it possible for the size of the Vietnam commitment to exceed the country's willingness to support the war. Under a volunteer force policy, a sizable commitment of military forces would raise *in the beginning* the issue of whether the deployment could be sustained without the draft. Presumably and hopefully, the issue of the country's approval of the commitment and willingness to support it with the draft, if necessary, would be forced into the open for debate at an early stage. This must be regarded as a limit on the war powers of the executive.

The social and political changes which have accompanied the volunteer force and the end of the draft deserve to be maintained, for they have contributed to the country's well-being. The changes have affected executive authority and both military and civilian life. Few other governmental programs can claim to have affected so many people in such important ways.

^{1/} One cost estimate of a national service plan is \$30 billion annually. This estimate assumes that all young men are required to serve at the minimum wage. Richard V. Cooper, Defense Without the Draft, Rand Corporation, Santa Monica, California (to be published in 1977).

THE VOLUNTEER FORCE AS A CASE STUDY OF A MAJOR GOVERNMENTAL PROGRAM

The volunteer force represents the successful accomplishment of a major governmental program. The national government has not always been successful in accomplishing change. A combination of events and processes produced the change to a volunteer force, so it would be false to ascribe success to any single factor, or even two or three factors. The causes of success were multiple. Some were events peculiar to the history of the volunteer force, and some were the policy-making and management processes that may be useful to other programs and to other levels of government. The conditions which produced the volunteer force are discussed below.

- *Establishment of a rational, intellectual basis for the volunteer force preceded the actual change in policy.* The writings of Milton Friedman, William Meckling, Walter Oi, Stuart Altman, and other economists repeated over and over the theme that a volunteer force could be accomplished by making military pay competitive with the civilian sector. That message became available to a wider audience by the publication of the report of the President's Commission on the All Volunteer Force. The discussion over a number of years created an intellectual climate conducive to change.
- *The inequities of the draft were a matter of public record, but the Vietnam War was the catalyst for a change in public support of the draft policy.* As American involvement in Vietnam deepened, the inequities of the draft became more apparent. Until 1970, public opinion supported the draft. Because of President Johnson's decision not to recall the Reserves, the war's demand for men was supplied with draftees. The public sensed that there must be a fairer policy. When the Nixon Administration offered the volunteer force as a long-range goal, with continued reliance on a reformed draft until the end of the draft, the public approved of the plan. There was sufficient support from public opinion for the political leadership to proceed with the announced plan to end the draft.
- *The change in policy was sponsored by a President and an Administration that placed a high priority on maintaining a strong military establishment.* The Nixon Administration said that national security requirements would be placed first and that a volunteer force objective would be maintained only if it was consistent with national security. The public believed

this. If, in fact, the draft were necessary -- or was perceived by the American public to be necessary -- to assure the national security interest of the United States, the draft would, in all probability, still be in existence.

- *The legislative process, by accommodation and compromise, offset the strong polarization of views about the volunteer force.* In the end, the Administration's legislative program was enacted, although not in all cases in the form proposed. On balance, the changes which Congress made in the legislative proposals were beneficial to the volunteer force, and Congress, in general, provided adequate fiscal support. The flow of information and discussion that accompanied enactment of the legislative program also helped foster public support.
- *The role of the military leadership was appropriate to a democratic society.* The top military leadership of the Services recognized that the policy choice of continued use of the draft versus a move to a volunteer force was an issue properly to be decided by civilian leadership. Most of the military leaders were uncomfortable with the concept of a volunteer force, largely because they thought that sufficient resources to make it work would not be forthcoming and that military capabilities would be degraded. The military leadership was willing to view its legitimate interest as limited to the issue of whether voluntary enlistments and reenlistments could sustain authorized military strengths. Although not always enthusiastic about the change to a volunteer force, military leaders cooperated with the Administration's policy and program. The top military command could, if they had wished, have done much to assure the failure of the volunteer force; they considered it improper to do so.
- *Many governmental programs fail to solve the problem of leadership but the leadership of the volunteer force program was excellent. The program received top management support.* Secretary of Defense Melvin Laird gave the program an overriding priority, and Assistant Secretary Roger Kelley's great skills at obtaining the participation and cooperation of the top military leadership made him an ideal choice to develop and direct the program. In addition, there was a leadership "network" of hundreds of dedicated people throughout the Defense Department, as well as in the legislative branch, who devoted their time and energy to the program. Many of them have been mentioned throughout this report, but it would be impractical to recognize the hundreds of individual contributors. The changes in leadership, particularly Brehm's appointment as Assistant Secretary (M&RA), continued the

support of the volunteer force and helped to symbolize the institutionalization of the program.

- *Sufficient resources were made available.* If there was error, it was on the side of sufficiency. Insufficient resources would have jeopardized the accomplishment of the program. Separate funds for the volunteer force, mostly subject to Kelley's control, helped him to obtain the cooperation of the Services, although the Services were often dissatisfied with their share of allocations. Army proponents sometimes thought of ASD(M&RA) as too conservative, slow, and indecisive in allocating resources for Army needs. Indeed, on several occasions Army was turned down, and received approval for additional resources only after presenting its case several times. In general, however, there was adequate fiscal support of the program.
- *A clear-cut objective was established and the results of performance in meeting the objective were measured.* It was possible to evaluate progress toward the goal of a volunteer force by counting the number and quality of enlistments and reenlistments. The objective and important measures of progress were kept in sight, not lost amid bureaucratic squabbles over how to get to a volunteer force or whether timely progress was being made. These disagreements occurred but each time someone asserted the necessary leadership by pointing again to the common objective, the progress toward the goal, and the problems which remained. The bureaucratic arguments were more of a nuisance than a real threat to the accomplishment of a volunteer force.
- *As much as any single factor, military strength reductions below the pre-Vietnam levels, made a difference in reaching a volunteer force.* Early in 1970, studies by the Office of Procurement Policy, ASD(M&RA) suggested that a strength level of 2.2 million personnel might be the "turning point" of a successful effort. The reduction in Active military strengths was larger than the reduction foreseen by the All Volunteer Force planners at the time of the Presidential decision in early 1970 to move to a volunteer force. From the Vietnam War peak, Defense five-year plans contemplated a return to pre-Vietnam and pre-Berlin buildup baseline strengths of about 2.4 million personnel. By June 1972, the strength of 2,323,000 was the smallest since the 1950 buildup for the Korean War. By June 1973, strengths were down to 2.252 million and by June 30, 1975, down to 2.129 million where they were expected to level

off. Assistant Secretary Brehm described the strength request for 2.1 million for FY1976 in comparative terms:

- 585,000 lower than FY1964 just before the Vietnam War.
- 1.5 million lower than 1968, the peak of the Vietnam War.
- 152,000 (6.7 percent) lower than FY1973. 1/

The lower-than-expected strength levels greatly facilitated the maintenance of the All Volunteer Force.

For all these reasons, the military and civilian bureaucracies changed and changed rapidly to accomplish the All Volunteer Force. There were, of course, many conflicts, differences of opinion, and pockets of opposition. At times, Congressional efforts to control programs in detail threatened executive branch responsiveness to problems. On the whole, however, a vast organization was managed successfully in the interests of accomplishing a common objective. This was done by means of the participation in program formulation by those affected and concerned with the change. It was done by fixing responsibility for implementation on those who planned the program. It was done by measuring results. It was, in brief, done by good planning and management of the program -- by both the civilian and the military participants.

THE FUTURE OF THE VOLUNTEER FORCE

The United States joins the United Kingdom, Canada, and Australia in the use of a volunteer military system. The United States, however, has 2.1 million men (5.1 percent of military age males) in the Armed Forces compared to 345,000 in the United Kingdom (3.4 percent of military age males). In Canada and Australia the numbers and percentages are smaller. The United States is the only great power which has selected a voluntary military organization. That the United States accomplished this change in the face of anti-military attitudes after a divisive war is a remarkable tribute to the regenerative capacities of the country's governmental process. Currently, the volunteer force is successful. But what of the future?

If the volunteer force is well managed, there is no apparent reason to fear that it cannot be sustained. Some of the factors that will affect the sustainment of the volunteer force in the future are discussed in the following paragraphs.

1/ Statement of Assistant Secretary of Defense (M&RA) William K. Brehm before the Senate Armed Services Committee, February 24, 1975.

Although the population of 18-year-old males is forecast by the Bureau of Census to decline by 15 percent from 1978 to 1986, the Defense Department estimated that continuation of FY1974 application rates and enlistment rates would be sufficient to meet the projected accession requirements which also are expected to decline after 1978. 1/ The accession requirements for FY1975 were estimated to be higher than for other years through 1990. 2/ Accession requirements should decrease as longer initial terms of service, the end of two-year terms of service, and plans to smooth out accession requirements take effect. After 1981, the estimated requirements are forecast to level off at 350,000. It will be necessary, however, for the Services to continue to enlist for the Active and Reserve Forces between 1 out of 3 and 1 out of 4 young men who can qualify. In 1985 a decline of about 15 percent below 1976 levels in the population of young men of military age is expected to make the task more formidable in succeeding years. 3/ A smaller manpower pool after 1985 will compel consideration of actions to reduce the demand and increase the supply of male military personnel. 4/

Two conditions must be met to assure that the volunteer force attracts sufficient numbers and quality of personnel. First, the competitive position of the incentive structure must be retained. Second, young men and women who complete a term of service and separate must have had a satisfactory experience in terms of their military service -- their jobs, their relationship with military leadership, and the conditions of their life while in service.

Retaining the competitive position of the incentive structure does not mean that each and every benefit must be frozen, but rather

1/ "Accession Requirements and the Availability of Volunteers," a report to the Senate Armed Services Committee, ASD(M&RA), November 29, 1974.

2/ Actual accessions were 419,000 in FY1975 and 420,000 in FY1976.

3/ One estimate for 1985 is that the Services will need to recruit 1 out of 2 qualified young men. See, The All Volunteer Force: Can It be Sustained?, John D. Johnston and Joseph Guy, Washington Operations Research Council, April 1976.

4/ A Department of Defense study, The All Volunteer Force: Current Status and Prospects, December 1976, discusses such adjustments as the following: recruit more military women, attract more junior college graduates, recruit more prior service veteran males as methods of adjusting in the future to the smaller pool of male military personnel.

that the standard must be reasonable compared to that of the civilian sector. Manpower costs have risen in the 1970's and there will be pressure to cut them. The point at which the erosion of incentives would jeopardize the volunteer force is not known. The perception by present and prospective Service personnel of the relative advantages of a military job or career over civilian alternatives would have to shift at some point, if the incentive structure is not perceived as reasonably competitive. This shift will probably not become known to management until after it has commenced to occur. The first signs would probably be an erosion of the quality of incoming personnel. It will be necessary periodically for the Defense Department, the White House, and the Congress to restate their commitment to maintain a level of military pay and benefits that is comparable to and competitive with those in the civilian economy, and to live up to the commitment.

Financial incentives are not enough to maintain the volunteer force. If the experience of military life is unsatisfactory the word will get around and prospective applicants will be "turned off." Vast amounts of publicity, advertising, or recruiting sales efforts would not be able to overcome a failure of the Services to provide a situation in which the 17- to 19-year-olds who enter for a single term can grow and develop. The nation will benefit if this process of individual maturation occurs in young men and women who enter service. For the most part major industries do not target their employment opportunities at 17- to 19-year-olds. Most of the young men and women who enter service are undeveloped: they have interests, a high order of aptitudes, and much potential, but most of them have not yet developed marketable skills and abilities. These can be acquired in three or four years of military service, along with further advancement of their educations.

Personnel costs are a major slice of the Defense budget, and in assessing the future prospects for the volunteer force, the burden of personnel costs cannot be ignored. Assistant Secretary Brehm (M&RA) identified the "escalating costs of manpower" as a critical issue when he appeared before the Manpower Subcommittee of the Senate Armed Services Committee to defend the FY1977 budget. "We are putting forth a package to restrain the growth of the average cost per person," Brehm explained.^{1/} For the most part the escalation was the price of inflation. The savings from cuts in personnel did not offset the cost of keeping military, civilian, and retirement pay -- including cost-of-living adjustments -- comparable to pay in the private sector.

^{1/} Part 3 "Manpower," hearings, Committee on Armed Services, United States Senate, February 6, 1976, p. 1417.

Brehm placed the Department of Defense squarely in a position of restraining manpower costs. Among the specified actions being taken or planned were the following:

- Propose legislation to see that Defense blue collar workers did not earn more than their nongovernment counterparts.
- Eliminate the 1 percent addition which is now added to the cost-of-living adjustment for military retirement to make up for the time lag in matching pay adjustments with increases in living costs.
- Divide increases in military compensation equally between basic pay, quarters allowance, and subsistence allowances instead of allocating all of the increase to basic pay, thereby reducing future retirement costs.
- Reduce Proficiency Pay, Enlistment Bonuses, and Reenlistment Bonuses.
- Terminate Travel Payments to the home of individuals who are discharged for purposes of reenlistment.
- Eliminate subsidies to commissaries, reducing the savings to military personnel from the use of commissions from about a 20 percent saving on commissary purchases to about 10 percent.
- Eliminate military pay for Reserve duty of federal employees who are members of the Selected Reserve.

Brehm estimated that the savings from these actions (mostly from the adjustment of blue collar civilian employee wages) would be over \$2.8 billion in FY1977 and that the savings would be even larger by FY1980. 1/

Unless military personnel believe their compensation and benefits package is reasonable competitive, they will not accept a change in it which they think may be adverse. Communications between policy makers and military members must be handled very well. Just as other employees do, military personnel like to know about, understand, and have some voice in matters which vitally affect them. Sometimes it is not what

1/ The list illustrates the Department of Defense emphasis on reducing manpower costs. Some of these items -- blue collar wage reforms and reform of Reserve compensation and commissary reductions -- were turned down by Congress.

is done but how it is done that hurts morale. The perceived threat to military pay and benefits became sufficiently strong in 1976 that the Joint Chiefs of Staff expressed their apprehensions to the Secretary of Defense. It is not only necessary to maintain a reasonably competitive incentive structure but also to maintain communication with military personnel so that they perceive the incentives as competitive, particularly when reductions are made.

Finally, the Department of Defense would do well to cope with the problem of rising personnel costs through an intensive review of utilization rather than to allow cuts in incentives to become a persistent trend. The exact requirement for a particular military function is often not precisely known. There are varying manpower standards among the Services for given functions. Some of the variances are attributable to accounting differences, some to different organizational procedures, and some to unjustifiable differences in "standards of living." The techniques for determining manpower requirements are aids to judgments, rather than precise measuring instruments, but it is possible to observe manpower utilization and to make adjustments with reasonable projections of the consequences in terms of costs and effectiveness.

Although the Active Forces were at 99+ percent of their authorized strength of 2.087 million at the end of FY1976, some management problems needed attention. Three major management problems which need attention are:

- Management of first-term loss rates.
- Sustainment of the Reserve Components.
- Maintenance of a viable standby draft organization. ^{1/}

High first-term loss rates because of the separation of individuals prior to completion of their first term of service were not anticipated under the volunteer force. During FY1976 about 20 percent of the non prior service intake from FY1975-76 were separated prior to completion of the first year of service. The trends varied by Service: early attrition was increasing in the Army and Marine Corps and decreasing in the Navy and Air Force. Under the volunteer force the Army, in particular, has made it easier to obtain a discharge than it was under the draft.

^{1/} The decline in the proportion of high school graduates in FY1977 was interpreted by many as one such problem. The apparent decline from 75 percent of accessions in FY1976 to 64 percent in FY1977 was partly accounted for by a reporting change. The practice of counting an enlistee who entered with a General Educational Development certificate as

As a result of high early loss rates, the accession requirements had not been reduced, except in the Air Force, as had been expected as a result of the longer terms of enlistments obtained in the volunteer force. At the end of FY1976 Army accession requirements were estimated to average 178,000 annually through 1982, about 20,000 higher than had been estimated two years earlier. At the other end of the scale the Air Force estimated a minimal average accession requirement of 68,000 through FY1982. Improvements in loss management with a consequent reduction of accession requirements remain as viable goals. The stable steady state for the volunteer force -- low accessions and a self-sustaining reenlistment rate by skills guaranteed by the volunteer composition of the entry group -- had not been attained in all Services.

The issues of the status of the Reserve Components and the standby draft system under a volunteer policy involve questions of national security. What will be the status of the Reserve Components and the standby Selective Service System if they are needed? In the final analysis, the fundamental requirement of a volunteer military manpower policy is that it provides the capability for the United States to meet its potential military needs. In the event of an emergency, the Active Forces can be expanded from about 2.1 million to nearly 3 million by recall of the Reserve Components. Three possible situations -- a mobilization for an European, a Middle East, or a Chinese Communist operation -- would probably necessitate a return to the draft. In the event of other operational deployments of smaller forces, selective recall of units of the Reserve Components accompanied by a limited expansion of voluntary enlistments should prove to be sufficient. The status of the Reserve Components as well as the standby draft machinery are, therefore, key issues.

The manning of the Reserve Components in the current year and the next appears to be a problem. The reduced strengths of the Selected Reserve can probably continue to be met in most of the components. At the end of FY1976 there was a shortfall of only about 5 percent from the total Department of Defense year-end authorization. The outlook for FY1977, particularly the U.S. Army Reserve, is not good. The estimated accession requirements of 120,000 non prior service and prior service personnel is about double the peak number recruited in any one year since the end of the draft. After FY1978, however, the

a high school graduate was discontinued. This reporting change is more accurate and accounts for about half of the decline. A more precise measure is the number of diploma high school graduates. This average number of diploma high school graduates, which was 243,000 for CY1974 and 1975, declined to 238,000 for CY1976.

outlook is more favorable. Long range estimates of accession requirements are significantly lower; also, the Army took an important initiative in August 1976 to move, for the first time, to a full-time, dedicated, stable recruiting force for the U.S. Army Reserve. In FY1978 the Army National Guard will reach a peak in its accession requirements. As of the beginning of 1977 shortages were concentrated in ground combat skills -- infantry, armor, and artillery. Although the Reserve Components of the Services other than the Army may barely meet accession requirements as a result of increases in recruiting resources, it is time to consider an enlistment bonus incentive for ground combat jobs and educational incentives for other short skills in the Reserve Components to remove them from their marginal position.

As of 1977, a viable standby draft organization does not exist. In early 1976 the Selective Service System abolished the remaining local draft boards and became a planning agency. The budget for FY1977 was reduced to \$6.8 million and the System was referred to as being placed in "deep standby status." This was a very long distance from the strong standby draft system which seemed so important to the Administration and to the Congress in 1971. The change is attributable to a change in the Department of Defense statement of military requirements in relation to Selective Service capabilities. Even if Selective Service were in a fully capable standby position, the first draftee who entered after mobilization could not be trained in less than four months and the production of 100,000 trained draftees would take about six months. The Director of Selective Service had advised Defense that the delay caused by a "deep standby posture" would only be two additional months. Assistant Secretary Brehm testified that the immediate military need was to find a solution for meeting the Army's requirements for trained manpower during the first few months of a war in Europe and that Selective Service was a hedge against a protracted conflict. He placed emphasis on finding a solution to the Army's problem of individual replacements and fillers for the Reserve Components.

Brehm's position was that neither the draft nor the military manpower obligation now in existence would meet the mobilization requirements of the early months of an intense conflict in Europe. ^{1/} Most wars, however, do not, despite the inconvenience, proceed according to plan. It would be less of a risk to maintain Selective Service in a position strong enough to conduct an annual registration, in order to retrieve the two months of delay expected because of the present "deep standby" posture of Selective Service. The costs of such an improved posture were estimated at \$11 million additional funds annually. This "insurance policy" would not be too costly.

^{1/} Department of Defense Appropriations for FY1977, Reserve Components, hearings before the Defense Subcommittee, House Appropriations Committee, March 1976, pp. 328,329.

CONCLUSION

After four years without a draft call it now appears that a volunteer force can be maintained and can meet the national security needs of the United States. The Armed Services are considered by their professional leadership to be capable of a high state of readiness and performance. The personnel inventory -- officer and enlisted -- approximates a cross-section of the population, with a somewhat heavier proportion of blacks among the enlisted personnel and a somewhat lighter proportion of blacks among the officers. Enlisted entrants are generally representative of non-college-bound young men and women in the country -- most of them in the upper half of the military age population in terms of mental abilities. The outlook for the Reserve Components is not as favorable as for the Active Forces, but can be corrected by the provision of adequate incentives and by more effective recruiting.

In case of certain large-scale deployments in event of a military emergency, it may be necessary to once again rely on the draft in addition to recall of the Reserve Components. A prudent national security policy would include a viable, standby Selective Service machinery which would meet military manpower mobilization requirements on a timely basis if there were a general war. As of the end of 1976, it does not appear that this insurance is being provided.

The volunteer force is a major social change which has proved to be of benefit to young men and women. The social costs of the draft, borne by the young, have been eliminated. The Armed Services provide a useful option to many young men and women for furthering their education and training, particularly in times of high youth unemployment in the civilian sector. It is desirable to keep this option available on a voluntary basis.

The budgetary costs of a volunteer force have proved to be reasonable. The substitution of a policy of competitive military pay for "cheap labor" costs of the draft has not been made at the expense of funds for military hardware and equipment, as some had feared, or caused significantly higher taxes as a result of redistributing the implied tax of the draft from the young to the population as a whole.

The United States, it appears, has achieved a satisfactory military manpower policy, which can be sustained by good management on the part of both civilian and military leadership. As discussed earlier, some adjustments to reduce the demand and to increase the supply of male military manpower will have to be made as a result of the smaller pool of male personnel after 1985.

There will always be some who would prefer to return to the draft. In December 1976, Senator John Stennis said the draft should be recon-

sidered. In January 1977, Senator Sam Nunn described the volunteer force as being on the "ragged edge." When the Army missed recruiting objectives by 6 percent and the Marine Corps by 15 percent in the last quarter of 1976, the press and other media once again featured the difficulties of the volunteer force. 1/

The American people, if they wish the volunteer force to be sustained, need to demonstrate interest in the volunteer force and in an effective, well-managed Department of Defense. Without this public support the country may, unnecessarily, face again the problems and the inequities of the draft.

1/ Fiscal Year 1977 began in October instead of July. Between October and June, the only good month for high school graduate recruiting is January. The Services are likely to make up any slippage in recruiting during June-September -- the last four months of the fiscal year. Seasonally, these are the best months for recruiting high school graduates.

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APPENDICES

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APPENDIX A

CHRONOLOGY OF IMPORTANT EVENTS

October 18, 1968	Presidential candidate Richard Nixon promises in a radio speech to move toward an All Volunteer Force once the Vietnam War is over.
March 27, 1969	Appointment of the President's Commission on an All Volunteer Force under the chairmanship of the Honorable Thomas S. Gates, a former Secretary of Defense.
April 1969	Appointment of the Project Volunteer Committee by the Secretary of Defense to develop a program to move to an All Volunteer Force.
December 1969	Lottery draft begins.
January 1970	Program Evaluation Group, Project Volunteer Committee, reports All Volunteer Force is feasible if sufficient incentives are made available.
February 1970	The President's Advisory Commission sends to President Nixon its report recommending immediate entry level pay raises for military personnel and the end of the draft in 1971.
March 1970	National Security Council decision to set aside \$3.5 billion in FY1973 funds to move to a volunteer force.
April 1970	President Nixon announces the Administration's decisions to seek military pay raises and an extension of the draft beyond July 1971, and to move toward ending the draft.
August 1970	Project Volunteer Committee submits its report to the Secretary of Defense recommending a program to reach an All Volunteer Force.
October 1970	Secretary Laird informs Secretaries of Military Departments and Chairman of the Joint Chiefs of Staff that the "goal is to reach zero draft calls by the end of FY1973."

October 1970 General William A. Westmoreland announces in a speech to the Association of the U.S. Army that the Army will leave "no stone unturned" to reach a volunteer force.

October 1970 Lt. General George Forsythe appointed as the Special Assistant for the Modern Volunteer Army.

December 1970 Secretary Laird approves \$1.5 billion Project Volunteer program for FY1972.

December 1970 First Annual Joint DOD Recruiting Conference held to plan for expansion and strengthening of Recruiting Services.

January 1971 President sends to Congress legislation to increase military pay, to reform the draft, and to extend the draft until July 1973.

January 1971 Army reprograms funds to initiate Project Volar to improve Service living conditions and to conduct paid radio-TV advertising campaign.

February 1971 House and Senate Armed Services Committees begin hearings on the Administration's bills and other bills related to the volunteer force.

February 1971 Army offers attractive new enlistment options: unit-of-choice, geographic area of choice, school and career field of choice.

March 1971 Army begins paid radio-TV advertising campaign.

April 1, 1971 House approves most of the Administration's program but doubles the Administration's recommendations for increased military compensation.

June 24, 1971 Senate passes amended version of House bill and reduces the compensation provisions to the Administration's proposals.

July 1971 Under FY1972 budget, new funds become available for volunteer force (actions which do not require legislative authority).

July 30, 1971 House and Senate conferees agree on compromise bill to extend and reform the draft and to increase compensation \$2.4 billion.

September 21, 1971 In Public Law 92-129, Congress enacts legislation to extend draft for two years, to end undergraduate deferments, to implement a direct national call, and to provide substantial increase in entry pay, and other volunteer force legislation.

September 1971 Air Force offers guaranteed school-of-choice in return for six-year enlistment.

December 1971 Office of Management and Budget limits FY1973 Project Volunteer budget to continuation of existing program; expansion of the program is disapproved.

January 1972 Central All Volunteer Force Task Force appointed to furnish staff assistance in the volunteer force effort.

March 1972 Special Pay Act of 1972, designed to solve special manning problems of the volunteer force, was introduced in Congress; never got out of committee.

May 1972 Ground Combat Enlistment Bonus initiated in Army and Marine Corps.

June 1972 General Westmoreland, ending his tour of duty, writes President Nixon recommending retention of Selective Service law for use when needed. "Such standby authority would serve as an incentive for enlistments ...keep the draft mechanism alive, and enable the President to ensure that a cross section of America is represented in its Armed Forces. The actual use of the draft authority under such conditions would, I believe, be so limited that it would not be onerous."

June 1972 Rear Admiral (later Vice Admiral) Emmitt Tidd appointed Commander, Naval Recruiting Command, to reverse downward trend in Navy recruiting.

September 1972 Congress passes Uniformed Services Health Professions Revitalization Act of 1972, authorizing medical university for the Services and increasing medical scholarships.

August 1972 Congress approves \$14 million supplemental funds for Navy recruiting and advertising.

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APPENDIX B

STATISTICAL TABLES

Military Personnel Strength By Services FY1970-FY1977 (Planned)
(In Thousands)

<u>Year (30 June)</u>	<u>DOD Total</u>	<u>Army</u>	<u>Navy</u>	<u>Marine Corps</u>	<u>Air Force</u>
1970	3,066	1,323	693	260	791
1971	2,715	1,124	623	212	755
1972	2,323	811	588	198	726
1973	2,253	801	565	196	691
1974	2,162	783	546	189	644
1975	2,128	784	535	196	613
1976	2,081	779	525	192	585
1977 (Planned)	2,093	789	541	192	571
	<u>P e r c e n t o f T o t a l</u>				
1970	100	43	23	8	23
1971	100	41	23	8	28
1972	100	35	25	9	31
1973	100	36	25	9	31
1974	100	36	25	9	30
1975	100	37	25	9	29
1976	100	37	25	9	29
1977 (Planned)	100	38	26	9	27

Source: John Rosenthal, Directorate of Accessions Policy, OASD(M&RA)

Table B-1

**Enlisted Personnel Entries, By Source,
FY1970-FY1977 (Planned)
(In Thousands)**

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<u>Fiscal Year</u>	<u>Total</u>	<u>First-term Enlistees</u>	<u>Draftees</u>	<u>Others^{1/}</u>	<u>Percent True Volunteers</u>
1970	678	424	207	47	36
1971	612	396	156	60	44
1972	471	397	27	47	73
1973	516	428	36	52	80
1974	438	391	-	47	100
1975	471	415	-	56	100
1976	438	397	-	41	100
1977 (Planned)	455	421	-	34	100

^{1/} Includes prior service personnel, reserve recalls.

Source: John Rosenthal, Directorate of Accessions Policy,
OASD(M&RA).

Table B-2

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Non-Prior Service Enlisted Accessions
By Mental Group and Educational Level
FY1970-FY1977 (Planned)

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(In Thousands)

<u>Fiscal Year</u>	<u>Mental Group</u>			<u>Educational Level</u>	
	<u>Group I-II</u>	<u>Group III</u>	<u>Group IV</u>	<u>High School Graduates</u>	<u>Non-Graduates</u>
1970	153	174	97	305	119
1971	139	170	87	273	123
1972	135	191	71	286	111
1973	145	223	60	291	137
1974	137	215	39	258	133
1975	158	232	25	299	116
1976	163	214	397	298	99
1977 (Planned)	185	215	421	316	105
	<u>P e r c e n t D i s t r i b u t i o n</u>				
1970	36	41	23	72	28
1971	35	43	22	69	31
1972	34	48	18	72	28
1973	34	52	14	68	32
1974	35	55	10	66	34
1975	38	56	6	72	28
1976	41	54	5	75	25
1977 (Planned)	44	51	5	75	25

Source: John Rosenthal, Directorate of Accessions Policy, OASD(M&RA)

Table B-3

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